

TESTIMONY OF

OF

DAVID PROFERES

EMPLOYMENT & EDUCATION POLCY COORDINATOR

THE AMERICAN LEGION

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY COMMITTEE ON VETERANS' AFFAIRS UNITED STATES HOUSE OF REPRESENTATIVES

ON

"PENDING AND DRAFT LEGISLATION"

SEPTEMBER 21, 2021

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STATEMENT OF

DAVID PROFERES, EDUCATION & CREDENTIALING POLICY ASSOCIATE NATIONAL VETERANS EMPLOYMENT AND EDUCATION DIVISION THE AMERICAN LEGION

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Chairman Levin, Ranking Member Moore, and distinguished members of the committee, on behalf of National Commander Paul E. Dillard and the nearly two-million dues-paying members of The American Legion, we thank you for inviting The American Legion to testify today.

The American Legion is directed by millions of active Legionnaires who dedicate their time and resources to the continued service of veterans and their families. As a resolution-based organization, our positions are guided by nearly 100 years of advocacy and resolutions that originate at the grassroots level of our organization. Every time The American Legion testifies, we offer a direct voice from the veteran community to Congress.

H.R. 4874 – Fly Vets Act

To amend title 38, United States Code, to make certain improvements to the use of educational assistance provided by the Department of Veterans Affairs for flight training programs.

The American Legion supports measures to improve cost control for flight programs offered by colleges and universities. In 2015, The Los Angeles Times exposed that some institutions of higher learning have instituted extreme costs for flight fees as there are presently no caps in place for public schools. Since that time, increased oversight from the Department of Veterans Affairs (VA) and State Approving Agencies (SAAs) lowered overall expenditures for flight training from \$79.8 million, in 2014, to \$49.2 million.

Among the external factors responsible for this reduction was a 100% compliance survey conducted by SAAs in 2015 that resulted in 12 suspensions and withdrawals, largely due to violations of the 85-15 rule. However, the mandate to micromanage flight programs is unsustainable, even as institutions learn to adjust to the requirements while hedging veteran credit enrollment. For these reasons, The American Legion believes that a solution is still necessary to

¹ Zarembo, Alan (2015, March 15). <u>U.S. taxpayers stuck with the tab as helicopter flight schools exploit GI Bill loophole</u>. The Los Angeles Times

ensure that the Post-9/11 GI Bill and the Harry W. Colmery GI Bill remain an honorable investment of public dollars.

This obligation must be measured with our nation's responsibility to veterans using the Post-9/11 GI Bill who aspire to careers in aviation. Legislation that caps the maximum GI Bill amount per year for flight would have the inevitable consequence of discouraging pursuit of this vocation, with greater debt incurred by veterans and servicemembers who remain committed.

This draft legislation addresses both of these considerations by setting a specific cap on funds to be spent and provides the option for veterans to elect to spend remaining months of entitlement to accelerate payments at a rate of up to twice the amount for tuition and fees. As a practical example, suppose a veteran enrolls in a flight program costing \$45,700 in tuition and fees. This draft bill would cap their GI payment at \$25,162 (the maximum 2020 amount per private schools), leaving them to pay for half. The veteran can then elect to have the GI Bill cover the remainder by accelerating his GI Bill payments for 12 additional months, covering the full cost of tuition.

This would appear to alleviate concerns for discouraging pursuit of aviation while putting the choice in the hands of the veteran for how to best allocate their GI Bill. The American Legion commends Representative Cawthorn for this measured approach, and is encouraged by potential cost savings that have been made at aviation programs.

Through *Resolution No. 23: Close the GI Bill Flight School Loophole*, The American Legion supports aligning the cost of Post-9/11 GI Bill Chapter 33 tuition and fees allowable for flight training at a public institution of higher learning with the existing rate on tuition and fees for private and nonprofit schools.²

The American Legion supports H.R. 4874 as currently written.

Draft Legislation

To amend title 38, United States Code, to ensure that the Secretary of Veterans Affairs repays members of the Armed Forces for certain contributions made by such members towards Post-9/11 Educational Assistance.

The American Legion was recently contacted by an Air Force officer with a peculiar education dispute: she paid into the Montgomery GI Bill before transferring over to the Post-9/11 GI Bill, but once her benefits were depleted, VA refused to reimburse her initial \$1,200 investment. Since 2008 Department of Veterans Affairs (VA) has specified that Post-9/11 GI Bill recipients may qualify for a refund of the Montgomery GI Bill buy-in³, but GI Bill hotline staff informed her that the VA could not process the refund due to her active duty status.

² American Legion Resolution No. 23 (2018): <u>Close the GI Bill Flight School Loophole</u>

³ VA GI Bill Customer Help, "Refund of the Montgomery GI Bill \$1,200.00 buy-in for Post-9/11 GI Bill recipients?" https://gibill.custhelp.va.gov/app/answers/detail/a_id/949/~/refund-of-the-montgomery-gi-bill-%241%2C200.00-buy-in-for-post-9%2F11-gi-bill

The American Legion investigated the issue and discovered that *all* active duty service members are disqualified from a refund of the Montgomery GI Bill due to an unintentional technicality: 38 U.S.C § 3327(f)(3) ties the reimbursement of the benefit to the last payment of the monthly stipend of the education benefit. However, active duty service members are not afforded a monthly stipend when using the Post-9/11 GI Bill and thus are currently unable to receive the warranted reimbursement.

