

Senate Committee on Federal and State Affairs
Senator Ralph Ostmeyer, Chair

Testimony on House Bill 2228
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Kansas Commission on Veterans' Affairs Office

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Chairman, Committee members, thank you for allowing me to testify regarding House Bill 2228, giving instate tuition to veteran attending Kansas public post secondary intuitions. My name is Wayne Bollig, I am the Deputy Director of the Kansas Commission on Veterans' Affairs Office (KCVAO). The KCVAO serves as advocate for the approximately 223,000 veterans, which represent approximately 24% of Kansas Adult population, Along with approximately 312,000 dependents and survivors that currently call Kansas home. We are charged with operating various programs supporting Kansas veterans. My primary duties as Deputy Director of Veterans Services involve overseeing the 13 field offices, the enhanced mobile program and the State Approving agency among many other duties as assigned by the Director. This is important to note because enforcement of Section 702 of the Choice Act falls directly under the State Approving agency. It is this program that is under contract with the federal VA to approve all education programs in Kansas where veterans can be reimbursed under the GI-Bill. We are also required to perform compliance audits of all programs, at all facilities, report discrepancies and non-compliance to the Federal VA and to remove approval to offer programs under the GI-Bill from those institutions who willfully or are unable to meet the requirements outlined in Title 38 of the US Code.

As part of our contract we have two staff that preform approval and compliance work for the roughly 146 institutions providing education benefits to our veterans. To do this work we enter into a cost reimbursement contract with the Federal VA. There is a maximum reimbursement we are allowed under the contract. Any additional work or costs necessary as a result of HB 2228 would be the requirement of the state to support. When HB 2228 was drafted it was done with key elements in mind. First, we needed a bill that benefited veterans and made Kansas an attractive place for veterans to go to school, to work and live. One that recognized the strong positive impact veterans have not just on the local community but the Kansas economy as a whole. This bill, as written, is important in that it sends two strong messages to our veterans. It shows that 'thank you for your service' is not a hollow term – and that we are serious as a state moving forward to empower and enable veterans to positively contribute to the Kansas economy. Last federal fiscal year veterans in Kansas received \$104 million dollars in education benefits alone. This included tuition and fees paid to our colleges and universities. It also included a housing allowance paid to

veterans used for rent, to buy food at our grocery stores, and fill gas at the local gas station all in our Kansas communities. This \$104 million is, of course, a small part of the over \$1.2 Billion dollars that flow into the Kansas economy in support for our veterans in the form of educational benefits, medical care, disability payments, survivors benefits and widows pensions.

The next issue we considered was did the legislation meet at a minimum the requirements as outlined in the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113-146) (“Choice Act”) which was a bipartisan response to the health care access issues facing VA. Part of this bill (section 702) addresses instate tuition for select veterans and dependents. If states failed to comply with Section 702 of the Choice Act **the VA requires and as its contractor, the State Approving Agency is required “to disapprove programs of education under the Post-9/11 GI Bill and Montgomery GI Bill at public institutions of higher learning if the school charges qualifying Veterans and dependents tuition and fees in excess of the rate for resident students.”** This requirement could place an excessive burden on both the State SAA program and the school/university, in that each student enrolled in the school would have to be reviewed, are they receiving benefits under the GI-Bill, are they covered under section 702 or not. Is the school/university operating in compliance with Section 702? If the school/university was found to be out of compliance, all approvals not just those for students currently enrolled and paying out of state tuition, but every program at that school would be disapproved. Veterans and dependents relying on the GI-Bill would no longer receive benefits to attend the school. In addition, the school could be assessed an overpayment and would have to pay funds back to the federal VA. The worst impact could be on the veteran, they could be charged with an overpayment of benefits and have to pay money back for the overpayment. They may not have the funds to pay back, or they may no longer be able to continue on in school and may have to drop out. This all as a result of using a benefit in good faith and trusting the school they were attending was doing the right thing.

Most importantly states that have statutes for instate tuition for veterans realize that not only will they have students who have guaranteed tuitions-income streams. In addition, they will have students who bring incredible diversity and global experience that most 18-23 year-olds don’t have. These individuals’ diverse and unique experiences can significantly enrich a classroom. Many of these individuals have families that will reside in Kansas while they attend school they will have a vested interest in not only living here while they attend school but in making Kansas home.

The importance of this resource cannot be overstated. With the rising cost of higher education in the U.S., veterans are mindful of which states are veteran friendly, there are easily accessible websites that the veteran can go to see; is Kansas a state that gives instate tuition to veterans and dependents? How do Kansas tuition rates compare to Texas, Colorado, Nebraska, Missouri and so on. By leveraging resources with this small change to Kansas Statute student veterans may choose to call Kansas homes not just while in school but as a place to live and work after graduating.

When I got out of the service in 1977 I went to school on the GI-Bill. It only paid a fraction of the cost of my tuition back then. I worked 60 hours a week raised a family and attended Fort Hays State, I could never have gone to school and taken care of my family if I had to pay out of state tuition. Two of my three children attended and graduated Fort Hays State, to afford in state tuition I worked two jobs and my children held full time jobs while they went to school. I believe in the importance of education. My son David told my wife one time that he knew school was important because if dad was willing to work two jobs to pay for his schooling it must be important. He is right it was important! But I could not have done it, and he could not have gone to school even as a dependent of a veteran, if he had to pay out of state tuition.

I have personally taken calls from veterans that would like to move to Kansas to go to school but will not because of the rules for instate tuition. I can also say I have visited with veterans that enrolled at Kansas universities, after moving to Kansas, to go to school renting a home living here with their family and then being told they do not yet meet the requirements to be considered a resident. I would go back to the statement I made earlier, is 'thank you for your service' a hollow term? Are we serious as a state about moving forward to empower and enable veterans to positively contribute to the Kansas economy?

In summary while this bill was started as a requirement to comply with the Choice Act section 702, it is more. Recently there was a meeting at Fort Riley where citizens, legislators and business said how important the Fort Riley was to Kansas. Here is a chance to show not just the short term commitment to our military but the long term commitment to our veterans.

Texas has had this very statute in place for years their schools are not suffering. Other states are implementing statutes based on the Texas model as we are with HB228 because it is the only statute reviewed by the Federal VA confirmed as being in full compliance. HB 228 as written was vetted through the VA who indicated it is in compliance. After the house amended the bill we once again sent it to the VA

for review and input. While they indicated they felt it was in compliance they did say to avoid confusion and clarify they did have a couple of minor amendments in Section 1(a)(2) line 18 they suggested changing “while enrolled in” to “while attending” and on in Section 1(a)(2) line 17 replacing the word “resides” with “lives” for consistency with Section 702. While we do support these two technical changes, We do caution that, if this bill is amended dramatically and is found not in compliance after it is passed, not just veterans coming to Kansas, but those Kansas residents using the GI-Bill could lose. And our universities could lose a large portion of the \$104 million in education benefits paid as tuition for veterans and dependents.

This is not just about Federal Law and the Choice Act. It is about Veterans, widows and soldiers of those killed in action. It is about saying Kansas is a veteran friendly state interested in a diverse student population brining unique experiences that can significantly enrich a classroom. Please pass HB 2228 with only the minor amendments recommended by the Federal VA, for all veterans as an honest “Thank you for your service.”

I will now stand for Questions.