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501(C)(3) Veterans Non-Profit

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**PARALYZED VETERANS OF AMERICA**

**BEFORE THE**

**HOUSE VETERANS' AFFAIRS COMMITTEE**  
**SUBCOMMITTEE ON ECONOMIC OPPORTUNITY**

**CONCERNING**

**"EXAMINING THE EFFECTIVENESS OF THE VETERAN READINESS AND EMPLOYMENT (VR&E)  
PROGRAM"**

**DECEMBER 11, 2024**

Chairman Van Orden, Ranking Member Levin, and members of the subcommittee, Paralyzed Veterans of America (PVA) appreciates this opportunity to discuss the effectiveness of the Department of Veterans Affairs' (VA) Veteran Readiness and Employment (VR&E) program. VR&E assists disabled veterans in finding meaningful and lasting employment despite incurring disabilities as a result of their military service. The services and supports available to veterans with catastrophic disabilities are critical in ensuring successful employment outcomes.

In July 2025, we will celebrate the 35th anniversary of the Americans with Disabilities Act (ADA), which is vital to remember as we discuss employment opportunities for disabled veterans. Prior to 1990, widespread protections in federal law prohibiting disability-based employment discrimination did not exist, meaning that just over a generation ago, disabled veterans lacked the federal protections and guarantees offered today. PVA was a leader in advocating for the passage of this seminal civil rights law that provides opportunities and access for people with disabilities, including disabled veterans. While the ADA guaranteed equal opportunity in public accommodations, employment, and state and local government services, many disabled veterans still encounter challenges when attempting to participate in the labor market.

## **VR&E Program Details**

For more than a century, the VR&E program has provided critical resources that contribute to the long-term well-being of our nation's disabled veterans. With five tracks providing specialized services, the program is designed to meet disabled veterans where they are and provide them with the necessary expertise provided by Vocational Rehabilitation Counselors (VRC) to help them determine suitable employment opportunities based on their abilities.

According to the fiscal year (FY) 2023 Veterans Benefits Administration (VBA) Annual Benefits Report, more than 130,000 disabled veterans were participating in a plan of service.<sup>1</sup> However, the most recent numbers shared by VR&E indicate more than 170,000 veterans are utilizing their services. In September of 2022, enrollment numbers were around 125,000 veterans; thus, interest in the program and subsequent enrollment is rising. VA and Congress need to allocate adequate resources to support VR&E's continued growth and guarantee this important program's sustainability.

The VBA Longitudinal Study for FY 2032 highlighted several positive impacts of VR&E participation. For example, veterans who successfully achieve "rehabilitation" have a higher likelihood of homeownership rates (77 percent) compared to the general U.S. population (66 percent). They also earn more than veterans who discontinued the program, and due to the collaborative relationship between VBA and the Veterans Health Administration (VHA), they also use health care at higher rates.<sup>2</sup> For veterans who engage with VR&E and see it through, the positive impacts are measurable.

## **Recommendations for Program Improvements**

While VR&E has proven itself to be an invaluable program for disabled veterans looking to get back into the workforce, PVA sees many areas for improvement which can only be accomplished by Congress. Several ideas have been floated that could have positive and lasting impacts on VR&E, some of which will require additional legislation to address. PVA strongly believes Congress should eliminate the 12-year delimiting date, remove certain education requirements for Veteran Success on Campus (VSOC) positions, increase the subsistence rate for VR&E participants, and ensure sufficient resources for the program's long-term success.

### Eliminate the Twelve-Year Delimiting Date

Congress should eliminate VR&E's 12-year eligibility period for veterans discharged on or before January 1, 2013. While VRC's have the discretion to waive the delimiting date for veterans with serious employment handicaps, they rarely do. One of the reasons for not waiving the delimiting date

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<sup>1</sup> Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report for FY 2023, <https://www.benefits.va.gov/REPORTS/abr/docs/2023-veteran-readiness-employment.pdf>.

