TESTIMONY OF
STUDENT VETERANS OF AMERICA

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
OF THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

LEGISLATIVE HEARING ON THE TOPICS OF:
“PENDING LEGISLATION”

APRIL 9, 2019
Chairman Levin, Ranking Member Bilirakis and Members of the Subcommittee:

Thank you for allowing Student Veterans of America (SVA) to submit our testimony on pending legislation related to veteran transition and economic opportunity.

Established in 2008, SVA is a national nonprofit founded to empower student veterans as they transition to civilian life by providing them with the resources, network support, and advocacy needed to succeed in higher education. With over 1,500 Campus Chapters across the U.S. and in four countries overseas, serving 750,000 student veterans and military-connected students, SVA establishes a lifelong commitment to each student’s success, from campus life to employment, through local leadership workshops, national conferences, and top-tier employer relations. As the largest chapter-based student organization in America, we are a force and voice for the interests of veterans in higher education, and SVA places the student veteran at the top of our organizational pyramid.

Edward Everett, our nation’s 20th Secretary of State, and the former President of Harvard University was famously quoted as stating, “Education is a better safeguard of liberty than a standing army.” While we have the finest military that the world has ever known, the sentiment remains; the importance of education to our nation’s national security continues to be critical.

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H.R. 444, Reduce Unemployment for Veterans of All Ages Act

This bill proposes to eliminate the current 12-year period of eligibility for the Vocational Rehabilitation and Employment (VR&E) program. VR&E has been an important component of veterans’ reintegration since Congress instituted a veterans’ benefits system upon U.S. entry into World War I in 1917.1 It also remains a topic of significant discussion when we speak with student veterans across the country, as highlighted in an oversight hearing before this committee last Congress.2

In 2017, this committee spearheaded the passage of the Forever GI Bill, removing the fifteen-year eligibility window for the Post-9/11 GI Bill and making it a benefit of service no longer contingent upon a specific war or conflict.3 We see a similar intent in this legislation, which would provide greater access to rehabilitation and employment services empowering the economic opportunity potential of eligible veterans.

SVA is supportive of the intent to expand the VR&E program beyond the current twelve-year window as a means to simplify program eligibility, which currently provides an often-confusing and arbitrary number of reasons to extend the twelve-year window. However, we have concerns on expanding the current VR&E program without a comprehensive program review, a resolution to the IT system concerns, and sufficient funding to meet the current

and potential program participation and administration costs, as discussed in previous testimony before this committee.\(^4\)

Additionally, we encourage consideration of establishing parity between the Forever GI Bill eligibility discharge date—January 1, 2013—when expanding VR&E eligibility beyond the current window. We look forward to continuing to work with this committee on this issue and welcome additional conversations on how to achieve a stronger VR&E program.

**H.R. 2045, Veterans’ Education, Transition, and Opportunity Prioritization Plan Act of 2018**

The *Veterans Economic Opportunity and Transition Administration Act of 2018*, or VET OPP Act, would establish an Under Secretary of Economic Opportunity at the Department of Veterans Affairs (VA), aligning economic opportunity-focused programs into a distinct lane within VA known as the Economic Opportunity and Transition Administration. Presently, economic opportunity programs such as the GI Bill, home loan guaranty, and many other empowering programs for veterans are buried within the bureaucracy of the Veterans Benefits Administration (VBA) and functionally in competition against disability compensation policy for internal resources.

On their public data site, VA proudly and rightly pronounces, “Economic competitiveness isn’t just about employment; it encompasses overall employment, wealth, independent living, housing, career mobility and educational attainment. VA is proud to work alongside employment experts at the Department of Labor and policy leaders in DoD to ensure we are in alignment with relevant trends and services they offer to transitioning service members and veterans.”\(^5\) With economic opportunity as a stated priority of VA, we strongly support the establishment of an Under Secretary of Economic Opportunity at VA, who would report directly to the Secretary.

These programs are buried within the bureaucracy of VA and lack a true champion at the level of leadership these programs warrant, as demonstrated this past year in VA’s failure to successfully implement the congressional mandates of the Forever GI Bill a timely and transparent manner. SVA appreciates the recent creation of the Office of Transition and Economic Development (TED) within VBA, yet this step further demonstrates VA’s lack of commitment to providing economic opportunity programs an Under Secretary-level leader to administer these programs for veterans.