Upon informing the House Veterans Affairs Committee leadership of this loophole, their professional staff worked diligently to identify a solution. This draft legislation corrects the loophole by eliminating the requirement of a monthly stipend for full education reimbursement, and The American Legion applauds Congressman Jim Banks for his work on this issue.

Through Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Students' Education at Institutions of Higher Education, The American Legion supports legislative proposals that improve the GI Bill.⁴

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to pay to certain veterans, who receive certain educational assistance furnished by the Secretary, a weekly stipend for childcare services.

Student veterans with children face many challenges while enrolled in institutions of higher learning. One issue some deal with is access to affordable childcare. According to the 2020 Student Veterans of America Census Report, affordable childcare is one of the most salient challenges for the 52 percent of student veterans with children. Current Department of Veterans Affairs (VA) education benefits under the GI Bill do not account for childcare which may close educational doors for many veterans.

This draft legislation would direct the Secretary of Veterans' Affairs to provide a weekly stipend of \$100 to eligible veterans using VA educational benefits to help alleviate childcare costs for student veterans. Subsidizing childcare would allow veteran parents to focus their time and resources on their studies. The American Legion has been instrumental in expanding benefits to post-9/11 veterans to align with the increasing costs of higher education and this is just one example.

Through Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education⁵, The American Legion supports legislative efforts which provide veterans the flexibility to maximize educational benefits. VA, congressional

⁴ American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's</u> <u>Education at Institutions of Higher Education</u>

⁵ American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education.</u>

committees, veteran service organizations, educational institutions, and state approving agencies must work together to ensure veterans are fully aware of their educational opportunities. Veterans should not have to worry about whether or not they can show up for class because of childcare expenses.

The American Legion supports the legislation as currently written.

Draft Legislation

To amend the Servicemembers Civil Relief Act to establish protections under that Act for a member of the Armed Forces who leaves a course of education, paid for with certain educational assistance, to perform certain service

The Servicemembers' Civil Relief Act (SCRA) protects active duty, reservists, and National Guard servicemembers while on active duty. The broad protections offered by SCRA range from limits on loan interest rates to terminating housing leases due to upcoming deployments. A notable exception to the Servicemembers' Civil Relief Act has been higher education.

Active duty, reservists, and National Guard servicemembers enrolled in programs of education at institutions of higher learning have few federal protections, if any, when they receive active duty training orders. Servicemembers who are obligated to leave classes due to orders may be liable to repay tuition in addition to receiving a failing for those classes. For many serving in the Reserves and National Guard, this is understood as a penalty of service to country.

Several state laws have created protections to curb this behavior from schools, most notably the Illinois Servicemembers Civil Relief Act (ISCRA). In Illinois, Reservists who are activated midsemester are eligible for *full monetary credit or refund for funds paid to any Illinois public university, college, or community college on behalf of any service member who enters military service.*⁶

While Illinois and other states should be applauded for implementing these laws, the protections they afford should not be exclusive.

This legislation would scale the best practices in state law national, protecting servicemembers who receive active duty or inactive duty training orders and withdraw or take a leave of absence from classes at institutions of higher learning from undue academic and financial adverse action. *Through Resolution No. 84: Support and Strengthen the Servicemembers Civil Relief Act (SCRA)*⁷, The American Legion supports amending the Servicemembers Civil Relief Act to include protections for members of the armed forces acting under duly authorized and issued orders.

However, there are concerns that the language of the draft bill is overly broad. States that offer similar protections stipulate a minimum number of days that a servicemember cannot attend class

⁶ Illinois Service Member Civil Relief Act,, <u>330 ILCS 63/80</u>

⁷ American Legion Resolution No. 84 (2017): Support and Strengthen the Servicemembers Civil Relief Act (SCRA)

due to service status to qualify for protection. The American Legion believes that the seven days of military service within a month prescribed in ISCRA represents an applicable best practice.

The American Legion supports this draft legislation with amendments.

Draft Legislation

To amend title 38, United States Code, to extend eligibility for a certain work-study allowance paid by the Secretary of Veterans Affairs to certain individuals who pursue programs of rehabilitation, education, or training on at least a half-time basis

The work-study program for student veterans using education benefits provides an opportunity for student veterans enrolled in training, rehabilitation, or higher education to be employed by Department of Veterans Affairs (VA) part-time and earn an hourly wage equal to the state or federal minimum wage. Student veterans benefit from the additional income and gain valuable work experience in various capacities within VA. According to a report released by the Department of Education in 2020, of those using veterans' education benefits in 2015-2016, only 52 percent of undergraduate and 46 percent of graduate students were full-time students.⁸

Currently, the veteran work-study program is restricted to students enrolled in class or training at a minimum of three-quarters of full time. This restriction prevents thousands of half-time student veterans from participating in the work-study program who often have obligations that prevent them from enrolling full-time. These obligations often include caring for families, full-time employment, and military service. When the financial security of the work-study program is not provided to a veteran, particularly disabled veterans, transitioning into the civilian workforce can be extraordinarily difficult.

