



April 24th, 2018

Secretary Robert Wilkie
U.S. Department of Veterans Affairs
810 Vermont Avenue
Washington, DC

Dear Mr. Secretary,

We are writing with concerns regarding VA's proposed implementation of § 107 of PL 115-48—the Forever GI Bill, officially known as the Harry W. Colmery Veterans Educational Assistance Act. As a leader of the coalition of veteran service organizations that helped secure the passage of the law, we have a vested interest in its effective implementation.

Specifically, section 107 of the Forever GI Bill requires VA to base the monthly housing stipend rate for the Post-9/11 GI Bill on the location of “the campus of the institution of higher learning where the individual “physically participates in a majority of classes” versus where the “institution of higher learning” itself was located. In cases where schools have online or satellite programs, this change makes a big difference, and is scheduled to become effective on August 1st, 2018.

Unfortunately, VA is poised to adopt an overly broad definition of the word “campus” that will have the following troublesome affects:

- Places a heavy administrative burden on schools and lacks adequate compliance controls,
- Exceeds the scope of PL 115-48 and;
- Makes VA's rules incongruent with similar provisions in the Higher Education Act.

We recommend VA align the interpretation of the word “campus” in §107 of PL 115-48 with an already well-established definition that the majority of higher education is familiar with: the Department of Education's definition of “campus” in 34 C.F.R. §600.2 and “additional location” in 34 C.F.R. §600.10(b)(3) (*See Appendix A*). Specifically, VA should only recognize Title IV approved campuses that have been assigned an 8-digit Department of Education (ED) Office of Postsecondary Education Identification (OPE ID) code.¹ ED uses this code to identify schools that have Program Participation Agreements (PPA), so that its students are eligible to participate in Federal Student Financial Assistance programs under Title IV regulations.

This alignment will significantly simplify VA's implementation of PL 115-48, make it easier for schools to comply with the new requirements and dramatically reduce the potential for fraud and abuse. These outcomes are essential to the GI Bill end users: veterans and their families. Below we outline these concerns in greater detail, and hope to see this alignment come into effect before student veterans are paying the price of a botched implementation of the Forever GI Bill.

¹ The first 6-digits of the OPE ID number relate to the education institution, and are followed by a 2-digit suffix used to identify branches, additional locations, and other entities that are part of the eligible educational institution.

Since most schools do not centrally record the location of a student's internship or practicum, this new definition would require a heavy lift for schools to implement. Specifically, VA will require schools "to provide formal documentation to the Compliance Survey Specialist to verify specifically where a course, internship, externship, or practicum is taking place."

Heavy Burdens

In a recent briefing to veterans' groups and schools, VA's Education Service (EDU) stated that their interpretation §107 of the word "campus" includes all the following:

- "The individual campus of a school where the student is taking classes (i.e. the school's science center, humanities building, or athletic center)
- The physical location where a student is learning in a study abroad program
- Any internship, externship, practicum or student teaching site"

While we agree with the first two definitions of "campus", we are concerned that the third definition: "Any internship, externship, practicum or student teaching site". This will place a heavy administrative burden on schools and lacks any adequate compliance controls. Schools will need to develop new reporting regimes to get that type of information from the students, employers and/or department heads, placing a heavy administrative burden on already overwhelmed school certifying officials (SCOs).

Unfortunately, it will be nearly impossible for VA or State Approving Agencies to verify the addresses and/or locations being used to determine the monthly education benefits. For example, in some cities a switch in zip codes can mean the difference of hundreds of dollars a month per veteran. VA will not know if a student is taking an internship at an employer's corporate headquarters with a higher BAH rate or a smaller branch location with lower BAH rate. The inability for VA to validate these addresses will likely lead to some bad actors (schools, employers and/or veterans) that abuse this new payment regime.

House Report 115-247, states that "The Committee's intent is to give VA a methodology that is administratively workable and cannot be taken advantage of by schools. If VA finds that the new methodology is not workable or is still being taken advantage of, then it is the Committee's expectation that VA will alert the Committee" (*See Appendix B*). We believe that VA's proposed definition of "campus" can be easily manipulated by schools and therefore, VA should adopt a methodology that allows for true compliance controls.

Exceeds Scope of PL 115-48

Previously, the housing allowance under the Post-9/11 GI Bill was based on "the monthly amount of the basic allowance for housing... for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher learning at which the individual is enrolled".

PL 115-48 replaces "the institution of higher learning at which the individual is enrolled" with "the campus of the institution of higher learning where the individual physically participates in a majority of classes". The new language creates a two-part test for determining how much a living allowance should be (1) the campus of the institution of higher learning and (2) where the individual physically participates in a majority of classes. The problem with VA's proposal to include "internship, externship, practicum or student teaching site" in the definition of "campus" is

twofold: (1) internships do not usually occur on a “campus” and (2) internships do not usually involve formal academic “classes”.

