

HVAC EO Bill Hearing

Mar 08, 2012

STATEMENT OF
RYAN M. GALLUCCI, DEPUTY DIRECTOR
NATIONAL LEGISLATIVE SERVICE
VETERANS OF FOREIGN WARS OF THE UNITED STATES
BEFORE THE
VETERANS' AFFAIRS SUBCOMMITTEE
ON ECONOMIC OPPORTUNITY
UNITED STATES HOUSE OF REPRESENTATIVES
WITH RESPECT TO

**H.R. 3329, H.R. 3483, H.R. 3610, H.R. 3670, H.R. 3524, H.R. 4048,
H.R. 4051, H.R. 4052, H.R. 4057 and H.R. 4072**

WASHINGTON, D.C.

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the more than 2 million men and women of the Veterans of Foreign Wars of the U.S. (VFW) and our Auxiliaries, I would like to thank you for the opportunity to testify on today's pending legislation. With the conflict in Iraq drawing to a close, withdrawal from Afghanistan on the horizon, and proposals to scale back our nation's active duty military, the VFW believes economic opportunity for today's war-fighters is a national imperative

NATIONAL HEADQUARTERS

406 W. 34th Street
Kansas City, MO 64111
Office 816.756.3390
Fax 816.968.1157

WASHINGTON OFFICE

200 Maryland Ave., N.E.
Washington, D.C. 20002
Office 202.543.2239
Fax 202.543.6719

info@vfw.org
www.vfw.org

that continues to demand the kind of decisive action we saw with last year's passage of the VOW to Hire Heroes Act. Recent unemployment numbers indicate that veterans of the current conflicts remain unemployed at a higher rate than their civilian counterparts, with young veterans and female veterans experiencing unemployment rates well over twice the national average. The VFW is happy to see that this subcommittee continues to take this situation seriously, and we are honored to share our thoughts on today's bills in an effort to ensure our veterans have the opportunities they have earned to succeed in a cut-throat economy after leaving military service.

H.R. 3329, to amend title 38 United States Code, to extend the eligibility period for veterans to enroll in certain vocational rehabilitation programs:

The VFW believes that our nation has an obligation to ensure that our service-connected disabled veterans are employable, and this obligation has no expiration date. Unfortunately, today's service-connected disabled veterans are relegated to a 12-year window in which to receive vocational rehabilitation, or Voc Rehab, services. The VFW continues to believe that this delimiting date for Voc Rehab services is unacceptable and we will continue to advocate for Vocational Rehabilitation for Life. If our nation's recent economic downturn has taught us anything it is that industries constantly evolve. Job descriptions can alter drastically and some jobs can go away altogether, which is why service-disabled veterans must always have access to the training and career counseling services available through Voc Rehab. The VFW is proud to support H.R. 3329, as it extends the current delimiting date on Voc Rehab to 15 years. However, our organization believes that this delimiting date must ultimately be eliminated altogether.

H.R. 3483, Veterans Education Equity Act of 2012:

In 2008, the VFW played a key role in securing the Post-9/11 G.I. Bill, offering unprecedented educational opportunities for today's veterans. The purpose of the Post-9/11 G.I. Bill was simple: Offer a free public education for those who served after 9/11. Unfortunately, since the bill was designed to reimburse student-veterans at the cost of an in-state public education, student-veterans who chose to attend private schools were subject to wildly disparate reimbursement rates for their academic programs based on geography. In an effort to offer an equitable benefit for student-veterans who wished to attend private schools, Congress established a reimbursement cap of \$17,500 regardless of the state in which the program was administered. Unfortunately, the \$17,500 cap only applies to students-veterans who enroll at private colleges and universities, meaning student-veterans attending public schools are still only entitled to receive the highest in-state tuition and fee payments, regardless of whether or not they meet residency requirements for the state. As a result, many student-veterans who do not qualify for in-state tuition face significant out-of-pocket costs to attend the public school of their choice, unlike their counterparts whose education at a private school may nearly be fully financed. According to the Congressional

Budget Office, this inequity affects 25,000-35,000 veterans each year; veterans who may not have been able to satisfy residency requirements due to the rigors of military life. H.R. 3483 will extend the \$17,500 reimbursement cap for non-resident public school student-veterans, and the VFW is proud to support this bill. H.R. 3483 will ensure equitable reimbursement rates for all student-veterans regardless of the academic program they choose, as we intended.

