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October 24, 2007

The Honorable Stephanie Herseth Sandlin
House Veterans' Affairs Subcommittee on Economic Opportunity
335 Cannon House Office Building
Washington, D.C. 20515

Dear Chairwoman Herseth Sandlin:

This letter is in response to your question during the House Committee on Veterans' Affairs: Subcommittee on Economic Opportunity hearing, "Updating the Montgomery G.I. Bill", on October 18th 2007. The American Association of State Colleges and Universities recommends four priorities for a new G.I. Bill.

Question: What are the top 5 things your organization would like to see in a new G.I. Bill? Please list items by order of priority.

1. Update the legal, political and budgetary architecture of the G.I. Bill.

- Current G.I. Bill legislation is far out of step with the division of responsibility in the modern U.S. Cabinet. This is our first priority because there is little hope of effective, lasting modernization of the G.I. Bill if this basic conceptual issue is not confronted.
- War fighting is the business of Department of Defense. Veterans are the responsibility of Department of Veterans Affairs. Confusing these areas of responsibility and advocacy causes unfairness, conflicting policies, and failure to meet the nation's responsibilities.

Recommendations:

- Place all G.I. Bill funding and administration in the Department of Veterans Affairs where veterans are first priority and advocacy for veterans does not compete with war fighting considerations.
- Structure G.I. Bill legislation to enable the Department of Veterans Affairs to function as the exclusive Cabinet-level advocate for veterans.
- Address DoD/DVA turf issues in Congress related to the G.I. Bill. The two Cabinet Departments cannot resolve the mixed-mission problems in education benefits (or disability) if the Senate and House do not make changes.

2. Update the G.I. Bill to reflect national military strategy and force deployment policies.

- A Total Force Strategy has evolved. Force structure and deployment policies have changed to fit the revolution in the strategy that has occurred. Selection of which American servicemembers go in harm's way, and how often they are deployed, have changed radically along with national strategy.
- Policy is trapped in grossly outdated images of Reserve and Active Duty Forces. Policies that are at the root of the inequities that are now coming to light are based on outdated images of "weekend warriors" and how they should be controlled and managed. Efforts to address this problem (separate Reserve G.I. Bills) have only added confusion and perpetuated the false images.

Recommendations:

- Pass the Total Force G.I. Bill to make educational benefits commensurate with the service that military men and women perform.
- Place Total Force G.I. Bill funding and administration in the Department of Veterans Affairs where veterans are first priority.

3. Ensure that the G.I. Bill can pay for college.

- Pay-Go will make it difficult to identify radically increased educational benefits. What the Congress needs is a reasonable and fair G.I. Bill entitlement that is appropriate to the nation's promise to servicemembers.
- The Partnership for Veterans' Education established a reasonable and fair benchmark: the average cost of a four-year education at a public institution. Based on data from the U.S. Department of Education, the benchmark projected for the FY 2007- 08 academic year is \$13,145 for a full-time resident student. Current Chapter 30 benefits are at \$9,909 for a full-time student.

Recommendations:

- Recognize a clear and fair goal: Benchmark the MGIB to the average cost of attendance at public 4-year institutions. A mandate is not required, but there should be annual reports to document progress toward meeting the goal.
- Proceed toward the benchmark with incremental raises to the G.I. Bill over a period of three years, as was done with G.I. Bill increases a few years ago.

4. Streamline and modernize the administration and management of the G.I. Bill for optimal service to veterans.

- Contemporary Adult and Continuing Education theory and the concept of lifelong learning should be applied to the entire Total Force structure. A comprehensive and cohesive Total Force G.I. Bill needs to include provisions for accelerated payments, high-tech programs, delimiting dates, and similar ideas.
- Support of veteran administrators at academic institutions is weak.

- An outdated administrative culture dominates G.I. Bill management. Incorporating modern communication techniques and information technology advancements will increase efficiency, optimize resources, and enhance service to veterans.

Recommendations:

- In a new Total Force G.I. Bill, ensure that provisions that recognize the needs of the adult student, such as accelerated payments for high cost or short programs and longer delimiting dates, are applied to all veteran-students equally.
- Improve services to veterans at colleges and universities by increasing assistance to veterans on campuses.
- Promote modernization of management of the G.I. Bill:
 - Reduce the amount of reporting and information required of veterans.
 - Consider “management by exception” in managing fraud.
 - Update and streamline computerized recordkeeping.
 - Consider modern methods of managing credit and debt using new credit/debit card technologies for managing the educational entitlement.

Thank you for the opportunity to testify and to provide a follow up response. Please also find enclosed with this letter documentation comparing the average cost of attendance at a public four-year college and the Montgomery G.I. Bill benefits.

Sincerely,



Steve Francis Kime, Ph.D.

Former Vice President (2003-2005)

American Association of State Colleges and Universities

Average Cost of Attendance (COA) for Resident Students at Public Four-Year Colleges

	MGIB Ann. Benefit	MGIB Monthly Benefit	MGIB Ann. Benefit	MGIB Monthly Benefit	COA (projected +3%/yr)	% of Cost Covered	COA (projected +6%/yr)	MGIB Ann. Benefit	MGIB Monthly Benefit	% of Cost Covered
2006-07*	\$12,762	\$1,075	\$9,675	\$1,101	\$13,145	75.8%	\$13,527	\$9,909	\$1,101	73.3%
2007-08*			\$10,236	\$1,137	\$13,539	75.6%	\$14,339	\$10,236	\$1,137	71.1%
2008-09*			\$10,571	\$1,175	\$13,945	75.8%	\$15,199	\$10,571	\$1,175	69.6%
2009-10*										

NOTES: Cost of attendance includes in-state tuition, required fees, and resident student room and board. Tuition and fees were weighted by the number of full-time-equivalent undergraduates. Room and board are based on full-time students. Enrollment projections by NCES were used for all 2006-07 calculations. 2006-07 and 2007-08 MGIB are actual amounts; * refers to all other projected data. MGIB calculated at 3.3%/year increase from 2007-08 onward using Social Security 2007 COLA.

Average Cost of Attendance (COA) for Off-Campus Students at Public Four-Year Colleges

	MGIB Ann. Benefit	MGIB Monthly Benefit	MGIB Ann. Benefit	MGIB Monthly Benefit	COA (projected +3%/yr)	% of Cost Covered	COA (projected +6%/yr)	MGIB Ann. Benefit	MGIB Monthly Benefit	% of Cost Covered
2005-06	\$12,265	\$1,034	\$9,306	\$1,075	\$13,000	74.4%	\$13,000	\$9,675	\$1,075	74.4%
2006-07**			\$9,909	\$1,101	\$13,390	74.0%	\$13,780	\$9,909	\$1,101	71.9%
2007-08*			\$10,236	\$1,137	\$13,792	74.2%	\$14,607	\$10,236	\$1,137	70.1%
2008-09*			\$10,571	\$1,175	\$14,206	74.4%	\$15,483	\$10,571	\$1,175	68.3%
2009-10*										

NOTES: Cost of Attendance (COA) defined by IPEDS as "total price for in-state students living off campus (not with family)." **Projected 6% increase over 2005-06 used for 2006-07 off-campus COA since final IPEDS data not available; 6% from College Board Trends 2006 NCES data used for all 2005-06 baseline COA calculations. Tuition and fees were weighted by the number of full-time-equivalent undergraduates. 2006-07 MGIB and 2007-08 MGIB are actual amounts; * refers to all other projected data. MGIB calculated at 3.3%/year increase from 2007-08 onward using Social Security COLA