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***STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
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Chairman Wenstrup, Ranking Member Takano, and Members of the Subcommittee:

On behalf of DAV (Disabled American Veterans) and our 1.2 million members, all of whom were wounded, injured or made ill in wartime military service, I am pleased to testify this afternoon on issues related to the release of the President's fiscal year (FY) 2016 budget request for the Department of Labor's (DOL) Veterans Employment and Training Service (VETS).

As the nation's largest veterans service organization (VSO) comprised entirely of wartime disabled veterans, DAV is leading the way in providing free assistance to veterans and their families in filing claims for benefits, as well as representing them in appeals of unfavorable decisions on their claims. In 100 offices located throughout the nation, DAV employs a corps of about 280 National Service Officers (NSOs) and more than 30 Transition Service Officers (TSOs) who counsel and represent active duty personnel, veterans, their dependents and survivors with their claims for benefits provided by the Department of Veterans Affairs (VA), the Department of Defense (DOD) and other government agencies. In 2014, DAV's staff represented 340,000 individuals. Considering all veterans, dependents and survivors who were dissatisfied with VA's rating board decisions and filed appeals, DAV provided representation in almost one-third of all cases argued before the Board of Veterans' Appeals.

Our DAV NSOs are themselves wartime disabled veterans who have personally acquired employment-related services through VA's Vocational Rehabilitation and Employment (VR&E) program. Entitlement to VR&E services is a prerequisite for employment as a DAV NSO. Our service officers must successfully complete 16 months of VR&E-sponsored educational preparation and supervised on-the-job training to qualify for employment by DAV. These trainees work to overcome employment barriers brought on by service-connected disabilities as they learn the intricacies associated with understanding the law and federal regulations dealing with veterans; they study human anatomy and physiology, technical writing, public speaking, and, most important, they learn to apply a proven set of well-grounded principles to secure equitable VA benefits and services for wounded, ill and injured veterans, and for their dependents and survivors.

Employment plays a vital role in giving people purpose and enabling them to provide for themselves and their families. Our NSOs and TSOs certainly appreciate what DAV has done for them in launching their careers, and also they realize the value of what they do for disabled veterans. Thus, because of who we are and what we do, DAV understands the vital role employment plays for all veterans and especially for our members, wartime disabled veterans. Veterans who are seriously wounded, injured or made ill as a consequence of military service face daunting challenges, and sometimes outright barriers, to obtaining and maintaining substantial and gainful occupations and trades. Unemployment rates during our recent Great Recession were higher for veterans than non-veterans; and for the disabled veterans among them, unemployment rates were even higher.

DAV appreciates that the journey from injury to recovery cannot be completed until a veteran is able to find meaning in life, and regains a purpose after injury or serious illness. For those who are able, working to care for themselves and for their families is their uppermost goal. As the nation winds down from more than 13 years of war, tens of thousands are now making the transition from military to civilian life, with the likelihood of more than 250,000 expected to leave military service in 2015, and more than a million service personnel leaving the military by 2017. DAV is committed to ensuring that these new veterans secure the tools, resources and opportunities they need to competitively enter the job market and capture meaningful employment after serving.

Realizing the challenges that many veterans, and especially our service-disabled veterans, continue to face in the employment marketplace, last year DAV established a new National Employment Department. One key element of this mission is a partnership DAV formed with [RecruitMilitary®](#), a full-service military-to-civilian recruiting firm. Working alongside our partner, DAV uses online and offline products to connect employers, franchisors, and educational institutions with veterans who are transitioning from active duty to civilian life, veterans who already have civilian work experience, members of the National Guard and reserve components, and military spouses. All DAV services are offered free of charge.

Co-hosting and sponsoring Veterans Career Fairs in partnership with [RecruitMilitary®](#), DAV is helping to address one of the greatest needs facing our nation's unemployed veterans. Last year DAV sponsored 34 job fairs in 29 cities, creating venues for nearly 2,000 high quality companies considering the talents of more than 14,000 active duty, reserve and Guard members, and veterans and their spouses who attended. The success of these job fairs led to a recent decision by DAV to sponsor 70 more such fairs in 2015. Should our fairs be scheduled in the districts of any members of this Subcommittee, we invite you to come and participate to see first-hand the work of DAV in helping veterans secure employment.

In order to facilitate our employment assistance, DAV has incorporated our VA benefits and claims representation resources into these fair events. Our NSO corps is ever-present at our fairs; thus far, we have aided hundreds of veterans, dependents and survivors with claims assistance to gain their rightful VA or DOD benefits due to their fair attendance and our visible presence.

