

## NATIONAL VETERANS EMPLOYMENT & EDUCATION COMMISSION

### TOPIC 1: ECONOMY

It could be years before the central bank raises interest rates above a “low” level, Jerome H. Powell, the chair of the Federal Reserve, said on Friday, a sign of the Fed’s steadfast view that the economy, while slowly recovering, will need extraordinary Support for an extended amount of time given the Pandemic.

His comments, in an interview with NPR, were a contrast to those from the White House, which hailed Friday’s jobs report showing the unemployment rate dipping to 8.4 percent as a sign of continued, rapid recovery from the depths of the pandemic recession.

“The economy is now recovering,” Mr. Powell said. “But it’s going to be a long time, we think. We think that the economy’s going to need low-interest rates, which support economic activity, for an extended period. It will be measured in years.”



The Fed slashed interest rates to near zero in March and has increasingly suggested that it is in no rush to raise them, even if the unemployment rate drops and the labor market is running hot.

Last month, Mr. Powell announced a significant shift in how the central bank guides the economy, signaling it would make job growth pre-eminent and would not raise interest rates to guard against expected inflation just because the unemployment rate is low.

“What we’ve learned is that unemployment can be even lower than we thought and not result in troubling levels of inflation,” Mr. Powell told NPR. Later, he added: “We’re not going to withdraw the support that we think the economy needs prematurely.”

While Mr. Powell expressed concern over the long-run sustainability of federal debt, which will nearly exceed the size of the economy this fiscal year, he said now is not the moment to worry about cutting spending and limiting borrowing. “The time to start working on fiscal sustainability is not right now when we have so many people in need,” he said.

The continued selling occurred after a government report on Friday showed that the US economy added 1.4 million jobs in August. Stocks have moved steadily higher since March, even as the pandemic-hit economy struggles to recover. The Federal Reserve and Congress have helped stimulate the economy, giving investors’ confidence, but some analysts say the economy has to show more strength to keep the rally going.

Tech companies hold significant sway over the S&P 500 index by their size. Investors have been optimistic about the tech firms, whose market dominance and online business models appear poised to benefit from the prospect of a work-from-home world.

And big tech companies helped to pull the index down: **Amazon** ended down 2.2 percent, and **Facebook** and **Alphabet** both fell about 3 percent.

The American Legion continues to monitor the state of the economy as it directly affects the lively hood of many veterans and their families.

*[Reported by Ariel De Jesus]*

<b>HOUSEHOLD</b>		<b>DATA</b>				
<b>Table A-5. Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted</b>						
[Numbers in thousands]						
Employment status, veteran status, and period of service	Total		Men		Women	
	Aug 2019	Aug 2020	Aug 2019	Aug 2020	Aug 2019	Aug 2020
<b>Unemployed</b>	323	560	289	476	34	84
<b>Unemployment rate</b>	3.5	6.6	3.6	6.1	3.2	8.2

*The national unemployment rate is 10.2 percent (July 2020). Gulf War II veterans' unemployment rate is 7.0 percent.<sup>i</sup> Currently, the unemployment rate for Gulf War II women veterans is 4.5 percent (Down from 7.9 percent in July).*

In August 2020, the veteran unemployment rate is 6.6%, down from 7.9% last month and 8.6% two months ago. The comparable non-veteran unemployment rate was 8.4% in August and 10.2% in July

## TOPIC 2: CONFERENCE CALLS

*On the Week of September 7-11<sup>th</sup>*, the National Veterans Employment and Education Division worked on a statement for the record for the Committee on Veterans' Affairs, Subcommittee on Oversight and Investigations will hold a hearing entitled "Modernizing VA's Medical Supply Chain: Lessons Learned from the Pandemic." The American Legion will discuss the root causes of the shortages VA experienced during the onset of the Pandemic and the critical role veteran suppliers play in VA's medical supply chain.

***On Tuesday, September 8,*** the National Veterans Employment & Education Division had a conference call with VA Regional Leadership on NCD school issue in Texas and LA. Texas SAA is working the approval and concerned with Tuition Costs and school reputation.

***On Tuesday, September 8,*** the National Veterans Employment & Education Division priorities for future will include Apprenticeship and Licensing/Certification and 90/10 as well as borrower defense. Conversation with Division Director on ranking of schools and how RBS might assist in assuring quality and robust oversight.

