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**STATEMENT OF
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FOR THE RECORD OF THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
OF THE COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
APRIL 9, 2019**

Mr. Chairman and Members of the Subcommittee:

Thank you for inviting DAV (Disabled American Veterans) to submit testimony for the record of this legislative hearing of the Economic Opportunity Subcommittee of the House Veterans' Affairs Committee. As you know, DAV is a non-profit veterans service organization comprised of more than one million wartime service-disabled veterans that is dedicated to a single purpose: empowering veterans to lead high-quality lives with respect and dignity. DAV is pleased to offer our views on the bills under consideration by the Subcommittee.

H.R. 95, Homeless Veteran Families Act

This bill would modify the calculation of per diem payments the Department of Veterans Affairs (VA) makes to homeless grant providers to include partial payment for each of a homeless veteran's minor dependents. This would ensure that a homeless veteran does not have to choose between treatment and keeping her or his family intact. DAV supports this legislation in accordance with DAV Resolution No. 173, which calls for a provision of child care services and assistance to veterans attending VA health care appointments or other rehabilitative programs.

Each year, the CHALENG (Community Homelessness Assessment, Local Education and Networking Groups) report surveys homeless veterans, advocates and service providers to identify homeless veterans' greatest needs. Once again in 2018, both male and female veterans rated child care as one of their top 10 unmet needs. VA's Homeless Grant and Per Diem (GPD) Program has long been an important source of transitional housing for homeless veterans. VA states that, in 2017, 14,500 veterans exited GPD to permanent housing. H.R. 95 would allow responsible veterans who are parents to obtain the many benefits and services available to them under the program while maintaining their duties as parents.

H.R. 444, Reduce Unemployment for Veterans of All Ages Act of 2019

As stated in title 38, United States Code, § 3100, the purpose of the VA's Vocational Rehabilitation and Employment program is to provide all services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment. However, title 38, United States Code, § 3103, restricts eligibility into the program to only those veterans who apply within 12 years of separation from military service, regardless if they are even eligible within that period.

H.R. 444 would remove the 12-year period of eligibility. Many veterans experience new disabilities or an increase of severity of their service-connected disabilities throughout their life. By removing the limited eligibility period, H.R. 444 would provide veterans the flexibility to receive VA Vocational Rehabilitation and Employment services when they are actually needed and not based on an arbitrarily imposed date.

In agreement with DAV Resolution No. 310, we support this legislation to eliminate the 12-year period of eligibility provision. DAV's mission includes the principle that this nation's first duty to veterans is the rehabilitation and welfare of its wartime disabled. This principle envisions vocational rehabilitation and/or education to assist disabled veterans to prepare for and obtain gainful employment and enhanced opportunities for employment and job placement so that the full array of talents and abilities of disabled veterans are used productively. H.R. 444 is in alignment with our mission and we fully support its passage.

H.R. 1718, to amend title 38, United States Code, to provide for clarification regarding the children to whom entitlement to educational assistance may be transferred under the Post-9/11 Educational Assistance Program

Per title 10, United States Code, § 1072(2)(I), military service members and military retirees can claim a dependent child that is an unmarried person who is placed in the legal custody of the member or former member as a result of an order of a court of competent jurisdiction in the United States (or possession of the United States) for a period of at least 12 consecutive months; and (ii) either:

- has not attained the age of 21;
- has not attained the age of 23 and is enrolled in a full time course of study at an institution of higher learning approved by the administering Secretary; or
- is incapable of self support because of a mental or physical incapacity that occurred while the person was considered a dependent of the member or former member under this subparagraph pursuant to subclause (I) or (II);
- is dependent on the member or former member for over one-half of the person's support;
- resides with the member or former member unless separated by the necessity of military service or to receive institutional care as a result of disability or

incapacitation or under such other circumstances as the administering Secretary may by regulation prescribe; and

- is not a dependent of a member or a former member under any other subparagraph.

H.R. 1718 would apply this definition of a child to title 38, United States Code, § 3319(c), "Authority to transfer unused education benefits to family members" under the Forever GI Bill. Including this definition in the Forever GI Bill would be consistent with existing military statutory provisions and provide equity.

DAV fully supports H.R. 1718 as it is in agreement with DAV Resolution No. 185, which supports legislation to amend the definition of a child to include those placed into legal custody or guardianship of the veteran, even if on a temporary basis.

Discussion Draft, Justice for Servicemembers Act

The Justice for Servicemembers Act would clarify the scope of procedural rights of members of the uniformed services with respect to their employment and reemployment rights. Under USERRA, veterans and service members are protected from discrimination based on their military service and given the right to return to their civilian jobs once their service ends. In recent years, however, federal courts have allowed employers to require service members and veterans to sign mandatory arbitration agreements that prohibit them from going to court to resolve an employment dispute. Under mandatory arbitration agreements, companies can choose the arbiter and venue for a hearing while denying an employee any right to appeal. The Justice for Servicemembers Act will render null and void any forced arbitration agreement between an employer and a current or former member of the Armed Forces, consistent with the congressional intent behind USERRA.