Over the past century, VA evolved to focus on compensating veterans for loss, which worked for previous generations of veterans, but fails to address the future needs of veterans, nor those of our nation. The reality of the 21st century and beyond demands the additional goal of empowering veterans to excel post-service. Critically, this will further advance our nation’s goals of enhancing economic competitiveness; a focus on veteran contributions to business and industry, to governments, to non-profit organizations, and to communities, and preparation through the best education programs in our country will result in imperative returns on the taxpayer’s investments.

To truly achieve “whole health” for veterans in the future economy, it is essential we afford VA the opportunity to enrich the lives of veterans through the primacy of VA’s economic opportunity programs, which may also play an important role as a gateway to VA through exceptional interactions and services in programs important to the

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future of veterans post-service. During several House Committee on Veterans’ Affairs hearings in the last Congress, we’ve articulated our commitment to elevating the economic opportunity programs at VA and identified the need to address a lack of resource-focus on economic opportunity programs within the greater scope of the overall VA budget.\(^6\)\(^7\)\(^8\)

This proposal would de-layer and simplify some of the bureaucracy of VA. With proper safeguards in place, it would curb any expansion of government while providing economic opportunity and transition programs an accountable champion, resulting in abundant improvements to support veterans:

- **Increases Accountability.** This proposal would provide for greater accountability and access to issues that empower veterans. It further prevents these issues from being reduced in priority with shifting VBA leadership. At present, the VBA leadership team has shown a commitment to economic opportunity programs, but that support is tied to existing leadership. The creation of an Economic Opportunity and Transition Administration would cement the importance of such programs with guaranteed leadership and accountability.

- **Elevates Economic Opportunity Issues.** Directly relevant to President Trump’s Executive Order 13822, “Supporting Our Veterans during Their Transition from Uniformed Services to Civilian Life”, this proposal supports the importance of transition, education, employment, and well-being\(^9\). Further, it sends a strong message to veterans and the American public that economic opportunity issues truly matter and are important enough to have the leadership of an Under Secretary. Giving a national voice to issues like home ownership, education, training, and employment is a critically important measure. Further, it provides a champion to engage with the Department of Education (DoEd) in advancing higher education interests for veterans.

- **Reduces Bureaucracy.** Bureaucracy at VA has historically led to serious national challenges, and keeping economic opportunity issues buried at the bottom of VBA is not the answer. This proposal flattens the bureaucracy of VA in favor of the veteran, versus creating additional layers in the current structure or overloading the structure. This was painfully apparent during the initially botched implementation of certain provisions of the Forever GI Bill, as a lack of leadership within VBA resulted in technical failures and a dearth of accountability.

- **Establishes Direct Counterpart.** The Department of Labor (DoL) and the Department of Defense (DoD) presently lack a direct and dedicated counterpart within VA’s Under Secretary leadership for the

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programs that overlap the agencies—any significant initiative must achieve multiple layers of approval before reaching the customers: our country’s veterans. This proposal provides DoD and DoL with a political appointee who can move important programs into the modern age, while supporting their missions more broadly for positive, holistic interagency solutions.

- **Supports “Whole Health.”** A tragically elastic narrative exists around veterans as either “broken or damaged.” In reality, veterans are fundamentally the same as all other Americans—hard-working, community-oriented neighbors who want what’s best for their families, and who thrive in higher education and career when they have opportunity to access economic opportunity programs. Creation of an Under Secretary of Economic Opportunity will empower veterans to be successful as they transition through improved education programs and better employment opportunities. One of the major challenges facing veterans today is “transition stress,” an issue an Under Secretary of Economic Opportunity would be keen to address via a robust portfolio of programs and services veterans can rely on during transition to advance their, and our country’s, economic interests. With better service and stronger outcomes, more veterans will be apt to actually “Choose VA.”

We unabashedly recognize that bold initiatives are required to ensure our country delivers the best outcomes possible for veterans, yet some apparently continue to prefer to the status quo of bureaucracy. Some have cited concerns regarding “increased resource costs and creation of redundant roles.” Uniquely, this proposal achieves the exact opposite outcome as it will streamline these programs given a dedicated leader. Others have argued for continuing to give current leaders at VA the chance to address and elevate these issues through their own work. For decades VA has had the opportunity to elevate economic opportunity issues. The approach of “wait and see” is really not an approach at all, but instead a waiting game meant to protect the current system which continues to miss the mark on providing veterans the level of service they deserve for the benefits they earned. Waiting for the bureaucracy to change itself is ultimately misguided and unacceptably short-sighted, as personality-dependent success is not a long-term solution to these structural challenges.

