H.R. 1773, THE NATIVE AMERICAN VETERAN HOME LOAN ACT; H.R. 3082, THE VETERAN-OWNED SMALL BUSINESS PROMOTION ACT OF 2005; AND FOUR DRAFT BILLS

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

ONE HUNDRED NINTH CONGRESS

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H.R. 1773, THE NATIVE AMERICAN VETERAN HOME LOAN ACT; H.R. 3082, THE VETERAN-OWNED SMALL BUSINESS PROMOTION ACT OF 2005; AND FOUR DRAFT BILLS

WEDNESDAY, JULY 27, 2005

U.S. House of Representatives,
Subcommittee on Economic Opportunity,
Committee on Veterans' Affairs,
Washington, D.C.

The Subcommittee met, pursuant to call, at 3:00 p.m., in Room 334, Cannon House Office Building, Hon. John Boozman [Chairman of the Subcommittee] Presiding.

Present: Representatives Boozman, Herseth, and Evans.

Mr. Boozman. The Subcommittee on Economic Opportunity will come to order.

As you may know, we just completed a markup of two bills that I am very pleased to send to the full Committee for consideration. Our next bit of business is to receive testimony on two introduced bills and four draft bills.

Two of the drafts deal with adaptive housing-related issues. H.R. 1773 would amend the Native American Loan Guaranty Program, sponsored by Ranking Member Ms. Herseth, one draft codifies the VA's special events program, H.R. 3082, would increase opportunities for veteran- and disabled veteran-owned small businesses at the VA, and finally a draft to establish national quantification standards for Disabled Veteran Outreach Program Specialists and Local Veterans Employment Representatives.

The draft special events bill is intended to codify the VA special events program. This program includes a wide variety of events ranging from things like the recent 75th anniversary celebration to art shows and sporting events for disabled veterans.

Let me be clear about the intent of the bill, we just want to ensure that these types of events continue.

Obviously, the bill emphasizes sports, but not at the exclusion of the other types of rehabilitative and special events. Anyone who has

attended events like the Winter Sports Clinic, the Golden Age Games, the Wheelchair Games and the Arts Festival can only come away impressed by the effect these opportunities had on the participants.

I will note that Ms. Bo Derek has lent her celebrity to these programs in the last 5 years during the recent Wheelchair Games. And I didn't know until we got into this that they do play rugby in wheelchairs. Ms. Derek remarked that disabled veterans have a great advantage over nonveterans with the same types of disabilities because of the opportunities offered by the special events programs.

You will also note that the draft bill requires VA to achieve a relationship with the U.S. Olympic Committee and subsidiaries. We are doing that to encourage more veteran participation in competitive sports. And I look forward to hearing from the USOC about that today.

Our draft adaptive housing grant bill would increase the amount of the grant and provide an opportunity for grants to be made to renovate the homes of parents or siblings of severely disabled veterans. I believe this is important because many of our wounded spend all or part of their convalescence with their immediate families before moving out, and a small grant to renovate those homes seems totally appropriate.

Regarding veterans and service-disabled veteran-owned businesses, Public Laws 106-50 and 108-183 established a procurement goal of 3 percent and authorized set-asides for Federal agencies. Unfortunately, to date, virtually no Federal agency, including the VA, has achieved either the spirit or will of the law. The intent of H.R. 3082 is to rectify that as far as the VA is concerned.

The bill will essentially change what has been a "may" to a "shall" in terms of goals, and since it is the VA, I strongly believe the VA should set the example for the rest of the Federal Government. And so my bill sets a 9 percent total, and also does things like grandfather qualifying business for 10 years after the death of a veteran owner.

The Veterans Employment and Training Service of the Department of Labor provides Federal grants for States to employ Disabled Veteran Outreach Program Specialists and Local Veterans Employment Representatives, or as they are commonly called, DVOPS and LVERs. These are State employees, and the qualifications and pay scales vary significantly.

For example, we are told the pay ranges from a low $20,000 in some States up to over $100,000 in other States. Clearly, if one believes that you get what you pay for, there is likely a wide disparity in the qualifications among the States. Our draft bill would require the Department of Labor, through the Veterans Employment and Training Service, to set national standards for initial hires as well as training requirements for those on the job.

I am sure this bill will concern some current DVOPS and LVERs.

I am not trying to dictate the terms of the qualifications, but anyone who believes in the status quo is not putting veterans first, and we do that by requiring the States to ensure that highly qualified and motivated employment specialists fill those jobs.

There are many dedicated DVOPS and LVERs out there who do a great job for veterans, and the intent of this draft bill is to make them even more productive in the wide variety of duties laid out in title 38. That is why the draft bill grandfathers existing employees and gives them 5 years to achieve the training requirements for continuing employment.

Let me repeat, the objective of this legislation is to improve service to veterans, and that is best achieved by improving the skill levels of all those charged with putting veterans and disabled veterans in good-paying jobs.

Finally, as I said, Ms. Herseth is the sponsor of H.R. 1773. I am also a cosponsor, and I now yield to her to explain the bill and for any remarks she may have.

Ms. Herseth. Thank you, Mr. Chairman, and thank you for holding this legislative hearing. I would like to welcome all the witnesses. I look forward to their testimony concerning their positions on many of the bills before the Subcommittee today, and especially a special welcome to our colleague, the delegate from American Samoa, Mr. Faleomavaega.

