Poses No Detriment to Veterans Employees Whose Association With For-Profit Educational Institutions Poses No Detriment to Veterans

The Department of Veterans Affairs gives notice under the Federal Advisory Committee Act that the meeting of the Advisory Committee on Former Prisoners of War, previously scheduled to be held at the Westin Peachtree Plaza Hotel, 210 Peachtree Street NW., Atlanta, GA 30303, on September 13–15, 2017, has been cancelled.

For more information, please contact Leslie N. Williams, Designated Federal Officer, Department of Veterans Affairs, Veterans Benefits Administration, Benefits Assistance Service, at (202) 530–9219 or via email at Leslie.Williams1@va.gov.


Jeezza M. Burney, Federal Advisory Committee Management Officer.

ADDRESSES: Written comments may be submitted by email through http://www.regulations.gov; by mail or hand-delivery to Director, Regulations Management (00REG), Department of Veterans Affairs, 810 Vermont Avenue NW., Room 1068, Washington, DC 20420; or by fax to (202) 273–9026. Comments should indicate that they are submitted in response to “Notice of Intent and request for comments—Employees Whose Association With For-Profit Educational Institutions Poses No Detriment to Veterans.” Copies of comments received will be available for public inspection in the Office of Regulation Policy and Management, Room 1068, between the hours of 8:00 a.m. and 4:30 p.m. Monday through Friday (except holidays). Please call (202) 461–4902 for an appointment. In addition, during the comment period, comments may be viewed online through the Federal Docket Management System (FDMS) at http://www.regulations.gov. A significant adverse comment is one that explains why the waiver would be inappropriate, including challenges to the waiver’s underlying premise or approach, or why it would be ineffective or unacceptable without change. If significant adverse comments are received, VA will publish a notice of receipt of significant adverse comments in the Federal Register addressing the comments and announcing VA’s final decision on this action.

FOR FURTHER INFORMATION CONTACT: Christopher Britt, Office of General Counsel (02–EST), Department of Veterans Affairs, 810 Vermont Avenue NW., Washington, DC 20420, 202–461–7637 (this is a toll free number).

SUPPLEMENTARY INFORMATION: The Department is committed to ensuring that veterans are protected from predatory behavior from for-profit educational institutions. We must also ensure that all employees abide by government ethics laws, particularly the laws that prohibit employees from using their public office for private gain. This is the bedrock of our ethics program: Placing loyalty to the Constitution, laws, and ethical principles above personal interests.

One statute pertaining to for-profit educational institutions—38 U.S.C. 3683—was passed by Congress decades ago, before there were conflict-of-interest laws applicable to all Executive Branch employees, and was intended to prevent corruption in connection with VA’s administration of benefits under VA education benefits programs. In current practice, however, that statute has illogical and unintended consequences, in that it requires the removal of any VA employee who has any connection to a for-profit educational institution that students attend under VA education benefits program. As an example, a literal reading of the statute would require the removal of a VA lab technician who takes a class, on her own time and using her own money, at a for-profit educational institution that is also attended by students using VA education benefits. It would also require the removal of a VA physician who teaches an introductory biology class at such a school. The statute applies retroactively, in that it requires VA to remove employees who have no current connection to a for-profit institution but took or taught a class at any time during their VA employment. Applying this statute to VA employees who have not engaged in any real conflict of interest would be unjust and detrimental to VA’s ability to serve veterans.

The VA Inspector General (IG) recently issued a report finding that two VA employees violated 38 U.S.C. 3683 when they taught as adjunct faculty at for-profit educational institutions that have students using VA education benefits. Fortunately, that IG report recommended that VA issue waivers, as the statute specifically allows, for employees whose connection with for-profit institutions creates no actual conflict of interest and poses no harm to veterans.

Therefore, under the authority granted by 38 U.S.C. 3683(d) and 38 CFR 21.4005, the Secretary intends to waive the application of 38 U.S.C. 3683(a) for all VA employees who receive any wages, salary, dividends, profits, gratuities, or services from, or own any interest in, a for-profit educational institution in which an eligible person or veteran is pursuing a program of education under a VA education benefits program.