

Economic Opportunity

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STATEMENT OF

SHANE BARKER, SENIOR 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. 120, H.R. 240, H.R. 1263, H.R. 1911, H.R. 2274, H.R. 2301, H.R. 2302, H.R. 2329, H.R. 2345

WASHINGTON, D.C.

NATIONAL HEADQUARTERS

406 W. 34th Street
Kansas City, MO 64111

Office 816.756.3390
Fax 816.968.1157

WASHINGTON OFFICE

200 Maryland Ave., N.E.
Washington, D.C. 20002

Office 202.543.2239
Fax 202.543.6719

info@vfw.org
www.vfw.org

MR. CHAIRMAN AND MEMBERS OF THIS COMMITTEE:

On behalf of the 2.1 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, the VFW would like to thank this committee for the opportunity to present its views on these bills.

H.R. 120, Disabled Veterans' Surviving Spouses Home Loans Act

The VFW is pleased to support H.R. 120, which would further extend VA home loan eligibility to surviving spouses of service members who were disabled at the time of death. VFW believes that regardless of time and level of disability of the deceased veteran, the spouse should be provided access to VA home loan program benefits. We hope the committee enacts this legislation so as to benefit spouses, especially at a time when home loans are more difficult to finance.

H.R. 240, To amend title 38, U.S.C., to promote jobs for veterans through sole source contracts by the Department of Veterans Affairs

The VFW does not support this legislation. By insisting that VA grant sole source contract when the contract officer determines that a veteran-owned small business can fulfill the contract requirements, meets the cost threshold and that the contract is a fair and reasonable price, it would appear that veteran-owned small businesses would be granted an advantage. However, many of the projects that would fall into this contract category are routine contacts and contracting officers will have familiarity with established veteran-owned small business, putting new veteran-owned small businesses at a disadvantage of securing a contract because the contracts will go to the known businesses. Also, by reducing competition, truly identifying a fair and reasonable price might be lost for the contracting officer.

An alternate solution for promoting veteran-owned small businesses would be to ensure that VA has the resources necessary to process applications from veteran-owned small businesses more quickly, so these companies can be verified and added to the database of veteran-owned small businesses, which is a requirement to secure a contract as a veteran-

owned small business.

H.R. 1263, To amend the Servicemembers Civil Relief Act to provide surviving spouses with certain protections relating to mortgages and mortgage foreclosures

The VFW supports this legislation as it would protect spouses of service members who die on active duty from foreclosure. Current law does not provide these protections; this bill would close that loophole. We believe that making this small change is the right thing to do for those who have lost a loved one in defense of our country.

H.R. 1911, Protecting Veterans' Homes Act of 2011

The VFW supports this legislation, but believes it could go a step further to address the serious challenge of home foreclosure for the men and women of our military who are struggling to keep their homes. Service members and their families need options to renegotiate the terms of their loan agreement, and a cooperative partner in the effort. Adding an additional three months onto the mortgage protection period does not produce either of those conditions. We are particularly concerned about the Guard and Reserve components, because many take cuts in pay and put their financial well-being at risk when they deploy.

We are so concerned that we believe serious thought should be given to amending the Servicemembers Civil Relief Act in such a way to reduce mortgage payments on a scale that reflects the loss of income for those who experience salary decreases during and immediately after deployments. Our military members should not lose their homes if they are making good faith efforts to make payments on time, and are falling short of meeting their commitments solely because they are defending the freedom and security of this nation. Service members should have the option to contact their lender before a deployment to inform them and make arrangements for reduced payments during the deployment so they can keep their homes and give their families less to worry about while they are away. This can be achieved by amending Title 50, U.S.C. by inserting a new subsection (b) in Section 533 that would incorporate this language.

Veterans are not looking for a free ride. They do, however, want the civilian world to understand and appreciate their unique circumstances. We hope to see legislation to provide a meaningful solution to this persistent challenge.

