



May 19, 2015

The Honorable Jeff Miller
Chairman, Veterans Affairs Committee
335 Cannon House Office Building
U.S. House of Representatives
Washington, DC 20515

The Honorable Corrine Brown
Ranking Member, Veterans Affairs Committee
333 Cannon House Office Building
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Miller and Ranking Member Brown:

We, the undersigned organizations, wish to express our significant concern about promises that the United States of America has made to its veterans that will be broken if H.R. 476 is passed. The bill, which moves to final markup at the next Committee on Veterans' Affairs hearing on Thursday, May 21, 2015, will cause immediate and alarming changes to collegiate flight-training degree benefits for our nation's military veterans.

We believe H.R. 476 should be excluded from the package of bills under consideration by the Committee on Veterans' Affairs. It discriminates against veterans seeking a flight-training degree from public institutions of higher learning because it caps funding *only* for these degree programs. Other courses of study are not capped.

Numerous investigations in recent months by the inspector general (IG) of the Veterans Administration (VA) have revealed a systemic nationwide breakdown within the agency caused by mismanagement, infighting, and alleged corruption.

H.R. 476 is one of the legislative measures that purports to target and rein in excessive spending, yet the direction this bill has taken appears misguided and will do more harm than good. The bill appears to have originated within the VA as an attempt to rectify the agency's own past deficiencies.

A considerable amount of anxiety has arisen among veterans because of H.R. 476's uncertain impact. All of our organizations have received calls and letters from veterans across the nation, and it is worth noting that more than 11,000 communications on the issue have reportedly been directed to Congress in the past 60 days.

Our organizations have engaged in discussions over the past three months with staff for the Veterans' Affairs Subcommittee on Economic Opportunity, providing extensive financial data on the cost of flight training and offering legislative alternatives. The subcommittee staff have given generously of their time. However, we do not believe veteran or industry concerns, as well as the alternatives, financial data, and analysis offered, have received the consideration warranted.

The subcommittee envisages a two-year grandfather clause to protect veterans currently enrolled in flight-training degree programs for two years, but such a provision will not address the immediate needs of students already accepted and/or enrolled at colleges that the VA has very recently disallowed from continuing or enrolling new veterans because of eleventh-hour changes to enrollment requirements.

Without personal financial resources, a veteran would be unable to attain an aeronautical college degree with a commercial pilot license under the \$20,980 per year cap proposed under H.R. 476. Sufficient student lending for flight training is unavailable. Flight training does not qualify for a federally backed student loan and therefore is treated by most financial institutions as an unsecured loan at interest rates often exceeding 12 percent.

It is noteworthy that the House and Senate Committees on Veterans' Affairs have stepped up their oversight of the VA and its IG office as a result of continued problems. Approximately 250 U.S. collegiate flight programs have been audited in recent months, and as of last week, authorization to enroll or certify enrollment certifications for VA students has been curtailed at 39 colleges offering flight training. Based upon information provided to us, VA audits have not been conducted on a consistent basis and rules vary widely from region to region. Not all aeronautical degree programs are treated the same, the formulas for how 85/15 calculations are derived have changed, and the VA has made arbitrary rule changes, while admitting their own regulations are not completely clear.

We certainly understand the need for improved fiscal responsibility and strongly support a tightening of existing VA regulations to curb abuses that have occurred in recent years by a minority of flight schools affiliated with collegiate degree programs. We wholeheartedly agree with the subcommittee's goal to strike a balance and control excessive costs. However, capping education and training for pilots will harm veterans and limit their employment opportunities in the aviation industry.

It is our belief that the abuses that occurred could have been prevented had the VA enforced its own existing 85/15 regulation, which has long been in place. We urge you to pause and reflect upon the impact H.R. 476 will have and to refocus legislative reform on VA enforcement of existing regulations with consistent and regular oversight.

We believe Congress should take steps to immediately —

- Allow the market effects of the VA's renewed emphasis on enforcing the 85/15 rule to play out.
- Treat all veteran college degree programs at public institutions equally.
- Encourage the use of flight simulator training where appropriate, and curb costly and unnecessary turbine helicopter training (absent an appropriate waiver for individual circumstances).
- Consider the impact on veteran flight-training costs of VA enforcement of an approved FAA Training Course Outline (TCO) that calls for an increase in total degree flight time from the existing 204 flight hours to 264 flight hours — a 29 percent increase in flight hours and associated costs.
- Advocate for a GAO study on the costs and requirements necessary for veterans to obtain employable status as an instrument-rated pilot with flight instructor and flight instructor-instrument certificates that meet minimum FAA certification requirements, including changes within current programs related to misguided grading systems that have facilitated repeated VA benefit payments for flight training hours when students have failed to advance within the program. A GAO study should lead to the development of necessary statutory changes and

guidelines to preserve veteran flight training, including industry agreed-upon training and certification standards.

Our associations remain committed to working with the Veterans' Affairs Committee and Members of Congress to ensure our nation is standing behind the commitment made to veterans who have honorably served our nation and who are working on the next chapter of their lives.

It is important to remember that GI Bill education benefits are an important recruiting tool for the Armed Forces. Many of the veterans currently working toward their commercial pilot licenses matriculated based upon the promise of full tuition benefits for pilot training after completing their active duty service.

Now that they have fulfilled their duty and honored us with their service, veterans in these programs dream of an aviation job and work hard to attain that goal — making sacrifices to achieve that commercial pilot license and counting on Congress to stand behind promises made.

H.R. 476 is a disservice to our nation's veterans, will exacerbate the deteriorating pool of commercial pilots — thereby accelerating the pilot shortage in this country — and will have a lasting detrimental effect on commercial aviation in the United States. We urge you not to include it in the package of bills to be considered by the Veterans' Affairs Committee in Thursday's markup session.

The return on our country's investment in the veteran and society over the long term brings significant benefits — most importantly, continued safety within the aviation industry.

Sincerely,



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Greg Principato, President & CEO
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