***On Tuesday, September 8,*** the National Veterans Employment & Education Division follow up with ECPI and University of Chicago students and conversation on how to increase TAL higher education footprint.

***On Wednesday, September 9,*** the National Veterans Employment & Education Division conducted monthly meeting with VES, TAL and Arthur Ventures Group. Conversations around 90/10 and possibilities of moving that legislation this Congress (not likely) and then moving HR 4625 Protect the GI Bill Act (very likely).

***On Wednesday, September 9,*** the National Veterans Employment & Education Division review of 4625 and lengthy conversation with both SVAC staff and HVAC staff. Also conversation with Elizabeth Ladarola on University of Chicago meeting, American Legion Credentialing efforts and promise to help with committee determining scholarships for veterans at some of AL university partners.

***On Thursday, September 10,*** the National Veterans Employment & Education Division had extended conversations with Senate Veterans Affairs Committee staff on HR 4625 and conversation with Julian Purdy of HVAC on changes in the law pertaining to 3696 non-compliant institutions and Risk Based Survey metrics.

***On Thursday, September 10,*** the National Veterans Employment & Education had conversations with RBS Advisory Committee members and project coordinator about coming pilot SAA process and policies for the Fall.

***On Friday, September 11,*** the National Veterans Employment & Education Division completed drafting new resolution on higher education robust oversight ensuring quality programs leading to gainful employment.

***On Friday, September 11,*** the National Veterans Employment & Education Division completed review of 4625 and conversations with HVAC and SVAC. Final drafting notes to Senate. Work on SEC VA Committee on Veterans Education

### **TOPIC 3: TRACKING LEGISLATION**

**GI Bill of Rights Equity Commission Act:** Establish the independent National Commission on GI Bill Equity to identify veterans of World War II who were denied the full effect of their GI Bill benefits because of contemporaneous local, State, and Federal Government policies that discriminated against African Americans.

**(Tracked by John Kamin)**

**Resolution:** None on file, presenting for review at Fall NEC.

**Status: Currently on hold, has not been introduced**

**HR 6800, the Heroes Act:** Allows VA to provide transport and purchase food, shelter, phones, clothing, blankets and toiletry items for homeless veterans; Authorizes VA to set up temporary encampments on the grounds of VA Medical Centers to allow homeless veterans to shelter on VA parking lots temporarily; Allows VA to provide reimbursements to social service providers receiving grants for the costs of services for minor children.

(Tracked by Davy Leghorn)

[Resolution No. 324: Support Funding for Homeless Veterans](#)

**HR 7445:** To amend title 38, United States Code, to expand eligibility for home loans from the Secretary of Veterans Affairs to certain members of the reserve components of the Armed Forces.

**This bill was submitted for the July 23, 2020 testimony.**

[Resolution No. 329: Support Home Loan Guaranty Program](#)

**HR 1615:** The American Legion supports legislation that would streamline and improve the verification process for veteran-owned small businesses and veteran-owned small businesses.

[Resolution No. 155: Support Verification Improvements for Veterans' Business](#)

**Passed at the 2016 National Convention.**

(Tracked by Davy Leghorn)

**HR 2224:** To direct the Secretary of Labor to prioritize services to homeless veterans with dependent children in carrying out homeless veterans' reintegration programs and for other purposes.

(Tracked by Ariel De Jesus/John Kamin)

[Resolution No. 326: Support Funding for Additional Housing for Homeless Veterans with Families](#)

**S. 2594:** To amend title 5, United States Code, to modify specific requirements concerning service and retirement for veterans' Preference for federal hiring.

(Tracked by Ariel De Jesus)

[Resolution No. 317: Enforcing Veterans' Preference Hiring Practices in Federal Civil Service](#)

**HR 1196, Jobs for Veterans Act of 2019:** This bill allows an increased work opportunity tax credit for employers who hire veterans who have been certified as discharged or released from active duty in the Armed Forces after September 11, 2001, and who begin working for the employer after December 31, 2019, and before January 1, 2024. This increased credit is in addition to any work opportunity tax credit allowed to a veteran with a service-connected disability.

