

**STATEMENT OF  
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BEFORE THE  
UNITED STATES SENATE  
COMMITTEE ON VETERANS' AFFAIRS**

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**Introduction**

Chairman Isakson, Ranking Member Blumenthal and members of the Committee on Veterans Affairs, I am pleased to appear before you today on behalf of the 56 member state agencies of the National Association of State Approving Agencies (NASAA) and appreciate the opportunity to provide comments on bills pending before this committee, particularly S.1460, S. 1938, and the draft bill pertaining to improvements in the laws administered by the Secretary of Veterans Affairs relating to educational assistance and for other purposes. As a part of our review of these bills, we will also provide some additional comments that address the role of state approving agencies in approving and providing oversight of educational programs that provide for a secure future for our nation's heroes and their families.

**Role of the State Approving Agencies: Past and Present**

State Approving Agencies were established shortly after passage of the Veteran' Readjustment Act of 1944, or the GI Bill of Rights. Congress, recognizing that it was the responsibility of the states within our federal system of government to oversee the education of its citizens, required that each state establish a "State Approving Agency" and the governor of each state designated a state bureau or department as the SAA. The SAA was to be supported by reimbursement of its expenses by the US Department of Veterans Affairs (VA). Thus evolved a truly cooperative federal-state effort that maintains the rights of the states while monitoring and protecting a federally-sponsored program administered under the terms and conditions of federal law.

From a role of simply advising VA as to which educational and training programs were state-approved, State Approving Agencies have evolved to become the primary source of assuring institutional accountability. With specialized authorization under the Code of Federal Regulations and state statutes, they exercise the state's authority to approve, disapprove and monitor education and training programs. SAAs also assist the states and VA with exposing fraudulent and criminal activity involving the payment of veteran's benefits.

In 1948, SAA representatives met to form a professional organization to promote high professional standards, create a forum for the exchange best practices, and to promote uniformity of purpose and practice. For almost seventy years now, NASAA has worked with our VA partners, the VSOs, and all agencies to ensure that the greatest numbers of quality programs are available to those eligible for education and training programs. We do this through our primary mission of program approval and our related efforts; compliance, training, liaison and outreach. Indeed, with the exception of federal

facilities, the State Approving Agencies are responsible for the approval of all programs of education and training within the nation.

### **S. 1460 Fry Scholarship Enhancement Act of 2015**

There are no more worthy recipients than those who receive the Marine Gunnery Sergeant John David Fry Scholarship. The scholarship is available to surviving children and surviving spouses of active duty members of the Armed Forces who died in the line of duty on or after September 11, 2001. Full tuition and fees are paid directly to the school for all public school in-state students capped at the statutory maximum amount per academic year equal to the post-9/11 G.I. Bill. However, unlike dependents of living veterans who are eligible for Transfer of Entitlement under the post-9/11 GI Bill and who can participate in the Yellow Ribbon program, recipients of the Fry Scholarship cannot. NASAA feels strongly that it is very much in keeping with the spirit and purpose of this important program to extend the Post-9/11 G.I. Bill Yellow Ribbon Education Enhancement program to cover the recipients of this scholarship. As such, we support this bill.

### **S. 1938 Career Ready Student Veterans Act**

The primary responsibility of state approving agencies is to approve quality educational programming in which a qualified veteran or dependent can enroll while using the GI Bill, which will prepare them for gainful employment and a satisfying career. While it is true that all persons that attend career schools, such as law or nursing, do not always seek or find satisfying employment in that particular career field, it is certainly not an unfair expectation for a veteran who graduates from such programs to be qualified to sit for the license or certification exam. Already, many SAA's require that certain degree programs be accredited by the programmatic accrediting agency, so although this problem is seemingly not widespread, one disappointed veteran is too many. NASAA does however believe strongly that this requirement should apply equally to public and not-for-profit institutions as well as proprietary for profit institutions and non-accredited schools. Of course, that requires that we be aware of the deemed approved programs, which we will address later in this statement. Given our role to safeguard the future of veterans and their families and to protect the integrity of the GI Bill educational program, NASAA supports this bill.