Mr. Chairman, I am particularly pleased that we have included on today's agenda, H.R. 1773, the Native American Veteran Home Loan Act, a bill I introduced along with a number of my House colleagues and, Mr. Chairman, you as well, in April.

H.R. 1773 would make permanent the Native American Housing Loan Pilot Program, administered by the VA since its inception in 1983. By all accounts, the pilot program is a great success and, in fact, currently has a negative subsidy -- that is, it actually pays for itself.

Additionally, I am pleased we are examining other draft measures aimed at expanding eligibility and increasing the grant amounts under the VA's adaptive housing program. As more and more of our servicemembers and veterans return with injuries, we must be prepared to ease their transition in many ways, including providing for the means to adapt their living quarters as a result of any disabilities, as well as providing broad and effective employment system.

Yesterday we marked the 15th anniversary of the Americans with Disabilities Act. We have made progress in the area of including persons with disabilities into everyday activities. It is incumbent for us to also include the Nation's servicemembers and veterans in this ongoing progress.

Mr. Chairman, I appreciate the witnesses' views and their efforts to assist us in crafting legislation that is effective and fiscally respon-

sible. I hope that we will use the witnesses' testimony to guide us in making helpful and reasonable improvements to the measures that we consider today. Thank you, Mr. Chairman.

I look forward to today's testimony and yield back the balance of my time.

MR. BOOZMAN. Thank you.

As Ms. Herseth noted, we do have a very distinguished member with us today, Mr. Faleomavaega, representing the island of American Samoa. I have a fairly short travel to my district, compared to whatever you have got to have, as far as frequent flier miles and things like that. You have to be the champion in the House.

We want to welcome you to the Veterans' Affairs Committee. And you are free to go ahead with your testimony with any remarks you may have.

STATEMENT OF THE HON. ENI F.H. FALEOMAVAEGA, A DELEGATE TO CONGRESS FROM THE TERRITORY OF AMERICA SAMOA

MR. FALEOMAVAEGA. Mr. Chairman, I want to thank you and our distinguished Ranking Member, Ms. Herseth, for allowing me the opportunity to testify before your Committee concerning H.R. 1773.

I know I join my colleagues that make up the Native American Indian Caucus. I know that Congressman J.D. Hayworth and Congressman Dale Kildee and many other members, both Republican and Democratic members, who are very supportive of Native American issues.

I just wanted to initially state that I would like to include my statement, to be made part of the record. And I will just kind of go over extemporaneously the statement and the substance of my remarks concerning the bill.

This is a very historical occasion for introducing this legislation, Mr. Chairman. It has been my experience from well over 10 years now that we periodically keep passing authorizing legislation to allow this pilot program to continue to see if we can give assistance to many of our veterans who live on reservations. This is in the instance of Native American Indians, Native Alaskans, also Native Hawaiians who live in homestead lands -- a very particular situation that allows native Hawaiians to do that -- and even in my home district where our veterans are allowed to live on what is known as communal lands.

This special legislation has been a tremendous help to many of our veterans who would not have qualified otherwise, simply because there were no lending institutions that are willing to participate and to work with our veterans who live in these different situations.

For your information, Mr. Chairman, six of my soldiers now have

died from the war in Iraq. There was a recent article in USA Today, about 2 weeks ago, giving the per capita ratio casualty among the States and territories, and interestingly enough, the State of Vermont is highest with about 11.6 percent of the casualty of the soldiers who have died from this conflict in Iraq.

Well, my humble district is 86.6 percent, the highest in the whole United States and territories in terms of the numbers of my soldiers -- I call them warriors -- who, unfortunately, have been killed in this conflict.

I guess it is part of our culture. I think these romantic writers have done a great injustice in painting the picture of these Polynesian islanders living under coconut trees with ukuleles and strumming away, and that is all they are good for is happy-go-lucky natives, contrary to the fact that our culture is -- among the Polynesians, were very warrior oriented, very similar to the American Indians. That is probably the reason why I have a couple thousand of my people who are in the various branches of the Armed Forces.

When we did the pilot program, Mr. Chairman, it was an excellent program, when several of my constituents, who happen to be non-American Samoans, are U.S. Citizens, but married to American Samoan residents, came up to me and said, "Well, what about us? We should be given the same opportunity even though we are not American Samoans." and I fully agreed with the concerns that some of my constituents have. Well, they live there. They are going to die there. Why shouldn't they be given the same opportunity?

This is a real -- it is a very unique program, Mr. Chairman, for our veterans, where the Veterans Administration provides the funding and then they go through a screening agency or development bank, for example, which then allows them to be participants. And this is where section 3 of H.R. 1773 also provides similar loan programs for our veterans who are not Native Americans, but who are spouses to Native Americans living there, whether it be on a reservation or homestead land or communal land.

And that is basically the essence of the bill. And what the bill provides is no longer as a pilot program, but making this program as an integral part of our veterans system to give assistance to these veterans.

I would be remiss if I did not express my particular thank you to Mary Ellen McCarthy for her being so patient in trying to work out the proper language and seeing that this bill would include this provision that would be helpful to our non-American, non-native veterans, but who are spouses of our veterans. And they should be given the same opportunity. And that is basically what I am trying to plead here for those vets.

And again, Mr. Chairman, I really want to thank you for this and the opportunity; and I will be glad to answer any questions members

may have.