(Tracked by Ariel De Jesus/John Kamin)

[Resolution No. 354: Work Opportunity Tax Credit Program](#)

**HR 7010, Paycheck Protection Program Flexibility Act of 2020:** This bill significantly changes the terms of the PPP loans to be more advantageous to small businesses. Including more flexibility in applying the loan to other expenses besides payroll and benefits and extending the time frame for expending the loan.

(Tracked by Davy Leghorn)

**HR 4625:** To require education programs to be approved by the VA to abide by the Principles of Excellence to include a ban on deceptive or misleading recruiting, clear information about total costs and program requirements, accommodation for deployments, ensuring a point of contact for veterans, and not being under a punitive action by an accreditor.

(Tracked by John Kamin)

[Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education](#)

**HR 6957:** To direct the Secretaries of Defense and Veterans Affairs to treat a period of full-time National Guard duty, performed in response to the national emergency declared on March 13, 2020, by the President concerning COVID-19, as not shorter than 90 days.

(Tracked by John Kamin)

Currently studying for appropriate resolution.

**HR 4941 Veteran Employment Transition Act” or the “VET Act”** was sponsored by Representative Andy Kim. The last action on the bill was in the House on 12/02/2019; it was referred to the Subcommittee on Economic Opportunity. The bill's goal is to improve the Transition Assistance Program. The bill would allow certain veterans' service organizations to contact veterans regarding benefits and to better inform veterans of employment opportunities. The Service groups would inform veterans of the benefits and employment opportunities with the Federal, State, and local governments. The groups inform veterans of events for in the area.

(Tracked by Ariel De Jesus) **A letter of Support was sent**

[Resolution No. 70: Improve Transition Assistance Program](#)

**H.R.7003** is a bill sponsored by Rep. Takano, Mark D-CA-41 and was introduced 05/22/2020. The bill would authorize a pilot program in the Department of Defense to enhance efforts to provide job placement assistance and related employment services directly to members of the National Guard, Reserves, and veterans of the Armed Forces. The last action on the bill was 05/22/2020 and referred to the Committee on Armed Services.

(Tracked by Raymond Lorminey/Ariel De Jesus)

[Resolution No. 81: Transition Assistance Program Employment Workshops for National Guard and Reserve Members](#)

**Coronavirus Emergency Borrower Defense (E-BD) Act:** to require the Department of Education to grant full student loan discharges to three specific emergency categories of defrauded borrowers—specifically borrowers covered by:

- (1) Department of Education findings against Corinthian.
- (2) Department of Education findings against ITT Tech; and
- (3) State attorneys general group discharge applications made before the date of enactment.

(Tracked by John Kamin)

[Resolution No. 82: Preserve Veteran and Servicemember Rights to Gainful Employment and Borrower Defense Protections](#)

**HR 7111: Veterans Economic Recovery Act of 2020:** Require the Secretary of VA to carry out a rapid retraining program that provides eligible veterans up to 12 months of retraining assistance for in-demand occupations. These 12 months of benefits would be equivalent to payments made to students and schools through the Post 9/11 GI Bill.

(Tracked by John Kamin)

**This bill was submitted for the July 23, 2020 testimony.**

[Resolution No. 316: Support Employment of Veterans in the Public and Private Workforce](#)

**Homeless Veteran Coronavirus Response Act:** The bill allows VA to use existing funds for a broader range of services; authorizes the Department to collaborate with outside organizations to facilitate shelters on its properties; loosens restrictions on Grant and Per Diem (GPD) payments,

and requires VA to ensure veterans participating in VA homeless programs have access to VA telehealth services.

(Tracked by Teresa Lewis)

[Resolution No. 326: Support Funding for Additional Housing for Homeless Veterans with Families](#)

**HR 4920, Department of Veterans Affairs Contracting Preference Consistency Act of 2020:** is a bill that would allow AbilityOne companies to keep their preferential treatment at the Department of Veteran Affairs after 2016 with some compromises. The Senate initially sent it back to the House after it was passed for changes. Those changes have been reconciled and the bill cleared its last hurdle before it is sent to the White House.

**Draft Bill:** Home loan benefits for National Guard to amend title 38, United States Code, to expand eligibility for home loans from the Secretary of Veterans Affairs to certain members of the reserve components of the Armed Forces.