Veterans’ organizations came out in force to support this overall concept when it was previously introduced in congress, including: The Disabled American Veterans (DAV), The Veterans of Foreign Wars (VFW), Vietnam Veterans of America (VVA), and Iraq and Afghanistan Veterans of America (IAVA). Today, the current proposal further simplifies the proposal of a Veteran Economic Opportunity and Transition Administration with no intention of statutorily affecting the DoL VETS program, a valued partner for transition and employment programs like VR&E. The Independent Budget, an authoritative annual presentation of recommended funding levels produced by American Veterans (AMVETS), DAV, Paralyzed Veterans of America (PVA), and VFW has called for this change for years.

Last year, the American Enterprise Institute (AEI) published a compelling argument for restructuring VA in a piece titled, "Economic Opportunity, Transition Assistance, and the 21st-Century Veteran: The Case for a Fourth VA

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Administration.”AEI’s research concluded legislative language related to veterans creates a powerful and sustained narrative related to this population; notably, language consistent with a “deficit model,” words such as ‘broken’, ‘wounded’, ‘helpless’, etc., damage overall perceptions of this population wreaking further havoc on a wider audience of veterans. Conversely, language consistent with an “asset model,” such as ‘civic asset,’ ‘successful,’ ‘leaders,’ etc., has the effect of improving the likelihood of achieving positive transition and long-range experiences. This proposal is strongly in favor of a positive narrative of veterans, as it proposes elevating issue areas the public widely views as empowering such as education, employment, home ownership, and others.

We encourage this committee to consider investing significant data authorities in this office to be able to effectively track, and one day project, the true impact empowered veterans have on the country’s economic health. For example, it’s known that the Servicemen’s Readjustment Act of 1944, known as the original GI Bill, had an economic output of $7 for every $1 dollar invested in that program. Insights such as these will be vital to establishing the long-term understanding of these programs. Further, we recommend this office produce a consolidated annual report reviewing program efficacy, tracking key metrics tied to outcomes instead of outputs.

VA publicly declares they, “[have] a mission to help veterans maximize their economic competitiveness and thus, increase the number of economic opportunities for veterans and their families.” This proposal will maximize the notion VA publicly espouses in empowering veterans to lead successful lives. Further demonstrating this idea, the 1996 Congressional Commission on Servicemembers and Veterans Transition Assistance once stated, “If employment is the door to a successful transition to civilian life, education will be the key to employment in the information age.” Future generations of veterans are counting on the success of this proposal, and we are eager to work with this Congress and the White House to make it a reality.

Draft Legislation, The Veteran Employment and Child Care Access Act

The Veteran Employment and Child Care Access Act of 2019, or VET OPP Act, would require VA to provide childcare to veterans using VR&E benefits under certain circumstances. Given 46 percent of student veterans have children, access to available and affordable childcare are consistent needs, SVA generally supports greater access to child care on campus. Challenges with childcare availability and affordability are not unique to the student veteran and nontraditional student population; depending on location, childcare costs can comprise seven to twelve percent of a family’s income or even more for single parents.

However, this language severely limits eligibility for childcare assistance among the student veteran population and provides minimal childcare assistance for those that are eligible. VA already has some authority to provide child care for veterans using VR&E for education and it is unclear if this language would expand those options in a meaningful way. Instead, SVA encourages a review of existing childcare assistance programs managed by VA and how similar programs could be applied more broadly to student veterans.

16 https://ntrl.ntis.gov/NTRL/dashboard/searchResults/titleDetail/PB2006113212.xhtml
H.R. 5649, Navy SEAL Chief Petty Officer William Bill Mulder (Ret.) Transition Improvement Act

The Navy SEAL Chief Petty Officer William “Bill” Mulder (Ret.) Transition Improvement Act would make continued improvements to the Transition Assistance Program (TAP) required for transitioning service members. The November 2017 Government Accountability Office (GAO) report on TAP made it abundantly clear that serious gaps existed in the program. Originally implemented in 1991 after being established in the 1990 National Defense Reauthorization Act, TAP was subject to dozens of improvements throughout the years, including most recently this past winter.18,19,20 The programs are vastly improved from prior iterations, though several important enhancements can be done to make the transition to civilian life significantly more impactful. This legislation proposes key changes that will positively impact overall outcomes for individuals separating from the military, including the sections identified below.