This legislation would expand eligibility for certain work-study allowances paid by VA to veterans to alleviate this problem. Specifically, it would allow veterans using VA educational benefits who are enrolled half-time in a college degree, vocational, or professional program to participate in the veterans work-study program. By changing the requirement from three-quarters to half-time, this legislation would enable greater participation in the veterans' work-study program. By extension, more veterans and their families would have access to diverse financial outlets to subsidize their education, enabling them to succeed in the workforce.

The American Legion has long advocated VA expand the educational benefits they provide veterans. Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*⁹, The American Legion supports efforts to increase access to veteran education programs and resources such as student loans, Pell grants, work-study, Title IV funding, and the GI Bill. Investing in veteran students has consistently proven

⁸ "Stats in Brief: Veterans' Education Benefits" (2020), National Center for Education Statistics Institute of Education Sciences

⁹ American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's</u> <u>Education at Institutions of Higher Education</u>

to have a positive return on investment, and it is vital we can continue to do so for those attending part-time.

The American Legion supports the legislation as currently written.

Draft Legislation

To extend the delimiting period for certain individuals to use educational assistance benefits administered by the Department of Veterans Affairs

In July of 2021, the U.S. Court of Appeals for the Federal Circuit upheld the ruling in *Rudisill v. McDonough* (*formerly BO v. Wilkie*), which affirmed that veterans with separate qualifying periods of military service are entitled to GI Bill benefits for each period of service.

Despite this change, veterans and family members whose Department of Veterans Affairs (VA) education entitlements were restored due to the change in the 48-month rule may be restricted by a preexisting delimiting period less than the number of months of entitlement they have remaining.

As an example: a veteran with a service-connected disability applies and is approved for Veteran Readiness and Employment (VR&E) benefits. That veteran expends 24 months of VR&E entitlement which count against the veteran's 36-month Montgomery GI Bill Active Duty (MGIB-AD) entitlement. As a result of the new 48-month rule interpretation, the veteran is now eligible for restored education entitlement for the 24 months deducted from their Montgomery GI Bill Active Duty (MGIB-AD).

However, the delimiting date for the Montgomery GI Bill Active Duty (MGIB-AD) is ten years after discharge. If that veteran was discharged in 2012, the education entitlement for their Montgomery GI Bill must be expended before the 2022 delimiting date. The veteran has rightfully regained their educational entitlement but cannot use it due to a preexisting delimiting date. This issue affects all servicemembers who are both eligible for restored education entitlements and have preexisting delimiting dates on those entitlements (notable exceptions to this problem are those using the Post 9/11 GI Bill with a discharge date after January 1, 2013).

This legislation would extend the delimiting period for veterans who qualify for restored entitlement of VA education benefits, with the new delimiting period would equal sixth months plus the number of months of entitlement from the bill's date of enactment. Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Students' Education at Institutions of Higher Education,* The American Legion supports legislative proposals that improve the Post-9/11 GI Bill.¹⁰

The American Legion supports this draft legislation as currently written.

¹⁰ American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

Draft Legislation

To amend title 38, United States Code, to expand eligibility for the Marine Gunnery Sergeant John David Fry Scholarship to include spouses and children of individuals who die from a service-connected disability within 120 days of serving in the Armed Forces, and for other purposes

The American Legion was troubled to learn of a long-standing incongruity in Title 38 denying education benefits to families of servicemembers who died within 120 days of release or discharge from Active Duty despite Congressional intent to support them. The Marine Gunnery Sergeant John David Fry Scholarship is only available to relatives of servicemembers who died in the line of duty and does not include those who may have died from service-related disabilities or causes shortly after leaving the Armed Forces. This policy excludes individuals who may have only recently left the Armed Forces but have died as a result of their service.

America should not deny survivor benefits to the families of servicemembers who have sustained mortal wounds on Active Duty that pass away weeks after a medical discharge. Thankfully, the Department of Veterans Affairs (VA) already recognizes these survivors' rights to the death gratuity program, payable when a member dies within 120 days of release or discharge from Active Duty. While admirable, this recognition makes the lack of the Fry Scholarship for children more glaring.

This legislation expands eligibility coverage for the Fry Scholarship to spouses and children of servicemembers who die within 120 days of serving in the Armed Forces on the condition that the servicemember was honorably discharged. This revision provides the opportunity for children and spouses to take advantage of a benefit offered to other military families and presents a more appropriate temporal threshold for scholarship eligibility than what is currently accommodated for under the current statute.

Veterans who have served the country honorably and die from service-related disabilities after leaving the Armed Forces deserve the right for their next-of-kin to benefit from the Fry Scholarship. This policy revision would remove an arbitrary roadblock that some families face when seeking academic and career opportunities in the wake of tragedy.

Through Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Students' Education at Institutions of Higher Education, The American Legion supports legislative proposals that improves the Post-9/11 GI Bill.¹¹

The American Legion supports this draft legislation as currently written.