DAV supports this bill in accordance with DAV Resolution No. 072, which supports appropriate enforcement against systemic veterans' preference discrimination in federal, state, and local employment and greater enforcement provisions.

Discussion Draft, to amend the United States Housing Act of 1937 and title 38, United States Code, to expand eligibility for the HUD-VASH program, to direct the Secretary of Veterans Affairs of the Senate and House of Representatives regarding homeless veterans

This draft bill would amend the United States Housing Act of 1937 to broaden the definition of homeless veteran to be consistent with the definition under Section 2002(b) of title 38, United States Code. Veterans eligible for homeless programs, unlike those eligible for other veterans' programs, include those with other than honorable discharges. VA has also agreed to provide emergency mental health care, for a limited time, to veterans with other than honorable discharges.

DAV supports this draft legislation under DAV Resolution No. 109, which calls for a more liberal review of other than honorable discharges, particularly in cases of veterans who experienced post-traumatic stress disorder, traumatic brain injury, military sexual trauma, and other trauma for the purpose of eligibility for VA benefits and services. DAV understands that there are many veterans with administrative discharges who struggle with mental health issues that may have contributed to their less than honorable discharge and support this legislation that would give them access to VA case management support while in HUD-VASH housing.

Discussion Draft, Homes for Our Heroes Act of 2019

This draft bill would establish new reporting requirements for HUD and VA. DAV recognizes the intent of this legislation is to provide effective oversight of HUD-VASH programs. Although we have no specific resolution on this issue, we do not object to the bill's favorable consideration.

Discussion Draft, Veteran Employment and Child Care Access Act

This draft bill would allow eligible veterans to receive short-term child care assistance while receiving training or vocational rehabilitation. Child care has been identified as one of the top 10 unmet needs by veterans experiencing homelessness. Likewise, child care responsibilities have been identified as a barrier to accessing needed care and other services for many women veterans. DAV supports this legislation in accordance with DAV Resolution No. 173, which calls for a provision of child care services and assistance to veterans attending VA health care appointments or other rehabilitative programs.

Discussion Draft, Navy SEAL Chief Petty Officer William "Bill" Mulder (Ret.) Transition Improvement Act

This bill would make improvements to the Transition Assistance Program (TAP) and the overall transition process for service members to include a greater focus on career opportunities and entrepreneurship. Specifically, the bill would restructure TAP to require service members to choose specific career-oriented tracks that best suit their post-service plans and would require that service members take part in one-on-one counseling a year prior to separation to evaluate which transition pathway suits them best.

It would also authorize a five-year pilot program that would provide matching grant funds to community providers that offer wraparound transition services to veterans and transitioning service members. Finally, the bill would require a third-party entity to conduct an independent assessment of the TAP curriculum and require a separate longitudinal study on the efficacy of TAP and long-term outcomes for veterans.

DAV supports this legislation in accordance with DAV Resolution No. 304, which urges Congress to monitor the Transition GPS program, its workshops, training

methodology and delivery of services in order to confirm the program is meeting its objective; and to follow up with participants to determine if they secured gainful employment following such training.

Discussion Draft, VET OPP Act

The Veterans' Education Transition, and Opportunity Prioritization Plan Act of 2019, or the VET OPP Act, would separate from the Veterans Benefits Administration (VBA) programs under the purview of the Office of Economic Opportunity and elevate them by creating a new fourth administration within VA, with a new Under Secretary for Economic Opportunity and Transition. The new Veterans Economic Opportunity and Transition Administration (VEOTA) would include critical programs such as Vocational Rehabilitation, the Forever GI Bill, and the Transition Assistance Program for transitioning service members.

At present, VA is comprised of three administrations: VBA, the Veterans Health Administration (VHA), and the National Cemetery Administration (NCA). VBA includes not only compensation and pension programs for veterans, but also education, vocational rehabilitation and employment, housing, and veteran-owned business programs, and the broadly-defined transition assistance program, which is shared with the Departments of Defense (DOD), Labor (DOL) and Homeland Security (DHS). All of these programs are currently overseen by the Office of Economic Opportunity (OEO), which is to be led by a deputy under secretary. However, the position of Deputy Under Secretary for Economic Opportunity has been left vacant for years and it does not appear that the vacancy will be filled any time soon.

Currently, the OEO programs inside VBA must compete with the Compensation, Pension and Insurance programs, of which Compensation is by far the largest program and tends to dominate the attention of VBA leadership and personnel. Because of the scale and scope of the claims and appeals processing reforms in recent years, it has been difficult for VA's economic opportunity (EO) programs to compete for adequate funding, specialized resources, and other prioritization. For example, while VBA has boosted resources to support the modernization and streamlining of the claims and appeals process for the past several years, other important programs such as VR&E have actually seen a stagnation of resources and oversight. Between 2014 and 2018, VR&E participation increased by approximately 17 percent while its funding was raised less than two percent.