Off-Base Training. The bill would also reauthorize the off-base TAP pilot that was originally authorized by Section 301 of PL 112-260.21 This pilot would authorize the teaching of the DoL employment workshop at off-base locations, such as local high schools, community centers, and other locations for veterans and their spouses. The proposal would authorize the program for an additional five years at a minimum of 50 locations across the country. This is an important recognition that access to the information in TAP seminars after separation for spouses and veterans can help improve the transition process. Indeed, when the family unit is successful, the transition process is vastly improved.

Community Impact. The bill proposes a grant program that would provide funds to help community providers fund innovative transition services such as résumé assistance, interview training, job recruitment training, and related services. The bill would prioritize funds for programs that operate as a community “hub” and a single point of contact for all services for one community, with organizations applying for funding in consultation with VA and DoL. Further, the bill proposes authorizing VA, in consultation with state entities that provide services to retired, separated, or discharged service members, to enter into a contract with a non-federal party to study and identify community providers who provide effective and efficient transition services to service members. These initiatives appropriately recognize the importance of local communities in the transition process, and we applaud the acknowledgement of community-based impact. There may be appropriate opportunities to consider related services that focus on higher education, to include planning for use of Tuition Assistance benefits in advance of transition, linking degree progression to planned use of GI Bill benefits, and linking higher education organizations in communities to transition services, or community organizations to provide college counseling similar to that provided to transitioning high school students.

Data and Research. Most importantly, this bill proposes a one-year independent assessment of the effectiveness of TAP, which would be performed no later than three months after the bill’s enactment in consultation with VA, DoD, DoL, and SBA. The assessment would require the expertise of a third-party entity with experience in teaching adult learners to perform a comprehensive review of the entire military life cycle, career readiness

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20 Senior VA officials facilitated the opportunity for select participants from various veteran organizations to attend the pilot implementation of the new TAP curriculum related to VA benefits seminars I and II in January and February of 2018.
standards, the definition of TAP, examination of service member feedback, and other data. Furthermore, the bill proposes a longitudinal study on the changes proposed to TAP, including a review of the Federal Directory of New Hires, the database used to track the employment outcomes of transitioning service members. Importantly, this study does not currently include the optional higher education track and its outcomes, which is an oversight given that over 140,000 individuals used their GI Bill benefits for the first time during the last fiscal year.

Important improvements to TAP have been highlighted through participation in roundtables this committee hosted and as a leader of the “Pre-Separation” component of the joint VA-DoD Military-Civilian Transition (MCT) convenings in recent years. We continue to emphasize the importance of providing transition information to service members as early as their recruitment into the military.

**Draft Legislation, Flight Training**

This legislation would make certain improvements to flight training programs under VA’s educational assistance programs. For years, there have been examples of fraud, waste, and abuse within flight programs taking advantage of GI Bill resources. Former Chairman of the House Veterans Affairs Committee, Jeff Miller, perfectly captured the issue in a remark several years ago when he stated, “The GI Bill flight school loophole is so big you could fly a 747 through it.”

While some veterans choose to pursue a vocation in flight programs, these programs continue to operate at levels requiring vastly more resources than limits on vocational training costs. VA data shows that while the number of students taking flight training went up by only 171 students, or 9%, between FY2013 and FY2014 the total cost to taxpayers for this program grew by $37 million, or 87%, during this same period. This data also showed in one case VA paid over $534,000 in tuition and flight payments for one student for one year. These costs were never assumed as part of the Post 9/11 GI Bill and must continue to be examined. One can only attribute such a huge increase in flight training benefit costs to schools that saw a loophole that allowed them to increase their training costs.

Veterans who desire a career in aviation should be able to achieve those goals, and not at the expense of the sustainability of the overall program. VA currently affords a maximum of roughly $13,000 for vocational flight training programs, yet many programs continue to exploit the loophole of operating through public and private programs, thereby undercutting the intent of the law for these programs. Some programs allege that flight training is more expensive by the inherent costs of the equipment, yet many examples of programs exist that do not have skyrocketing costs.