¹¹ American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

Draft Legislation: Col. James Floyd Turner IV U.S.M.C. GI Bill Transfer Act of 2021

To amend title 38, United States Code to provide for the transfer of entitlement to educational assistance under Post-9/11 Educational Assistance Program of Department of Veterans Affairs when an eligible individual dies after approval of transfer and before transferring all of the individual's entitlement, and for other purposes

There is currently no way for a transferee of a deceased veteran to utilize the remaining balance of their Post 9/11 GI Bill funds if they die before using the funds or designating the remainder of the benefit to a transferee. Currently, if a veteran dies, that funding is forfeited and goes unused. This oversight deprives military families of critical benefits within the Post-9/11 GI Bill.

This bill would require that unused entitlements from the Post-9/11 GI Bill be provided to a veteran's transferees when a transferer dies before granting a transferee(s) their outstanding benefits. If a transferer designates multiple transferees as recipients of their GI Bill benefits, the bill guarantees that benefits will be equally distributed amongst all individuals identified as transferees by the servicemember.

The American Legion supports this bill because veterans and their next of kin deserve the right to the full monetary benefits appropriated by the Post-9/11 GI Bill. Even in the tragic circumstance in which a veteran dies before transferring the rest of their GI funding to a transferee, the beneficiary of their entitlements should be able to utilize the funds that their parent or spouse was unable to use during their lifetime. This will help military families afford further education or job training in the wake of immense hardship.

Through *Resolution No. 22: Surviving Families Benefits*, The American Legion supports legislation to have all benefits paid at time of death to the surviving families.¹²

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to prohibit the use of entitlement to educational assistance under the Survivors' and Dependents' Educational Assistance Program for secondary school education

The provisions of this bill fall outside the scope of established resolutions of The American Legion. As a large grassroots organization, The American Legion takes positions on legislation based on resolutions passed by the membership or in meetings of the National Executive Committee. With no resolutions addressing the provisions of the legislation, The American Legion is researching the material and working with our membership to determine the course of action which best serves veterans.

The American Legion has no position on this draft legislation.

¹² American Legion Resolution No. 22 (2016): Surviving Families Benefits

Draft Legislation

To direct the Secretary of Veterans' Affairs to report on the Warrior Training Advancement Course of the Veterans Benefit Administration

The Warrior Training Advancement Course (WARTAC) was implemented as a pilot program between the Department of Defense (DoD) and Department of Veterans Affairs (VA) in 2014 to train transitioning servicemembers into becoming Veteran Service Representatives (VSR) and Rating Veteran Service Representatives (RVSR). Since that time, VA has offered VSR and RVSR positions to more than 1,400 transitioning servicemembers worldwide. Fortunately, the WARTAC program has been a success.

Effective reporting on outcomes is critical for VA to identify further internal employment needs that can be fulfilled utilizing DoD's SkillBridge authority, with WARTAC serving as a valuable best practice. To ensure this issue is fixed, this draft legislation seeks to mandate this reporting. However, several provisions pose risks to practical implementation. Specifically, it calls for the report to include an element on "Best TAP Practices" with regards to WARTAC, even though the program falls under DoD's SkillBridge Program. While there is some overlap, it is important to recognize how the two programs differ.

Transition Assistance Program (TAP) is a mandatory program that provides information, tools, and training to ensure service members and spouses are prepared for transitioning into civilian life. SkillBridge, on the other hand, is an optional program that matches civilian opportunities to a servicemember's job training and work experience. Additionally, this legislation requires the report to include cost savings of WARTAC that include the determination of the Secretary whether other federal agencies may save money by stablishing a program similar to WARTAC.

While the success of this VA program should be lauded, it should also be noted that several other departments have found similar success. These include CyberVets at the Department of Health and Human Service, and Solar Ready Vets at the Department of Energy. Promoting one department SkillBridge program at the expense of others may unnecessarily discourage hiring innovation.

Through Resolution No. 105: Support and Expand Warrior Transition Advancement Course¹³, The American Legion supports expanding WARTAC. However, the language and program definitions of the legislation must correctly match the program's terms. As such, The American Legion urges Congress to mandate both DoD and VA support and expand WARTAC.

The American Legion supports this draft legislation with amendments.

¹³ American Legion Resolution No. 105 (2018): <u>Support and Expand Warrior Transition Advancement Course</u> (<u>WARTAC</u>)

Draft Legislation

To amend title 38, United States Code, to eliminate the Freddie Mac conforming loan limitation for loans made to veterans with remaining guaranty or insurance loan entitlement under the laws administered by the Secretary of Veterans Affairs, and for other purposes

The American Legion etched a permanent place in history in 1944. That year, Legionnaires ushered into law the Servicemen's Readjustment Act – better known as the GI Bill. Since then, millions of veterans have benefited from this monumental piece of legislation. The Department of Veterans Affairs (VA) Home Loan Guarantee Program was a critical component of the original GI Bill and The American Legion has advocated tirelessly to enhance the program over the past 77 years so it may continue to meet it's original intent.

