

***STATEMENT OF
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OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON
ECONOMIC OPPORTUNITY
UNITED STATES HOUSE OF REPRESENTATIVES
SEPTEMBER 16, 2010***

Madame Chairwoman and Members of the Subcommittee:

On behalf of the 1.2 million members of the Disabled American Veterans (DAV), I am honored to present this statement for the record on the Post 9/11 GI Bill, in accordance with our congressional charter and DAV's mission to advance the interests, and work for the betterment, of all wounded, injured, and disabled American veterans.

The Post 9/11 GI Bill, which went into effect August 1, 2009, provides educational benefits for service members who have served on active duty for 90 or more days on or after September 11, 2001. The benefits depend on the number of days served on active duty. It also creates a benefit package that gives current and previously activated National Guard and Reserve members the same benefits as active duty service members.

The Post 9/11 GI Bill education benefit includes: 100 percent of in-state tuition and fees of public colleges and universities; a monthly housing allowance (living stipend) based on an E-5 with dependents for the zip code of the school's location; up to \$1,000 a year for books and supplies; a one-time relocation allowance; and the option to transfer benefits to family members while still on active duty.

Approved training under the Post 9/11 GI Bill includes graduate and undergraduate degrees, and vocational/technical training of up to 36 months with benefits generally payable for up to 15 years following release from active duty. Additionally, tutorial assistance, and licensing and certification test reimbursement are approved under the Post 9/11 GI Bill.

Speaking about the Post 9/11 GI Bill, Secretary Shinseki stated that "safely investing one's money requires study of the markets and a reasonable understanding of its forces. Here is an investment option that is guaranteed to pay high dividends for years to come."

While the Post 9/11 GI Bill is a comprehensive package of educational benefits, DAV submits that the "high dividends" are not likely to be earned by a certain group – otherwise eligible service-connected disabled veterans who will opt out of VA's Vocational Rehabilitation and Employment (VR&E) program due to the low monthly stipend.

To be eligible, VR&E participants must have a discharge that is other than dishonorable, a service-connected disability rating of at least 10% from the Veterans Benefits Administration (VBA), or a memorandum rating of 20% or more that they received from VBA before separating from active duty, and an employment handicap. An employment handicap is an impairment that impacts a veteran's ability to obtain or retain employment based on their demonstrated abilities, aptitudes and interests.

If qualified, participants can receive a comprehensive rehabilitation evaluation to determine their abilities, skills, and interests for employment. In addition, they can receive vocational counseling and rehabilitation planning for employment services, resume development, on-the-job training, apprenticeships, post-secondary training at a college, vocational, technical or business school and other important benefits. These are critical services, which may make the difference in a veteran not only obtaining but maintaining gainful employment. The living stipend provided to VR&E participants may make the difference in being able to provide shelter for his or her family.

The Post 9/11 GI Bill living stipend currently averages \$1,200 a month, but can run as high as \$2,700 for full-time students, depending on school zip code. By contrast, the subsistence allowance under VR&E is approximately \$548 for full-time students with no dependents and approximately \$800 for those with two dependents, regardless of zip code.

Under the current construct, disabled veterans are potentially placed in the difficult position of having to choose between VR&E or the Post 9/11 GI Bill as a result of the substantial differences in the monthly living stipend. As a result, we are deeply concerned that disabled veterans, in order to provide for their families out of economic necessity, will forgo receiving the comprehensive rehabilitative assistance available to them through VR&E and, instead, choose the more generous Post 9/11 GI Bill.

Recent unemployment statistics underscore the reality of our concern and that of this Subcommittee. July 2010 employment statistics of the Labor Department's Bureau of Labor Statistics showed the overall unemployment rate for veterans generally rose to 8.4 percent, up from May's 7.8 percent. For veterans from Iraq and Afghanistan specifically, the unemployment rate rose to 11.8 percent, an increase from the June rate of 11.5 percent and May's 10.6 percent. While this is an improvement from March of this year when the unemployment rate was 14.7 percent for this group, the stagnant economy continues to make both small and large private businesses reluctant to hire, thus dimming veterans' employment prospects. These unemployment statistics underscore the reality that the transition from military service to veterans' status for this highly trained and well motivated group, which we have addressed in previous testimony as problematic and in need of additional legislative action, makes the additional services available to them through VR&E programs even more valuable.