DAV's National Employment Department also works directly with major employers interested in recruiting skilled veterans. The department provides a multitude of resources that veterans can access on our employment resources web page (www.jobs.dav.org), including a job search board listing more than 800,000 current opportunities. We are pleased to note nearly 5,000 average monthly visits to our employment resources web page. We anticipate continued growth in veterans' use of this resource in the coming months as we roll out a retooled website that will feature a variety of additional employment and educational resources, including webinars and other guides, and we will highlight certain employers, such as the Ford Motor Company, which have demonstrated a firm commitment to recruiting and hiring veterans.

Our National Employment Department is still in its infancy, but we are extremely pleased with the results thus far. DAV is excited about the continued growth of this important new function in providing vital employment assistance, not only to ill and injured veterans, but all veterans and their spouses, as well as active duty, reserve and Guard members.

Mr. Chairman, one of the purposes of today's hearing is to discuss the effectiveness of the federal assets now available to aid veterans who need employment. In order to achieve better outcomes for veterans, we believe that VA programs designed to promote veterans' financial security, such as those focused on employment, training, vocational rehabilitation and education, should be consolidated in a new administration within the Department, in an equivalent status alongside the Veterans Health Administration, the Veterans Benefits Administration, and the National Cemetery Administration. We envision this fourth VA administration would be headed by an Under Secretary who would administer all federal programs dealing with economic opportunity assistance to veterans, their dependents and survivors.

At our most recent National Convention, held in Las Vegas, Nevada, in August 2014, DAV members passed Resolution No. 227. Not only does Resolution No. 227 call for a new Veterans Economic Opportunity Administration, but also it calls for the transfer of the DOL Veterans Employment and Training Service (VETS) to the VA as a key element of this new administration.

To assist veterans in achieving financial security and opportunity—both for those transitioning out of the military and those already in the civilian world—VA provides health care, financial benefits, and sponsors education, training, vocational rehabilitation, employment assistance, entrepreneurship aid, mortgage loan guarantees and direct housing loans, and homelessness assistance services, through a number of programs and offices. Despite the array of services and benefits VA makes available, veterans continue to face significant employment and other challenges in today's recovering economy.

Veterans' educational benefits are administered by the VA, not the Department of Education; veterans' health care services and disability and pension benefits are administered by VA, not the Department of Health and Human Services; and veterans' housing and homeless assistance programs are administered by the VA, not the Department of Housing and Urban Development. Creating a new administration within the VA that incorporates the functions of DOL VETS activities would specialize in serving the employment, educational and economic interests of veterans.

DAV envisions this new VA administration would consolidate programs and offices in VA with responsibility for veterans' vocational rehabilitation, employment, training, transition and economic empowerment as well as to transfer the VETS program in its entirety with all its resources and personnel from DOL to VA. Legislation to create a fourth administration within VA under a similar concept, H.R. 2327, was introduced in the 113th Congress, but did not advance. DAV strongly recommends introduction of a similar bill in this Congress, but one that also would include the transfer of VETS to VA.

As veterans' programs have become more complex over the years, their dispersed placement has challenged VA's senior management to effectively monitor the delivery of services by each program. Centralization of veterans' employment, education, and business programs under one management arm, whose sole responsibility is to provide greater economic opportunities for veterans, could provide greater awareness, oversight and accountability for these vital programs. A new Economic Opportunity Administration would also serve as the single point of interagency exchange regarding veterans' employment, training and related issues.

The Veterans Benefits Administration (VBA) is responsible for the administration of Compensation, Pension, Fiduciary, VR&E, Education, Insurance, and Home Loan Guaranty services. As currently organized, compensation services have dominated the budget, resources, staff, and attention of the VBA. As a result, the remaining services in VBA face more difficulty in addressing their own inadequate staffing levels, insufficient information technology (IT) systems, and other management needs.

As a result of the significant challenges facing VA's disability compensation program, it is understandable that both VA and VBA senior leadership continue to be focused on the transformation of the claims processing system. Reorganizing these economic- and employment-related programs into a single entity would not only create new opportunities for greater collaboration among them, but would relieve some of the burden on the VBA, which is already facing significant challenges in reforming the claims process. More important, consolidation would provide veterans with a dedicated entity focused solely on their economic and educational prosperity. VETS offers employment and training services to eligible veterans through its Jobs for Veterans State Grants (JVSG) program. Under the JVSG program, funds are allocated to state workforce agencies in direct proportion to the number of veterans seeking employment within the states. VETS provides funding through the JVSG to facilitate staffing for Disabled Veterans' Outreach Program (DVOP) specialists and for the Local Veterans' Employment Representatives (LVER). For FY 2016, the Administration requested \$175 million in appropriated funding to support these two decentralized functions, the same amount appropriated in FY 2015.

