

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

October 11, 2017

Good morning, Chairman Arrington, Ranking Member O'Rourke and Members of the Committee. I am pleased to be here today to provide the views of the Department of Veterans Affairs (VA) on pending legislation. Due to when we received notice of the hearing, and the draft bill text on the Administrative Procedures Act (APA), we will follow up with the Committee as soon as possible on H.R. 815, H.R. 3018, and the APA draft bill. With me today is Jeff London, Director, Loan Guaranty Service, Veterans Benefits Administration (VBA).

H.R. 3634

H.R. 3634, the "Securing Electronic Records for Veterans' Ease Act of 2017," or the "SERVE Act of 2017" would ensure that individuals may access documentation verifying the monthly housing stipend paid to the individuals under the Post-9/11 Educational Assistance Program (Post-9/11 GI Bill). It would add a new subsection (j) to 38 U.S.C. § 3313.

VA supports the intent of the proposed VA legislation, but notes this change would provide access to the same information currently available to Veterans

through a “Statement of Benefits” letter accessible through the internet at www.Vets.gov. This letter provides a link to the amount of a Veteran’s monthly housing stipend and other eligibility and entitlement information under the Post-9/11 GI Bill. Presently, the “Statement of Benefits” letter is only available for Veterans. VA is in the process of making this letter available to all Post-9/11 GI Bill beneficiaries. The implementation date for this functionality has not been determined.

As a technical matter, we note that there is already a subsection (j) in section 3313.

H.R. 3949

The purpose of H.R. 3949 is to provide for the designation of state approving agencies for multi-state apprenticeship programs for purposes of VA’s educational assistance programs.

This bill proposes to amend section 3672(c)(1) of title 38, U.S.C., to designate the state approving agency (SAA) for the state in which the headquarters of a multi-state apprenticeship program is located as the approving agency for this program. The SAA for the state in which the apprenticeship program takes place would be responsible for all other purposes.

The term “multi-State apprenticeship program” would be defined as a non-Federal apprenticeship program operating in more than one state that meets the minimum national program standards developed by DOL.

VA supports the proposed legislation. Currently, non-Federal apprenticeship programs operating in more than one state must request approval from the SAA in each state in which it operates. For example, if an employer has training establishments in 50 states, it must seek separate approval from the SAA in each. This process can be lengthy and cumbersome causing some Veterans to miss valuable training opportunities. The proposed legislation would allow one SAA to approve a multi-state apprenticeship program. However, VA would recommend that the phrase “headquarters of the apprenticeship program” be further defined so as to prevent competing claims of jurisdictional authority from multiple SAAs. In addition, DOL recommends the terms “non-Federal apprenticeship program” and “minimum national program standards, as developed by the Department of Labor” be further defined in the bill. DOL is available to work with the Subcommittee to clarify those terms.

As a technical matter, we note that this bill would replace paragraph (c)(1) of section 3672 with new paragraphs (c)(2)(A) and (B). VA notes that section 3672(c)(2) currently exists in title 38, U.S.C., and it is unclear how the proposed amendment would impact that provision.

H.R. 3965

This bill gives the Secretary authority to make grants to organizations that would provide employment assistance to recently transitioned Servicemembers. Recipients of the grant would provide resume assistance, interview training, job recruitment training, and related services. We would like to note that these

services are currently provided by Department of Labor (DOL) through a memorandum of understanding between our departments, and therefore the intent of this bill might best be accomplished by DOL.

VA does assist eligible Veterans participating in VBA's Vocational Rehabilitation and Employment program and the Veterans Health Administration's homelessness and compensated work therapy programs with these tasks.

The draft bill authorizes \$5,000,000 to carry out this section.

Draft Flight School Bill

This draft bill would make certain improvements to the use of educational assistance provided by VA for flight training programs.

Section 1(a) of the proposed legislation would amend section 3034(d) of title 38, U.S.C., to remove the requirement for an individual receiving Montgomery GI Bill-Active Duty benefits (or chapter 30) to possess a valid private pilot certificate before qualifying to receive benefits for flight training. Therefore, individuals who do not possess a valid private pilot certificate could qualify for flight training under chapter 30. This provision would apply to a quarter, semester, or term that begins on or after the date of enactment.

