

STATEMENT OF
JUSTIN BROWN, LEGISLATIVE ASSOCIATE
NATIONAL LEGISLATIVE SERVICE
VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

**H.R. 147, H.R. 228, H.R. 297, H.R. 466, H.R. 929, H.R. 942, H.R. 950, H.R. 1088, H.R. 1089,
and H.R. 1171**

WASHINGTON, DC

MARCH 4, 2009

MADAM CHAIRWOMAN AND MEMBERS OF THIS SUBCOMMITTEE:

On behalf of the 2.2 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, I would like to thank this committee for the opportunity to testify. The issues under consideration today are of great importance to our members and the entire veteran population.

During this economic recession the number of unemployed veterans has increased to 841,474 as of January 2009. That is an increase of nearly 250,000 since November 2008 and an increase of more than 400,000 since April of 2008. Of the unemployed veterans nearly 100,000 are veterans from Iraq and Afghanistan. For unemployed veterans this means that twice as many of their counterparts will be relying on the same limited resources. Clearly, veterans are not exempt from the current economic crisis.

The VFW is thankful for the tax incentive provisions in the economic stimulus which will aid recently separated servicemembers in locating employment. This is smart policy and we hope that businesses find the value in an added incentive to hiring our nation's newest combat veterans. While we laude this provision, we are worried that the infrastructural spending provisions of the stimulus will allow circumvention of the *Jobs for Veterans Act of 2002 (JVA)*. What this means for veterans is that contractors that receive stimulus money via state grants in excess of \$100,000 will not be held accountable to the requirements outlined in JVA. In particular, contractors receiving stimulus money may be bypassing reporting requirements for open employment positions, and the annual filing of the VETS-100 form which identifies affirmative action issues in regards to veteran hiring practices.

H.R. 147, To amend the Internal Revenue Code of 1986 to allow taxpayers to designate a portion of their income tax payment to provide assistance to homeless veterans, and for other purposes.

The VFW supports H.R. 147, which would provide taxpayers with the opportunity to designate three dollars of their income tax payment to a Homeless Veterans Assistance Fund. With nearly 140 million taxpayers in 2007 this program has the potential to raise 420 million dollars for America's homeless veterans in its first year of implementation. This would be a substantial sum of assistance and would go a long way towards alleviating homeless veterans. On any given night, more than 150,000 veterans are homeless, and this fund will help support the programs that assist them.

H.R. 228, To direct the Secretary of Veterans Affairs to establish a scholarship program for students seeking a degree or certificate in the areas of visual impairment and orientation and mobility.

The VFW supports H.R. 228, which would direct the Secretary of Veterans Affairs to establish and carry out a scholarship program aimed at remedying the difficulty in recruiting new graduates of university programs specializing in blind rehabilitation. VA estimates that there are currently 169,000 legally blinded veterans throughout the country, of which 47,450 are enrolled in Veterans Health Administration (VHA) services; this number is projected to reach 55,000 within ten years. A new generation of OIF/OEF blinded and impaired low vision veterans will require a concerted effort by VA to respond to their needs. By offering students scholarships in exchange for a commitment to work for VA as Blind Specialists immediately following graduation, this legislation will provide a means to address a significant gap in VA health care for visually impaired veterans by aiming at reducing VA's critical shortage in blind rehabilitation practitioners.

H.R. 297, To amend title 38, United States Code, to provide for an increase in the amount of subsistence allowance payable by the Secretary of Veterans Affairs to veterans participating in vocational rehabilitation programs, and for other purposes.

The VFW supports a Vocational Rehabilitation and Training (VR&E) for the life of the veteran. The sole purpose of VRE, as authorized under Chapter 31 of 38 USC, is to employ qualified, disabled veterans. VRE helps to equip veterans with marketable skills to transition quickly back into the work force. While VRE focuses on employment, it is not designed to forecast the changes in the job market or the changing nature of a veteran's service-connected injuries. Both the recent market instabilities and the dynamic nature of OIF/OEF injuries require life-long access to training and continuous education to fulfill the lasting commitment to those veterans who gave a piece of themselves in defense of our nation.

VR&E is in need of modernization.

- Increase the monthly stipend of VRE to reflect the Basic Allowance for Housing (BAH) payments under Chapter 33.
- Cover all books, fees, and adaptive equipment deemed necessary to ensure a maximum independence in daily living to the maximum extent feasible.