<sup>2</sup> Department of Veterans Affairs, Veterans Benefits Administration Readiness and Employment (VR&E) Longitudinal Study, FY 2023, <https://www.benefits.va.gov/VOCREHAB/docs/FY2023-longitudinal-study.pdf>.

is the ambiguous definitions for an “employment handicap” and a “serious employment handicap.” Specifically, 38 CFR 21.35 (a) defines an “employment handicap” as “an impairment of a veteran’s ability to prepare for, obtain, or retain employment consistent with such veteran’s abilities, aptitudes, and interests.” Similarly, 38 CFR 21.35(g) defines a “serious employment handicap” as “a significant impairment of a veteran’s ability to prepare for, obtain, or retain employment consistent with such veteran’s abilities, aptitudes, and interests.”

The subjectivity in determining whether a veteran has an “employment handicap” or a “serious employment handicap” could be eliminated with the removal of the delimiting date, which would reduce the number of veterans who must appeal these determinations. Additionally, many severely disabled veterans have been encouraged to file for Temporary Disability Individual Unemployability instead of reapplying for VR&E. If a disabled veteran has difficulty finding and maintaining meaningful and gainful employment, they should be allowed to access VR&E services. Veterans whose service-connected disabilities create barriers to employment, have earned every opportunity available to assist them with finding success in the workforce.

#### Update Statutory Language for VR&E

Congress must ensure that statutory language is up to date, which is why PVA supports H.R. 7653, the Veteran Employment Yield (VERY) Act of 2024. This legislation would replace the phrase “employment handicap” with “employment barrier.” We thank the House for its swift passage of this bill and hope this legislation will soon be law. The language adjustment directed by the VERY Act might seem insignificant, but we should do everything we can to tear down barriers and stigmas for veterans who need help. The removal of such antiquated language is a good first step in doing so.

#### Reexamination of Minimum Education Requirements for VSOC Counselors

The VSOC program is an excellent resource for student veterans utilizing VR&E at an institution of higher learning. It places a VRC on college campuses to help support and assist veterans as they pursue their educational and employment goals. VSOCs have become integral partners for the veterans who are lucky enough to attend a school that has one, and they help veterans with a range of supports and services. However, program access is limited to 86 counselors at 104 schools.

A VSOC counselor has the same job description and education requirements as a VRC, even though VSOCs do not carry a full caseload of VR&E participants. We recommend Congress pass H.R. 8646, the Modernizing Veterans On-Campus Experience Act of 2024, which would reduce the education requirements for a VSOC counselor. This may encourage VSOC counselors with VRC level training to return to that role. However, if the education requirements are reduced, PVA suggests removal of the language in the amended bill limiting services to 25 individuals, because those cases should remain with a VRC.

Reducing the education requirements for a VSOC position from a master’s vocational rehabilitation counselor to a bachelor’s degree would allow more recently graduated veterans to work for VA in this program. In essence, the VSOC positions could become an employment pipeline for future VRCs. Many veterans who use the VR&E program see intrinsic value in helping other veterans to achieve their goals, an opportunity like this could foster employment opportunities for VSOCs to advance into the role of VRC. If Congress reduced the education requirement for a VSOC counselor, they should also reevaluate the criteria for school approval for a VSOC, allowing more campuses to benefit from the program.

#### Improve Subsistence Rates for VR&E Participants

In FY 2023, more than 70 percent of VR&E participants were enrolled in an undergraduate program.<sup>3</sup> While VR&E is an employment program, additional education is often required for disabled veterans to successfully achieve their employment goals. Unfortunately, there are financial disparities between rates for VR&E and the Post-9/11 GI Bill. The VR&E program subsistence rate is less than the rate of a student veteran participating in the Post-9/11 GI Bill and this should be addressed.

Currently, the recipients of transferred Post-9/11 GI Bill entitlements (dependents) could earn more than a disabled veteran who needs additional education to improve their employment situation. While the transferability of entitlement is invaluable for veteran families, VR&E participants should receive the same subsistence rate as those students. Many VRCs lament the significant amount of time spent calculating payments for the veterans they serve. Under or overpayments of veterans then become an issue which could be easily preventable. Tying VR&E subsistence rates to the VA education rates, would eliminate confusion, reduce errors, and ensure disabled veterans do not receive less support than dependents of veterans using their transferred Post-9/11 GI Bill.

#### Improve Resources for VR&E IT Needs

The VR&E program has a history of struggling to find an appropriate client management system to meet its unique needs. Previous hearings have spent significant amounts of time focused on issues surrounding IT modernization efforts. PVA hopes the most recent modernization effort will be successful, as it appears there has been more thought put into this effort than previous iterations.

