

September 30, 2015

The Honorable Robert A. McDonald Secretary U.S. Department of Veterans Affairs 810 Vermont Avenue NW Washington, DC 20420

Dear Secretary McDonald,

After sacrificing years of their lives in service to our country, our veterans and their families have earned the right to attain a high-quality, affordable education. Since August 1, 2009, the Department of Veterans Affairs (VA) has dispersed over \$50 billion in Post-9/11 G.I. Bill payments on behalf of more than 1.3 million veterans, servicemembers, and their family members. This benefit continues to enable a new generation of veterans to attain the skills they need to succeed in the civilian workforce.

We strongly support the Post-9/11 G.I. Bill. We also support allowing veterans to choose the educational program—whether it be college or career-training—that's right for them. However, Congress has a moral and fiscal obligation to our veterans and to taxpayers to prevent abuse of the Post-9/11 G.I. Bill. We write today to seek more information regarding the costs of certain flight training programs and whether or not VA has the tools to protect veterans and taxpayers from bad actors.

As you know, veterans may receive Post-9/11 G.I. Bill benefit payments for the full cost of instate tuition and fees at public colleges and universities. The benefit amount at private colleges and universities, meanwhile, is capped. The inflation-indexed cap for the 2015-2016 academic year is currently \$21,084. In 2011, Congress expanded the Post-9/11 G.I. Bill to include educational benefits for vocational training programs. This legislation also created a separate inflation-indexed cap for vocational flight schools, which currently stands at \$12,048 for the 2015-2016 academic year.

According to an investigation by the *Los Angeles Times*, some for-profit flight schools that contract with public colleges and universities have been able to take advantage of the lack of a cap on benefits that can be paid to public colleges and universities to charge the VA exorbitant fees for helicopter training programs —in one instance reportedly over \$500,000 per veteran. Moreover, a representative from the National Association of State Approving Agencies recently testified before Congress that VA may have recently paid \$913,000 for just one veteran's flight training costs.²

¹ Alan Zarembo, "U.S. taxpayers stuck with the tab as helicopter flight schools exploit GI Bill loophole," LOS ANGELES TIMES, March 15, 2015.

² Testimony of Joseph W. Wescott II, Legislative Director, National Association of State Approving Agencies, before the U.S. Senate Committee on Veterans Affairs, Hearing on Pending Health and Benefits Legislation, Sept. 16, 2015.

While flight training can provide important skills to veterans transitioning to civilian life, Congress has a responsibly to ensure that federal taxpayer dollars are not wasted and that educational assistance programs administered by the VA are as cost-effective as possible. Accordingly, we ask that you please provide the following information and materials:

- 1. VA has stated that educational benefit payments for helicopter flight training have "increased tremendously" with the implementation of the Post-9/11 G.I. Bill and that "sometimes these programs charge higher prices than those that would be charged if the student had chosen to attend the vocational flight school for the same training." For each year since 2008, please provide both the total amount of Post-9/11 G.I. Bill education benefit payments to (1) institutes of higher learning (IHLs) with contracted flight programs and (2) vocational flight schools.
- 2. Please provide a list of the 100 highest per-student Post-9/11 G.I. Bill educational benefit payments to IHLs with contracted flight programs. Please identify the amount paid per student and IHL that received the payment but do not include personally identifiable information for any student.
- 3. VA has also stated "in some cases, public institutions seem to be targeting veterans for enrollment in their flight-related training programs." Please describe any cases known to the VA of public institutions targeting veterans for enrollment in flight-related training programs.
- 4. Has VA pursued overpayments to IHLs with contracted flight schools? If so, please describe those efforts and the amount of educational benefits the VA will seek to return to taxpayers.
- 5. VA's "85/15 rule" requires the VA to halt veteran enrollment in courses or programs when more than 85 percent of the students are receiving educational assistance under programs administered by the VA. Has VA found instances of IHLs or flight schools violating the 85/15 rule for flight related training programs? Please describe any findings VA has made regarding violations of the 85/15 rule for flight training related programs. Additionally, please describe any efforts to follow up on or remedy any violations of the 85/15 rule for flight training programs.
- 6. From April 6, 2015 to May 11, 2015, VA conducted surveys at 108 IHLs with contracted flight programs. Please describe the survey findings, including the programs currently in violation of the 85-15 Rule and any planned corrective actions. Please also provide copies of comprehensive policy advisories distributed to IHLs.
- 7. VA testified before Congress that "a growing number of VA beneficiaries are taking flight courses as elective courses" and that "these courses are not specifically required for

 $^{^3}$ Id

⁴ Id.

⁵VA Education Service Update, VSO Quarterly Briefing, Sept. 2, 2015.

the Veteran's degree." For each year since 2008, please provide the total amount of Post-9/11 G.I. Bill education benefits that were provided as payment for elective flight courses to IHLs with contracted flight programs. Beyond anecdotal evidence, has VA determined that veterans at IHLs with contracted flight programs are incentivized to "round out" their final semester with elective flight courses?

We thank you for your attention to this matter. We look forward to your response, and working with you to protect the Post-9/11 G.I. Bill from excessive and unnecessary spending.

Sincerely,

Thomas R. Carper

United States Senator

Joni K. Ernst

United States Senator

⁶ Testimony of Curtis L. Coy, Deputy Undersecretary for Economic Opportunity, U.S. Department of Veterans Affairs, before the U.S. House Committee on Veteran Affairs, November 19, 2014.