### **Discussion Draft, a bill to make improvements in the laws administered by the Secretary of Veteran Affairs relating to educational assistance, and for other purposes.**

Though our primary role is to approve quality education programs and provide oversight of those programs at educational and training institutions, we understand well the importance of timely payment of benefits to veterans and the importance of veteran enrollment in the correct chapters of entitlement available to them. We often work with the VA Education Liaison Representatives in our states to help resolve difficult cases involving veteran payment issues and entitlement. As such we support the provisions of this bill in Section 1 relating to the recodification and improvement of the election process for Post-911 beneficiaries. NASAA does not oppose Section 2, relating to centralized reporting of veteran enrollment but would desire that even though reporting is centralized, that individual campuses must continue to maintain a contact person so as to provide support to their veteran population and local accountability to state approving agencies and VA personnel. NASAA supports Section 3 of this bill as it provides for clarification of assistance provided for certain programs of education, particularly contracted programs offered in conjunction with institutions of higher learning (IHLs). It is important that we provide measures to improve cost control for specialized degrees offered by colleges and universities, which involve a contracted

program which may or may not be approved by a state approving agency. For example, some public higher education institutions have instituted extreme costs for aviation program fees as there are presently no caps in place for public IHLs. In some cases, benefits have been paid for aviation degree programs at public IHLs provided by a third-party flight contractor with no approval issued by the governing SAA. This was exacerbated by the implementation of 3672. And some students were taking flight classes as electives with no cost cap for flight fees. In those cases, students could foreseeably take flight classes as an “undeclared” student for up to two years. This section would limit Chapter 33 payments for aviation programs and similar contracted training at public institutions to the prevailing cap, presently \$21,084.89. There would be no impact on the institutions’ ability to access Yellow Ribbon funds. We feel strongly that veterans should continue to have access to quality contracted programs overseen by state approving agencies, but a reasonable cap is necessary to protect both our veterans and the integrity of the GI Bill.

NASAA supports as well the provisions of Section 4 which will provide through a secure information technology system to educational institutions offering SAA approved programs updated information on the amount of educational assistance to which veterans or other individuals are entitled. This allows school officials to be in a better position to assist veterans in planning for and being successful in their educational programs. We might add that we would also like to see changes and improvements made to VA information technology systems such that all original and supplemental chapter 33 claims, to the maximum extent possible, are adjudicated electronically, to include on-the-job training and apprenticeship programs, which are all still processed manually. Indeed, for the last two years, we have worked side by side with our VA partners to redesign the compliance survey process so that corrections to claims generated during those visits would be handled utilizing the VA Once automation system and not paper referrals. We continue to work with the VA to further refine the handling of these claim adjustments so that veterans may receive monies owed them as expeditiously as possible.

NASAA strongly supports Section 5 relating to the role of state approving agencies and sees these provisions as critical to the protection of our veterans and the fair and equitable administration of GI Bill educational benefits. This section seeks to clarify and codify State approval authority and oversight over all non-Federal facilities. It would accomplish this by identifying SAAs as the primary entity responsible for approval, suspension, and withdrawal. These proposed changes would ensure that an actual process for approval, suspension, and withdrawal will be adhered to (as opposed to our current scenario under the present often misunderstood “deemed approved” concept). The law does not do away with the concept that accredited degree programs at public and not for profit private institutions of higher education (IHLs) may be “deemed approved,” rather, it would maintain the intent of the statute by adhering to an expeditious list of approval criteria for those programs that have been reviewed and/or endorsed by another appropriate entity. Furthermore, these changes would lessen the opportunity for third-party contracted training programs to be “deemed approved” with no review, in that SAAs would clearly possess the authority to review contracted training programs as a part of their annual evaluation of programs and policies.

In addition, since the passage of the Post 9/11 Veterans Educational Assistance Improvements Act of 2010 (111-377) in January of 2011, there has been no statutory authority for the approval of accredited NCD programs at public or private not-for-profit institutions. We estimate over 10,000 such programs are in existence today over which neither us nor the VA have existing statutory authority to maintain their approval. These programs include teacher certification programs, accounting certificates, dental assisting as well as graduate certificates not a part of a degree program. Section 6 expands 3675 to cover all accredited programs not already covered under 3672,

while maintaining all previous approval criteria for private-for-profit institutions. We are concerned with the recent proliferation of transition and training programs at accredited institutions of higher learning, particularly community colleges, as well as certifications that may or not meet industry standards or have real earning power.