(Tracked by John Kamin)

**We submitted written testimony for the July 23, 2020 hearing.**

[Resolution No. 329: Support Home Loan Guaranty Program](#)

**Draft Bill:** JSF - To amend title 38, United States Code, to clarify the scope of procedural rights of members of the uniformed services concerning their employment and reemployment rights, and for other purposes.

(Tracked by Davy Leghorn)

**We submitted written testimony for the July 23, 2020 hearing.**

**Draft Bill:** USERRA Protections for State Active Duty - To amend title 38, United States Code, to extend particular employment and reemployment rights to members of the National Guard who perform State active duty. Submitted written testimony to the Legislative Division.

(Tracked by Ariel De Jesus)

**We submitted written testimony for the July 23, 2020 hearing.**

[Resolution No. 315: Support Employment and Reemployment Rights of National Guard and Reservists Returning from Deployment](#)

**Draft Bill:** Veterans Educational Assistance Transparency and Accountability Improvement Act, improves the GI. Bill Comparison Tool and ensures veterans, servicemembers, and their families are better informed when choosing what educational institution is best for them.

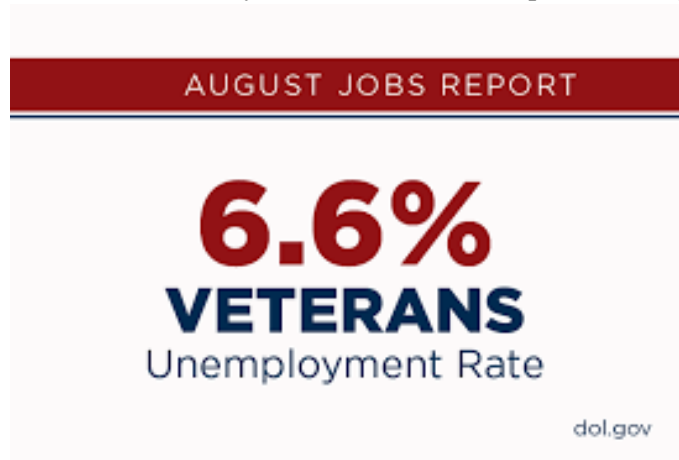
A letter of Support was Sent

[Resolution No. 327: Support Further Assessment and Evaluation of Institutions of Higher Learning to Enable Veterans to Make Informed Education Choices](#)

#### TOPIC 4: EMPLOYMENT

US Senator Maggie Hassan (D-NH) cosponsored bipartisan legislation to help address the high rate of unemployment among veterans as a result of the COVID-19 Pandemic. The bipartisan Veterans Economic Recovery Act of 2020 was introduced by Senators Jerry Moran (R-KS) and Jon Tester (D-MT).

As a result of the COVID-19 Pandemic, the veteran unemployment rate across the country has risen—from 3.1 percent in 2019 to 6.4 percent in August 2020. To help curb this increase in unemployment, the bipartisan Veterans Economic Recovery Act would create a rapid retraining program to provide unemployed veterans and reservists with 12 months of educational benefits to pursue training in high-demand occupations. It would also expand the Veteran Employment Through Technology Education Courses for Training Providers (VET TEC) program to help veterans and service members better transition to civilian life.



“The COVID-19 pandemic is taking a heavy toll on our country’s veterans, including thousands of veterans who are now unemployed as our economy struggles amid this public health crisis,” Senator Hassan said. “This bipartisan legislation would help retrain veterans for in-demand jobs, as well as provide them with critical financial Support, including tuition and housing stipends, to assist in their education. I urge my colleagues to join me in supporting this important measure to help veterans re-enter the workforce and contribute to our economic recovery.”

Education benefits made available through the rapid retraining program under the Veterans Economic Recovery Act of 2020 would be equivalent to benefits provided to veterans under the Post-9/11 GI Bill.

Under this legislation, members of the National Guard or Reserve federally ordered to assist states with the COVID-19 response would also be eligible for the rapid retraining program.