This draft legislation would remove the Freddie Mac conforming loan limit for a second VA home loan, setting the VA loan guaranty at 25 percent for each loan amount. Additionally, it would preserve the fee waiver exemption for initial and subsequent primary VA loans for qualifying veterans and families. Ultimately, this legislation is designed to alleviate the need for servicemembers to sell their homes due to receiving permanent orders to another duty station and alleviate the emotional and financial burden of unloading their home.

While The American Legion understands the hardship this place against servicemembers, the proposed solution must be balanced against the overall health of the VA Home loan guaranty program. Although the intent is admirable, the removal of the conforming loan limit would ultimately result in additional financial risk to the VA as well as the servicemember or veteran. Additionally, it has the potential to foster an environment in which the program may be used for financial gain rather than home ownership.

Through *Resolution No. 329: Support Home Loan Guaranty Program*¹⁴, The American Legion opposes legislation that does not improve VA's Loan Guaranty Service program.

The American Legion opposes this draft legislation as currently written.

Draft Legislation

Adjustments of grants awarded by the Secretary of Veterans Affairs for comprehensive service programs to serve homeless veterans

According to the Department of Housing and Urban Development's 2020 Annual Homeless Assessment Report to Congress, 580,466 people suffered from homelessness on any given night.¹⁵ Within that homeless population, veteran homelessness did not decline, which was the first year a decrease did not occur since 2010. This is an alarming statistic, especially given the added veteran housing struggles brought on by the financial difficulties associated with the COVID-19 pandemic.

¹⁴ American Legion Resolution No. 329 (2016): <u>Support Home Loan Guaranty Program</u>

¹⁵"HUD Releases 2020 Annual Homeless Assessment Report Part 1", HUD.gov / U.S. Department of Housing and Urban Development (HUD)", HUD Public Affairs, March 18, 2021

Now more than ever, veteran homelessness assistance programs are needed to support those veterans most at-risk. Some of these programs provide grants to private and non-profit organizations seeking to assist homeless veterans in obtaining housing security. However, matching grant requirements and property disposition requirements can make this very difficult. Bureaucratic red tape must be cut for organizations seeking to provide veterans experiencing homelessness so they can aid homeless veterans at a time of great difficulty.

Currently, the Department of Veterans Affairs (VA) grants are limited to 65% of the costs of construction, renovation, or acquisition of a building for use as service centers or transitional housing for homeless veterans. Recipients must obtain the matching 35% share from other sources. This draft legislation would eliminate the 65 percent restriction and require, five years after the date of enactment, VA to have authority to determine the maximum amount of a grant. Additionally, the maximum amount would not be less than 70 percent of the estimated project costs. This enables VA to ensure sufficient funding is allocated for veteran homelessness prevention projects.

The American Legion regularly addresses veteran homelessness through our local, state, and federal lobbying efforts. In March 2020, The American Legion testified during a House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing in support of the *Homeless Veterans with Children Reintegration Act.* Additionally, we published a Homeless Veterans Handbook that has comprehensive information regarding veteran homelessness assistance benefits and programs available. ¹⁸

Our Homeless Veterans Taskforce often facilitates this work, which collaborates with government agencies, homeless service providers, and other veteran service organizations to develop and implement initiatives to help homeless veterans. Through *Resolution No. 330: Homeless Veterans Assistance*¹⁹, The American Legion supports Congress in its efforts to provide assistance to homeless veterans as they seek to reintegrate into the workforce and increase their self-sufficiency.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to increase and extend the authorization of appropriations for homeless veteran reintegration programs

¹⁶ "VA Homeless Programs Grant and Per Diem Program" VA.gov, January 19, 2010. https://www.va.gov/homeless/gpd.asp.

¹⁷ "Pending Veterans Employment and Education Legislation" John Kamin, Veterans Employment & Education Division, The American Legion. March 20, 2018

¹⁸ "On-Call: Handbook for Homeless Veterans and Service Providers" (2017), Produced by The American Legion in collaboration with the National Coalition for Homeless Veterans

¹⁹ American Legion Resolution. No.330 (2016): *Homeless Veterans Assistance*

This legislation would reauthorize the successful Homeless Veterans Reintegration Program (HVRP) through 2025 while also authorizing the increase of fiscal year funding from \$50 million to \$75 million.

HVRP is a critical federal program in the fight to eliminate veteran homelessness. It is the most effective program available to address homeless veterans' financial issues by helping them obtain gainful employment. HVRP grantees a case management approach to assist homeless veterans and provide critical links for a variety of support services available in their local communities. The program is employment-focused; veterans receive the employment and training services they need to re-enter the labor force. Direct services include placement in employment, skills training, job development, career counseling, and resume writing. Support services such as clothing, provision of or referral to temporary, transitional, and permanent housing, referral to medical substance abuse treatment, and transportation assistance are also available.

