



**STATEMENT OF
JOHN KAMIN, ASSISTANT DIRECTOR
NATIONAL VETERANS EMPLOYMENT AND EDUCATION DIVISION
THE AMERICAN LEGION**

BEFORE A HEARING OF THE

**SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
VETERANS' AFFAIRS COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES**

ON

PENDING AND DRAFT LEGISLATION

JULY 17, 2019

EXECUTIVE SUMMARY

**STATEMENT OF
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Draft: To direct the Secretary of Veterans Affairs to study the link between certain economic factors and veteran suicides.	Support

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Chairman Levin, Ranking Member Bilirakis, and distinguished members of the committee, on behalf of our National Commander, Brett P. Reistad and our nearly 2 million members, we thank you for inviting The American Legion to testify today.

The American Legion is directed by millions of active Legionnaires who dedicate their time and resources to the continued service of veterans and their families. As a resolution-based organization, our positions are guided by nearly 100 years of advocacy and resolutions that originate at the grassroots level of our organization. Every time The American Legion testifies, we offer a direct voice from the veteran community to congress.

H.R. 561 – “Protecting Business Opportunities for Veterans Act of 2017”

To amend title 38, United States Code, to improve the oversight of contracts awarded by the Secretary of Veterans Affairs to small business concerns owned and controlled by veterans, and for other purposes.

When a Service-Disabled Veteran-Owned Small Business (SDVOSB) or Veteran-Owned Small Business (VOSB) is awarded a contract under VA’s Vets First Program, they are required to perform a certain percentage of the work. However, there is a longstanding problem of improper “pass-throughs” in the program where businesses profit from the contracts while performing little or no because they are subcontracting the work to other companies to complete.

H.R. 561 would require participants in the Vets First Program to certify that they are performing the required percentage of work and directs VA to refer suspected violators to the Office of the Inspector General (OIG) for investigation. Making this a more explicit part of OIG’s mission should encourage them to devote more resources to it. This is crucial in light of the Supreme Court decision in Kingdomware because essentially every VA small business contract is now set aside for VOSBs/SDVOSBs.

H.R. 561 also directs the VA Secretary to consider whether existing administrative and criminal penalties for fraudulent representation would apply in each case. By protecting VOSBs and SDVOSBs that play by the rules from bad actors that are abusing the system, this bill would improve opportunities for our nation's veterans. Resolution No. 21: *Support Reasonable Set-Aside of Federal Procurements and Contracts for Businesses Owned and Operated by Veterans*,¹ supports legislation that will provide assistance to all veterans, including disabled veterans and members of Reserve Components of the United States military to ensure equal opportunity for veterans to start or grow a small business, including establishing numerical goals for all veterans to compete in government procurement.

The American Legion supports H.R. 561 as currently written.

H.R. 716 – “Homeless Veterans Legal Services Act”

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into partnerships with public and private entities to provide legal services to homeless veterans and veterans at risk of homelessness.

The causes of homelessness can be grouped into three categories: health issues, lack of affordable housing, and economic hardships. The complexity of issues affecting homeless veterans requires a variety of expertise. A full continuum of care - housing, employment training and placement, healthcare, substance abuse treatment, and follow-up case management - depends on many organizations working together to provide services and adequate funding. This diverse network of providers is necessary to address the complicated multifaceted issues associated with homelessness.

Legal issues are often symptomatic of homelessness and the fees associated with them add to an already complicated economic situation for many of our veterans. A variety of relatively routine legal issues can often compound to form seemingly insurmountable reentry obstacles to housing or reemployment.

This legislation, if enacted, would direct the Secretary of the VA to enter into partnerships with entities that provide legal services to veterans. Therefore, extending the network of providers that ensure legal services are made available to this vulnerable veteran population.

The American Legion, through resolution, supports this comprehensive approach to combating veteran homelessness. The American Legion Resolution No. 324: *Support Funding for Homeless Veterans*, calls for the continued support of public and private sector agencies and organizations that aid homeless veterans and their families.²

The American Legion supports H.R. 716 as currently written.

¹ <https://www.archive.legion.org/handle/20.500.12203/9916>

² <https://archive.legion.org/handle/20.500.12203/5640>

H.R. 1615 – “Verification Alignment and Service-disabled Business Adjustment Act” or the “VA-SBA Act”

To transfer the responsibility of verifying small business concerns owned and controlled by veterans or service-disabled veterans to the Small Business Administration, and for other purposes.