MR. BOOZMAN. Thank you very much for your testimony and remarks. I read the article that you referred to. And to be honest, I knew that the percentages were way up, but I didn't realize that -- you know, that they were in that neighborhood. You have traveled extensively in many places. You truly are very, very well represented. And we are proud of the effort and sacrifice that is being made.

Do you have any questions?

MS. HERSETH. I have no questions, Mr. Chairman. I just appreciate the gentleman being here before the Committee today in support of this important bill.

MR. BOOZMAN. Thank you very much.

MR. FALEOMAVAEGA. Thank you, Mr. Chairman. And I would gladly invite both you and our Ranking Member, please come and visit my humble district. And of course, you will have to pay your own way to come down. But once you are there, then it is my turn, and I will be more than happy to accommodate your needs.

MR. BOOZMAN. Thank you very much. Maybe we will take you up on that.

MR. FALEOMAVAEGA. Thank you.

[The statement of Mr. Faleomavaega appears on p. 34]

MR. BOOZMAN. Okay, now let's have our next panel.

Our next panel is comprised of Mr. John Register, Manager of the Paralympic Academy and Military Programs at the U.S. Olympic Committee; Mr. Brian E. Lawrence, Associate National Legislative Director at DAV; Mr. Carl Blake, Associate Legislative Director for PVA; and Ms. Debbie Fryar, Deputy Director for Government Relations, National Military Family Association.

STATEMENTS OF JOHN REGISTER, MANAGER, PARALYMPIC ACADEMY AND MILITARY PROGRAMS, UNITED STATES OLYMPIC COMMITTEE; BRIAN E. LAWRENCE, ASSISTANT NATIONAL LEGISLATIVE DIRECTOR, DISABLED AMERICAN VETERANS; CARL BLAKE, ASSOCIATE LEGISLATIVE DIRECTOR, PARALYZED VETERANS OF AMERICA; AND DEBORAH KLINE FRYAR, DEPUTY DIRECTOR, GOVERNMENT RELATIONS, NATIONAL MILITARY FAMILY ASSOCIATION

MR. BOOZMAN. Why don't you go ahead and start us off, John, once you get yourself situated?

STATEMENT OF JOHN REGISTER

MR. REGISTER. Thank you. Good afternoon, Mr. Chairman and members of the Subcommittee. My name is John Register, and I am representing the United States Olympic Committee, a privately funded organization chartered by Congress through the Ted Stevens Olympic and Amateur Sports Act.

The Association's principal function is to field for the United States the most competent representation to the Olympic, Pan American and Paralympics games, the latter being a competition for elite disabled athletes conducted at the same Olympic approximately 2 weeks following the Summer and Winter Olympic Games.

Let me give youa quick background on myself. I am an Army veteran who served in Operation Desert Shield and Desert Storm, three-time All American track and field athlete, and graduate of the University of Arkansas. I have twice competed in the Olympic trials and am a two-time Paralympic Athlete, 1996 to 2000, taking the silver medal in the Sidney Australia in the long jump becoming the only American athlete to jump over 18 feet without a leg or a knee in the process.

My current position with the USOC is manager of the Paralympic academy and military programs, and the reason I am here today is to discuss legislation that would create within the Department of Veteran Affairs an Office of National Disabled Veteran Sports Programs and Special Events, a proposal that the USOC enthusiastically endorses. Quite simply, such an office provides the potential for a highly synergistic partnership between the USOC and the Department of Veterans Affairs that would enable us to significantly expand the work that the USOC, through its U.S. Paralympics division, to bring Paralympic sport to disabled American servicemen and -women, many of whom have incurred service-connected injuries while serving in the Middle East.

My injury occurred in freak hurdle accident, after I returned from the first Gulf War and costing my left leg just above the knee. And my initial reaction really was not to return to athletics and to make the Paralympics, but rather my reaction had to do with my identity. Who was I now? Was I still a husband to my wife? Will she still accept me in this new condition? Was I still a father to my boy? Was I still a son to my mother and father? Was I still a soldier?

It was sports that played a critical role in my reaffirmation of who I was. And I see a great similarity between my situation with yesterday's and today's veterans. During World War II, it was discovered that sports and physical activity could play an important and unique role in the rehabilitation of military personnel with newly acquired disabilities. Young servicemembers who had just returned from World War II, who were undergoing rehabilitation, were pre-

dictably drawn to sports and other team activities.

The attraction of sport for the new set of veterans serves as more than just a rehabilitation technique. These sports served as a source of motivation and a path to a fuller life for young people in the aftermath of a disability.

With the onset of hostilities in Afghanistan and Iraq, a new generation of U.S. Paralympic, U.S. military personnel with disabilities has emerged. And these newly disabled men and women are young, ambitious; they are goal oriented and in their physical prime. Sport has played an integral role for returning veterans of World War II, Korea and Vietnam, now has the capacity to assist military personnel with adjustment to life with a disability. The United States Olympic Committee and its Paralympic partners recognize the opportunity to play a key role in the lives of these returning military personnel with these newly acquired disabilities.

To date, the United States Olympic Committee has conducted Paralympic sports programs and clinics at Walter Reed Army Medical Center and Brooke Army Medical Center since January 2005 and March of 2004. And each time I leave the sport clinics, I get the same reaction, disabled vets are at first a little bit skeptical, but after a few minutes of competing in the sport, the disability disappears, and then the game is on.