The American Legion supports programs such as HVRP that provide critical services to assist in reintegrating veterans into meaningful employment within the labor force, thereby contributing to preventing or ending veteran homelessness. Through *Resolution No. 330: Homeless Veterans Assistance*, The American Legion supports legislation that provides more funding to properly assist homeless veterans in reintegrating into the civilian workforce and self-sufficiency.²⁰

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to adjust the rate of per diem payments provided by the Secretary of Veterans Affairs to grantees that provide services to homeless veterans

Under Public Law 116-136, the *Coronavirus, Aid, Relief, and Economic Security (CARES) Act*, the Secretary of Veterans Affairs was granted the authority to waive limits on rates for per diem payments in the case of a public health emergency. Shortly thereafter, Public Law 116-315, the *Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020*, was signed into law which amended the *CARES Act* to establish a maximum rate limit for per diem payments as three times the rate authorized for state homes for domiciliary care. Unfortunately, however, there is currently ambiguity as to what the Secretary of Veterans Affairs authority is to adjust the rate for per diem payments in response to an emergency.

Consequently, this has hindered the Department of Veterans Affairs (VA)'s ability to provide needed resources on time to homeless veterans amid the COVID-19 pandemic. This draft legislation would address this challenge by adjusting the rate of per diem payments provided by the Secretary of Veterans Affairs to grantees that provide services to homeless veterans. Specifically, it proposes to raise the maximum limit rate for per diem payments from 115 to 200 percent of the rate authorized for state homes for domiciliary care and from 150 to 200 percent in

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²⁰ American Legion Resolution No. 330 (2016): *Homeless Veterans Assistance*

²¹ Public Law 116-136, Sec. 20013(b), GRANTS AND PER DIEM PAYMENTS

²² Public Law 116-315, Sec. 4201(b), GRANTS AND PER DIEM PROGRAM

the case of services furnished to homeless veterans who are placed in housing that will become permanent housing upon the termination of services to that veteran.

Currently, the rate is \$49.91, which makes the maximum rate for state homes for domiciliary care at 115 percent, \$57.40, and at 150 percent, \$74.86. If signed into law, this legislation would increase the maximum rate to \$99.82. By raising the maximum rate limits, the Secretary of Veterans Affairs will have more flexibility to ensure adequate funding for supportive service programs for homeless veterans and families during emergencies.

Through Resolution No. 24: Support Funding and Changes to the Department of Veterans Affairs Grant and Per Diem Program²³, The American Legion supports Congress in its efforts to authorize and make appropriations for the grant per diem program to the level of need demonstrated in communities. Additionally, we support initiatives that seek to modernize the grant per diem program to keep pace with VA's goal of ending and preventing veterans' homelessness. It is critical this issue is addressed before the statistics worsen.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to provide technical assistance to recipients of grants for supportive services for very low-income families in permanent housing and comprehensive service programs, and for other purposes

According to the Department of Housing and Urban Development's 2020 Annual Homelessness Assessment Report to Congress, 37,252 veterans were experiencing homelessness.²⁴ As statistics indicate, homelessness among veterans continues to be a complex and persistent issue. This requires adequate funding to support low-income veteran families struggling with housing insecurity properly. However, federal law limits the Department of Veterans Affairs (VA)authority to ensure adequate funding is provided to grant recipients that deliver supportive services to lowincome veteran families seeking stable housing.

To ensure this trend does not continue, this draft legislation would grant VA greater flexibility to adequately fund required training and technical assistance provided to recipients of grants and per diem payments regarding the planning, development, and provision of grant-applicable services. Grants or contracts would be allowed through non-profit and private entities VA deems sufficient. It would also grant VA the ability to conduct outreach and case management to assist in obtaining benefits the veteran may be eligible for, including employment training, healthcare, and vocational and rehabilitation counseling.

Development, page 52

²³ American Legion Resolution. No.24 (2018): <u>Support Funding and Changes to the Department of Veterans Affairs</u> Grant and Per Diem Program

24 The 2020 Annual Homeless Assessment Report to Congress: Part 1. The U.S. Department of Housing and Urban

By removing funding limits for technical assistance and supportive services for veterans, VA will have a greater capacity to support at-risk veterans seeking housing accommodations financially. As a result, those veterans most at risk due to their socio-economic status will have a roof over their head and be able to focus their time and resources on finding employment and rebuilding their life. No veteran should have to worry about if they have a place to sleep at night.

The American Legion has actively worked to address this issue. In January 2018, The American Legion submitted a statement for the record regarding efforts to reduce veteran's homelessness before the House Committee on Veterans' Affairs Subcommittee on Health and Subcommittee on Economic Opportunity. Through *Resolution No. 12: Housing Options for Homeless Veterans* 7. The American Legion supports legislation seeking to expand housing options for homeless veterans.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To direct the Secretary of Veterans Affairs to submit to Congress a report on the shallow subsidy program under the supportive services for veteran families program, and for other purposes

Established in 2011, the Supportive Services for Veteran Families (SSVF) program seeks to quickly house veteran families that are homeless and prevent homelessness for those at the highest risk. The Department of Veterans Affairs (VA) provides grants to private non-profits and consumer cooperatives via an application process that offers veteran families case management assistance in obtaining benefits that aid in providing veterans housing stability and community integration. The Veterans Health Administration Homeless Programs Office indicated in their FY2020 Annual Report that the SSVF served more than 77,500 veterans, including nearly 20,000 children and 10,000 women in over 10,300 households. Of those veterans discharged, 80 percent obtained permanent housing.