The National Defense Authorization Act for Fiscal Year 2017 included §1832 and §1833, mandating the federal government adopt streamlined definitions for a service-disabled veteran owned small business (SDVOSB) along with mandating the Small Business Administration (SBA) take regulatory responsibility for matters of certification. Further, President Trump’s Administration also signaled the desire to streamline all certification processes by providing a “one-stop shop” within SBA.³ The president’s proposal follows The House Small Business Committee’s work to reconcile the language in 38 CFR §74 and 13 CFR §125 to protect the integrity of the SDVOSB program. The regulations are aligned, but the processes for veteran small business certification differ between the Department of Veterans Affairs (VA) and the rest of the agencies across the federal government. This is creating confusion for contracting officers and veteran business owners.

With the streamlining of the regulatory definition and standards for SDVOSBs, The American Legion agrees that SBA should absorb the respective responsibilities of the VA’s CVE. The American Legion Resolution No. 155: *Support Verification Improvements for Veterans' Business*, supports legislation that calls for SBA to assume responsibilities for the verification of service-disabled veteran-owned businesses and veteran-owned small businesses, based on the agency’s expertise.⁴

The American Legion believes Congress should finish the work that it began when Congress moved towards a single set of SDVOSB definitions by consolidating the accrediting process to a singular-certifying-agency and end the current form of self-certification at SBA. Lastly, The American Legion believes SBA already possesses the capabilities to have businesses apply for certification through certify.sba.gov. The American Legion calls on Congress to examine using SBA’s existing system rather than developing a new system at the cost of millions of dollars to the taxpayer.

Finally, in 2017, SBA wrote in the Federal Register, “In response to the NDAA 2017 changes, SBA is proposing to amend the definitions in §125.11 by incorporating language from VA’s regulations and also from SBA’s 8(a) Business Development (BD) program regulations.” Currently, the SDVOSB program is a set-aside program and not a BD program. In comparison, 8(a) is a business development program where SBA assists small businesses by ensuring they maintain program eligibility. Comparatively, Vets First takes the form of a certification program, where CVE’s role is the gatekeeper, determining who is eligible. The two programs may serve

³ Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations

⁴ <https://archive.legion.org/handle/20.500.12203/5497>

similar purposes, but they have different goals. The alignment of the regulations now hold the veteran small business set-aside program to the same standards as the BD programs. As such, veteran small businesses will be subject to that same standard and rigor, but receive none of the benefits and assistance of the BD programs. The American Legion believes that if the standards are the same across the board, then SDVOSBs should receive the same type of assistance as the BD programs. The incorporation of BD elements into the SDVOSB programs is the logical next step and is consistent with regulation alignment with 8(a) language and moving verification to SBA.

The American Legion supports H.R. 1615 as currently written.

H.R. 2227– “Gold Star Spouses and Spouses of Injured Servicemembers Leasing Relief Expansion Act of 2019”

To amend the Servicemembers Civil Relief Act to authorize spouses of servicemembers who incur a catastrophic injury or illness or die while in military service to terminate leases of premises and motor vehicles, and for other purposes.

The *Servicemembers Civil Relief Act* (SCRA) established financial and legal protections for active-duty service members, including National Guard and reserve members, and their families. It covers a wide range of issues including rental agreements, security deposits, prepaid rent, evictions, installment contracts, credit card interest rates, mortgage interest rates, mortgage foreclosures, civil judicial proceedings, automobile leases, life insurance, health insurance and income tax payments. SCRA was intended to allow servicemembers to postpone or suspend financial or civil obligations to prevent them from being taken advantage of while on active duty or deployment. However, SCRA failed to extend these protections to include the family of the servicemembers should the military member pass away or be severely injured in the line of duty. This would leave these families bound to leases or other agreements made before the loss of their loved ones.

The American Legion strives to ensure that servicemembers and their families receive the proper care they deserve, especially when the military member has made the ultimate sacrifice for this country. H.R. 2227, *The Gold Star Spouses and Spouses of Injured Servicemembers Leasing Relief Expansion Act of 2019*, would authorize these Gold Star families to terminate leases and other agreements by extending these financial and legal protections to these families, which they previously had under SCRA while the servicemember was still alive. The American Legion Resolution No. 342: *Support and Strengthen the Servicemembers Civil Relief Act* urges Congress to amend the SCRA to include protections for members of the Armed Forces and their families.⁵ *The Gold Star Spouses and Spouses of Injured Servicemembers Leasing Relief Expansion Act of 2019* is in line with this resolution and the American Legion supports this legislation.

The American Legion supports H.R. 2227 as currently written.

