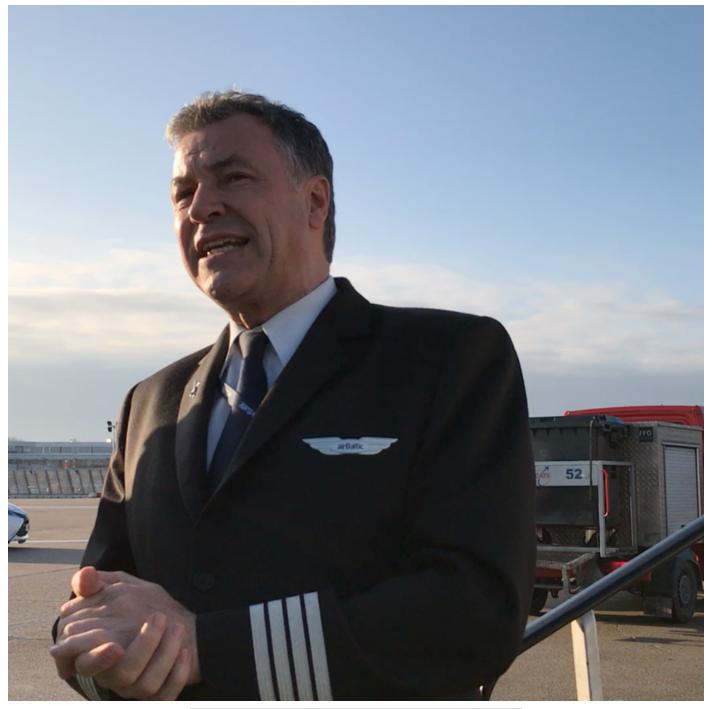
Flight Training Caps Will Save GI Bill \$504 Million Over 10 Years, But Will They Cost Pilots?

Marisa Garcia

New legislation, establishing a maximum tuition and fee structure for all VA-funded flight programs, will save the GI Bill \$504.4 million over the next ten years, according to estimates from the Veterans Administration. A number of veterans groups agree with the Department of Veterans Affairs that the costs of financing pilots' careers—without fee caps—are unsustainable.



Air Baltic Pilot on the tarmac, Hamburg Airport

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In response to an article published this month which covered <u>the concerns</u> <u>from aviation organizations</u> about an educational cap on pilot fees, at a time when the aviation industry faces a critical pilot shortage, the office of Veterans Affairs reached out to clarify its position.

A Spokesperson for Chairman Phil Roe, M.D., House Committee on Veterans' Affairs disputed claims from the <u>Aircraft Owners and Pilots Association</u> (AOPA), that new legislation treats aviation programs differently from other educational programs covered by the GI Bill.

"The intent of the legislation is to simply align the amount of tuition and fees allowable for flight training at a Public Institution of Higher Learning (IHL) with the existing cap on tuition and fees for private and non-profit schools (currently \$22,805 a year)," the Spokesperson said. "This is the same cap that applies for tuition and fees at all other private IHL programs like Harvard, Stanford, even private law and medical schools."

Even specialized aviation education university Embry-Riddle, a private institution of higher learning, is subject to this cap. The Spokesperson said, "Veteran pilots have to find additional funding to assist them in covering costs at this school."

Costs and Caps

Between 2013 and 2014 the number of student veterans who took flight training courses at public institutions rose by 9%, while the total costs to the GI Bill rose by 87%, according to the office of Veterans Affairs.

Some private flight training companies exploited a loophole in the GI Bill which allowed them to overcharge by offering contract services to public schools, which previously had no cap on spending.

Though better oversight of these programs cut back this exploitation, new GI Bill legislation aims to better control costs in future.

Some groups representing veterans addressed the matter with the Subcommittee on Economic Opportunity, Committee on Veterans Affairs,

U.S. House of Representatives in October of 2017, during a review of the new Post-9/11 GI Bill, which included revised language to manage the cap on flight training.

Robert Worley, director of Education Service, at the Veterans Benefits Administration, of the Department of Veterans Affairs explained the changes to disbursements to the Subcommittee. They include eliminating the requirement for veterans to possess a valid private pilot certificate before they could qualify to receive benefits for flight training, and allowing vets to double their monthly payments to cover classroom as well as flight training costs.

