

# Addressing Various Veterans Economic Issues

Feb 25, 2010

STATEMENT OF  
JUSTIN BROWN, LEGISLATIVE ASSOCIATE  
NATIONAL LEGISLATIVE SERVICE  
VETERANS OF FOREIGN WARS OF THE UNITED STATES  
BEFORE THE  
COMMITTEE ON VETERANS' AFFAIRS  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
UNITED STATES HOUSE OF REPRESENTATIVES  
WITH RESPECT TO  
H.R. 3257, H.R. 3484, H.R. 3813, H.R. 3948, H.R. 3976, H.R. 4079, H.R. 4203, H.R. 4359,  
and H.R. 4469.

WASHINGTON, DC

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On behalf of the 2.1 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, I would like to thank this committee for the opportunity to testify. The issues under consideration today are of great importance to our members and the entire veteran population. We have provided our views on the ten bills of interest and are thankful that this committee values the opinion of the Veterans of Foreign Wars of the United States.

*H.R. 3257, to amend title 38, United States Code, to grant family of members of the uniformed services temporary annual leave during the deployment of such members.*

The VFW supports this important legislation that provides two weeks of leave for every family member (spouse, sibling, or parent) of a service member who receives orders to active duty in support of a contingency operation, or who is deployed in connection with a contingency operation. 2

The leave would be paid or unpaid depending on what the employer of the eligible employee deems appropriate and could be taken intermittently or on a reduced leave schedule. For example, a husband would be able to take two weeks of unpaid leave prior to his wife's deployment without the fear of suffering penalties due to this absence.

The eligible employee would be legally guaranteed the same benefits, positions, and seniority when they return from leave as enjoyed prior to the leave and their employer has the right to require certification to support the requested leave.

This bill affords to servicemembers and their family's precious quality time, which is imperative to their wellbeing and morale prior to deployment.

*H.R. 3484, to amend title 38, United States Code, to extend the authority for certain qualifying work-study activities for purposes of the educational assistance programs of the Department of Veterans Affairs.*

The VFW supports this legislation that would extend the authority for work-study programs under the authority of the Department of Veterans Affairs from June 10, 2010 to June 30, 2014. The VFW is a strong advocate for the service that the work-study program provides our nation's veterans. The work-study program allows veterans to work in a position within the federal government, educational institutions, or with certain non-profit organizations, while giving the veteran extra needed income. Work-study positions offer veterans the opportunity to study, while also providing a service to the organization at which they are working.

*H.R. 3813, to amend title 38, United States Code, to provide for the approval of certain programs of education for purposes of the Post-9/11 Educational Assistance Program.*

The VFW is concerned that this legislation does not address the compensation implications

of expanding the Post 9/11 G.I. Bill. Currently, the law states only institutions of higher learning that lead to an associate degree or higher may be utilized under Chapter 33. This means that veterans 3

attending vocational schools, apprenticeship schools, on-job training and distance learning programs are excluded from utilizing Chapter 33.

Many of our separating servicemembers have no desire to attend a traditional educational institution because they are interested in learning skill sets that are not offered at these institutions. This legislation would seemingly allow our veterans to attend educational institutions that do not lead to a degree (such as vocational schools, correspondence schools, business schools, science schools, technology schools among others) within the jurisdiction of the Post-9/11 GI Bill. However, this legislation fails to provide adequate mechanisms for providing payment to the veterans that choose these educational programs.

The VFW believes that Congress should standardize, simplify, and restructure all education programs with, an eye toward equitable benefits for equitable service, in accordance with Chapter 33. Remaining Chapter 30 programs (lump sum payments, vocational training, distance learning) should be moved into Chapter 33. Title 10 Section 1606, the guard and reserve Select Reserve GI Bill needs to reflect the Chapter 33 scale. Chapter 35, survivors and dependents educational benefits should also be comparable to Chapter 33. Ultimately, phasing out Chapter 30 and simplifying benefits based on Chapter 33.

*H.R. 3948, to amend title 38, United States Code, to provide for entitlement under the Post-9/11 Educational Assistance Program to payment for test preparatory courses, and for other purposes.*

The VFW supports this legislation that will allow veterans to receive the appropriate test preparation prior to taking tests that play a major role in the college and graduate school admissions process, like the SAT, GRE, or LSAT. Test preparatory courses are often expensive and therefore cost prohibitive to veterans attending college or interested in attending college. Also, higher performance on standardized tests helps veterans gain access to scholarships, financial aid, and more competitive institutions of learning. 4

*H.R. 3976, to extend certain expiring provisions providing enhanced protections for servicemembers relating to mortgages and mortgage foreclosure.*

The VFW supports this vital legislation that would extend servicemembers protections on mortgage interest rate caps and potential foreclosures. In particular, the extension would apply to a nine month period after a service member has been released from duty where his/her property cannot be sold, foreclosed, or seized. The legislation also extends a one year cap of the six percent interest cap on a servicemember's mortgage following their separation. These provisions are set to expire by January 1, 2011. H.R. 3976 would extend the foreclosure provision until December 21, 2015 and the interest rate cap provision to

January 1, 2016.