⁵ <https://archive.legion.org/handle/20.500.12203/5660>

H.R. 2924 – “Housing for Women Veterans Act”

To amend title 38, United States Code, to reauthorize the Supportive Services for Veteran Families Grant Program, and for other purposes.

Since its inception in 2012, the Supportive Services for Veteran Families (SSVF) Program has played an instrumental role in assisting veterans and their families in exiting or avoiding homelessness. Through the granting of funds, the SSVF ensures that private non-profit organizations that provide supportive housing services to low-income veterans are properly resourced. From FY 2012 to FY 2017, the program assisted 419,338 homeless veterans and at-risk veteran families.⁶

This bill, if enacted into law, would reauthorize the SSVF Grant Program for three years, adding an additional 20,000,000 to 2019 levels that is specifically intended for grants to organizations that focus on assisting women veterans and their families. Additionally, the bill directs the Secretary of Veterans Affairs to complete a gap analysis of programs that are designed to provide assistance to women veterans who are homeless and identify potential areas in where these programs are not having their intended effect.

The American Legion, through resolution, has been a firm supporter of the SSVF Program. The American Legion Resolution No. 340: *Support Permanent Authorization for the Supportive Services for Veteran Families program* calls on Congress to not only reauthorize the program, but to do so permanently.⁷

According to recent studies, among homeless veterans, “9% of men and 30% of women had children in custody.”⁸ As a result, it is essential that efforts are made to ensure that the proper resources continue to be allocated to veterans and their families who are homeless, or at-risk of being homeless. Additionally, as the percentage of women veterans grow, it is imperative that studies, like the one being directed in H.R. 2924, are done to ensure that the needs of these veterans are being met.

The American Legion supports H.R. 2924 as currently written.

H.R. 2934 – “GI Bill Access to Career Credentials Act”

To amend title 38, United States Code, to authorize the use of educational assistance under chapter 33 of that title to pay for preparatory courses for professional licenses and certifications, and for other purposes.

Currently, the GI Bill can reimburse the costs of fees associated with licensing and certification exams that are required to enter into, maintain, or advance in a given vocation or profession (e.g., State bar exams, medical board exams, electrician exams, COMPTIA certifications, etc.).

⁶ https://www.va.gov/homeless/ssvf/docs/SSVF_FY2017_AnnualReport_508.pdf

⁷ <https://archive.legion.org/handle/20.500.12203/5658>

⁸ <https://www.ncbi.nlm.nih.gov/pubmed/25975888>

However, the GI Bill cannot reimburse the cost of preparatory courses to take such exams, even though the GI Bill reimburses fees for both preparatory courses and reimbursement of tests admissions exams (e.g., SAT, ACT, GRE, LSAT, etc.).

Through Resolution No. 338: *Support Licensure and Certification of Servicemembers, Veterans and Spouses*, The American Legion supports any effort to lower the credentialing and licensing barriers between military and civilian sectors.⁹ However we cannot support this bill due to its lack of articulated training standards. While the legislation would build a new section for preparatory courses for licensure, certification, or national tests (§3315B), it lacks any definitions for approved training providers. This lack of quality control will invite bad actors to exploit the provision by marketing worthless preparatory courses that leave veterans ill equipped for licensing exams.

The American Legion opposes H.R. 2934, and encourages Committee review of the Department of Defense Voluntary Education training provider requirements articulated in 10 U.S.C § 2006a for guidance on established quality control standards.

The American Legion opposes H.R. 2934.

Draft Legislation – “Legal Services for Homeless Veterans Act”

To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to make grants to entities that provide legal services for homeless veterans and veterans at risk for homelessness.

Homeless veterans, and those at risk of being homeless, often lack the most basic essentials: safe and affordable housing, healthcare, subsistence income, and protection from exploitation or violence. Many of their problems have legal dimensions and can be alleviated or resolved with the help of a lawyer.

In 2009, the VA instituted the Veterans Justice Outreach (VJO) Program to reduce and prevent criminal justice recidivism and homelessness among justice involved veterans. As a part of this program, VJO specialists “provide direct outreach, assessment and case management for justice-involved Veterans in local courts and jails and liaison with local justice system partners.”¹⁰

Recent studies have indicated that veterans who accessed free legal services at VA facilities showed improvements in housing status and community integration.¹¹ Some of the most common legal issues that were addressed on behalf of the 950 veterans that participated in the study included housing and VA benefits issues. Providing veterans with a pathway to rectify problems that restrict access to housing and VA benefits is crucial to ensuring that they are on a sustainable trajectory to improved housing conditions.