In the fall of 2004, the USA Paralympic team participated in sports administration of clinics with disabled military personnel from Walter Reed; and in the fall of 2005, USOC will host up to 75 disabled servicemembers to two Paralympic sports programs and military clinics. The USOC's Paralympic partners also have been active in these efforts, especially Disabled Sports USA at Walter Reed and Blaze Sports Clubs of America and Brooke Army Medical Center. Additionally, the Paralympic partners have encouraged the participation of disabled military personnel in local, regional and national competitions where they have the opportunity to participate in sports clinics and observe elite athletes in action.

While sports clinics are a great way to introduce veterans to Paralympic sports, but a more comprehensive program is needed to ensure that they realize the full benefits of sports participation. While the resources of the USOC and our various partners are limited, unfortunately the pool of disabled military and newly acquired disabilities are growing.

The proposed Office of the National Disabled Veterans Sports Programs and Special Events would have authorization to bring expanded reach and resources to serve these veterans. The USOC would welcome the opportunity to work with this office to further develop the program, services and events for the Nation's disabled veterans.

The USOC and the Department of Veterans Affairs are developing a Memorandum of Understanding that will strengthen and expand

upon existing sport programs for disabled veterans and will expand the services to the disabled veterans nationwide, and specifically in the vicinity of VA medical centers and veterans centers, through accessing the resources and efforts of local community-based Paralympic organizations. The creation of this new office would bring national planning, coordination and support to these expanded efforts.

And let me be clear about why the United States Olympic Committee is so interested in veterans programs and what we are trying to achieve. We believe that we have a responsibility to bring our talents and those of our principal assets, our Olympic and Paralympic athletes, to bear on issues that affect all levels of society. Assisting disabled veterans to lead full, active and meaningful lives by introducing them to sports is an area where we have talent and resources and where we can make a meaningful contribution.

And further, the more men and women that enter the participation pyramid at the base, the greater opportunity there is for more elite, Olympic and Paralympic caliber athletes to develop and rise to the top.

The programs conducted at Walter Reed and Brooke Army Medical Center and other locations throughout the country, have been encouraging and have demonstrated the value of sports in the rehabilitation of disabled servicemen and women, but we know that so much more is needed.

The partnership between the United States Olympic Committee and the Department of Veterans Affairs being formed through the memorandum of understanding would be greatly enhanced by the creation of this new Office of National Disabled Veterans Sports Programs and Special Events, and I am confident these efforts will result in high-quality sports programs and services for disabled veterans who so greatly deserve the best efforts of us all. Thank you.

MR. BOOZMAN. Thank you, Mr. Register.

[The statement of John Register appears on p. 35]

MR. BOOZMAN. Mr. Lawrence.

STATEMENT OF BRIAN E. LAWRENCE

MR. LAWRENCE. Chairman Boozman, Ranking Member Herseth, I am pleased to have the opportunity to present the views of Disabled American Veterans. DAV commends the Subcommittee for its continued bipartisan and heartfelt efforts to improve opportunities for disabled veterans and their families. On behalf of our 1.3 million members, we appreciate the bills and the draft bills that are under consideration today.

You have my written statement, so I won't reiterate my views on

every bill, but I would like to emphasize our support for the draft bill to codify and fund the Office of National Disabled Veterans Sports Programs and Special Events.

This draft bill would fulfill the resolution adopted by the membership of the DAV to provide a separate line item appropriation in the VA budget to ensure the continuance of these worthy programs, which are profoundly beneficial in helping veterans overcome or mitigate the physical and emotional impact of severe disabilities.

The DAV applauds the Subcommittee for recognizing the value and importance of Disabled Veterans Sports Programs and Special Events and for having the foresight to ensure they are available to disabled veterans in the future.

We hope that you will consider our recommendations to include language in the bill placing special events office under the Veterans Health Administration and to require VHA to develop a comprehensive Memorandum of Understanding of cosponsors and to provide a detailed accountability for all special events office funds, including cosponsorship fees.

These recommendations were derived with the aid and input of DAV's Director of Voluntary Services, Ed Hartman. Mr. Hartman, who was fortunately able to join us for today's hearing, has been heavily involved with the National Disabled Veterans Winter Sports Clinic for the past several years.

Mr. Chairman, that concludes my statement, and I will be happy to answer any questions that may arise as a result of this testimony. Thank you.

MR. BOOZMAN. Thank you.

[The statement of Brian E. Lawrence appears on p. 40]

MR. BOOZMAN. Mr. Blake.

STATEMENT OF CARL BLAKE

MR. BLAKE. Mr. Chairman, Ranking Member Herseth, PVA would like to thank you for the opportunity to testify today on the proposed legislation.

PVA particularly appreciates the efforts to address the special housing needs of the severely disabled veterans. PVA fully supports the proposed legislation that would require the VA to award 9 percent of procurement contracts to small businesses owned by veterans and, specifically, disabled veterans.

As a participating member of the Task Force For Veterans Entrepreneurship, PVA works with many of the veterans service organizations present today to ensure that veterans and disabled veterans are given proper consideration for contracting opportunities within the

Federal Government.

As we have stated in the past, the flaw we saw in Public Law 106-50, the Veterans Entrepreneurship and Small Business Development Act of 1999, is that it establishes 3 percent as merely a goal. PVA and all the organizations that are comprising the Task Force For Veterans Entrepreneurship have argued that 3 percent should be mandated.