An unavoidable reality is that as VBA programs modernize independently of one another, additional costs will accrue. More resources may be needed for VR&E to access other VBA platforms via the VA’s cloud system. System integration is complex when it comes to the patchwork of programs across VBA IT modernization efforts, and a cloud platform will ensure interoperability between these

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<sup>3</sup> Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report for FY 2023, <https://www.benefits.va.gov/REPORTS/abr/docs/2023-veteran-readiness-employment.pdf>.

independent IT platforms. Without guaranteed communications between these systems, the modernization efforts will be less beneficial to the VA staff who rely on them.

VA's IT footprint is a quilt of different platforms created by different directors, under different administrations, and for different purposes. These piecemeal solutions will continue to be problematic until designing and implementing a single, fully-integrated system is made a priority.

### Increase Counselor Numbers

A perennial concern has been the need for increased numbers of VRCs to ensure that VR&E is maintaining the 1:125 counselor to veteran ratio. While the national counselor to veteran ratio might be under the suggested 1:125, historically the numbers have painted a different picture. VR&E is a dynamic program. Enrollment and participation in the program will ebb and flow, and areas with high concentrations of veterans are allocated a higher number of VR&E counselors. Even a few vacancies at regional offices (RO) with a high full-time equivalent (FTE) VRC rate could cause serious delays for veterans waiting for program approval and reduce the time a counselor has to be responsive to the veterans they serve.

Historically, Congress and veterans service organizations have suggested that ROs with lower enrollment numbers could assist the higher case ROs by assuming some of their caseload. With the current enrollment numbers, however, it is unlikely that many offices have the bandwidth or capacity to assist. We understand that some ROs may be hesitant to assist struggling offices because the pending applications that are assumed by the RO could impact their quality metrics. Therefore, the existing delay in program approval becomes a disincentive for ROs to help move through the backlog of pending applications.

Additional staff have been hired in an effort to ensure VRC positions are filled, but it takes considerable time before they become efficient in their new role. Training a new VRC is a combination of traditional on boarding and on the job training, which takes time. A new VRC should be fully trained in approximately three years. When VRCs are overwhelmed with their caseload, it directly impacts their ability to onboard and train new VRCs. Having a small cadre of senior staff dedicated to training new VRCs would improve the quality and continuity of this process, while still ensuring there are enough counselors to avoid unresponsiveness and delays for veteran participants.

### **The Cost of Doing Business**

VR&E has long been a small but high performing program needing little attention or direct oversight from Congress. For decades, the common perception was that VR&E was the crown jewel of employment programs but it was underutilized. Word is finally getting out which is why we have seen applications to the VR&E program increase significantly in the past two years. Increased enrollment

comes with increased costs and VR&E has to compete with VA's benefits, education, and other programs for resources and staff.

The VR&E program is unique in the sense that its costs are dynamic and evolving. While VR&E participants may engage in similar programs or enrollment plans, the calendar of those educational programs is not standardized in the same way as programs funded by the GI Bill or other VA education programs. VR&E is a people program and there is no single number of staff nor solution that will solve the complicated challenges they face. But one thing is clear, any reduction in the number of FTE authorized to VR&E would impair the performance, sustainability, and reputation of the program that has successfully rehabilitated millions of our nation's disabled veterans and helped them return to work. It's a transformational program that Congress must act to protect.

PVA is grateful for the opportunity to share our thoughts on the VR&E program. We are eager to work with Congress and the VA to guarantee future generations of disabled veterans will be able to use the program for their employment needs. I would be happy to answer any questions you may have.

## **Information Required by Rule XI 2(g) of the House of Representatives**

Pursuant to Rule XI 2(g) of the House of Representatives, the following information is provided regarding federal grants and contracts.

### ***Fiscal Year 2025***

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events — Grant to support rehabilitation sports activities — \$502,000.

### ***Fiscal Year 2023***

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events — Grant to support rehabilitation sports activities — \$479,000.

### ***Fiscal Year 2022***

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events — Grant to support rehabilitation sports activities — \$ 437,745.

## **Disclosure of Foreign Payments**

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.