⁹ <https://archive.legion.org/bitstream/handle/20.500.12203/5656/2016N338.pdf?sequence=1&isAllowed=y>

¹⁰ <https://www.va.gov/homeless/vjo.asp#contact>

¹¹ <https://www.healthaffairs.org/doi/10.1377/hlthaff.2017.0759>

This legislation, if enacted, directs the Secretary of the Veterans Affairs to make grants to public or non-profit entities that provides legal services to homeless veterans or those at risk of being homeless. 38 U.S.C. § 2022 (c) sets the condition for the establishment of cooperative outreach related partnerships with entities outside of the VA as a part of the Secretary’s outreach plan for homeless veterans. The aforementioned legislation identifies legal services as a key component of cooperative outreach, while this draft legislation works to expand the availability of those services.

The American Legion Resolution No. 324: *Support Funding for Homeless Veterans* calls on Congress to support “efforts of public and private sector agencies and organizations with the resources necessary to aid homeless veterans and their families.”¹² Providing grants to organizations that provide legal services to justice involved veterans is in keeping with this intent.

The American Legion supports this draft legislation *as currently written*.

Draft Legislation

To authorize the Secretary of Veterans Affairs to collect overpayments of specially adapted housing assistance.

The Department of Veterans Affairs provides grants to servicemembers and veterans with certain permanent and total service-connected disabilities to help purchase, construct, or modify homes to accommodate their disabilities. One of these grants is the Specially Adapted Housing Grant which was established for veterans who have a service-connected disability such as a loss, or loss the use of, both legs or the loss of one leg combined with other additional disabilities. In several instances, the Special Adaptive Housing payment program has overpaid veterans who are enrolled in the program. These errors have led to inefficiency in the program and diverted resources which could be otherwise used for additional recipients.

The American Legion supports good accountability and stewardship of American tax dollars and resources. The American Legion also desires a system that increases efficiency and accountability while providing timely and quality benefits to all veterans. However, the American Legion does not support policies that cause financial burdens on veterans and their families. This draft legislation would authorize the government to recoup excess payments made to veterans, spouses, contractors, and builders participating in the Special Adaptive Housing program. It would also require the Secretary of VA to provide a notice to the veteran regarding the overpayments and provide a reasonable opportunity for the person in question to remedy the issue. The American Legion Resolution No. 342: *Automatic Waiver for Over-Payment of \$300 or Less* supports legislation to allow the Department of Veterans Affairs to grant an automatic waiver for those overpayments of \$300 or less if the claimant requests one and there is no obvious indication of fraud or misrepresentation.¹³

The American Legion supports this draft legislation with changes. The American Legion supports the automatic recoupment of overpayments made of \$300 or less. However, the recoupment of any

¹² <https://archive.legion.org/handle/20.500.12203/5640>

¹³ <https://archive.legion.org/handle/20.500.12203/9865>

overpayment to a veteran approved of the Special Adapted Housing should not cause additional financial burden on a veteran if the veteran in question received an overpayment they could not prevent. Therefore, veterans should be provided a reasonable plan to re-pay the overpayment. In addition, they should be notified of their rights to an administrative hearing.

The American Legion supports this draft legislation *with the recommended changes.*

Draft Legislation

To amend title 38, United States Code, to require proprietary for-profit educational institutions to comply with Federal revenue limits to participate in educational assistance programs of the Department of Veterans Affairs.

The American Legion has grown increasingly concerned over for-profit institutions disproportionately recruiting veterans, and recent numbers from the National Student Clearinghouse have put these numbers in context. Estimated national enrollment at 4-year institutions by sector now shows that only 6% of all American students are attending for-profit institutions, while the VA estimates that for-profit Post-9/11 GI Bill enrollment is over triple this amount, with proprietary institutions accounting for 18.8 percent of all GI Bill beneficiaries.¹⁴ The primary explanation for this disparity is that for-profits are incentivized to target veterans.

Under current law, the percentage of revenue that for-profit schools can receive from federal financial aid is capped at 90%. The intent was to ensure that for-profits meet a market interest and are not entirely reliant on federal funding, however, the Post-9/11 GI Bill has provided them a lucrative loophole. Since GI Bill benefits are a Title 38 benefit, they are counted on the “10-side” of the 90/10 calculation. This has been defined as the “90/10 Loophole”, allowing schools to collect federal funds classified as private revenue.

The American Legion, through Resolution No. 78: *Support Greater GI Bill Outcomes by Closing 90-10 Loophole*, has expressed support for excluding Department of Defense and VA funds from the 90/10 calculation in order to ensure better quality and student outcomes.¹⁵

This bill provides a common sense solution to this is by calculating Title 38 benefits alongside Title IV student aid in order to eliminate the incentive for for-profit institutions to aggressively target veterans for enrollment.