Section 1(b) of the proposed legislation would add a new subsection (k) in section 3313 of title 38, U.S.C., which would allow an individual receiving Post-9/11 GI Bill benefits to elect to receive accelerated payments for tuition and fees for flight training pursued at institutions of higher learning when the flight training

is a requirement for the degree being pursued. The amount of each accelerated payment would be equal to twice the amount for tuition and fees, otherwise payable to an individual. The amount of monthly stipends (i.e., monthly housing allowance, kickers, etc.) would not be accelerated. Two months of entitlement would be charged for each accelerated payment. This provision would apply to training that begins on or after the date of enactment.

Section 1(c) of the proposed bill would amend subsection (c)(1)(A) of section 3313 of title 38, U.S.C. to limit the benefits paid for pursuit of flight-related degree programs at public IHLs. First, it would limit the amount of tuition and fees payable for a program that requires flight training to the same amount per academic year that applies to programs at private or foreign IHLs. Second, it would prohibit the payment of tuition and fees associated with non-required (i.e., elective) flight training. This provision would apply to a quarter, semester, or term that begins two years after the date of enactment, for individuals currently using chapter 33 benefits. Otherwise, this provision would apply to a quarter, semester or term that begins on or after the date of enactment.

Section 1(d) of the bill would further amend section 3313(c)(1)(A)(ii)(II) of title 38, U.S.C., as added by subsection (c)(2)(E) of this bill, to add a new item (cc) that would limit the amount of tuition and fees payable for certain programs at IHLs, specifically those that involve a contract or agreement with an entity (other than another public IHL) to provide a program of education or a portion of a program of education, to the same amount per academic year that applies to programs at private or foreign institutions. This provision would apply to a

quarter, semester, or term that begins 2 years after the date of enactment, for individuals currently using chapter 33 benefits. Otherwise, this provision would apply for a quarter, semester, or term that begins on or after the date of enactment.

VA supports the intent of section 1(a). However, VA has concerns about removing the requirement for individuals to possess a valid private pilot certificate as this would allow certain individuals to pursue flight training as an avocation versus a vocation. VA notes that this provision would also apply to individuals pursuing flight training under both chapter 30 and chapter 33, since the same approval criteria govern both education programs.

VA does not support section 1(b). Under this provision, individuals would exhaust their entitlement prior to completing their program of education. This would specifically impact individuals who elect to receive accelerated payments for flight training while pursuing a standard 4-year bachelor's degree program. In addition, the amount of an accelerated payment could exceed the actual cost of tuition and fees charged for any given enrollment period. Consequently, VA could pay more funding than required for certain enrollments. In addition, the proposed charge against entitlement is confusing since only payments associated with tuition and fee charges may be accelerated. These payments, however, are paid in a lump sum, not on a monthly basis.

This section would require VA to make changes to the current rules for determining payment amounts that are programmed into the Long Term Solution (LTS). LTS is not currently programmed to process accelerated payments. VA

estimates that it would require one year from the date of enactment to make the necessary information technology system changes.

Lastly, VA supports sections 1(c) and 1(d), which are consistent with our FY18 budget and would limit the amount of tuition and fee payments for enrollment in flight programs and certain programs at IHLs that are a part of a contract agreement with other entities (other than another public IHL). VA is concerned about high tuition and fee payments for enrollment in degree programs, and especially those involving flight training at public IHLs. Education benefit payments for flight programs increased tremendously with the implementation of Public Law 111-377.

There has been a significant increase in flight training centers, specifically those that offer helicopter training, that have contracted with public IHLs to offer flight-related degrees. Sometimes these programs charge higher prices than those that would be charged if the student had chosen to attend the vocational flight school for the same training.

The proposed legislation would remedy this situation. VA would like to note that information technology (IT) changes would also be necessary to implement sections 1(c) and (d). VA estimates that it would require 1 year from enactment to develop, test, and implement this functionality. Manual processing would be needed in the interim.

This concludes my testimony. We appreciate the opportunity to present our views on these bills and look forward to answering any questions the Committee may have.