This draft legislation would ensure the effectiveness of the SSVF program by directing VA to submit to the House Committee on Veterans' Affairs and the Senate Committee on Veterans' Affairs a report on the SSVF program. Specifically, the status of providing rental subsidies for low-income veteran families. The report would include the number of veterans and families served under the program during the fiscal year, their gender, age, race, and ethnicity, as well as a description of support provided to special populations such as women and elderly veterans. Furthermore, the report would indicate VA's determination regarding whether additional federal funds are needed to support the program. Overall, the provisions within this legislation will provide more transparency on how VA is using and implementing the SSVF program to aid homeless veterans.

²⁵ "<u>VA, HUD and DoL Efforts to Reduce Veteran Homelessness.</u>" The American Legion, Statement for the Record. January 18, 2018

²⁶ American Legion Resolution No.12 (2021): *Housing Options for Homeless Veterans*

Combatting veteran homelessness continues to be a severe problem The American Legion diligently works to address. The American Legion has a Homeless Veterans Task Force which provides direct aid to veterans and their families dealing with housing issues. In January 2018, The American Legion submitted a statement for the record at a joint hearing of the House Committee on Veterans' Affairs Subcommittee on Health and Subcommittee on Economic Opportunity on VA, Department of Housing and Urban Development, and Department of Labor's efforts to reduce veteran homelessness. Shortly thereafter, in July 2019, The American Legion testified again before the House Committee on Veterans' Affairs Subcommittee on Economic Opportunity on the same issue.

Through Resolution. No. 3409: Support Permanent Authorization for the Supportive Services for Veteran Families (SSVF) Program²⁹, The American Legion supports legislation which would permanently authorize and adequately fund the SSVF Program, which is the only national veteran specific program to help at-risk veterans avoid becoming homeless and rapidly re-house those veteran families who lose their housing. Approximately 16 percent of the nation's adult homeless population are veterans and ensuring the proper funding, authorization, and transparent service of the SSVF program is key to supporting them.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To direct the Secretary of Veterans Affairs to carry out a pilot program to improve public transportation services for veterans

Veterans who are visually impaired, elderly, or immobilized due to disease or disability often struggle to travel to Department of Veterans Affairs (VA) healthcare appointments. The Veterans Transportation Program gives veterans access to and from VA healthcare facilities at little to no cost to the veteran to mitigate this issue. Transportation service partners work with local service providers in communities to remove the burden of transportation for veterans. VA can request preapproved transportation solutions and arrange special modes of transportation to accommodate veterans. Within this program, veterans can be reimbursed for mileage and other travel expenses, including fares for a bus, taxi, parking, tolls, meals, lodging, airline, and train transportation.

This issue affects both the veterans unable to make appointments and the entire VA healthcare system that is forced to manage countless missed appointments due to an easily fixable problem with transportation. When veterans miss appointments, VA must reschedule that appointment, and a veteran gets pushed to the next available appointment, thus creating a significant inefficiency within VA. Transportation to VA facilities is a critical first step for all veterans seeking access to

²⁷ "<u>VA, HUD and DoL Efforts to Reduce Veteran Homelessness.</u>" The American Legion, Statement for the Record. January 18, 2018

²⁸ "Pending Veterans Legislation" John Kamin, Employment & Education Division, The American Legion. July 17, 2019

²⁹ American Legion Resolution No.340 (2016): <u>Support Permanent Authorization for the Supportive Services for Veteran Families (SSVF) Program</u>

healthcare. A secondary benefit from this bill would be a decrease in the number of missed appointments that will significantly improve VA's efficiency and an overall improvement in patient outcomes.

To ensure veterans can attend appointments and VA can decrease the number of missed appointments, this legislation would implement a five-year pilot program to ensure all veterans can access VA medical care. The program would be conducted at five different locations selected by the Secretary of Veterans Affairs. Each site would have to list an estimate of the number of veterans that would use services, a list of sites accessed by the public transportation serves to be provided, and a schedule of services. By guaranteeing safe transportation, veterans will be healthier by attending their scheduled appointments, and healthcare providers will be more efficient. Ultimately, this legislation would reduce the number of missed appointments negatively affecting the VA healthcare system and veterans.

Through Resolution No. 62: Veterans Transportation System and Benefits Travel³⁰, the American Legion supports efforts to ensure the Secretary of Veterans' Affairs adequately funds the increasing accommodation needs of veterans using the Veterans Transportation System. This must be accompanied by an increase in the beneficiary travel rate. Additionally, supporting efforts to authorize VA to establish Memorandums of Understanding with state and local government properties with respect to federal government vehicles used to transport veterans to and from the VA medical facilities is vital.

The American Legion supports the legislation as *currently written*.

