

STATEMENT FOR
THE RECORD BY
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ARKANSAS STATE APPROVING AGENCY FOR VETERANS TRAINING
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
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Introduction

Chairman Boozman, Ranking Member Herseth, and members of the Subcommittee on Economic Opportunity, I am honored to appear before you today on behalf of the Arkansas State Approving Agency for Veterans Training to provide comments on education benefits for the National Guard and the total military force.

Remarks

The State Approving Agency's (hereafter SAA) primary task remains approving programs in which veterans and members of the National Guard may apply their GI Bill education benefits. As our primary responsibility, the SAA's evaluate the quality of education and training programs within their state. The SAA applies the Code of Federal Regulations (CFR), our guiding manual, when evaluating programs and applying criteria for program approval. Many of these regulations remain virtually unchanged since written in the 1940s and therefore may not reflect the needs of today's recipients. As one can imagine, education practices and theories have changed over the years and perhaps now is the time for the rules governing GI Bill educational benefits to change accordingly, and possibly quite dramatically.

In Arkansas, we have 2080 approved programs scattered among 192 schools and facilities. Through outreach activities, our three person office advises potential qualified facilities on how to obtain approval. We also provide information and assistance to military members separating from the service. Most veterans and Guard members erroneously believe that their education benefits can only be used at colleges and universities. Monthly participants at the Little Rock Air Force Base Transition Assistance Program, a program designed to assist those departing military service within six months, commonly show surprise to hear that benefits can be used with various other educational opportunities which include, but not limited to, cosmetology, barbering, real estate, truck driving or on the job training (hereafter OJT). The SAA, through outreach activities, continuously promotes the different methods of using the GI Bill, but progress remains slow. Veterans do not even know to ask the question "Is this program approved for veteran's training" or "Can this program be approved for veteran's training?"

Expensive describes most short term career oriented programs such as truck driving which causes concern and requires addressing. At proprietary schools in Arkansas, truck driving

training reflects a 120 clock hour program condensed into a three week period. The clock hours per week that a student spends in class determines payment allowances under the G.I. Bill. In this instance, students attend 40 hours a week for three weeks. The current monthly rate for full time school attendance for Chapter 30 Montgomery GI Bill beneficiaries (hereafter Chapter 30s) is \$1,034.00 and for a Chapter 1606 Montgomery GI Bill – Selected Reserve Educational Assistance (hereafter Chapter 1606) the rate is \$ 297.00. For National Guard beneficiaries, the education allowance received is disheartening. Truck driving tuition costs range from \$3,000.00 to \$5,000.00 dollars. Yet students under the G.I. Bill only receive approximately \$775.50 for a Chapter 30 beneficiary and \$220.50 for a Chapter 1606 recipient. This essentially equates to students receiving three-quarters of a month's benefits for full-time attendance. As currently applied, this burdens the VA beneficiaries to find alternative methods for funding the remaining financial need of their education. On the other hand, the same beneficiary attending a conventional college program would receive full benefits, \$1034.00 per month for the length of the semester. One answer to this disparity may be to expand the list of accelerated payment programs to include occupations and professions other than high tech programs. Using the current methodology for accelerated payment programs (21 days of school divided by 30 days in a month) the veteran would receive about 70% of the total cost of the program.

On-the-Job Training (OJT) constitutes a rapidly growing method of using education benefits while simultaneously increasing the skilled work force. In 2000, there were only seven programs with as many veterans using their benefits in Arkansas. Through increase outreach efforts, we now have 96 facilities approved, with 133 veterans enrolled in those programs this year. All Chapter 1606 benefits are out-of-system payments, meaning payments originate from a different source than other more traditional educational payments. It takes months for Chapter 30 OJT beneficiaries to receive their first payments from the processor in Muskogee, Oklahoma. The procedure for Chapter 1606 OJT recipients takes much longer. This delay alone, makes undertaking the program seriously problematic for the transitioning beneficiary whose funds are normally stretched due to transitioning and the lack of requisite skills and education to demand a better wage. To assist in minimizing this quagmire, once our office receives and reviews the paperwork, we immediately (normally within a day or two) send it to the Muskogee Regional Processing Office (hereafter Muskogee RPO). The Muskogee RPO supports 14 states plus the Philippines. Once the Muskogee RPO receives the beneficiary's paperwork, eligibility of the potential beneficiary is determined and the information is entered into the VA imaging system. The Muskogee RPO then transmits the information record to the St. Louis Regional Processing Office (hereafter St. Louis RPO). The St. Louis RPO then pulls the documents from the imaging system and processes all the payments. As simple as it sounds, this system, as stated previously, takes months.

For example, our office sent an OJT packet to the Muskogee RPO on July 21, 2005 for a Chapter 1606 beneficiary in an airframe and powerplant program. As of this writing, March 8, 2006, the veteran has still not received a payment. The Guard member's name was finally listed on a monthly report from VA on March 7, 2006. Unfortunately the list indicated that no payment was released to the veteran. As a second example, an apprentice lineman's paperwork was sent to VA on August 18, 2005. His name also finally appeared on the March 7th list indicating that his claim was processed, but again no benefit payment was distributed.

OJT and apprenticeship training programs are increasing in all states. These programs not only benefit veterans, but they also benefit employers, communities and States. Perhaps one day, payment for these programs could be automated. This may greatly improve the processing time thus distributing monthly benefits to the veteran in a timely manner. Since all Chapter 1606 claims are out-of-system payments, processing occurs at the St. Louis RPO. Changing the payment process so that each of the four regional processing offices handles their own claimants' payments would greatly enhance the response time while reducing the workload on St. Louis RPO. The Muskogee RPO does commendable work with both OJT and school claims.

Congress tasks the State Approving Agency to perform outreach duties. We promote the use of GI Bill educational benefits in numerous ways. Each organization represented here today has a vested interest in veterans' educational benefits. As children we probably all played tug of war. Opposing teams would work in concert with other team members to maximize their efforts in defeating the opposition. This synergistic effect of numerous members pooling their collective strengths in a common team effort remains more effective and efficient than individual members working separately to accomplish the same task. As team members, we must pool our collective talents and resources to work together to accomplish this common task of providing well deserved benefits to the beneficiaries in a timely manner that educates the beneficiary and re-introduces the beneficiary into the work force as a more productive member of society. We must look for creative solutions and refuse to accept the status quo, a status quo that worked well for the 1940s. Flexibility and responsiveness will catapult this endeavor into the 21st Century.

Closing

In closing, Mr. Chairman and Ranking Member Herseth, I would like to thank you and those in attendance today for the opportunity to comment on veterans' educational benefits in Arkansas. We greatly appreciate your efforts to make benefits more flexible and accessible for the proud defenders of our freedom and for those who will follow in their footsteps when duty calls. I welcome the opportunity to address any questions you might have concerning the role of the State Approving Agency and the benefits afforded under the G.I. Bill.