- Eliminate any impediments to reentry into VRE regardless of the veteran's age or date of claim of service-connection.
- Allow all service-connected disabled veterans access to career counseling.
- Focus the goal of the program on career skills and career-long employability.

This bill seeks to increase the amounts of full, three-quarter, and half-time subsistence allowance for veterans receiving VR&E subsistence payments. Further, it affords a veteran access to three months of subsistence allowance after the Secretary determines the veteran has reached a point of employability. H.R. 297 improves upon the access to funding for veterans using VR&E. This bill is a positive step toward improving upon the VR&E program. We support this bill, but urge this committee to review the values of the VR&E program.

The underlying problem with VR&E is the focus of the program; it seeks to put vets in jobs, not careers. Increasing the compensation structure is needed for VR&E, but even more dire is the need to improve upon the values of the program. While we may put more money into VR&E, we may not achieve the ultimate goal, creating veterans that are independent, productive citizens. While we are supportive of the intent of this legislation, it does not address the core issues facing VR&E.

H.R. 466, To amend title 38, United States Code, to prohibit discrimination and acts of reprisal against persons who receive treatment for illnesses, injuries, and disabilities incurred in or aggravated by service in the uniformed services.

The VFW is in support of H.R. 466, the *Wounded Veteran Job Security Act*. This legislation would extend the prohibition against discrimination and acts of reprisal against armed service members to include persons who receive treatment for illnesses, injuries, and disabilities incurred in or aggravated by their service. Passage of this legislation would prohibit employers from discriminating or making any adverse employment decision against a veteran on the basis of treatment for an illness, injury, or disability incurred or aggravated by uniformed service.

H.R. 929, To amend title 38, United States Code, to require the Secretary of Veterans Affairs to carry out a program of training to provide eligible veterans with skills relevant to the job market, and for other purposes.

The VFW does not support H.R. 929. This bill is reminiscent of a similar program known as the Service Members Occupational Conversion and Training Act of 1992 (SMOCTA). It was created as a mechanism to help veterans transition to the workforce as DoD was drawing down the military's size following the Cold War era. SMOCTA provided employers money for training if they guaranteed a veteran with employment. However, it is the opinion of the VFW that this training money was a subsidy to reduce labor costs which was attractive to potential employers. SMOCTA transformed into a short term employment solution that subsidized veterans' jobs and failed to provide long-term employment, training, and specialization. In essence, the government directly purchased veteran employment. When the appropriation was cut, many of its participants found themselves searching for new jobs while lacking transferable certifications or training.

This legislation proposes to provide a veteran with one year of subsidized training/employment up to a \$20,000 credit paid to the employer. With an appropriation of 60 million dollars a year this program could affect as few as 3000 veterans (.00356% of the total number of currently unemployed veterans), excluding any administrative costs. The VFW believes that this money might be better spent offering these veterans a direct educational and/or training credit of \$20,000 to use towards positions DOL identifies as high demand industries. This would enlarge veterans' options in regards to training and would prevent employers from taking advantage of "free money" and veterans with little regard to their successful long-term employability.

H.R. 942, To direct the Secretary of Veterans Affairs to conduct a pilot project on the use of educational assistance under programs of the Department of Veterans Affairs to defray training costs associated with the purchase of certain franchise enterprises.

The VFW does not support H.R. 942, which seeks to expand the uses of Chapter 30 of title 38, Chapter 32 of title 38, Chapter 35 of title 38, Chapter 1606 of title 10, and Chapter 1607 of title 10, to training costs associated with the purchase of certain franchise enterprises. The aforementioned chapters were created for the purpose of providing veterans with the ability to transition from the military into a degree or certificate bearing program that would provide lifelong skills. If a veteran were to use this program and fail in establishing or maintaining a franchise, their primary education benefit would be liquidated. It is the belief of the VFW that these educational benefits are the best transitional benefits available and we do not want to see them diverted from their initial intent which may encourage programs that lack a high probability of long-term success.

H.R. 950, To amend chapter 33 of title 38, United States Code, to increase educational assistance for certain veterans pursuing a program of education offered through distance learning.

We would like to thank this committee and staff for all of your work on the New GI Bill. We believe this new benefit will help reinvest in our troops and our veterans. The powerful recruiting and retention aspects will continue to ensure the high standards we have come to expect from our military.

