

QUESTIONS FOR THE RECORD

Submitted by Senator Murray

“Hearing on the Pending Nomination of Robert Wilkie to be Secretary of Veterans Affairs”

Hearing June 27, 2018

EDUCATION

1. The Forever GI Bill included provisions restoring benefits to veterans who attended Corinthian Colleges, Inc. and ITT Education Services, Inc.. However, VA has struggled to get in contact with potential beneficiaries and has had a low level of take-up in benefits restoration. What methods would you commit to employing to ensure that benefits restoration is provided to all of those eligible?

If confirmed I will work with VBA leaders to ensure proper notification is made to eligible beneficiaries.

2. Many outside experts and veterans service organizations have indicated that they believe the “90/10 loophole” results in the improper targeting of veterans by predatory colleges and training programs. Do you believe it is reasonable to close the “90/10 loophole” for for-profit colleges, and to count veteran and military benefits as part of the 90 percent cap on federal funding? If not, please explain why you do not think this is reasonable.

The “90/10 rule” is a restriction on Federal Student Aid funding and is administered exclusively by the Department of Education. While VA defers to the Department of Education (ED) on the 90/10 calculation, there is an argument for including the Post-9/11 GI Bill in the 90 percent cap. Under the present structure, some institutions may be marketing to Veterans because the Federal education benefits they receive are treated the same way as private funds in the 90/10 calculation. I believe institutions should not aggressively recruit Veterans principally because of financial motives.

I would welcome the opportunity to work with ED and the Committee if it considers changes in this area.

3. After the confirmation hearing for Former Secretary of Veteran Affairs David Shulkin, he was asked in writing whether Department of Veterans Affairs Post 9/11 GI Bill and Department of Defense Tuition Assistance benefits, paid for by federal taxpayers, are federal funds. He replied simply “Yes” that they are indeed federal funds. Additionally, a Senate Appropriations Committee hearing last year with Secretary of Defense James

Mattis, he was asked a similar question, and Secretary Mattis said that “with respect to the Department of Defense Tuition Assistance benefits, yes, the Department agrees that these benefits are federal funds approved by Congress.” Do you believe that GI bill benefits, paid for by federal taxpayers, are federal funds?

Yes

4. Do you believe it is reasonable to expect that institutions of higher education receive at least 15 percent of their revenues from sources other than taxpayer dollars, including veterans’ benefits? If not, please explain why you do not think this is reasonable.

I defer to the Department of Education regarding the “90/10 rule” and/or whether such percentages are reasonable but welcome the opportunity to work with ED and Congress if changes are warranted

5. The U.S. Department of Education (ED) recently announced a process to share data with VA to enable the discharge of federal loans for totally and permanently disabled veterans with a 100 percent service-connected disability. This arrangement allows ED to identify such veterans who are eligible, but still requires them to submit a form to process this discharge. I have previously called on these discharges to be automatic for totally and permanently disabled veterans, particularly given that there are no tax consequences to the discharge. Do you agree that these loan discharges should be automatic?

Yes, however I defer to the Department of Education as to the feasibility of such automation.

6. The Consumer Financial Protection Bureau (CFPB) is currently involved in litigation with Navient, one of the nation's largest student loan companies, which has been alleged to have harmed millions of student loan borrowers, including thousands of disabled veterans. Can you commit to meeting with Acting Director Mulvaney, or his successor, to discuss the allegations of harm against veterans by the student loan industry, including Navient?

Yes

7. The Department of Defense has called the Public Service Loan Forgiveness (PSLF) program a “powerful incentive for public service-minded people to pursue a career in the Armed Forces of the United States.” Do you agree that the PSLF program is an important tool for VA to recruit qualified individuals to serve our nation’s veterans?

I agree that PSLF is a powerful incentive for public service and has been a great recruiting program for the DoD. If confirmed, I look forward to reviewing programs such as the PSLF to see if it makes sense at the VA.