VA’s proposed definition of “campus” exceeds the scope of PL 115-48, because benefits will not be determined based on the location of a campus or class, both of which are requirements in the new law. VA EDU originally proposed a definition of “campus” that was more circumspect and aligned with their interagency partners. However, after meetings with the staff of various veterans’ affairs committees, they were strongly encouraged to greatly expand that definition beyond the text of the public law itself. VA should return to the text of the PL 115-48 for guidance on how “campus” should be defined.

Incongruent with the Higher Education Act

The Higher Education Act (HEA) and the Department of Education (ED) have a long history of defining the criteria for a “campus” and/or an “additional location”. According to ED, a “campus” is: “A location of an institution that is geographically apart and independent of the main campus of the institution.

The Secretary considers a location of an institution to be “independent of the main campus if the location (1) Is permanent in nature; (2) Offers courses in educational programs leading to a degree, certificate, or other recognized educational credential; (3) Has its own faculty and administrative or supervisory organization; and (4) Has its own budgetary and hiring authority”.

According to ED an “additional location” is: “any location that an institution establishes after it receives its eligibility designation if the institution provides at least 50 percent of an educational program at that location, unless (1) The Secretary approves that location under § 600.20(e)(4); or (2) The location is licensed and accredited, the institution does not have to apply to the Secretary for approval of that location under § 600.20(c), and the institution has reported to the Secretary that location under § 600.21.

The Department of Education assigns an eight-digit OPE ID to every campus and additional location, which is used to determine eligibility for Title IV purposes. For example, while VA has over 70 facility codes for the University of Phoenix (UoP), the Department of Education has over 700 eight-digit OPE ID codes for UoP. These codes are also validated by accreditors. VA should leverage the Department of Education codes because they will significantly simplify VA’s implementation of PL 115-48, make it easier for schools to comply with the new requirements and dramatically reduce the potential for fraud and abuse.

We greatly appreciate the work of your office and that of your colleagues on this important proposal to develop grants that support student veteran centers. Please feel free to contact me directly if you should have any additional questions on this matter by phone at 202-223-4710, or by email at jared.lyon@studentveterans.org.

Sincerely,



Jared Lyon
President & CEO

APPENDIX A

Department of Education definition of “campus”

34 C.F.R. § 600.2 Definitions.

Branch Campus: A location of an institution that is geographically apart and independent of the main campus of the institution. The Secretary considers a location of an institution to be independent of the main campus if the location—

- (1) Is permanent in nature;
- (2) Offers courses in educational programs leading to a degree, certificate, or other recognized educational credential;
- (3) Has its own faculty and administrative or supervisory organization; and
- (4) Has its own budgetary and hiring authority.

Department of Education definition “additional location”

34 C.F.R. § 600.10 Date, extent, duration, and consequence of eligibility.

(b) Extent of eligibility.

(1) If the Secretary determines that the entire applicant institution, including all its locations and all its educational programs, satisfies the applicable requirements of this part, the Secretary extends eligibility to all educational programs and locations identified on the institution's application for eligibility.

(2) If the Secretary determines that only certain educational programs or certain locations of an applicant institution satisfy the applicable requirements of this part, the Secretary extends eligibility only to those educational programs and locations that meet those requirements and identifies the eligible educational programs and locations in the eligibility notice sent to the institution under § 600.21.

(3) Eligibility does not extend to **any location** that an institution establishes after it receives its eligibility designation if the institution provides **at least 50 percent of an educational program** at that location, unless—

(i) The Secretary approves that location under § 600.20(e)(4); or

(ii) The location is licensed and accredited, the institution does not have to apply to the Secretary for approval of that location under § 600.20(c), and the institution has reported to the Secretary that location under § 600.21.

House Report 115-247 for the Harry W. Colmery Veterans Educational Assistance Act

Section 106. Calculation of Monthly House Stipend under Post-9/11 Educational Assistance Program Based on Location of Campus where Classes are Attended

Current law, section 3313(c)(1)(B)(i)(I) of title 38 U.S.C., authorizes VA to pay a Monthly House Allowance (MHA) to beneficiaries of the Post-9/11 GI Bill, which is based on the Basic Allowance for Housing (BAH) paid to active duty servicemembers at the E-5 with dependents rate. This MHA is based on the BAH rate for the ZIP code that the student's school or training program enrollment is certified, which, in some cases, is not necessarily where the school is actually located or where the student takes their training. This creates an inequity where a student could be receiving an MHA based on the school's headquarters' location instead of where they are attending the majority of their classes. The Committee believes the intention of the drafters of the Post-9/11 GI Bill and the MHA benefit was to meet the actual living expenses at the E-5 with dependents rate of where the student was living and studying.

APPENDIX B

Section 107. Calculation of Monthly House Stipend under Post-9/11 Educational Assistance Program Based on Location of Campus where Classes are Attended

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