The American Legion supports this draft legislation *as currently written.*

Draft Legislation – “Student Veteran Empowerment Act”

To amend title 38, United States Code, to make certain improvements in the educational assistance programs of the Department of Veterans Affairs, and for other purposes.

¹⁴ <https://nscresearchcenter.org/wp-content/uploads/CurrentTermEnrollmentReport-Spring-2019.pdf> pg. 3

¹⁵ <https://archive.legion.org/handle/20.500.12203/6929>

Section 2. Charge to Entitlement to Educational Assistance for Individuals who do not Transfer Credits from Certain Disapproved Programs of Education

When a school closes, non-veteran students have federal protections to support them. Affected students with federal student loans have the ability to discharge their loans. Students who received Pell Grants can have their eligibility periods reset for the time spent at a closed institution. Through *Resolution No. 21: Education Benefit Forgiveness and Relief for Displaced Student-Veterans*, the American Legion strongly believes that student veterans should be afforded the same protections as their non-veteran counterparts.

While the *Harry W. Colmery Veterans Education Assistance Act of 2017* provided relief to over 6,000 student veterans who were attending ITT Tech and Corinthian Colleges when they abruptly shut down their campuses, the legislation limited relief to only schools that closed between 2015 and 2017. This section would provide benefits reinstatement to all veterans who may be affected by abrupt school closures and VA program disapproval.

The American Legion supports this section.

Section 3. Additional Requirements for Approval of Educational Institutions for Purposes of the Educational Assistance Programs of the Department of Veterans Affairs

This section would mandate that all schools agree to abide by the Principles of Excellence (POE) enumerated by Executive Order 13607, issued by President Obama in 2012 and still in effect. Like the Discussion Draft requiring educational institutions abide by POE, this section would mandate as a condition of approval institutions meet its six criteria.

While the American Legion agrees that the POE needs to be improved to ensure adequate compliance, the immediate affect or POE requirements for all institutions remain concerning. POE has not been difficult for poor-performing schools to sign onto; indeed Argosy University, one of the most recent for-profit school closures was a Principles of Excellence school up until the day its doors shut. While the American Legion advocates for all schools to sign onto POE, it questions whether strong-arming all education institutions into signing is the most effective approach.

Resolution No. 318: *Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*¹⁶ resolves that The American Legion support legislation that improves education benefits so servicemembers, veterans, and their families can maximize its usage. The risk that an immediate requirement for all schools to sign onto POE will result in program withdrawals is not one that student veterans should have to bear.

The American Legion does not support this section.

¹⁶ <https://archive.legion.org/bitstream/handle/20.500.12203/5635/2016N318.pdf?sequence=1&isAllowed=y>

Section 4. Oversight of Educational Institutions Placed on Heightened Cash Monitoring Status by Secretary of Education

This section would mandate that if the Department of Education places an institution on heightened cash monitoring (HCM) status, the Secretary of Veterans Affairs shall provide notice to the corresponding State Approving Agency (SAA) for the purpose of conducting a risk-based oversight visit to the educational institution.

These risk-based visits should not be construed as forensic accounting to supplement Department of Education HCM protocols. Rather the purpose is to leverage SAA expertise to determine if any academic improprieties may be present at the institutions under review.

Resolution No. 304: *Support Accountability for Institutions of Higher Learning* articulates the need for State Approving Agencies to conduct substantive oversight on institutions of higher learning, and The American Legion applauds this common-sense solution to build inter-department coordination between the Department of Education and the Department of Veterans Affairs.¹⁷

The American Legion supports this section.

Section 5. Verification of Enrollment for Purposes of Receipt of Post-9/11 Educational Assistance Benefits

This section would mandate that each student veteran or dependent enrolled in the Post-9/11 GI Bill be required to submit to VA monthly verification of their enrollment status for purposes of ensuring accurate benefit processing.

Like the *Forever GI Bill Processing Act*, this section is designed to lower the potential for education overpayments. Currently, student veterans are beholden to school certifying officials to send their enrollment information to VA on time and accurately. However if the certifying official submits incorrect information overstating credit hours, it will be the veteran who VA targets for overpayment debt collection.

By requiring students to verify their enrollment every month, VA can have close to real-time information on student enrollment status, cutting out the certifying official from monthly reviews and affording them more time for initial certificate of eligibility processing.

While this may be an inconvenience for student veterans, it is not without precedent; to this day the Montgomery GI Bill still requires monthly verification through its Web Automated Verification of Enrollment (WAVE) system.¹⁸ It is no surprise that MGIB has no comparable issues with overpayments.