Federal agencies generally ignore this 3 percent goal because they know that no real sanctions can be levied against them. For this reason, we welcome the requirement that VA offer 9 percent of procurement contracts to veteran-owned and small businesses and step up and set the bar by which all other Federal agencies seek to achieve.

PVA supports the creation an Office of National Disabled Veterans Sports Programs and Special Events in the creation of a director of this office. PVA has a specialist in this office as we are the chief cosponsor, along with the VA, of the National Veterans Wheelchair Games.

We would like to recommend, however, that this office be removed from the VA Office of Public Affairs and be consolidated under the Veterans Health Administration. Although these events serve as a good social event for veterans to interact, participation in these events is not just about being a participant in an elite athletic event. The ultimate purpose of the Wheelchair Games, the Winter Sports Clinic, the Golden Age Games and the Creative Arts Festival is to provide the best rehabilitative therapy to maximize independence and enhance the quality of life for severely disabled veterans. Given that rehabilitation is part of the mission of VHA, we believe that they should be the controlling authority.

And PVA also believes that a separate line item appropriation should be included in the VA budget to support these events. This would remove some of the burden that the VA carries when trying to raise funds to support these programs and allow it to focus on the actual purpose of the event.

PVA fully supports this proposed legislation that would increase the amount of the specially adapted housing grant from 50,000 to $55,000. PVAs are some of the highest users of this particular grant. It provides much needed assistance to veterans with severe service-connected disabilities who wish to purchase a home.

In accordance with recommendations of the independent budget, we would also like to recommend that an additional change be made to this grant program. As the housing market has continued to boom, these grants have not kept pace. Without annual adjustment to the grants, inflation will continue to erode the purchasing power of them. PVA recommends that Congress amend this legislation to include an automatic annual adjustment indexed to the rising cost of inflation.

PVA also supports the draft legislation that would authorize the VA to provide adaptive housing assistance to disabled veterans resid-

ing temporarily at the residence of their parent or siblings. Without this assistance, many veterans are forced to prolong their stay in a VA medical center because they have no accessible home to go to.

Finally, PVA supports proposed legislation that would require the DOL to establish professional qualifications for DVOP specialists and LVER staff. These improvements can only ensure that veterans get the best quality employment service available to them.

Mr. Chairman and Ranking Member Herseth, I would like to thank you for the opportunity to testify here today, and I am happy to answer any questions that you might have.

MR. BOOZMAN. Thank you.

[The statement of Carl Blake appears on p. 45]

MR. BOOZMAN. Ms. Fryar.

STATEMENT OF DEBORAH KLINE FRYAR

MS. FRYAR. Mr. Chairman and distinguished members of the Subcommittee, the National Military Family Association appreciates your interest in the families of veterans, especially the families of servicemembers who have been disabled with injuries. We are grateful to the Subcommittee for this opportunity to express our views concerning the needs of those families and to comment on the proposed legislation under discussion today.

NMFA asserts that behind every wounded servicemember is a wounded family. In the past, most benefit programs offered by the Department of Defense and the Department of Veterans Affairs have regarded the servicemember's family as only his or her spouse and children. Now, however, it is not unusual to see the parents and siblings of a single servicemember stepping up to the plate to care for their wounded loved one. Almost 50 percent of the force today is single. As more single servicemembers are wounded, their parents and siblings must take on the task of helping their son, daughter, brother or sister through the recovery process.

To serve all wounded servicemembers, we must also provide support to the parents of single servicemembers and their siblings as well. Because the severely injured single servicemember cannot be go home to be on their own they go home to recuperate in the homes of their parents and siblings. Faced with the imminent arrival of a servicemember home from the hospital, families feel they must make needed handicapped housing renovations in order to care for their injured loved one.

These families are spending much of their own money to pay for needed modifications, often taking out personal loans. Whether it is installing wheelchair ramps, adapting bathrooms with handicapped

accessories, widening doorways or hallways, installing handrails or specialized rail products, the costs of making these adaptations is significant. Added home renovation costs are often necessary at a time when the family can least afford the expenses. The increased financial burden placed on the families to pay out of pocket for out-of-pocket housing adaptations requires immediate attention.

The proposed adaptive housing bill this Subcommittee is reviewing to expand support for adaptive housing to parents of these servicemembers recognizes the role parents are assuming as caregivers of our severely injured heroes, especially in the period immediately after their release from the hospital.

Currently, severely disabled servicemembers are eligible for one-time-use-only adaptive housing grants through the VA. While this is a notable benefit, the modification is a one-time-use benefit, and funds not initially used cannot be reserved for use at a later time.

NMFA would like to see this benefit converted to a multiuse benefit where the balance could be carried over. Since many of the severely injured troops return to their parents homes temporarily before moving to their own homes, this would benefit them and give them the opportunity to carry any over any unused portion of the allowance.

NMFA is also concerned about servicemembers in the transition to private sector employment continuing to face challenges. Of prime importance is the translation in military training skills. We also hear that some employment representatives hired to counsel wounded servicemembers are not experienced. NMFA supports the establishment of professional qualifications for Disabled Veterans Outreach Program Specialists and Local Veterans Employment Representatives.

Mr. Chairman, NMFA appreciates the opportunity to raise awareness of issues affecting families of wounded servicemembers. We appreciate your leadership and sensitivity in addressing the financial needs for critical increases in adaptive housing. Likewise, the proposed increases in the amount of assistance for certain disabled veterans that were for specifically adaptive housing would be invaluable and keep pace with today's increased construction costs.