H.R. 3610, Streamlining Workforce Development Programs Act of 2011:

The “Streamlining Workforce Development Programs Act of 2011” is an attempt to reduce bureaucracy and increase accountability across all federally-funded state workforce investments. For the purpose of this hearing, I will limit my comments to the sections that directly impact programs for military veterans.

Currently 27 workforce initiatives receive federal funding, including Chapters 20 and 41 of title 38 and Chapter 11 of title 10. These three programs provide funding for the Department of Labor Veterans Employment and Training Program (DOLVETS), which funds the operations of the disabled veterans outreach program (DVOP) specialists and local veterans’ employment representatives (LVER), the homeless veterans reintegration programs, and military transition assistance program (TAP). The VFW is concerned with how the bill affects the implementation of these programs. The current veteran workforce program is not perfect, but it already supports an infrastructure to train workforce employees, provides employment outreach and training to veterans in local communities, offers \$36 million in homeless veterans transitional housing grants, and provides resources for service members to transition from military service to civilian life. H.R. 3610 seeks to effectively terminate these specific programs, leaving it to the discretion of the states to carry out veterans’ employment and transition services on an ad-hoc basis.

At a time when veteran unemployment is disproportionately high, tens of thousands of service members are scheduled to leave military service, and veteran homelessness appears to be in decline, the VFW believes that ending these programs to reproduce them at a state level will be detrimental to the veterans who rely on the services. Unlike other workforce investment programs, Department of Labor’s veteran-specific systems have strict annual reporting mandates, and frequent audits have demonstrated that the programs are cost effective in their current form. Not only will H.R. 3610 appropriate equal funding for fewer veteran services, but the bill will also reduce oversight of the quality and reporting of employment trends by requiring reports only every four years. The VFW opposes H.R. 3610 and encourages the committee to take the appropriate steps to preserve veterans’ workforce development programs, which we will continue to discuss with H.R. 4072.

H.R. 3670, to require the Transportation Security Administration to comply with the Uniformed Services Employment and Reemployment Rights Act:

Currently, the Uniformed Services Employment and Reemployment Rights Act (USERRA) protects members of the National Guard and Reserve from employment discrimination based on military service obligations. Over the past decade, USERRA has become vitally important to our nations Reserve forces. Without it, regular deployments, both stateside and abroad, would greatly exacerbate unemployment problems for our Reserve Component service members, who already face significant disadvantages in a competitive job market as a result of increased operational tempo. USERRA helps ensure that members of the Guard and Reserve who are called to active duty can return to their civilian jobs and their seniority when they return from military service. Today, USERRA protects all civilian and federal employees with the exception of one federal employer, the Transportation Security Administration (TSA). In an effort to quickly stand up a new and effective law enforcement agency to ensure security after 9/11, Congress created TSA with a specific exemption from traditional employment protections, including USERRA, for its employees. More than a decade later, TSA is still not required to hold positions and promotions for employees who are called away to serve. The VFW believes it is time for this loophole to be closed. The Reserve Component employees at TSA must receive the employment and reemployment rights they have earned, and TSA should come into compliance with the rest of the federal government. Closing this loophole is not only beneficial for our service members, but the VFW believes the TSA will also benefit by offering our military's best and brightest the opportunity to pursue a meaningful civilian career without the persistent threat of possible termination for service obligations. In discussions with TSA, officials have not indicated this change will have any adverse effects on security, so closing the loophole would not impact TSA's effectiveness in the field; it would simply offer Reserve Component employees the piece-of-mind they deserve. It is our hope that the passing of this legislation will send a clear message that veteran employment is an extremely important issue, and the federal government must take a leadership role in its promotion. We thank the committee for taking the lead on this initiative and offer the support of the VFW for H.R. 3670.

H.R. 3524, Disabled Veterans Employment Protection Act:

The VFW supports H.R. 3524, the Disabled Veterans Employment Protection Act, but also has concerns about potential effects on the businesses and corporations that we are encouraging to employ veterans.

The legislation guarantees that a veteran who must be absent from work to receive medical treatment for a service-connected disability cannot be terminated from their job because they are seeking such medical attention. The VFW fully supports affording veterans employment protections as they receive care in conjunction with an injury incurred through their military service. Such protections are critical to helping veterans be productive in the workforce.