¹⁷ <https://archive.legion.org/bitstream/handle/20.500.12203/5619/2016N304.pdf?sequence=1&isAllowed=y>

¹⁸ https://gibill.custhelp.va.gov/app/answers/detail/a_id/7/~/-/how-do-i-verify-my-enrollment%3F

Through Resolution No. 318: *Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports legislation to improve the GI Bill so servicemembers, veterans and their families can maximize its usage.¹⁹

The American Legion supports this section.

Draft Legislation

To amend title 38, United States Code, to authorize State approving agencies to carry out outreach activities.

State Approving Agencies (SAAs) were established to ensure veterans and servicemembers have access to a range of high-quality education and training program options while utilizing their GI Bill benefits. The American Legion has championed greater funding for SAAs for many years through American Legion Resolution No. 304: *Support Accountability for Institutions of Higher Learning*, and was proud to insist on funding increases for them in the Forever GI Bill.²⁰

This draft legislation would amend existing statute to allow SAAs to use funds that are already appropriated to conduct outreach to prospective students, schools and businesses to raise awareness of the benefits of the Post-9/11 GI Bill, with special attention paid to its underutilized apprenticeship and on-the-job-training (OJT) portions. Since 2015, the National Association of State Approving Agencies reports that the number of SAA outreach actions has fallen from 48,075 to only 5,275 in 2018.²¹ This drop corresponds with the VA notifications to SAAs throughout 2015 that clarified outreach was not in statute, and that activities such as visits to military bases and hiring fairs could not be billed. While outreach for GI Bill apprenticeship and OJT programs is commendable, The American Legion is concerned that without additional increases in funding this outreach will be at the expense of potential risk-based program reviews and SAA management.

The nuance of these concerns is expressed succinctly in Resolution No. 304: *Support Accountability for Institutions of higher Learning*, which resolves to “support legislation to provide additional resources and increased funding for state approving agencies, ensuring continuation of **its primary responsibility with focus in reviewing, evaluating, and approving quality programs of education and training, while providing oversight to institutions of higher learning.**”²² With the emphasized portions in mind, The American Legion cannot support a bill that establishes outreach authority for SAAs due to the risks it may pose to diverting energy from their established primary responsibilities.

The American Legion opposes this draft legislation.

¹⁹ <https://archive.legion.org/bitstream/handle/20.500.12203/5635/2016N318.pdf?sequence=1&isAllowed=y>

²⁰ <https://archive.legion.org/bitstream/handle/20.500.12203/5619/2016N304.pdf?sequence=1&isAllowed=y>

²¹ <http://nasaa-vetseducation.com/getattachment/Home/NASAA-2018-Annual-Report.pdf.aspx>

²² <https://archive.legion.org/bitstream/handle/20.500.12203/5619/2016N304.pdf?sequence=1&isAllowed=y>

Draft Legislation

To amend title 38, United States Code, to extend the time period under which an election must be made for entitlement to educational assistance under the All-Volunteer Educational Assistance Program of Department of Veterans Affairs.

While the Post-9/11 GI Bill is automatically earned over the course of active duty service, new recruits are still provided the option to establish monthly payments to gain eligibility for the legacy Montgomery GI Bill. Despite the Montgomery GI Bill being significantly less generous than the Post 9/11 GI Bill, information from the Consumer Financial Protection Bureau in 2017 revealed that 70% of new Army recruits were opting into the Montgomery GI Bill; and paying \$1,200 for the privilege²³. Currently, recruits are making the decision over the course of initial entry training (IET) with little to no counseling. The base salary for a recruit is only \$20,170, and opting into the Montgomery Bill may not be in their best financial interest.

This draft legislation would forego the decision to opt in or out of the Montgomery GI Bill until 180 days after IET, providing our servicemembers ample time to make informed decisions on their education benefit options. American Legion Resolution No. 335: *Support Major Enhancements for the Montgomery GI Bill* acknowledges that the current structure and management of the Montgomery GI Bill causes administrative confusion and inequitable allocation of benefits, with the inability of recruits to opt out being the latest example.²⁴ This bill provides a common sense solution to improving the Montgomery GI Bill and the American Legion supports the proposed legislation.

The American Legion supports this draft legislation *as currently written*.

Draft Legislation

To amend title 38, United States Code, to increase the monthly housing stipend under the Post-9/11 Educational Assistance Program for individuals who pursue programs of education solely through distance learning on more than a half-time basis.

