

Patrick Campbell Legislative Director Iraq & Afghanistan Veterans of America (IAVA)

U.S. Senate Committee on Veterans' Affairs:  
VA/DoD Cooperation and Coordination on Educational Assistance

#### IAVA Testimony

Mr. Chairman and members of the Senate Veterans' Affairs Committee, on behalf of the Iraq and Afghanistan Veterans of America (IAVA), thank you for this opportunity to address the issue of VA/DoD Cooperation and Coordination on Educational Assistance.

After World War II, nearly eight million servicemembers (more than half of the entire American fighting force) took advantage of the education benefits afforded them by the Servicemen's Readjustment Act of 1944. A veteran of WWII was entitled to free tuition, books and a living stipend that completely covered the cost of education. Since 1945 over 21,400,000 servicemembers have utilized at least some of their educational benefits and over the past 10 years at least 66% of active duty and 42% of Reservists and National Guard have gone to school on the "GI Bill."

Sixty years later, we are still reaping the benefits of one of the greatest social investment programs ever implemented. A 1988 Congressional study proved that every dollar spent on educational benefits under the original GI Bill added seven dollars to the national economy in terms of productivity, consumer spending and tax revenue. Today we have the opportunity to renew our social contract with our servicemen and women. Iraq and Afghanistan Veterans of America (IAVA) supports reinstating a World War II style GI Bill (S.22 or S. 1409) that will cover the true cost of education.

The current Chapter 30 Montgomery GI Bill, as created in 1984, was conceived in peace-time and contains several obstacles to a veteran trying to use their well-earned benefits. First, active duty educational benefits require a hefty \$1,200 initial buy-in. Although nearly 95% of active duty servicemembers buy into the program, only 8% of servicemembers use all of their educational benefits and more the 30% never touch their GI benefits (returning over \$230 million to the US Treasury).

Second, servicemembers are required to pay tuition, room & board and textbook costs up-front and are then reimbursed over the course of the semester. Before a servicemember can attend a single class they must pay tuition and fees amounting, on average, to \$5,836 for a public school and \$22,218 for private schools. Servicemembers are faced with the daunting task of taking multiple jobs to raise the money, attending a less prestigious institution, taking out student loans and/or "living on mama's couch" to cut expenses.

Lastly, educational benefits have failed to keep up with the skyrocketing cost of higher education. As per statute, educational benefits are increased yearly based on inflation rates. As evident from the chart below, the cost of education has outpaced inflation by over 100% since 1984.

(Pulled from the College Board's "2006 Trends in College Pricing.")

In 2006, Chapter 30 benefits only covered 75% of the cost of a public school education and 32% of a private school education.

IAVA believes that a World War II style GI Bill is more than just a social investment; it's an important readiness tool. The military needs to recruit an additional 70,000 active duty servicemembers over the next two years. Improving educational benefits for veterans is an important strategy for accomplishing this goal. The alternative is to continue to lower recruitment standards and increase enlistment and retention bonuses. We have already seen the military double the number of GED waivers and increase the number felonies allowable by a new recruit. Enlistment and retention bonuses have already climbed to \$20,000 and could grow even higher.

(This picture was taken outside the DC Armory on July 12, 2007)

The GI Bill is the military's single most effective recruitment tool; the number one reason civilians join the military is to get money for college. As our military recovers and resets in the coming years, an expanded GI Bill will play a crucial role in ensuring that our military remains the strongest and most advanced in the world.

For all the aforementioned reasons Iraq and Afghanistan Veterans of America (IAVA) believes that both S. 22 the "Post-9/11 Veterans Educational Assistance Act of 2007" (Webb) and S. 1409 the "21st Century GI Bill of Rights" (Clinton) would renew our social contract with our servicemembers by providing them every opportunity to succeed in higher education.

Along with increases in educational benefits, IAVA also endorses structural fixes to the current education benefit system. We advocate for the following:

- ? Repeal of the \$1,200 buy-in for Chapter 30 benefits (S. 723, the Montgomery GI Bill Enhancement Act of 2007 (Hagel));
- ? Amending Chapter 1607 benefits to be calculated on cumulative not continuous service;
- ? Indexing increases in educational benefits on the actual cost of higher education and not inflation;
- ? Eliminating time periods to use educational benefits (S.1261, the "Montgomery GI Bill for Life Act of 2007" (Cantwell)); and
- ? Allowing deployed reservists and National Guard servicemembers the opportunity to use their earned educational benefits after they are discharged (S. 644, the Total Force Educational Assistance Enhancement and Integration Act of 2007 (Lincoln))

Finally, although S.1718 the Veterans Education Tuition Support (VETS) Act (Brown) did not appear on the original list of bills being considered by this committee I believe that the VETS Act is one of the most meaningful education related bills concerning veterans. In 2006, nearly 90,000 Reservists and National Guard soldiers were enrolled in college. One fourth of these soldiers have been deployed at least once. Unfortunately, these student-soldiers face unique hardships when they are called upon to defend the United States.

Take it from personal experience, trying to navigate the bureaucratic potholes while trying to re-

enroll in school after a deployment can be an infuriating process. When I first returned home from Iraq I received harassing calls from my student loan lender, my roommate from Iraq was denied reenrollment at his college and my coworker who was deployed weeks before his finals was given essentially no accommodations by his school. Those who fight for our rights abroad should not be forced to fight for their rights when they return home.

The VETS bill will:

- Require colleges to refund tuition for service members who deploy (or provide future credits).
- Restore veterans to their academic status when they return.
- Cap student loan interest payments at 6% while the student is deployed.
- Extend the period of time a student-soldier has to re-enroll after returning from abroad.

If passed, S. 1718 will become the student-soldier's equivalent to USERRA (the Uniformed Services Employment and Reemployment Rights Act). IAVA strongly encourages this committee to consider and pass S.1718 for all the Reservists and National Guard soldiers in each of your states.

In summary, improving the GI Bill program benefits veterans and the rest of the country. We can continue to scrape the bottom of the barrel for new recruits, or we can pass meaningful education assistance reform. We can raise the quality of our recruits by letting potential enlistees and their parents will know that military service will allow them to take advantage of the best educational opportunities available.

Respectfully Submitted,

Patrick Campbell  
Legislative Director  
Iraq & Afghanistan Veterans of America (IAVA)