This important legislation will help servicemembers, at high-risk for unemployment, transition to the civilian sector without fear of losing their home, while also protecting them against excessive interest rates on their mortgage payments. As we wage two wars and the economy remains grim, it is essential to provide veterans with the provisions specified in the *Housing and Economic Recovery Act of 2008*.

*H.R. 4079, to amend title 38, United States Code, to temporarily remove the requirement for employers to increase wages for veterans enrolled in on-the-job training programs.*

The VFW supports this legislation that temporarily eliminates the requirements for employers to regularly increase the wages of veterans participating in on-the-job training programs authorized under Chapter 30.

Currently, employers can hire a veteran under the on-job training program and the VA pays for half of the salary of the veteran as a training period that lasts from six months to two years. The employer pays the veteran trainee 50% at the start of the program and gradually increases their payment to 85% of the trainee's salary. VA pays the 50%-15% difference in this salary. This legislation proposes to freeze employer's contributions to trainees at 50%. 5

In the dismal job market and overall economic climate, employers are hesitant to hire any new employees. The prospect of hiring trainees at a constant rate of 50% of their salary for the entirety of their training period will give veterans a unique advantage in finding a suitable employment option with on-the-job training.

This legislation would require this employment subsidy to remain in effect until October 1, 2015 at which time the current law would be reinstated. The Secretary of Veterans Affairs will submit a report on the effects of the requirement removal to the House and Senate Committees on Veteran's Affairs no later than June 1, 2015 to monitor the results of the amendment.

*H.R. 4203, to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to provide veterans certain educational assistance payments through direct deposit.*

The VFW currently has no formal position on this legislation.

*H.R. 4359, to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to guarantee housing loans for the construction energy efficient dwellings, and for other purposes.*

The VFW supports this legislation that would expand the VA's guarantee for housing loans to include the construction of energy efficient dwellings. Currently, VA home loan guarantees are only extended for the purpose of making your home more energy efficient if:

a veteran owns the home in which he resides and would like to modifications, or if a veteran wishes to buy and modify an already existing home. This legislation would allow veterans to build the home of their choice and do so in an energy efficient way.

Also, this proposal would change the maximum loan guarantee for energy efficient modifications from \$3,000 or \$6,000 dollars respectively, to "five percent of the total established value of the property, dwelling, and improvements, unless the Secretary specifically provides for a higher amount." 6

Helping veterans make a small investment to become more energy efficient will save energy and save money for the veteran in the long run. This win-win strategy provides a proactive solution to make inroads on a pressing global issue, while helping veterans achieve their dreams of home ownership.

*H.R. 4469, to amend the Servicemembers Civil Relief Act to provide for protection of child custody arrangements for parents who are members of the Armed Forces deployed in support of a contingency operation.*

The VFW supports this legislation that would amend the Servicemembers Civil Relief Act by adding a new section entitled "Child Custody Protection." In particular, this legislation will restrict permanent custody decisions while a servicemember is deployed in support of a contingency operation. A court would still be able to enter a temporary custody order, during times of deployment, if the court finds that it would be in the best interest of the child.

Of great importance, this legislation would also exclude military service in determining the child's best interest. This would make the courts unable to consider the absence of the servicemember by reason of deployment, or possibility of deployment, in determining the best interest of the child for the sake of permanent custody decisions.

The VFW strongly believes that a servicemembers duty should not reflect negatively on themselves for the sake of judicial proceedings that deal with something as serious as a permanent custody decision of a child. Clearly, deployments cause great hardships on families and servicemembers. However, in most instances, the decision to deploy is not the servicemembers it is our governments. Therefore, we should not allow our government to then punish servicemembers in judicial custody disputes.

Madam Chairwoman, this concludes my testimony and I will be pleased to respond to any questions you or the members of this Subcommittee may have. Thank you. 7

EXECUTIVE SUMMARY

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H.R. 3257, The VFW supports this legislation.

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H.R. 3579, The VFW supports this legislation.

H.R. 3813, The VFW does not support this legislation but supports its intent.

H.R. 3948, The VFW supports this legislation.

H.R. 3976, The VFW supports this legislation.

H.R. 4079, The VFW supports this legislation.

H.R. 4203, The VFW currently has no formal position on this legislation.

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