This legislation outlines a limitation of 12 workweeks during any 12 month period, and we

understand that questions have been raised about the necessity for a protection that covers a full week per month. Though the perils of a life of military service often cause veterans to need regular visits as they work to overcome the visible and invisible wounds of war, we must achieve a balance that does not jeopardize the career potential of a veteran seeking medical treatment. Potential employers are cognizant of the struggles a veteran faces, and they often are willing to make limited sacrifices to employ a veteran. Over the years, the VFW has worked with companies to promote veteran entrepreneurship and employment. Congress must do everything in its power to ensure veterans have every career opportunity, and that effort must focus on eliminating unnecessary hardships veterans encounter while seeking care.

To help ensure the partnership between veterans and employers is an enduring one, and to provide the best possible care while minimizing interference in the career endeavors of our disabled veterans, we strongly believe VA must reform their medical care appointment practices and procedures with an emphasis on efficiency for the veteran. VA must do much more to ensure timely access to high-quality and efficient care. Among other things, we believe VA must prioritize the consecutive scheduling of appointments, must begin open access scheduling and provide expanded hours for appointments, and must put in place measures to prevent the need to reschedule an existing appointment. We understand that VA aims to alleviate these concerns through the Patient-Aligned Care Team model of care, and we fully support these and other efforts to streamline the impact of a veteran's care regimen at VA on their daily lives.

Veterans who have earned the right to receive care at VA must not be punished in the workplace as a result; yet these protections are critical to prevent medical conditions from being used as a precursor to termination from employment. Such practices must be eliminated wherever they are found, and this added protection is a welcome change for veterans. Veterans want to be productive members of society, and providing the tools and opportunities to that end must always be a top priority.

H.R. 4048, Improving Contracting Opportunities for Veteran-Owned Small Businesses Act of 2012:

H.R. 4048 clarifies provisions of the Veterans First Contracting Program (P.L. 109-461) as it pertains to contracts awarded through the Federal Supply Schedule (FSS) for the purpose of meeting the percentage goal for contracting with Service-Disabled Veteran-Owned Small Businesses (SDVOSBs), and the VFW is proud to support this bill.

Sections 502 and 503 of P.L. 109-461 authorized a set of special contracting tools that make it easier for contracting officers to offer contracts to SDVOSBs. These tools include a statement of priorities relative to other set-aside groups, such as 8(a), as well as dollar thresholds for certain type of procurement actions such as sole source contracts. It also provides continuation of veteran-owned status for surviving spouses of 100-percent service

disabled veteran owners for a period of 10 years.

Past VA statements regarding the application of the small business provisions is P.L. 109-461, now codified in title 38 U.S.C. Section 8127, have created confusion regarding FSS purchases, leading VA to the perception that they must first satisfy other contracting set-aside mandates before seeking out SDVOSBs for FSS contracts. VA has even admitted that under certain circumstances, SDVOSBs seemed to be last in line to receive FSS work. The VFW believes that veterans should come first, as outlined in P.L. 109-461. H.R. 4048 would simply clarify that the small business provisions of Section 8127 apply to FSS purchases and do not expand the original intent of the law. By law, all federal agencies have a goal to award at least three percent of their contracts to SDVOSBs. We understand that VA awarded nearly \$450 million last year to SDVOSBs through the Federal Supply Schedules and we believe this clarification will encourage SDVOSBs to qualify for VA procurements through the FSS, and ensure all government agencies play by the same rules with regard to veteran set-aside contracts.

H.R. 4051, TAP Modernization Act of 2012:

As the debate on whether or not to mandate participation in the military's transition assistance program (TAP) unfolded, the VFW learned that many service members on active duty failed to understand why they would need to participate in the program. However, once service members left the military, many wondered why they never received comprehensive training and information on how to access their earned benefits and successfully transition from military to civilian life. Unfortunately, a veteran has no way to reasonably anticipate all of the challenges he or she may face once out of the military, which is why the VFW believes TAP resources must be available to veterans after they have transitioned off of active duty. The VFW supports H.R. 4051 and its pilot program to offer off-base TAP to communities where veterans have been hit disproportionately hard by difficult economic times.