This legislation closes the flight loophole by redesignating flight training from public institutions, and SVA supports this change; we believe the standard cap of approximately $13,000 should be applied as the limit, in compliance with the intent of congress and the spirit of the law. It is worth noting that many of these programs cite a national shortage of pilots as the justification for this training; the shortage exists within fixed wing aviation (planes),

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23 Department of Veterans Affairs, [http://www.benefits.va.gov/GIBILL/docs/job_aids/ComparisonToolData.xlsx](http://www.benefits.va.gov/GIBILL/docs/job_aids/ComparisonToolData.xlsx)
whereas, the vast majority of these programs are training students in rotor wing (helicopters), for which there is no shortage of pilots. High cost programs for low paying jobs is a model that is difficult to support.\(^{25}\)

This legislation proposes to compress the rate of benefits, with two months of benefits being offered for every one month of use and seeks to address the claims that these programs have a higher cost. Despite the intent behind this change, SVA maintains that flight programs should not receive double the benefits as the most expensive private schools in the country. While we believe this is an overly generous proposal, we understand the intent and will support the committee’s efforts to strike a reasonable balance if this bill moves forward.

For programs that cost more than the cap that the committee is proposing, SVA recommends that programs consider use of the Yellow Ribbon Program, just as schools that cost more than the private school cap of $22,800 do\(^ {26}\). To say that these resources are not enough to cover the costs of the program simply indicates that the value of these programs is questionable at best; programs that are truly valuable will attract an investment from individuals if they have such enormous career prospects.

We thank this committee and its members for addressing the long-overdue challenges of the flight school loophole and hope to find an agreement that can close this loophole, preventing further abuse of the GI Bill.

**Draft Legislation, In-State Tuition**

This legislation would require VA to disapprove public institutes of higher learning (IHL) that do not offer in-state tuition for certain GI Bill students. In 2014, a requirement to charge in-state tuition for certain GI Bill students was enacted into law. However, the requirement was severely limiting in eligibility – a student had to enroll in school within three years of military separation -- and excluded a significant portion of the overall student veteran population. Thanks to the Forever GI Bill, the GI Bill is no longer a time-bound benefit and veterans are able to use their benefit at the time that works best for them and their family.

The three-year window is no longer reflective of the true nature of veterans’ education benefits and should be amended. SVA strongly supports in-state tuition for all GI Bill students. As written, this legislation would limit the in-state tuition requirement to only Chapter 30 and 33 beneficiaries. We encourage the inclusion of the other VA education assistance programs, Chapters 32 and 35.

**Draft Legislation, To make certain improvements to the Edith Nourse Rogers STEM Scholarship Program**

This legislation would eliminate the 128-credit hour program eligibility requirement currently required under the Edith Nourse Rogers STEM scholarship program. As included in our March 7, 2019 testimony before the Senate and House Veterans Affairs Committees, based on feedback and inquiries fielded by SVA, the Edith Nourse Rogers STEM Scholarship is one of the most anticipated provisions of the Forever GI Bill. With an August 1, 2019 effective date, and the preparations for Fall 2019 semester decisions already well underway by institutions and students, the need for information on the scholarships continues to grow.


\(^{26}\) ibid
One concern with the scholarship, as written, includes the severe limitation of eligible degree programs the credit-hour requirement imposes. Removing the credit-hour requirement would restore the original intent of the scholarship program (that students who pursued STEM degrees might take longer due to course sequencing, required pre-requisites that require additional semesters of college due to course sequencing, and even changing degree programs to STEM and incurring additional education requirements) and open the scholarship application up to a sufficient number of student veterans. SVA encourages the Subcommittee to act quickly on this legislation as the implementation date is only four months away. In addition to the legislation listed above, SVA also supports the draft legislation creating parity for National Guard and Reserve families and the draft legislation amending the definition of dependents.

The success of veterans in higher education is no mistake or coincidence. Research consistently demonstrates this unique population of non-traditional students is far outpacing their peers in many measures of academic performance. Further, this success in higher education begets success in careers, in communities, and promotes family financial stability, holistic well-being, and provides the all-volunteer force with powerful tools for recruitment and retention when recruits know military service prepares them for success after service.

We thank the Chairman, Ranking Member, and the Subcommittee Members for your time, attention, and devotion to the cause of veterans in higher education. As always, we welcome your feedback and questions, and we look forward to continuing to work with this committee, the House Veterans’ Affairs Committee, and the entire Congress to ensure the success of all generations of veterans through education.

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