Senator Hassan is working to support veterans amid this unprecedented public health crisis and joined in introducing bipartisan legislation to give the Secretary of the Department of Veterans Affairs (VA) greater flexibility in caring for and meeting the needs of homeless veterans in the midst of the COVID-19 Pandemic. Senator Hassan also urged the VA to strengthen New Hampshire veterans’ access to telehealth. The CARES Act that Senator Hassan worked to pass into law included \$2.15 billion in funding to the VA to enhance its ability to provide telehealth services to veterans. The Senator also recently led the New Hampshire Congressional Delegation in reiterating their concerns over a change in policy at the VA that limits veterans’ ability to access non-drug related therapies, such as muscle massage services and acupuncture, which can help veterans experiencing chronic pain.

The American Legion supports any legislation that will reduce the unemployment rate for veterans; however, we need not forget those that are underemployed.

The American Legion [Resolution No. 316: Support Employment of Veterans in the Public and Private Workforce](#)

*[Reported by Ariel De Jesus]*

## TOPIC 5: VETERAN HOUSING AND HOMELESSNESS

The number of women veterans that are homeless in this country sits right around 55,000.

"That could've been me one day, in the past, that could be me in the future," said Juliet Sanford, a proud active-duty soldier at Fort Hood who works to fight back against the homelessness that runs rampant. "Some of my sisters have given everything, and nobody's been there for them."



Sanford is First Lieutenant of the Adjutant General Corps, specializing in human resource administration, finance, postal services, music, and retention across all levels of the United States Army. She's the daughter of a Marine and a proud American whose family immigrated here from the Philippines.

She is also trying to become Ms. Veteran America 2020, a competition that works with and raises money for Final Salute Inc., a non-profit organization. It's through the competition and with her voice that Sanford is raising awareness to help get homeless female veterans off the streets and the care they so desperately need.

Ms. Veteran America, which began in 2012, showcases women behind the uniform and allows women of any age to get in front of people and to raise that awareness of the homelessness that's occurring among female veterans. The main goal, Sanford said, is to advocate, to get those voices heard, and to find resources to help female veterans.

"The competition isn't designed to make us pitted against each other; we all strive towards the same goal of helping," she said. "You realize how underrepresented our veteran sisters are with homelessness and their lack of care, and we need to do better."

Sanford said that as the population of homeless women veterans grows, she wonders who will take care of them if we, as a community, don't do so now.

She said donations are needed to Final Salute, Inc., founded in 2010 by a woman veteran and cancer survivor, who learned of the staggering numbers and felt compelled to do something about it.

"Just \$25 provides a day of transitional housing, food, and counseling," Sanford said. "A lot of these women are mothers. I believe it's about 70 percent of the women who have gone to Final Salute for help were single moms."

Sanford, with a robust military upbringing, said there is an emotional pull for her to be a part of something like this.

"It all stems from my military career in general and always giving yourself to something a little bit more," she said.



Sandford, who recently raised over \$4,000 on a 10-mile ruck march, one mile for every year Final Salute has been active, isn't slowing down as she continues to make people aware of a growing population of women that are all too often forgotten about.

"Nobody deserves to be homeless, that's just something nobody deserves," she said. "Knowing that I have sisters out there who, especially with children, are going through this, it's heartbreaking."

The Ms. Veteran America 2020 competition continues on October 9, and the Top 25 will be quizzed on military history, the history of Final Salute Inc., Ms. Veteran America, and current events. On October 11, the Top 10 and Top 3 finalists will be announced.

Sandford said that anyone who wants to help donate and watch the finals on October 11 could do so. The top females will go head-to-head online with one final question to find out who will be Ms. Veteran America 2020. Tickets to watch can be purchased with a \$25 minimum donation. The final is scheduled to air from 6 pm-8 pm.

As she continues to prepare for the competition, the women lost and suffering, she said, are not even close to forgotten.

"You are not alone, and you will always have somebody in your corner," she said. "We will fight for you, and we will raise your voices. If you come to us, even as an individual, we will find a way to help you."

Homeless female veterans are on the rise; therefore, we must continue to take an active role in ensuring that Congress continues to make available the necessary funds need to combat not only homeless female veterans but all veterans. The American Legion will continue to monitor this situation.