While the Post-9/11 GI Bill has undergone numerous improvements to meet the educational demands of our modern armed forces, it has yet to take into account the proliferation of online learning. While in person training is awarded with a basic housing allowance consistent with localized housing rates, online learning is currently set at \$849.50, regardless of locale.

Despite the education landscape shifting into more online learning, this reduction in BAH clearly incentivizes in-person learning. Many student veterans with family and job commitments do not have the option to attend classes in person, and should not be penalized for fulfilling their family and work obligations. As long as the veterans are meeting their school's requirements for full-time learning, the VA must honor this commitment with a full-time basic allowance for housing.

²³ <https://www.consumerfinance.gov/about-us/blog/what-does-coast-guard-know-about-gi-bill-other-services-do-not/>

²⁴ <https://archive.legion.org/handle/20.500.12203/5652>

This bill would remedy this inconsistency by striking the entirety of clause (iii) of 3313(c)(1)(B), which articulates the half-time payment rate for online learning, thereby reverting online payments to the same standards established for in-person learning.

Resolution No. 318: *Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education* resolves that The American Legion support legislative proposals that improve the Post-9/11 GI Bill so servicemembers, veterans and their families can maximize its usage.²⁵

The American Legion supports this Draft Bill.

Draft Legislation – “Forever GI Bill Class Evaluation”

To amend title 38, United States Code, to provide for a requirement relating to the timing of the payment of educational assistance under the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs, and for other purposes.

A landmark 2015 GAO Report found that out of \$10.8 billion in Post-9/11 GI Bill Benefits dispersed to 800,000 recipients in 2014, over \$416 million was identified in overpayments affecting nearly 200,000 recipients.²⁶ The VA and Congress have diligently worked to address knowledge gaps in school certifying officials that may lead to improper payments, including investing IT funds into training for school certifying officials through the Forever GI Bill, but the potential for continued overpayments is still active due to changes in the veteran's course load between the start of the semester and the school's add/drop date.

This legislation would mandate that schools wait to certify the actual tuition and fee amounts until 14 days after the first day of the quarter, semester or term; the rough estimate for school add/drop dates. This has already been established as a best practice for most institutions in what is called "dual-certification". Under this practice schools initially pre-certify a veteran's enrollment for \$0 before the term begins, which allows VA to start paying housing benefits without delay. The school then recertifies the enrollment with the actual tuition and fees amount after the period to add or drop classes has ended.

The American Legion applauds this prescriptive approach to codifying a best practice. In addition to guiding well intentioned school certifying officials, it also stops the incentive for recruiters at predatory institutions to enroll veterans for fake classes in order for schools to receive maximum tuition payments.

American Legion Resolution No. 318: *Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education* resolves support for any legislative

²⁵ <https://archive.legion.org/bitstream/handle/20.500.12203/5635/2016N318.pdf?sequence=1&isAllowed=y>

²⁶ <https://www.gao.gov/products/GAO-16-42>

proposal that improves the GI Bill so that servicemembers, veterans and their families can maximize its usage.²⁷

The American Legion supports this Draft Bill.

Draft Legislation

To amend title 38, United States Code, to require that certain educational institutions have letters of credit as a condition of approval for purposes of the educational assistance programs of the Department of Veterans Affairs, and for other purposes.

Currently, section 498(c) of the Higher Education Act of 1965 requires institutions to submit financial statements to the Department of Education when applying to start participation, to determine compliance annually with the standards of financial responsibility, or to continue participation after a change in ownership, in the various Title IV programs. The common reason why an institution is required to remit a letter of credit is for the Secretary of the Department of Education to gauge the fiscal responsibility of the institutions that receive federal student aid.

This bill would provide the authority to the VA and state approving agencies to disapprove courses of education at schools that fail to provide letters of credit ensuring institutional financial responsibility. The American Legion holds that the Secretary of the Department of Veterans Affairs should be afforded the same authority for Title 38 benefits. The American Legion Resolution No. 304: *Support Accountability for Institutions of Higher Learning* supports legislation which provides or improves oversight over institutions of higher education to provide accountably and ensure quality services for veterans and servicemembers.²⁸ This draft legislation is in line with this resolution and the American Legion supports this bill.

The American Legion supports this draft legislation *as currently written*.

Draft Legislation

To amend title 38, United States Code, to require that educational institutions abide by Principles of Excellence as a condition of approval for purposes of the educational assistance programs of the Department of Veterans Affairs, and for other purposes.