Draft Legislation

To direct the Secretary of Veterans Affairs to carry out a pilot program on substance use and alcohol use disorder recovery for homeless veterans

Substance use disorder among the homeless veteran population remains a critical problem in the United States. Department of Veterans Affairs (VA) estimates that over 75% of homeless veterans struggle with a substance use disorder (SUD).³¹ Additionally, studies indicate that 1 in 10 veterans have a substance use disorder, which is higher than the rate for the entire American population.³² Furthermore, substance use disorder seems to disproportionately impact young Veterans, with a staggering 25% of Veterans age 18-25 expected to have SUD.³³

Veterans who have served their country honorably should experience homelessness or suffer with a substance abuse disorder without adequate support. The American Legion has long been engaged in supporting drug prevention through our "Choose Not to Use" campaign³⁴, designed to reduce

³⁰ American Legion Resolution No.62 (2016): <u>Veterans Transportation System and Benefits Travel</u>

³¹ National Survey of Homeless Veterans in 100,000 Homes Campaign Communities. November 2011. Page 9

³² Teeters, J.B., Lancaster, C.L., Brown, D.G., & Back, S.E. (2017). Substance use disorders in military veterans: prevalence and treatment challenges. Substance Abuse and Rehabilitation. 8, 69-77

³³ Substance abuse in the military (2013). National Institute on Drug Abuse

³⁴ GATEWAY DRUGS: Choose not to use (2017). The American Legion & Sons of The American Legion

national drug use and help veterans and civilians lead healthy lives. However, the federal resources available to combat this issue are inadequate. VA needs to find more ways to help veterans struggling with addiction improve their livelihoods and reintegrate back into society successfully.

This bill establishes a pilot grant program funding five locations over a five-year period to treat veterans who suffer from addiction or have suffered with addiction in the past. The American Legion applauds establishing a framework for supporting veterans recovery from substance use disorders, especially in locations where VA has lacked adequate coverage of treatment.

Through Resolution No. 142: Department of Veterans Affairs Mental Health Services³⁵, The American Legion supports legislation to appropriate sufficient funds for the VA to ensure comprehensive mental health services are available to veterans.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To direct the Secretary of Veterans Affairs to carry out a pilot program on grants for care for elderly homeless veterans, and for other purposes

Research from the University of Pennsylvania forecasts a doubling of homeless over the ages of 50 in these areas by 2030.³⁶ The VA reports the cohort born between 1954 and 1965 face health problems comparable to those in their 70s and 80s, including high rates of cardio-metabolic diseases and substance use complicated by geriatric conditions such as cognitive deficits, visual and hearing impairments, urinary incontinence, mobility challenges, and the need for assistance with activities of daily living.³⁷

This information is important because while the overall number of homeless veterans has been decreasing, older homeless veterans has risen with the general homeless population. Research from the VA's Office of Health Equity suggests that project-based housing may help improve physical and behavioral health due to the social support and community engagement provided through programs streamlining homeless veterans through the VA for health care, mental health treatment, and substance use counseling.³⁸

Public and private partnerships with local non-profit organizations will be critical to serve this population. Those partnerships have historically been underfunded, and their employees overworked while providing end-to-end services for the homeless population. Non-profit entities

³⁵ American Legion Resolution No. 332 (2016): <u>Support Funding for the Department of Housing and Urban Development (HUD) and Veterans Affairs (VA) Supportive Housing (HUD-VASH) Homeless Program</u>

³⁶ Dennis Culhane, PhD (2020). The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs? Page 3

³⁷ THE HOMELESS EVIDENCE AND RESEARCH SYNTHESIS ROUNDTABLE SERIES Aging and the Homeless Community (2015). VA National Center on Homelessness Among Veterans.

³⁸ <u>Bridging Housing and Healthcare for Older Homeless Veterans Information Brief</u> (2019). Office of Health Equity, Department of Veterans Affairs

that serve at-risk populations will need government assistance to provide the honorable social service of taking care of our homeless veteran population.

This bill authorizes the Secretary of the Department of Veterans Affairs (VA) to carry out a pilot program in at least five locations to assess the feasibility of awarding grants to eligible entities in order to meet the health care needs of veterans who are homeless, transitioning into permanent housing, or at risk of becoming homeless. Eligible grantees must provide transitional housing services to veterans. The use of grant amounts must be used to hire nursing staff and purchase supplies and infrastructure associated with operational duties and the needs of veterans. The American Legion has long advocated VA expand the veteran homeless support services. Through Resolution No. 319: Expanding Veterans Employment and Homeless Services within the Department of Veterans Affairs³⁹, the American Legion supports legislation that calls for VA and the state workforce agencies to share responsibilities for all Title 38 veterans employment services.

The American Legion supports the legislation as currently written.

CONCLUSION

Chairman Levin, Ranking Member Moore, and distinguished members of the Subcommittee; The American Legion thanks you for your leadership and for allowing us the opportunity to explain the positions of our nearly two million members on the importance of these pieces of proposed legislation. Questions concerning this testimony can be directed to Mr. John Kamin, Legislative Associate in The American Legion's Legislative Division at (202) 263-5748, or jkamin@legion.org.

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³⁹ American Legion Resolution No. 319 (2016): <u>Expanding Veterans Employment and Homeless Services within the Department of Veterans Affairs</u>