Resolution No. 326: Support Funding for Additional Housing for Homeless Veterans with Families

*[Reported by Ariel De Jesus]*

## **TOPIC 5b: VETERAN HOUSING AND HOMELESSNESS**

The United States Department of Housing and Urban Development (HUD) Secretary Ben Carson today [provided the additional requirements and flexibilities](#) for the \$3.96 billion provided to states and units of local government for the Emergency Solutions Grants Program under the CARES Act (ESG-CV). The Notice details the requirements for the additional ESG-CV funds provided to communities to help prevent, prepare for, and respond to the coronavirus pandemic.

[https://www.hud.gov/press/press\\_releases\\_media\\_advisories/HUD\\_No\\_20\\_142](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_142)

The California Supreme Court issued a ruling Wednesday, 9 September, letting San Francisco take control of more than \$490 million in homelessness funds that have been tied up in legal challenges for more than a year.

The windfall will come from Proposition C, an initiative San Francisco voters passed in 2018 that immediately provoked a lawsuit from an anti-tax group. The measure sought to raise \$250 million

to \$300 million a year for homelessness services — roughly double the typical funding — by taxing all businesses in the city that have annual revenues above \$50 million.

<https://www.yahoo.com/huffpost/san-francisco-prop-c-legal-challenge-005824003.html>

An analysis conducted by Dr. Brendan O’Flaherty, a professor of economics at Columbia University, projects an increase in homelessness by 40-45% this year over January 2019, an addition of nearly 250,000 people, if homelessness follows unemployment the way that it has done so in the earlier part of this century.

<https://community.solutions/analysis-on-unemployment-projects-40-45-increase-in-homelessness-this-year/>

*[Reported by Teresa Lewis]*

## TOPIC 6: CAREER FAIRS

ALL IN-PERSON CAREER FAIRS SCHEDULED THROUGH SEPTEMBER HAVE BEEN CANCELLED, SUSPENDED, OR POSTPONED.

**The American Legion is working on future virtual workshops and career fairs.**

**National, Department of Texas, and the Texas Veterans Commission will be hosting a Virtual Career Fair September 15<sup>th</sup>, 10 am – 4:00 pm CST**

Newly discharged veterans claiming benefits totaled 13,013, a decrease of 671 from the prior week.

*The mission of The American Legion's National Veterans Employment & Education Commission is to take actions that affect the economic well-being of veterans, including issues relating to veterans' education, employment, home loans, vocational rehabilitation, homelessness, and small business.*

*[Reported by Ariel De Jesus]*

## TOPIC 7: SMALL BUSINESS

A payroll tax holiday officially began on Sept. 1. The tax deferment pushed by President Donald Trump since the earlier part of the coronavirus pandemic could give Americans some financial relief similar to the stimulus check, enhanced unemployment benefits and an eviction moratorium. There are some drawbacks with the "holiday," and Democrats in the Senate are moving to try to overturn it.

President Trump's executive memo to create the tax holiday was signed on August 8, 2020 along with three other executive actions. His move came as the Democrats and Republicans continue to negotiate over another stimulus package, which may include a second stimulus check.

Here are the details veterans small businesses and any employer should know about the payroll tax cut:

**What is the payroll tax?** A payroll tax is a tax on both an employer and employee that contributes to federal programs such as Medicare or Social Security. In the case of Trump's executive action,



it's referring to the Social Security tax that is taken from an employee's paycheck and also paid by the employer.

The way the Social Security tax works is that 6.2% is deducted from an employee's paycheck. That same amount is also required to be paid by the employer, making a total of 12.4% sent to the IRS. A payroll tax cut would mean that employees and employers

would be exempt from paying this tax during the set "holiday" period, potentially making your paycheck larger (though there's a catch -- more below).

**How much money could I get from a payroll tax cut?** Paychecks typically show the amount withheld for Social Security, which equals 6.2%. For example, an eligible worker making \$938 every two weeks will take home a paycheck worth \$1,000, or \$62 more than usual.

**Who is eligible for the payroll tax holiday?** The only requirement specified in the executive memo is that you earn no more than \$4,000 every two weeks under the latest IRS guidelines. People who earn more than that will not be able to participate in the payroll tax holiday. It's unclear how Trump's payroll tax deferment would affect self-employed workers and contractors who typically pay their Social Security taxes with their income taxes. Since it applies to employed people, the millions of jobless Americans will not be eligible for the payroll tax cut.

**When does the deferred tax period start and end?** According to the executive memo, the payroll tax holiday starts on Sept. 1 and lasts until Dec. 31 -- that's a four-month period.

