

ERIC A. HILLEMANN, DEPUTY DIRECTOR NATIONAL LEGISLATIVE SERVICE
VETERANS OF FOREIGN WARS OF THE UNITED STATES

STATEMENT OF

ERIC A. HILLEMANN, DEPUTY DIRECTOR
NATIONAL LEGISLATIVE SERVICE
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BEFORE THE

UNITED STATES SENATE
COMMITTEE ON VETERANS' AFFAIRS

WITH RESPECT TO

"SEAMLESS TRANSITION" AND VETERANS EDUCATION BENEFITS

July 17, 2007

MR. CHAIRMAN AND MEMBERS OF THIS COMMITTEE:

On behalf of the 2.4 million members of the Veterans of Foreign Wars of the U.S. (VFW) and our Auxiliaries, I would like to thank you for your invitation to testify at today's important hearing on "Seamless Transition" and veterans' education benefits legislation.

The original GI Bill helped to create the middle class by improving access to education and creating an unprecedented number of opportunities for millions of Americans. It has eased the transition from active duty into civilian life for millions of veterans while equipping its recipients with the tools to adapt to the ever-changing marketplace. The Department of Defense has long used the GI Bill to recruit and retain high quality personnel. The GI Bill has profoundly improved our military's strength and the quality of life for all of its recipients.

S. 22, the Post-9/11 Veterans Education Assistance Act of 2007

This legislation enhances military strength while providing an educational benefit that equips a generation of veterans to face the challenges of tomorrow. The VFW has long advocated a GI Bill in the spirit of the original WW II bill, which would cover tuition at the highest State institution, housing, fees, books, and provide a cost-of-living stipend. This legislation

accomplishes these goals and more. It recognizes the tens of thousands of guard and reserve members who have actively served an aggregate of 24 months defending our nation. It lengthens the post-service usage period from 10 to 15 years from date of discharge and establishes a post-service benefit for the guard and reserve. The VFW enthusiastically supports this bill.

S. 644, Total Force Educational Assistance Enhancement and Integration Act of 2007

We support this vital legislation, which addresses the inequity between active duty GI Bill and reserve GI Bill education benefits. S. 644 will reward guard and reserve members with an equitable education benefit. For every month they serve on active duty they will receive one month's active duty GI Bill benefit, usable within ten years from their date of discharge. This bill also eases the administration of education benefits, simplifying US Code and giving the Department of Veterans Affairs the responsibility of administering the benefit as they currently do with the active duty GI Bill.

S. 698, the Veterans' Survivors Education Enhancement Act of 2007

This act would increase the maximum amount of GI Bill benefits available for eligible veterans' survivors and dependents from the current \$788 a month, paid over 45 months equaling \$35,460, to approximately \$1,778 a month totaling \$80,000. It allows the benefit to be used for special restorative training, apprenticeships, on-the-job training, and tutoring assistance. And it allows survivors and dependents to draw the benefit until their 30th birthday, extending the usage age from 26th birthday.

We deeply respect the loss, challenge and pain survivors and dependents suffer. Benefits paid to widows/widowers and orphans grant a degree of security when faced with the sudden loss of a loved one. The VFW fully supports enhancement of educational assistance for survivors and dependents of veterans, but we also feel the benefit should move in tandem with the education benefit available to the chapter 38 active duty GI Bill.

The current chapter 38 active duty GI Bill benefit total is approximately \$37,000 and the survivors education benefit is approximately \$35,500; thus giving some relative parity in the two benefits. S. 698 would award survivors twice the earned benefit available to active duty troops. We favor increasing survivor benefit, but in tandem with the active duty benefit. The VFW views such a dramatic increase as creating an unfortunate inequity.

S. 723, the Montgomery GI Bill Enhancement Act of 2007

We support the Montgomery G.I. Bill Enhancement Act of 2007. This bill lifts the \$1,200 buy-in to the GI Bill benefit for as long as the 'War on Terror' persists. It rewards members of the Armed Forces and Selected Reserve for their active duty service from November 16, 2001 until Executive Order 13235 is terminated. It takes the additional step of reimbursing the payroll deductions taken prior to its enactment. The goal of this legislation mirrors previous wartime GI bills, insomuch as no contribution, other than honorable service, qualifies a service member for the education benefit.

S. 1261, the Montgomery GI Bill for Life Act of 2007

The Montgomery GI Bill (MGIB) has opened the door to higher education for millions of Americans. This bill seeks to eliminate time limits that often prevent service members from using a life-altering benefit when they need it the most. S. 1261 would eliminate the post-service 10-year time limit for the active duty MGIB and the in-service 14-year time limit for guard and reservists. Time limits prevent service members from seeking training and education later in life or at mid-career milestones. The VFW supports the life-long career approach to the benefit. If a service member has earned the benefit, why prevent them from using it?

Many service members seek education and retraining later or at mid-career. This helps them adapt to the ever-changing economy, transitioning from fields that may offer more job security. Also, many younger veterans and service members have family obligations that prevent them from seeking an education early in life. The VFW supports S. 1261 and the repeal of time limits on the GI Bill.

S. 1409, the 21st Century GI Bill of Rights Act of 2007

We support S. 1409 extending eligibility to Active Duty troops and National Guard and Reserve members who serve an aggregate of two years on active duty. This bill will pay tuition, books, fees, room and board over the course of four years of full-time education. It lifts the \$1,200 buy-in fee. It further exempts veterans from paying loan fees, enhances access to low-interest loans through the Veterans Affairs Home Loan Guaranty Loan Program, and increases the cap on the veterans' home loan program from \$417,000 to \$625,000. This legislation also establishes a veterans' micro loan program, providing no-money-down micro loans for entrepreneurial ventures up to \$100,000 and capping interest at 2.5 percent.

S. 1719, a bill to amend title 38, United States Code, to provide additional educational assistance under the Montgomery GI Bill to veterans pursuing a degree in science, technology, engineering, or math.

This act would provide GI Bill recipients pursuing a degree in science, technology, engineering and/or math an additional \$2,000 per academic school year. The benefit would be paid in lump-sum payments at the beginning of each school semester or quarter.

The VFW recognizes the importance of encouraging study in critical areas such as science, technology, engineering and math. However, we are unable to support this bill. We feel this legislation would distort the equity extended to all service members under the GI Bill. The value of the GI Bill is recognized as equal benefit for equal service rendered. In using the GI Bill to create incentives for particular areas of study, this bill would inadvertently create disincentives to study philosophy, foreign languages, history, and political science; hence moving away from equal benefit for equal service.

We support incentive scholarships/programs for desired areas of study, yet we are reluctant to use the GI Bill to create these incentives.

Mr. Chairman and members of the committee, this concludes the VFW's testimony, I would be happy to answer any of your questions. Thank you.