We recommend, within reasonably improved limits, that increases in other forms of income shall not adversely affect a veteran's or a survivor's pension benefit. Additionally, we recommend that pension, as a benefit for war veterans and their survivors, should be maintained as a Federal program providing financial aid above and beyond the levels of public assistance.

RECOMMENDATION NO. 18

The Commission recommends that an additional $10 per month be paid in pension cases for each child attending school between the ages of 18 and 23.

Background to Recommendation:

Over the years, the need for advanced education and training to prepare children to take their place in society has greatly increased. Along with the increased need for such training, the cost of additional schooling has risen. Educational costs at the college level vary generally from $3,200 for one year at a high-cost private college to $1,050 for one year at a low-cost public college.

Several public assistance programs are intended to help defray costs of education for the financially disadvantaged student: the College Work-Study Program, National Defense Student Loans, and Educational Opportunity Grants. However, these programs are limited in their assistance.

The children of veterans and widows receiving pension, and children entitled directly to pension, tend to need a great deal of financial assistance in order to pursue their educations after age 18. Because of the very limited income of veteran and widow pensioners, it is difficult for them to accumulate a fund for their children's education. Seldom does an orphan have such funds available.

Veterans and widows with dependent children receiving pension are permitted a maximum outside income of $3,000. Most of them receive far less. Almost 90 percent of all World War II and Korean Conflict pensioners with dependents--the group most likely to have college-age children--have incomes of less than $2,000 annually. An orphaned child is limited to $1,800 annual income, exclusive of earnings to have entitlement to $38 per month. Thus, little, if any, money is available for pensioners to defray the costs of advanced training for their children.