And finally, your awareness of the need to hire qualified individuals to work as Local Veterans Employment Representatives will go a long way in assisting wounded servicemembers in coming years. Thank you.

[The statement of Debbie Fryar appears on p. 57]

MR. BOOZMAN. Thank you, Ms. Fryar. I think your testimony did a very good job of elaborating on some of the challenges that the men and women face as they come back and get acclimated -- not only them, but their families -- in trying to return to life.

And yet I am an optometrist, an eye doctor. And I used to work with people that had severe visual impairments, and the reality is, we live in a sighted world. And so if you can get people where they can just read a letter and be able to see a price tag or something like that, it is a big deal. It makes a lot of difference.

And again, you know, those are the things we would like to be able to do -- fix things so that these individuals can get along as best they can.

John, I went to the University of Arkansas and we are really very proud of you.

I don't think you all realize the program that John was a part of. How many national championships did you all win during your years at Arkansas?

MR. REGISTER. Mr. Chairman, I wasn't aware that you were a Arkansas graduate. We won four national championships all four years I was at the University. I think we have a total of 38 national championships since 1984.

MR. BOOZMAN. So John is really one of the elite members in the track sphere. So we are really very, very proud of you.

Let me ask you, can you kind of describe for us how you think the current VA sports programs will encourage more disabled veterans to participate in sports and for some to compete in the Paralympic sports programs? You are a guy who was a world class athlete. Kind of describe a little bit more about what the program did for you.

MR. REGISTER. Well, the program that -- for myself, I really came through a different track and got involved with veterans programs a little bit later on and mostly in my current job now.

MR. BOOZMAN. I was speaking more just the -- not the -- you know, just a different program but the same type of thing.

MR. REGISTER. I see a parallel track, and the testimony that was presented here -- by my colleagues here is that the sports programs really impact the whole person, getting the serviceman back on track.

And we live in a sports society. You know, we try and have different analogies for sports as it concerns business and employment, and we use these analogies in the boardroom. At the same time, we can use these same analogies for supporting these servicemembers who come back.

They are trying to look for something. What makes me a part of society again? Am I still -- as I said earlier, am I still that father? Am I still that kid? How do I reacclimate when I come back in? And that is really where I see the partnership, again, between Veterans Affairs and the United States Olympic Committee because we all recognize how valuable sport is, especially for the disabled athlete's reacclimating and for family members to come back in. Because anybody who touches the Olympics rings can identify with that phenomenally fast, able-bodied athlete.

But, sir, everybody has somebody in their family that might be visually impaired or have an amputation or may be spinal cord disabled or something that affects their whole person. So we want to bring that back to them.

I think that Wheelchair Games and the Disabled American Veterans in the winter sports clinics are a great conduit to bring that wholistic approach back.

MR. BOOZMAN. Thank you. The DAV and PVA suggested placing the special events office in the VHA. Would you care to explain your reasoning for us a little more about this, why you want to do that?

MR. LAWRENCE. My understanding is the focus -- well, it is a rehabilitative event, and the focus should be on rehabilitation per the servicemembers that are in attendance there. And -- well, I haven't been personally involved, and I understand simply that the focus is, with its being under the Public Affairs Office, that the focus hasn't been on rehabilitation as much as it probably should be.

And the Public Affairs Office certainly has a role to play. But I think if the rehabilitation and the benefits are provided, that the public affairs issues will go along with it. But that should be the primary focus.

MR. BLAKE. Mr. Chairman, I would like to add a whole lot more than what Mr. Lawrence said.

Other than that, the overall mission of these games ultimately is the rehabilitation, that Mr. Register talked about, holistically of that person who is disabled. The Public Affairs Office doesn't really have any role in a rehabilitative mission of the VA. So it just only follows, from our perspective, that VHA should manage it and that Public Affairs could still have a role in kind of the marketing of the games and the getting the stories out.

There are a lot of good things that are good, done through the Public Affairs Office, but ultimately, it focuses on the veterans' being able to maximize their independence and become better citizens and be able to function better, to trust in themselves and understand that there are really no limitations, even with a disability, as long as they are willing to move forward. And that is all wrapped into the mission of the rehabilitative therapy portion of the VHA, not so much Public Affairs.

MR. BOOZMAN. Thank you.

Ms. Herseth.

MS. HERSETH. Thank you, Mr. Chairman. I don't have any questions, just a couple of thoughts and observations.

Just last night, late, after votes, I went to see Murderball, the new movie that maybe some of you have seen, much anticipated and a terrific story of a number of young men who have suffered terrible accidents or illnesses who clearly have used quadiprlegic rugby as a rehabilitative tool for them, not only physically, but I believe emo-

tionally as well.

And so I take the point that Mr. Blake and Mr. Lawrence make. But I also think that there probably is a dual role, the primary role of the rehabilitative therapy that the sports program would provide, but then also a dual role at some point with Public Affairs. Even this movie sort of captured how far these individuals have come and the public support that they received at the Paralympic and World Championship.

So I appreciate the point that you make there and certainly recognize there is a role for each department in promoting the sports programs that can serve for rehabilitation for our severely disabled veterans.

At the end of this movie, a number of the athletes are actually making presentations to the men and women returning from Iraq and Afghanistan, at Walter Reed Hospital, to gauge their interest in participating in similar programs.