H.R. 4052, Recognizing Excellence in Veterans Education Act of 2012:

The VFW supports the idea behind this bill, but has some concerns about the bill's specific criteria for the Secretary to determine Excellence in Veterans Education Awards. The VFW believes that VA would be interested in offering this kind of rating to schools that consistently go above and beyond to best meet the needs of their student-veterans, and we support offering this kind of easy-to-understand evaluation for student-veterans. The difficulty is determining quality criteria with which to evaluate institutions. The VFW believes student-veteran advisory boards, student-veteran services, and additional criteria determined by VA are good criteria. However, we are concerned that membership in Servicemembers Opportunity Colleges (SOC) and graduation rates would not effectively capture whether or not a school serves the needs of its student-veterans. Graduation rates are a flawed statistic as currently compiled by Department of Education since the department only tracks first-time, full-time college attendees. The VFW believes today's

graduation statistics are nearly irrelevant for non-traditional students like student-veterans and could skew decisions when used to evaluate how schools best serve their student-veterans. The VFW recommends instead that VA evaluate schools on a ratio of degrees conferred compared to enrollment each year. Discussions with the National Center on Education Statistics indicate that schools must already report these data points to the Department of Education, meaning the data should be readily available.

SOC membership poses the perpetual question about universal acceptance of credits and reduced residency policies. The VFW wholly supports the mission of SOC and we encourage schools to sign on, but we understand that some colleges and universities must reserve the right to evaluate transferred credits on a case-by-case basis, only award credit where appropriate, and hold fast to reasonable residency requirements for all students. The VFW would support criteria that a school is either a member of SOC or offers a clear policy on evaluating and accepting military college credits. Two examples of non-SOC schools that have excellent track records in serving today's veterans are Georgetown University and Columbia University. Both schools have dedicated considerable resources to attracting veterans to their campuses and offering the tools they would need to succeed. The VFW would need assurances that VA would not preclude schools like Georgetown and Columbia from recognition solely for failing to participate in SOC.

The VFW also has questions over how VA will evaluate Yellow Ribbon participation. For example, many state schools do not necessarily need to sign Yellow Ribbon agreements since their enrollment policies already ensure that student-veteran costs are completely reimbursed through the Post-9/11 G.I. Bill. For example, my alma mater, the University of Rhode Island (URI), is not a Yellow Ribbon participant, but Chapter 33 already covers the full cost of education. The VFW would need assurances that schools like URI, which have instituted proactive policies to best meet the financial needs of student-veterans, would not be penalized for non-participation in Yellow Ribbon.

Finally, the VFW has questions over how many schools VA could recognize and whether VA should establish a reasonable threshold for its schools of excellence. We agree with the three-year evaluation model, but caution that recognizing too many schools could only lead to further confusion for student-veterans when choosing an academic program. The VFW suggests limiting the awards to one school from each of the following categories in each state: Public, 4-year; public, 2-year; private, non-profit; proprietary. The VFW would also suggest that VA develop a "Top 10" list for schools in each of these categories nationwide.

H.R. 4057, Improving Transparency of Education Opportunities for Veterans Act of 2012:

Last year, a Senate investigation spearheaded by Sen. Tom Harkin (D-IA) indicated that veterans may not be receiving the quality education we had intended through the Post-9/11 G.I. Bill. The VFW believes this investigation caught the attention of deficit hawks on

Capitol Hill, who subsequently asked the Congressional Budget Office to score several scenarios on how to scale back the Post-9/11 G.I. Bill benefit. The VFW believes this is the wrong approach. The Post-9/11 G.I. Bill stands to be a transformative benefit for today's veterans. The VFW believes it has the potential to mold our nation's next Greatest Generation of leaders, and any efforts to scale back the benefit are a disservice to the men and women who have fought in defense of our nation for the last decade. With this in mind, the VFW sought to understand why numbers seemed to indicate that proven battlefield leaders were making potentially bad decisions on how to use their education benefits. The VFW discovered a critical gap in VA's efforts to provide quality information to potential student-veterans with which they could make an informed, data-driven educational decision. When we prepare our troops to go to war, we ensure they have the best possible training to make life or death decisions in a moment's notice. When we prepare our veterans for college, the VFW believes we must offer the same due diligence in preparing them to choose a quality school.

Since VA implemented the Post-9/11 G.I. Bill, the department has primarily focused on ensuring student-veterans receive timely, accurate payments to finance an education. The VFW agrees that this had to be VA's top priority for the fledgling benefit. Unfortunately, as more and more veterans sought to take advantage of their earned educational opportunities, VA was left without the proper resources to ensure that veterans knew how best to use their benefits. Under Section 3697A of title 38, VA is obligated to offer educational and career counseling to any separating service member or G.I. Bill eligible veteran. Unfortunately, this counseling is only offered through a meticulous "opt-in" process, and total available counseling is capped at \$6 million each year. In 2011, the VA proudly touted that nearly 1 million veterans were enrolled in G.I. Bill programs. However, during the same year, only 6,400 veterans received counseling on their benefits through Section 3697A.