DVOP specialists provide intensive services to targeted veterans, primarily the service disabled. They assist eligible financially or educationally disadvantaged veterans to meet their employment needs. Intensive services include comprehensive assessment of education, skills, and abilities, in-depth interviewing and evaluation to identify employment barriers and establish appropriate employment goals, providing career coaching, short-term pre-vocational services that may include development of learning and communication skills, interviewing skills,

personal maintenance skills, and developing professional conduct to prepare individuals for career goals. They also create individual employment plans (IEP) to identify employment goals, establish interim objectives, and select appropriate services that will enable veterans to meet their employment goals.

LVERs conduct outreach to local employers to assist veterans in gaining employment. They facilitate employment, training, and placement services for veterans. LVERs plan and participate at job and career fairs. They coordinate with unions, apprenticeship programs, and a variety of businesses and other organizations to promote employment and training programs for veterans. LVERs also provide information to federal contractors regarding their responsibilities to employ qualified veterans, and they promote credentialing and licensing opportunities for veterans.

Vocational Rehabilitation Specialists (VRS) provide veterans services that are almost identical to those provided by their DVOP and LVER counterparts, but VRS services are provided only within the VA setting. The primary functions of the VRS are to identify and provide suitable training and placement services for individual veterans being served by the program, to guide and monitor individual progress, and then provide follow-on support throughout the training and job adjustment periods.

The VRS provides personalized services that involve ascertaining the training requirements to meet individual objectives. The VRS coordinates with various resources in identifying, evaluating, and selecting a training experience in the community that is suitable to meeting the particular needs and overcoming obstacles facing an individual. The VRS sets up and negotiates a training program that will meet a veteran's needs. The VRS also provides placement services that involve identifying suitable employment opportunities or maintaining day-to-day contact with employers, and keeping alert for job and small business opportunities. Additionally the VRS works to overcome common employer reluctance or biases in hiring disabled veterans.

The functions of the DVOP, LVER and VRS display many commonalities. However, the VRS primarily provides assistance to veterans with service-connected, compensated conditions. The VRS is empowered to authorize VA payments for expenses associated with these service-disabled veterans' participation in courses of education and employment training. However, nonservice-connected veterans can gain access to VRS support and services if they are actively engaged in one of the VA's educational programs, including use of the Post 9/11 GI Bill.

Given the nature of their shared responsibilities, collaboration should be occurring among DVOP specialists, LVERs and VRS, but generally they operate in separate spheres. Because VA and VETS are actively engaged in providing similar services, which can appear to be overlapping or even competing at times, veterans often must negotiate between two federal entities to obtain individualized services, a situation that can become cumbersome and confusing for the individual veteran, and thereby discourage participation.

DOL's VETS is responsible for administering the Jobs for Veterans State Grant (JVSG) program, Transition Assistance Program (TAP), Homeless Veterans' Reintegration Program,

operating the National Veterans' Training Institute, and enforcing the Uniformed Services Employment and Reemployment Rights Act. These are veteran-centric programs that complement those established within the VA. If these VETS functions were absorbed and operated by this new fourth VA administration, DAV believes VA would be able to enhance these services.

The creation of a new VA administration that would manage all these programs is a logical, responsible step for Congress to take through a legislative mandate. Plus, important to DAV, we believe this recommended consolidation offers the potential to streamline and enhance the prospects and training possibilities for wounded, injured and ill war veterans, for them to overcome employment obstacles, and open up opportunity for them in their post-service lives. It could also both reduce current costs while revealing the availability of new or alternative services and programs to those receiving employment and educational assistance in a unified program.

Direct oversight of the new consolidation would be confined within VA to increase efficiency and enhance job and educational opportunities for all veterans who participate, and it would provide this Subcommittee a more focused oversight role. The new Under Secretary for Economic Opportunity would be charged with managing all veterans' training, VR&E programs and related services, to leverage them to their fullest extent to ensure the financial and educational prosperity of those seeking assistance, and to do so within a single administration.

On behalf of the 1.2 million members of DAV, we ask this Subcommittee, Mr. Chairman, to fully consider the merits of establishing a new Veterans Economic Opportunity Administration within the VA with the assets I have described in this testimony, and to transfer VETS and all its elements and resources to this new VA administration. DAV would welcome the opportunity to work with the Subcommittee to see this justified reform enacted into law.

Ensuring that our nation's wounded war veterans receive opportunities for meaningful and gainful employment is a central concern of our organization, and in the wake of war DAV believes that we reflect the concerns of the entire nation. Veterans who truly sacrifice themselves in war need a hand up, not a handout. Reforming this important function of government that leads them to rewarding private employment would provide them that hand.

Mr. Chairman, this concludes DAV's testimony. DAV looks forward to working with you to examine ways to improve services to, and outcomes for, veterans faced with employment-related challenges. I would be pleased to consider any questions or comments you wish to make that are relevant to the matters on which I have testified today.