And, Ms. Fryar, I appreciate what you share with us today in light of the servicemembers who are coming home, many of them single, many without children of their own yet and their need to live, particularly after they return from the hospital, with parents, other relatives, and the flexibility that we clearly need in the adaptive housing program to meet these types of unique needs that anyone may face.

So keeping up with sort of changing times, I appreciate the perspective that you offer today and would just also like to echo the Chairman's appreciation and acknowledgment of your success in the work that you do, Mr. Register, for our servicemen and -women and what you have done with the Olympic Committee. Thank you very much.

MR. BOOZMAN. Thank you. I thank all of you very much for your testimony. We appreciate the input on these bills.

MR. BOOZMAN. Our next panel consists of Mr. John Lopez, Chairman of the Association for Service Disabled Veterans; Mr. Joe Sharpe, Deputy Director of the American Legion's Economic Commission; and Mr. Richard Weidman, Director of Government Relations for Vietnam Veterans of America.

STATEMENTS OF JOHN K. LOPEZ, CHAIRMAN, ASSOCIATION FOR SERVICE DISABLED VETERANS; JOSEPH C. SHARPE, JR., DEPUTY DIRECTOR, ECONOMIC COMMISSION, THE AMERICAN LEGION; AND RICHARD WEIDMAN, GOVERNMENT RELATIONS DIRECTOR, VIETNAM VETERANS OF AMERICA

MR. BOOZMAN. John, would you please lead us off?

STATEMENT OF JOHN K. LOPEZ

MR. LOPEZ. Good afternoon, Members. I would like to thank you for your kind invitation to present the views of the Association for Service Disabled Veterans regarding important matters before the Committee.

Without objection, I will summarize my testimony and submit my full statement for the record.

The 25 million veterans of our Nation, including 10 million mothers, 23 million wives, 20 million daughters, and 17 million granddaughters who are all emotionally, economically and legal stakeholders in the programs that you have fostered in entrepreneurial legislation.

MR. LOPEZ. Too often we forget that the procurement actions, even the support of entrepreneurial programs, impacts the family, not only the individual veteran; its impact is much greater than the number of our service-connected disabled veterans.

Again, I would like to thank the Chairman and Ranking Members of the Committee and Subcommittees, for the compassionate and responsible leadership that they have demonstrated in the development of Veterans' Entrepreneurship.

H.R. 3082, the Veteran Owned Small Business Promotion Act of 2005, is a splendid example of the Committee's concern and focus in responding to the veteran need for rehabilitation and transition assistance. H.R. 3082 gives specific authority to the Department of Veterans' Affairs to accept direct responsibility for the provision of benefit to the veteran, and especially the service-disabled veteran. It puts the task to that agency specifically established for the purpose of serving those who bore the battle.

H.R. 3082 also puts focus on a more direct and specific course of action for the United States Department of Veterans' Affairs efforts. As we have experienced with Public Law 160-50 and Public Law 108-183, the legislated intent of this U.S. Congress has been variously interpreted by regulators due to the necessity for inserting and parsing of the required language, statements, and references of existing regulations and public laws.

H.R. 3082 is a welcomed clarification of the resolve of the Committee to clearly state the public willingness to assist in the rehabilitation of our Nation's veterans. H.R. 3082 also clarifies the misconception that Veterans Entrepreneurship, and the proposed act, is a socioeconomic development initiative or a cultural inequity panacea. It is not. H.R. 3082 is a specified contribution to the continuing obligation of our Nation to rehabilitate those veterans that sacrifice for our Nation's security and prosperity.

There is no justification for requiring that service-disabled veteran indemnification and rehabilitation be adjusted to the conduct of any other government program.

The service-disabled veteran's government service-incurred misery is unique. Future generations of American military heroes will be forever indebted to the 106th, 107th, 108th and 109th Congress -- and especially the 109th Congress -- for their commitment to honor and support those killed, maimed, and tortured in the continuing struggle to provide security and prosperity for the people of the world.

Those Iraqi-Afghanistan veterans returning from harm's way are experiencing a different outreach from others who have served, and that is a tribute to the consciences of the Members of the U.S. Congress.

We ask that the Congress enact H.R. 3082 expeditiously, and that the Congress stay acutely engaged in a process of verifying that the intent of the legislation is implemented.

Thank you for your attention. I would be pleased to answer any questions.

MR. BOOZMAN. Thank you.

[The statement of John K. Lopez appears on p. 65]

MR. BOOZMAN. Mr. Sharpe.

STATEMENT OF JOSEPH C. SHARPE, JR.

MR. SHARPE. Mr. Chairman and members of the Subcommittee, I appreciate this opportunity to share the views of American Legion's six benefits-related legislative initiatives brought before us today; the first being a draft bill to authorize the Secretary of Labor to establish professional qualifications for disabled veterans' outreach program specialists and local veterans' employment representatives.

Every year 250,000 servicemembers are discharged from the Armed Forces. These former service personnel are actively seeking either employment or the continuation of former or vocational education. The Veterans Employment and Training Service offers transitioning veterans the assistance they need to obtain employment.

The American Legion believes with the dramatic increase in the number of veterans from the wars in Iraq and Afghanistan being discharged, and the unacceptable unemployment rates among female veterans and all veterans between the ages of 20 and 24, the roles and professionalism of the DVOPS and LVERs in assisting all transitioning veterans to the civilian workforce are increasingly important.

Furthermore, the American Legion believes there is a direct correlation between the successful placement of veterans into training programs and job placement with having professional qualifications standards set for DVOPS and LVERs. Therefore, the American Legion supports this bill.