As the oversight of education within their borders remains both a key role and responsibility of the states, NASAA strongly supports “additional reasonable criteria” which are used to approve non-accredited courses. Examples of such criteria that states mandate within their borders include a requirement for licensing to operate an educational institution or requirements for health and safety regulations. Likewise, some states require additional attendance requirements or a careful monitoring of standards of progress. Such additional criteria are for the protection of the states and their residents and/or citizens. NASAA does not oppose the section of the bill relating to additional reasonable criteria in that it requires that, when the Secretary determines that if review of the state criteria is necessary, the Secretary must do so in consultation with the State approving agency and the criteria must be necessary and treat all sectors of education within the state equitably. Equitable application of statute is a shared value of our member agencies.

Finally, Section 7 mandates appropriate changes to 38 US 3693 ( Compliance Surveys) to maximize the opportunity to protect the GI Bill while changing the manner in which we perform these surveys to reflect the changes that have occurred in higher education and training in the past three decades. The current statutory requirements for VA to conduct Compliance Surveys represent an almost impossible mission, given present resources. The statute requires an annual survey be conducted at each and every facility that offers anything other than a standard college degree as well as each and every institution enrolling at least 300 GI Bill recipients. This section makes changes in the law to allow for a manageable mission in which VA, with the assistance of SAA partners, can conduct compliance surveys on a regular scheduled basis at the majority of approved institutions, while allowing for continued waiver of those institutions with a demonstrated record of compliance. At the same time, NASAA feels strongly that no school should go without a visit of some kind for longer than three years. Such compliance surveys should be designed to ensure that the institution and its approved courses are in compliance with all applicable provisions of chapters 30 through 36 of this title, but should also allow for limited program review, interviews with veteran students and training for school officials. Plus, the changes should allow for flexibility to adjust resources towards specific high-risk educational institutions as specific needs arise, allowing both VA and SAAs to be nimble and proactive in response to risks identified through the new complaint system and will allow SAAs to provide needed technical assistance and training visits to schools. By amending the law to provide that “the Secretary will conduct a compliance survey at least once every two years at each institution or facility offering one or more courses approved for the enrollment of eligible veterans or persons if at least 20 veterans or persons are enrolled in such course or courses,” we will make sure that schools that need a visit will receive one and will allow enough flexibility for SAAs to focus more on their primary roles of approval, training and technical assistance. We believe in the wisdom of preventing problems through carefully approving programs that provide jobs to veterans, not by creating debts or allowing veterans to go months without proper payment when such could and should be avoided.

## **Conclusion**

Mr. Chairman, today, fifty-six (some states have two) and the territory of Puerto Rico, composed of approximately 175 professional and support personnel, are supervising over 12,000 approved facilities with 100,000 programs. Last year, we increased the number of compliance visits we conducted to 2,672 visits, an increase of 17% over the previous year and more than fifty (50) percent

of the visits accomplished by state approving agencies and the VA. But even more impressive, we increased the number of education and training programs we approved by over 75% while expanding our outreach efforts to new institutions and veterans by 26%. I am also pleased to report that State Approving Agencies, through NASAA, have taken a leading role in assisting their individual states in becoming compliant with Section 702 of the Choice Act and because of that initiative 47 states are compliant with section 702 requirements and the others are working diligently to become so before years end. This is just further evidence that we remain strongly committed to working closely with our VA partners, VSO stakeholders and educational institutions to ensure that veterans have access to quality educational programs delivered in an appropriate manner by reputable providers. For we all share one purpose, a better future for our veterans and their dependents. Mr. Chairman, I pledge to you that we will not fail in our critical mission and in our commitment to safeguard the public trust, to protect the GI Bill and to defend the future of those who have so nobly defended us. I thank you again for this opportunity and I look forward to answering any questions that you or committee members may have.