"The amount of each accelerated payment would be equal to twice the amount for tuition and fees, otherwise payable to an individual. The amount of monthly stipends (i.e., monthly housing allowance, kickers, etc.) would not be accelerated. Two months of entitlement would be charged for each accelerated payment. This provision would apply to training that begins on or after the date of enactment," he said.

The total funding under the GI Bill would be the same, but the legislation also puts pressure on educational institutions to charge less.

"It would limit the amount of tuition and fees payable for a program that requires flight training to the same amount per academic year that applies to programs at private or foreign IHLs. Second, it would prohibit the payment of tuition and fees associated with non-required (i.e., elective) flight training," Worley said.

Flight Hour Requirements

The dispute between aviation groups and veterans comes down to a difference of opinion of what constitutes "elective flight training".

While the FAA previously accepted 250 flight hours for a first officer Air Transport Pilot (ATP) Certificate, the requirements changed to 1,500 flight hours in 2013, as a safety measure following findings on the crash of Colgan flight 3407. This change has made qualifying for a commercial pilots license more expensive, and there are limited opportunities for pilots to earn salaries while accruing flight hours.

Aviation groups are <u>concerned that a critical staffing shortage</u> could threaten growth. They see veterans as a significant, qualified base of new recruits. But the question remains whether the GI Bill should fund the future of aviation.

"Despite the large number of institutions who provide flight training at costs around \$22,800 per student per year, in FY16 the VA reported a number of schools charging \$130,000, on average. While representatives from these schools argue this type of training is costly due to high-end equipment, the cost for similar training at 61% of the schools who accepted GI Bill benefits was significantly lower. This is concerning at best. To continue to pay these schools at such high costs is not an appropriate use of tax payer money," advocates for <u>Veterans Education Success</u> told the Subcommittee.

The American Legion also expressed support for the cap to the Subcommittee. John Kamin, assistant director, Veteran Education and Employment for the American Legion called attention to an exposé by the Los Angeles Times which raised awareness of exorbitant fees charged to the GI Bill by some flight training contractors. At the same time, Kamin acknowledged that better oversight had been effective in stopping such practices.

"Increased oversight from the Department of Veterans Affairs and State Approving Agencies (SAAs) has resulted in lowered overall expenditures for flight training to \$48.4 million in 2016, from a height of \$79.8 million in 2014," Kamin told the Subcommittee. "Among the external factors responsible for this reduction was a 100% compliance survey conducted by SAAs in 2015 that resulted in 12 suspensions and withdrawals; largely due to violations of the 85-15 rule. However, the mandate to micromanage flight programs is unsustainable, even as institutions learn to adjust to the requirements while hedging veteran credit enrollment. For these reasons The American Legion believes that a solution is still necessary to ensure that the Post-9/11 GI Bill and the Harry W. Colmery GI Bill remain an honorable investment of public dollars."

In the view of American Legion, the cap at \$22,850 for institutions of higher learning offering flight training is adequate, with accelerated double payments giving veterans the flexibility to pay for flight training at the same time as coursework.

"This would appear to alleviate concerns for discouraging pursuit of aviation while putting the choice in the hands of the veteran for how to appropriately allocate their GI Bill. The American Legion commends the Committee for this measured approach, and is encouraged by the cost savings that have been made at aviation programs," Kamin said.

Still, veterans may not be able to accrue enough flight hours on the GI Bill for entry-level jobs in commercial aviation, except by self-funding the difference.

The Spokesperson for Veterans Affairs did not confirm when asked whether the total funds allotted to veterans for other high-cost careers like medicine was in line with the total costs for pilot careers.

The new <u>9/11 GI Bill provides</u> additional funding for careers in demand from industry. They include high-tech careers and STEM (Science, Technology, Engineering and Math) careers—which also overlap with <u>the educational</u> requirements for commercial pilots.

The Spokesperson for Veterans Affairs did not confirm when asked whether the Department would consider pilot training for commercial aviation as qualifying for the STEM provision.

I worked in aviation from 1994-2010 before turning my experience to writing about airlines and airports for leading industry and consumer publications in 2013. I've spent months in the hangars of airlines and aircraft manufacturers, dressed aircraft seats by hand, and worked...