The VFW believes that Congress must remove the cap to VA's educational counseling and mandate that VA contact veterans at different touch points prior to utilizing their educational benefits in an effort to deliver this counseling. Veterans who do not wish to receive educational counseling must still have the option to refuse it, but the VFW believes that creating an "opt-out" system ensures that all potential student-veterans understand their benefit and understand the importance of their educational choice.

Unfortunately, even with robust consumer education, student-veterans may still become the victims of fraud, waste, or abuse. Veterans may be coerced into choosing an academic program of little value to their career aspirations based on misinformation or dubious enrollment practices. If a veteran feels he or she has been a victim of fraud, waste or abuse, VA must offer a clear method of reporting and recourse through which to track student-veteran complaints. VA must then leverage the information gleaned from these complaints to find remedies for students by working with State Approving Agencies, accrediting bodies, the departments of Education, Justice and Defense, and all other pertinent stakeholders. If

a veteran receives an overpayment in education benefits or files a fraudulent benefits claim, VA has the ability to quickly take action against the veteran. VA must have the same capability to protect its beneficiaries against schools that fail to deliver on their educational promises.

The VFW proudly supports H.R. 4057, which offers a critical first step in ensuring that student-veterans are properly informed about their benefits and have proper recourse for fraud, waste and abuse. However, in addition to creating Section 3698 in title 38, the VFW wants to see Section 3697A amended to ensure that VA must contact veterans prior to delivering G.I. Bill benefits, ensuring they can “opt-out” of counseling. The VFW believes that VA is already taking proactive steps to ensure current service-members receive this kind of information through the transition assistance program (TAP) and that veterans who apply for G.I. Bill benefits are exposed to critical information before tapping into their benefits. We applaud these steps, but would prefer a legislative solution to ensure that policies remain consistent beyond VA’s current administration. World War II veteran and G.I. Bill success story Sen. Frank Lautenberg will introduce legislation with many of these ideas to help improve consumer education and consumer protection for student-veterans. We encourage the subcommittee to work with the Senator and his staff to discuss how to best implement the kinds of protections we know our veterans need.

Since the original G.I. Bill of World War II, our nation has seen time and again that educating our veterans helps ensure future prosperity. We have a unique opportunity today to ensure that our veterans can use the benefits they have earned to receive the quality education we have promised to them. The VFW looks forward to working with the subcommittee on H.R. 4057 and other pieces of legislation to ensure that we keep our promise.

H.R. 4072, Consolidating Veteran Employment Service for Improved Performance Act of 2012:

H.R. 4072 will protect veterans’ workforce programs by moving the agency authority from Department of Labor to Department of Veterans Affairs. The VFW supports this bill, believing that placing all veteran issues under a single authority will improve oversight and efficiency.

However, the VFW has concerns regarding implementation of H.R. 4072 should it become law by itself or in conjunction with H.R. 3610. First, the VFW requests that Congress gives clarity in scope of the jurisdictional shift by including Section 1144 of title 10, the TAP program, in Section 2, paragraph (a) of H.R. 4072, as well as including conforming amendments that will affect title 10. Also, if DVOP and LVER positions are consolidated, as recommended in H.R. 4072, National Veterans’ Employment and Training Service Institute must be modified to ensure that all current and future employees are fully trained to the new standard. The VFW must also have assurances that no positions will be lost in

combining the two job descriptions into one. Congress must also pay attention to H.R. 3610 to ensure that if both bills are enacted that H.R. 4072 is amended to prevent the defunding of the DOL-VETS workforce investment programs.

The VFW believes that shifting responsibility for veterans' employment programs to VA will ultimately ensure better service for our nation's veterans. However, we must ensure that any legislation that passes ensures that veterans' workforce programs remain fully funded, and that any transition of authority happens with minimal interruptions for both the veterans who rely on DOL-VETS services and the highly-trained employees who deliver those services.

Mr. Chairman, this concludes my statement and I am happy to answer any questions the subcommittee may have.

Information Required by Rule XI2(g)(4) of the House of Representatives

Pursuant to Rule XI2(g)(4) of the House of Representatives, VFW has not received any federal grants in Fiscal Year 2012, nor has it received any federal grants in the two previous Fiscal Years.