With the passage of the New GI Bill, creating Chapter 33 of Title 38, we have transformed the way we look at the GI Bill. Chapter 33 is the promise of a full-ride (paying books, tuition, fees, and a housing stipend) at any in-state institution in the nation. Chapter 33 resembles the original WWII GI Bill, which is a dramatic departure from the Montgomery GI Bill, Chapter 30. In taking this huge step toward a WWII style benefit, we must continue to examine all of the education benefits that were previously tied to Chapter 30 rates.

The VFW believes that Congress should standardize, simplify, and restructure all education programs with, an eye toward equitable benefits for equitable service, in accordance with Chapter 33. Remaining Chapter 30 programs (lump sum payments, vocational training, distance learning) should be moved into Chapter 33. Title 10 Section 1606, the guard and reserve Select Reserve GI Bill needs to reflect the Chapter 33 scale. Chapter 35, survivors and dependents educational benefits

should also be comparable to Chapter 33. Ultimately, phasing out Chapter 30 and simplifying benefits based on Chapter 33.

H.R. 950 would provide student veterans, who are pursuing purely distance/correspondence, a living stipend equivalent to student veterans attending in-class room programs. The VFW does not oppose providing equitable stipends for students enrolled in distance learning.

However, this bill would create further inequities among veterans pursuing an education at institutions of distance learning. Currently, cost-of-living stipends are paid to the student according to the real cost of living attached to the zip code of the institution the veterans attends. Under this bill, the cost-of-living stipend would still be fixed to the institution, regardless of the actual costs a veteran faces while attending classes online. This would over compensate veterans living in areas more affordable than the zip code of their school while under compensating veterans that live in more expensive areas relative to their school. For this reason, the VFW cannot support H.R. 950.

H.R. 1088, To amend title 38, United States Code, to provide for a one-year period for the training of new disabled veterans' outreach program specialists and local veterans' employment representatives by National Veterans' Employment and Training Services Institute.

The VFW strongly supports H.R. 1088 which would require all disabled veterans' outreach program specialists (DVOP) and local veterans' employment representatives (LVER) to attend the National Veterans' Employment and Training Services Institute within one year of being employed. The findings of the VFW have been that many DVOP/LVER positions have been subject to turnover rates in excess of 15% and extreme variables in salary. Therefore, a large number of DVOPs/LVERs are failing to attend critical skills training at an early stage of their employment. In fact, half of the DVOPs/LVERs waiting for training were employed in 2006 or earlier yet 95% of them sent to training were hired after 2006. What this means is that the states are tending to send newer employees even though older employees have still failed to participate in the training. Furthermore, the National Veterans' Employment and Training Services Institute would need temporarily increased resources in order to catch up with the number of untrained DVOPs/LVERs.

While the VFW sees the value in providing training to DVOPs/ LVERs we maintain that DOL needs to conduct the overdue impact evaluation required by law to assess the effectiveness of one-stop services.

H.R. 1089, To amend title 38, United States Code, to provide for the enforcement through the Office of Special Counsel of the employment and unemployment rights of veterans and members of the Armed Forces employed by Federal executive agencies, and for other purposes.

The VFW has no formal position on this legislation at this time.

H.R.1171, To amend title 38, United States Code, to reauthorize the Homeless Veterans Reintegration Program for fiscal years 2010 through 2014.

The VFW supports this legislation which reauthorizes The Homeless Veterans Reintegration Program (HVRP), within the Department of Labor's Veterans Employment and Training Service (VETS), provides competitive grants to community-based, faith-based, and public organizations to offer outreach, job placement, and supportive services to homeless veterans. HVRP grants are intended to address two objectives: 1) to provide services to assist in reintegrating homeless veterans into meaningful employment, and 2) to stimulate the development of effective service delivery systems that will address the complex problems facing homeless veterans.

HVRP is the primary employment services program accessible by homeless veterans and the only targeted employment program for any homeless subpopulation. HVRP removes Homeless veterans' barriers to employment by providing specialized support unavailable through other employment programs. Job placement, training, job development, career counseling, and resume preparation are among services that are provided. Additionally, support services such as clothing, provision of or referral to temporary, transitional, and permanent housing, referral to medical and substance abuse treatment, and transportation assistance are also provided to meet the needs of this target group.

As America's largest group representing combat veterans, we thank you for allowing the Veterans of Foreign Wars to present its views on these bills. The number of unemployed veterans has nearly doubled. Our veterans' employment programs and resources will be pushed to their limits, and now, more than ever, we need them to perform.

Madam Chairwoman, this concludes my testimony and I will be pleased to respond to any questions you or the members of this Subcommittee may have. Thank you.