**Why do you have to pay back the payroll tax money you get?** The payroll "holiday" is a pause as it's written, not a forgiveness of tax contributions. The executive memo does say Treasury Secretary Steven Mnuchin can decide to forgive the deferment, and the president said in recent press briefings he might forgive the debt if he gets reelected. In the latest guidelines, employers can either choose to defer the taxes for their employees or not. If they choose not to, then payroll taxes will be taken out of checks as normal.

**How to pay back the deferred payroll tax?** The IRS said in a memo dated Aug. 28 that employers who participate in the payroll tax holiday will then have to pay back the taxes starting in 2021. This will be done by deducting an additional payroll tax deduction on top of the standard deduction. To put it simply, more money will be taken out paychecks from Jan. 1 to April 30 in 2021 to repay the taxes owed.

**How will the payroll tax affect employers and employees?** The ideal situation for employees is a bigger paycheck during the four-month holiday without having to repay the money in 2021. However, a more likely scenario is employers refusing to participate in the tax deferment. Garrett Watson, a senior policy analyst for the Tax Foundation, says the payroll tax holiday may give some employees more funds in the short term, but they will see receive less money in 2021. "Overall, it

is likely that many employers will judge this deferral to be either too complex or impose too much potential liability on their end to be worth taking advantage of, mitigating much of the limited benefit of the deferral," Watson said.

*[Reported by Davy Leghorn]*

## **TOPIC 7b: SMALL BUSINESS**

JPMorgan is investigating fraud related to the Paycheck Protection Program, a small business assistance measure, for which it was the single largest lender as it dispersed \$29 billion in such loans, according to Financial Times.

JPMorgan Chase & Co terminated a number of employees after an investigation revealed they improperly applied for and received loans meant to assist businesses affected by the COVID-19 pandemic, the Financial Times [reported](#) Wednesday, 9 September.

The applications were said to have been made under the Small Business Administration's Economic Injury Disaster Loan (EIDL) program which extends grants up to \$10,000 as well as low-interest loans.

<https://finance.yahoo.com/news/jpmorgan-removes-employees-pocketed-covid-064837707.html>

Amazon is awarding small business grants through its *Neighborhood Small Business Relief Fund* Program. Their goal with this fund is to help neighborhood small businesses maintain their livelihood, and continue to foster a vibrant community. To be eligible for a grant, recipients must have fewer than 50 employees or less than \$7 million in annual revenue.

<https://www.aboutamazon.com/job-creation-and-investment/neighborhood-small-business-relief-fund#:~:text=Our%20goal%20with%20this%20fund,%247%20million%20in%20annual%20revenue>

Over 8,700 small business owners have written to Congressional leaders in support of the *Reviving the Economy Sustainably Towards a Recovery in Twenty-twenty* (RESTART) Act, a bill sponsored by Democrat Sen. Michael Bennet and Republican Sen. Todd Young of Indiana.

<https://www.cpr.org/2020/09/10/small-business-owners-urge-senate-to-move-on-bennets-restart-act/>

The RESTART program created by the legislation would target small businesses hardest-hit by the COVID-19 crisis, offering loans for periods up to one year. Those loans would be partially forgivable for a broad array of expenses, including payroll, mortgage interest, rent and utility payments, PPE, and payments to independent contractors.

<https://www.congress.gov/bill/116th-congress/senate-bill/3814>

*[Reported by Teresa Lewis]*

## TOPIC 8: EDUCATION

Education Secretary Betsy DeVos's move to reverse Obama-era restrictions on for-profit colleges and reinvigorate the shady industry has backfired spectacularly.

Since DeVos and team greenlighted the accreditation of one of the nation's largest chains of for-profit colleges, Dream Center Education Holdings, and its purchase of schools, thousands of students have been affected by school closures and conversion to nonprofit status. One group of students that have been greatly affected are military veterans, who have racked up useless credits and massive debts that can become the burden of taxpayers and the federal government to the tune of hundreds of millions of dollars.



The deregulation efforts of the for-profit college sector began back in 2017, soon after Dream Center—a charity affiliated with a Los Angeles-based megachurch with no higher-education experience—acquired some colleges from a major for-profit player in bankruptcy. DeVos had made it a priority to bolster for-profit schools, according to an article by [The New York Times](#). In addition to relaxing oversight on the sector, DeVos also allowed for-profit schools to convert to non-profit status by loosening the rules of that process.