Given this set of circumstances, what choice should a veteran make? One can understand the logic of economic necessity driving veterans in choosing a benefit with a much higher stipend versus one with a lower stipend but more comprehensive services.

There is a solution already in Congress that, if enacted, would resolve this dilemma. H.R. 5933, Post 9/11 Veterans Educational Assistance Improvements Act of 2010, provides a legislative remedy. While there are several other important provisions of this bill, our focus rests on Section 8, which would amend Section 3108(b) title 38, United States Code, making veterans entitled to Chapter 31 subsistence allowance AND entitled to Chapter 33 able to elect the E-5 monthly housing allowance at the average national amount while participating in VR&E programs.

S. 514, the Veterans Rehabilitation and Training Improvements Act of 2009, introduced March 3, 2009, also addresses the subsistence allowance. The relevant section of this bill for our purposes, Section 2(b), modifies the amount of the subsistence to the basic allowance for housing for E-5s with or without dependents, as applicable, while participating in VR&E programs.

Our position on this issue as reflected in this testimony is found in the attached DAV Resolution No. 099, passed at our most recent National Convention, held July 31-August 3, 2010, in Atlanta, Georgia. DAV believes that the anticipated “high dividends” of which Secretary Shinseki spoke will not be earned by otherwise eligible service-connected disabled veterans who will opt out of VA’s Vocational Rehabilitation and Employment (VR&E) program due to the low monthly stipend.

Subsistence allowances must be comparable, regardless of program, to ensure maximum participation and maximum benefit, whether it is assisting veterans in finding employment, participation in vocational rehabilitation, or other such services. The Administration and Congress must never force service-connected disabled veterans with employment handicaps to utilize less financially supportive programs than those available to their non-disabled counterparts, or even more tragically, opt out of vocational rehabilitation for the more financially beneficial Post 9/11 GI Bill. Truly, our service-connected disabled veterans deserve better.

Madame Chair, to you and the Subcommittee, I thank you for the opportunity to present the views of DAV.

RESOLUTION NO. 099

SUPPORT FOR LIMITED DUAL ENTITLEMENT TO VOCATIONAL REHABILITATION AND EMPLOYMENT CHAPTER 31, AND THE POST-9/11 EDUCATION ASSISTANCE PROGRAM UNDER CHAPTER 33 IN ORDER TO ENSURE THAT DISABLED VETERANS ARE NOT FORCED TO CHOOSE THE LESSER OF TWO BENEFITS

WHEREAS, our nation established veterans' programs to repay or reward veterans for their extraordinary service and sacrifices on behalf of their fellow citizens, especially those veterans disabled as a result of military service; and

WHEREAS, these programs include the Vocational Rehabilitation and Employment (VR&E) program for service-connected disabled veterans with employment handicaps as well as the post-9/11 Post 9/11 GI Bill under title 38, United States Code, chapter 33 (Post 9/11 GI Bill); and

WHEREAS, the Post 9/11 GI Bill currently provides a more financially lucrative subsistence allowance than does the current VR&E Chapter 31 program; and

WHEREAS, such a disparity will ultimately force service-connected disabled veterans with employment handicaps to either utilize a program less financially supportive to them and their families than their non-disabled counterparts, or opt out of vocational rehabilitation for the more financially beneficial post 9/11 Post 9/11 GI Bill ; and

WHEREAS, our nation's first duty to veterans is the rehabilitation and welfare of its service-connected disabled; NOW

THEREFORE, BE IT RESOLVED that the Disabled American Veterans in National Convention assembled in Atlanta, Georgia, July 31-August 3, 2010, supports limited dual entitlement to assistance under the Vocational Rehabilitation and Employment program under Chapter 31 and the post-9/11 educational assistance program under chapter 33.

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