In 2015, President Obama introduced the Principle of Excellence through Executive Order 13607. This order established best-practice criteria for schools to ensure that federal military and veterans educational benefits programs provide service members, veterans, spouses, and other family members with the information, support, and protections they deserve. The educational institutions opting in agreed to abide by the following guidelines:

- Provide students with a personalized form covering the total cost of an education program.

²⁷ <https://archive.legion.org/bitstream/handle/20.500.12203/5635/2016N318.pdf?sequence=1&isAllowed=y>

²⁸ <https://archive.legion.org/handle/20.500.12203/5619>

- Provide educational plans for all military and Veteran education beneficiaries.
- End fraudulent and aggressive recruiting techniques and misrepresentations.
- Accommodate servicemembers and reservists absent due to service requirements.
- Designate a point of contact to provide academic and financial advice.
- Ensure accreditation of all new programs prior to enrolling students.
- Align institutional refund policies with those under Title IV, which governs the administration of federal student financial aid programs.

This threshold has not been hard to meet for schools; currently 58% of all institutions have agreed to it.

This draft legislation would vest disapproval of education programs to State Approving Agencies for institutions that have not agreed to abide by the Principles of Excellence. The American Legion is encouraged by the adaptation of the Principles of Excellence, however concerns over adaptation for the remaining 42% of schools preclude our endorsement of these principles serving as a baseline standard for Post-9/11 GI Bill approval. According to the VA’s GI Bill comparison tool, 116,782 students attend non-POE schools.²⁹ The American Legion Resolution No. 318: *Ensuring the Quality of Servicemember and Veteran Student’s Education at Institutions of Higher Education* supports legislation or administrative proposals that allows servicemembers, veterans, and their families to maximize the usage of their well-earned educational benefits.³⁰ They should not bear the punishment for attending schools that have not committed to Principles of Excellence. Therefore, the American Legion does not support this bill.

The American Legion does not support this draft legislation.

Draft Legislation – “VA Economic Hardship Report Act”

To direct the Secretary of Veterans Affairs to study the link between certain economic factors and veteran suicides.

Veteran suicide is a severe problem facing the United States today. The latest Department of Veterans Affairs National Suicide Data Report found that more than 6,000 veterans have died by suicide every year from 2008 to 2016. In 2016, the suicide rate was 1.5 times greater for veterans than non-veteran adults.³¹ The Defense Suicide Prevention Office, has published a list of negative life events that increase the risk of suicide. Factors listed include: loss of job, home, money, self-esteem, personal security, being faced with a situation of humiliation or failure, placement into a new and/or unfamiliar environment. These factors are all applicable and may have a profound effect of suicide ideation.³²

The American Legion strives to ensure that our nation’s veterans receive the support and assistance they deserve. The American Legion has taken several steps to help combat this crisis and reduce

²⁹ <https://www.va.gov/gi-bill-comparison-tool/>

³⁰ <https://archive.legion.org/handle/20.500.12203/5635>

³¹ https://www.legion.org/legislative/testimony/245512/tragic-trends-suicide-prevention-among-veterans#_ftnrefl

³² <https://www.dspo.mil/About-Suicide/Risk-Factors/>

veteran suicide including establishing a Suicide Prevention Program on May 9, 2018 to study, develop, and encourage best practices in veteran programs. The American Legion's Veterans Affairs & Rehabilitation Division also published a white paper report titled, "Veteran Suicide".³³ This report describes causes, risk factors, and protective factors of veteran suicide, as well as the American Legion's concerns and recommendations regarding this tragic national issue.

The *VA Economic Hardship Report Act* would require the Secretary of Veterans Affairs to submit a report detailing the economic factors which contribute to veteran suicides to include poverty, food insecurity, and housing insecurity. This would be followed by a study between these economic factors and their correlations with veteran suicides. The American Legion Resolution No. 20: *Suicide Prevention Program* urges the Legion to examine recent trends of veteran suicide and analyze best practices in order to encourage their adoption by government agencies.³⁴ The *VA Economic Hardship Report Act* is in line with this resolution and the American Legion supports this draft legislation.

The American Legion supports this draft legislation *as currently written*.

CONCLUSION

Chairman Levin, Ranking Member Bilirakis, and distinguished members of the subcommittee, The American Legion thanks you for your leadership on this matter and for allowing us the opportunity to explain the position of our nearly two million members. Questions concerning this testimony can be directed to Mr. Jeffrey Steele, Senior Legislative Associate, in The American Legion's Legislative Division at (202) 861-2700, or jsteele@legion.org.

³³ <https://www.legion.org/publications/242424/veteran-suicide-white-paper>

³⁴ <https://archive.legion.org/handle/20.500.12203/9286>