H.R. 2274, To amend title 38, United States Code, to direct the Secretary of Veterans Affairs and the Secretary of Defense to submit to Congress annual reports on the Post-9/11 Educational Assistance Program, and for other purposes

The VFW supports this legislation, as it creates a congressional reporting mandate for both the Secretary of Defense and Secretary of Veterans Affairs with regard to the successful use of Chapter 33 G.I. Bill benefits. Under previous iterations of the G.I. Bill—particularly Chapter 30—both departments were mandated to report to Congress regularly on usage, enrollment and successful completion of G.I. Bill-financed programs. However, no such provision currently exists under Chapter 33. These periodic reports and the information contained in them are critical to demonstrating success and identifying potential shortcomings within the program.

H.R. 2301, Streamlining Education Claims Processing Act of 2011

The VFW supports the intent of this bill to streamline the payment process for student-veterans utilizing the Post-9/11 G.I. Bill and to minimize the paper trail for VA. However, the VFW would encourage the committee to include explicit protections for veterans against any hindrances in their ability to continue their education, such as threats of disenrollment or restrictions from class registration while schools await payment from VA. When the Post-9/11 G.I. Bill was implemented and initial tuition payments were delayed, the VFW, our partners within the veterans' community, VA administrators, and even members of this committee received scores of complaints from veterans that schools were either threatening them with disenrollment or barring their registration for the subsequent semester's classes. While barring veterans from enrollment may seem like a public relations nightmare for colleges and universities, we have already seen it once before, and it took a concerted effort on the part of the veterans' community to ensure that each individual school did not hold their veterans accountable for the shortcomings of the VA's payment system. The VFW also notes that VA must be allowed proper time to implement any such changes to their processing and payment programs, with proper notification to the universities and student-veterans of the pending policy change.

The Post-9/11 G.I. Bill is only two years old, meaning the first students to take advantage of the program have not even earned their degrees yet. However, Congress continues to look for ways to change the benefit and its delivery mechanisms, whether it is through changing the break payment system, adjusting tuition rates, creating new tuition caps, and now potentially overhauling the payment system. The VFW urges restraint in further manipulating the Post-9/11 G.I. Bill until we can gauge the initial success of the program, which was designed to simplify the process for veterans seeking to earn a college degree, but recently has proven to be a headache for veterans struggling to understand how and why the benefit keeps changing.

H.R. 2302, To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to notify Congress of conferences sponsored by the Department of Veterans Affairs.

The VFW supports this bill, mandating reports to Congress on conferences hosted or sponsored by VA. While the VFW acknowledges the benefits to VA and its employees of periodically hosting professional development seminars to remain at the forefront of relevant industries, the VFW agrees that Congress should have oversight on how VA chooses to conduct such events. During a time when Americans have called on Congress to demonstrate fiscal responsibility, the VFW believes that VA can demonstrate its solidarity with the American people by improving transparency with Congress.

H.R. 2329, Ensuring a Response for Servicemembers Act

The VFW supports H.R. 2329, the Ensuring a Response for Servicemembers Act. Earlier this year we learned that J.P. Morgan Chase Bank had violated the Servicemembers Civil Relief Act by charging interest on home loans above the cap that act mandates. It also came to light that representatives that service members contact over the phone often are not fully aware of SCRA rules and regulations, and thus, are not providing the customer service that our service members need. This bill will mandate that major lending institutions must have a compliance officer to ensure SCRA laws are fully met. It will also ensure access to company representatives who are aware of what protections service members have under the law by mandating a free number, available on the homepage of these institutions, is established to link them to specially trained customer service professionals. This is a common sense bill that we are happy to support.

H.R. 2345, To amend title 38, U.S.C., to extend the authority of appropriations

for the Secretary of VA to pay monthly assistance allowance to disabled veterans training or competing for the Paralympic Team

Extending the assistance allowance for veterans who are training for the Paralympics will allow those veterans who are training or competing in competition to focus more of their time on training, as well as assist in showcasing the types of adaptive sports that are available and the benefits they hold for all disabled veterans. The VFW sees this as a small cost to promote recovery and healthy lifestyles for all veterans and we are happy to support this legislation.

Mr. Chairman, this concludes my statement. I would be happy to answer any questions that you or the members of the Committee may have.

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Information Required by Rule XI2(g)(4) of the House of Representatives

Pursuant to Rule XI2(g)(4) of the House of Representatives, the VFW has not received any federal grants in Fiscal Year 2011, nor has it received any federal grants in the two previous Fiscal Years.