Because of the longstanding vacancy of the Deputy Under Secretary for Economic Opportunity position, there has been a lack of leadership, particularly in relation to key stakeholders, such as veterans service organizations, and other federal partners. In fact, the House Veterans' Affairs Committee specifically created a subcommittee focused exclusively on EO programs, further emphasizing the importance of creating a central point of contact to enhance accountability and oversight. Furthermore, VA collaborates with DOD, DHS, and DOL to manage the Transition Assistance Program (TAP) for out-processing service members, but often these efforts

have been hampered by the lack of a high-level VA counterpart to these agencies. Although VA does not have the lead role in TAP, we believe creating the position of Under Secretary of Veterans Economic Opportunity and Transition would enhance VA's influence on TAP initiatives.

We understand that VA remains opposed to this legislation, the same position taken at the May 2018 hearing before this subcommittee, at which VA testified it was, "...in the process of modernizing the entire organization" and that "service delivery of Veterans benefit programs related to economic opportunity has continued to improve year after year under the leadership of the Under Secretary of Benefits." However, given the recent management and oversight issues involving implementation of the Forever GI Bill and Vocational Rehabilitation IT management, we believe the creation of the VEOTA could strengthen VA's oversight of EO programs.

VA should have as much focus on the economic opportunities for veterans as it has for their health care and benefits. When service members are newly discharged, not all will seek VA health care or disability compensation, nor will they be seeking services NCA. However, the vast majority of new veterans will be looking for gainful employment, educational or entrepreneurial opportunities. Congress should recognize the value of these programs by separating and elevating them into their own administration within VA, whose main goal would be the economic empowerment of transitioning service members and veterans.

However, we agree with Chairman Takano and others that this type of transformation needs to be done prudently and carefully, and there are a few concerns that still need to be addressed. We question the arbitrary cap on staffing for the new VEOTA in the legislation. In recent years, DAV has often joined other advocates calling for an increase in the staffing levels of the VA's Vocational Rehabilitation and Employment (VR&E) Service to help achieve the 1:125 counselor-to-client ratio mandated by Congress. While the bill's full-time employee (FTE) cap of 23,692 may be sufficient, we believe staffing and funding requests should be based on need, not arbitrary caps.

In addition, there are still questions about how VA should reorganize the new VEOTA in order to maximize resource sharing between VEOTA and VBA employees at VA Regional Offices, minimize duplication of services and management, and ensure clear lines of authority and oversight. We would recommend that VA be required to put forward a comprehensive plan, with measurable milestones, prior to the change-over in order to ensure a smooth transition.

Notwithstanding the above concerns, and in accordance with DAV's Resolution No. 300, DAV supports the VET OPP Act to create a fourth Administration and we look forward to working with this subcommittee towards that goal.

Discussion Draft, to amend title 38, United States Code, to adjust certain limits on the guaranteed amount of a home loan under the home loan program of the Department of Veterans Affairs

This legislation would modify the loan limit of a loan that the VA can guarantee for a veteran, also known as the “maximum guarantee amount,” by providing VA with the authority to guaranty non-conforming, or “jumbo” loans. The legislation would also waive loan fees for Purple Heart recipients. Although DAV has no resolution from our membership on this proposal, and takes no position on this bill, we do want to remind the Subcommittee that last year a similar provision was considered by the House as part of H.R. 299. The bill unfortunately contained a provision to require loan fees for most service-disabled veterans seeking a loan guaranty for a jumbo loan. We have and will continue to oppose any such fees on benefits for men and women with service-connected disabilities. Because this draft bill does not contain such a fee provision, we have no opposition to this legislation.

Discussion Draft, to amend title 38, United States Code, to make certain improvements to the Edith Nourse Rogers STEM Scholarship Program of the Department of Veterans Affairs

This draft bill would eliminate credit hour requirements and authorize funding for the STEM scholarship program available to post-9/11 veterans for fiscal years 2020-2023. DAV has no resolution on this matter, but appreciates the additional flexibility this legislation would give veterans pursuing degrees in science, math and technology, and thus has no objection to its favorable consideration.

Discussion Draft, to amend title 38, United States Code, to expand eligibility for the Marine Gunnery Sergeant John David Fry Scholarship to children and spouses of certain members of the reserve components of the Armed Forces who die from service-connected disabilities

The Marine Gunnery Sergeant John David Fry Scholarship (Fry Scholarship) provides Post-9/11 GI Bill benefits to the children and surviving spouses of service members who died in the line of duty while on active duty after September 10, 2001.

The Discussion Draft proposes to allow eligibility to an individual who is a child or spouse of a member of a reserve component of the Armed Forces who dies from a service-connected condition not later than four years after the date of the last discharge or release of that member from active duty.

DAV does not have a specific resolution on this issue. However, we would not oppose the measure. To avoid a possible inequity, we would recommend the children and surviving spouses of active duty members who die from a service-connected disability with four years of discharge or release, be eligible as well.

Mr. Chairman, this concludes DAV's testimony. Thank you for inviting DAV to submit testimony for the record of today's hearing. I would be pleased to address any questions related to the bills being discussed in my testimony.