School closures also cost taxpayers and our federal government hundreds of millions of dollars in financial losses in discharged federal student loans. It's also come to light that a DeVos aide, Diane Auer Jones, a former lobbyist and executive for for-profit colleges, was granting personal favors to help Dream Center, which controls more than 100 campuses with 50,000 students, to help the company gain accreditation. DeVos, before becoming Education Secretary, had invested in companies with ties to for-profit schools.

Back in 2016, Dream Center had its eyes on the failing ITT Technical Institutes but the Obama administration astutely blocked that acquisition as part of its [crackdown on the for-profit college sector](#). And ITT ultimately shuttered its doors. But Dream Center found a new deal that would be blessed and moved forward by DeVos and team to purchase three large for-profit chains, the Art Institutes, Argosy University and South University from the bankrupt Education Management Corp.

Fast forward to the present. Dozens of Dream Center's campuses are out of money and set to close, more than a dozen more campuses have already been sold—some to a New York private equity firm in a deal arranged by DeVos and team—and more than 40 other schools are under the control of a court-appointed receiver. In total, some 26,000 students have been affected by the demise of Dream Center Education Holdings. Thousands of those students left scrambling to salvage their education plans are Post-9/11 GI Bill recipients, who are hard targets of the predatory for-profit schools because they can use the GI Bill funds to collect up to 100% in federal aid. For-profit schools must pull in at least 10% of their funding from sources outside of federal aid, the so-called 90/10 rule. But Congress wrote a big loophole, excluding GI Bill funding from the 90% limit, and for-profit schools actively seek-out veterans as students.

“For-profit schools really aggressively target veteran students and spend a ton on marketing, but spend little on instruction,” Walter Ochinko, Research Director at Veterans Education Services, told DCReport. “They have large marketing teams that do robocalls all the time and use lead generators to reach out to veterans.”

With the closures of ITT Technical Institutes schools and the failing of Corinthian Colleges Inc., another 12,000 GI Bill students were affected by the failings of the for-profits in the past few years.

“Deregulation efforts have created a situation where vets are being harmed, they don’t have much recourse,” Ochinko said. “When a school closes, there’s only a partial restoration of benefits for veterans. Essentially they are left out in the cold.”

When these schools close, students transferring from for-profit to public schools could lose an estimated 94% of their credits. And if they retain their credits, they often don’t apply toward fulfilling their degree requirements toward their major, according to a report filed in June by the United States Government Accountability Office (GAO). For many veteran students, school closures and transfers can exhaust their GI Bill benefits. School closures also can cost the federal government and taxpayers hundreds of millions of dollars in financial losses due to discharged federal student loans.

### **Lax Oversight**

For GI Bill beneficiaries, the Department of Education works with the Veterans Business Affairs agency and State Approving Agencies (SAA), known as “the triad.” State Approving Agencies, state employees under contract with the VA, have the authority to shut down schools and remove GI Bill benefits, the VA does not. But DeVos’ deregulation efforts would undermine protections for GI Bill beneficiaries by making it more difficult for State Approving Agencies to hold schools accountable, according to a report by Veterans Education Success, which works with military service organizations to educate federal and state policymakers to ensure the success of the GI Bill and its beneficiaries.

The Office of the Inspector General of the Department of Veterans Affairs (VA) conducted an audit of the Veterans Business Affairs and State Approving Agencies oversight of all programs for military veterans from February 2015 through January 2016, and estimated 44 of the 51 state agencies “did not adequately oversee the education and training programs to ensure only eligible programs participated in the Post-9/11 GI Bill program.”

The report, published in December 2018, found that out of an estimated \$585 million paid for these “improper payments”, a staggering 81% or \$473.8 million went to for-profit schools. If the Veterans Business Affairs agency does not implement oversight and better recommendations to the SAAs, about \$2.5 billion in related improper payments will go to potentially ineligible programs over the next five years, “putting billions of dollars at risk for fraud and waste and hindering efforts to provide quality education to eligible students,” according to the audit.

*[Reported by John Kamin]*

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