In addition, the American Legion strongly supports the hiring

requirement of both DVOPS and LVERs to be veterans. The American Legion believes that the unique experience of the military service serves as a benefit to veterans who are employed as DVOPS and LVERs. That shared experience enables DVOPS and LVERs to better understand the needs of the veterans seeking assistance, and ultimately results in more timely and efficient assistance.

H.R. 3082, the Veteran Owned Small Business Promotion Act of 2005. The American Legion views small businesses as the backbone of American economy. It is the driving force behind America's past economic growth, and will continue to be a major factor as we move into the future.

Presently, more than 9 out of every 10 businesses are small firms which produce almost one-half of the gross national product. The veterans' benefits have always included assistance in creating and operating veteran-owned small businesses. This assistance dates back to the Serviceman's Readjustment Act of 1944. The American Legion supports this bill, as it would add value to the nature of military service and transfers that service into the Federal marketplace.

H.R. 1773, a bill to make permanent an existing pilot program of direct home loans to Native American veterans, and for other purposes. The American Legion supports the purpose of this loan program to give Native American veterans an opportunity to purchase, construct, or renovate homes on trust lands, and applauds the success this program has had in ensuring that qualified Native American veterans have the opportunity to purchase homes on trust land. By making this program permanent, and with continued outreach efforts by the VA to the Native American veteran community, the number of home loans made to Native Americans will continue to increase in the coming years.

The other three draft benefit bills consist of, one, establishment of an Office of National Disabled Veterans Sports Programs and Special Events within VA that would encourage and facilitate disabled veterans in participating in sporting events.

The second draft bill will increase the amount of assistance for certain disabled veterans for specially adapted housing.

And lastly, a draft bill to authorize the Secretary of the VA to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

The American Legion is supportive of all three bills that have a goal to enhance the quality of life for all our Nation's disabled veterans.

Mr. Chairman, this concludes my statement. I appreciate the opportunity to present the American Legion's views on these important and timely topics.

MR. BOOZMAN. Thank you, Mr. Sharpe.

[The statement of Joseph Sharpe, Jr. appears on p. 69]

MR. BOOZMAN. Mr. Weidman.

STATEMENT OF RICHARD WEIDMAN

MR. WEIDMAN. Mr. Chairman, thank you for your leadership in holding this hearing today. And thank you, Congresswoman Herseth, for your role in this and many other strong efforts of this Subcommittee.

The VA strongly favors theincrease in the assistance amount for specially adapted housing, and the draft bill that would allow adaptive housing assistance for temporary housing. Both are needed. We strongly encourage you, however, to consult with the National Builders Associations and other trademark -- or trade associations to find out some way and some mechanism for indexing this for not only today but for the future, because building materials are going up at a faster rate than anyone had ever anticipated, and that is why we had a projected cost of a $1 billion hospital in Denver recently.

VVA is very much in favor of establishing professional qualifications for DVOPS and LVERs. However, there has to be something in that bill that will stipulate that the State workforce development agencies pay people commensurate with their experience, with their degrees, and with their performance. What you have now is a situation when the DVOP programs were created it was built into Title 38, chapter 41, that they could not be paid less than an entry level of an employment specialist by that workforce development agency. That floor has become the ceiling, and that is why you have 28,000 a year -- DVOPS earning 28,000 a year. The only way they could do it is if they are military retirees. They are -- obviously DVOPS are disabled vets in addition, and in many cases their spouse works at a reasonably lucrative occupation.

The statistics you cited about DVOPS and LVERs making $100,000 a year are the rare exception. Those are people that are put into a DVOP or LVER slot as the State veterans program administrator for the workforce development agency. It is not the online DVOP. And you can look at that by looking at the medium wage of both DVOPS and LVERs across the country. They are, by and large, paid too low. That is why the turnover rate of LVERs is about 15 percent -- at least it was the last time I asked for those figures. And the turnover rates for DVOPS was 17 or 18 percent the last time I asked for those figures. And I think you will find that pretty much unchanged, because these are very difficult jobs. It is, in fact, possible with the combined efforts of the National Veterans Employment and TrainingInstitute which USC and VVS contracts with the University of Colorado at Denver, to enhance the training having to do with special disabilities.

When I was, in a former life, a State veteran program administrator -- and I did not make six figures at that time, I can assure you

-- first we dealt with visually impaired and blind, with the assistance of the Blind Veterans Association; and then we used at that time the Eastern Paralyzed Veterans training people, getting people with profound disabilities and created a new title -- we used to call them ER, veterans employment counsel. It was a master's degree position in the State of New York Department of Labor, which still exists today. So it is possible, but there have to be some quality checks on it, and it has to be related to productivity.

VVA strongly agrees with H.R. 1773, the Native American housing law, as written. It is a significant problem in all of the reserve territories to get credit for any purpose, and certainly for this one.

We also certainly favor H.R. 3082. And thank you very much for your leadership in this area for the Veteran Owned Small Business Promotion Act of 2005. We would, however, point out that there is no reason -- at least to be considered, if not in this legislation but in a future legislation to follow -- of increasing the requirement from 3 percent to 5 percent. It is useful to know that H.R. 5668, which was passed unanimously by the House of Representatives in July of 1999 and became the basis for Public Law 106-50, the goal for service-connected disabled veterans was 5 percent. Was 5 percent. And in order to get legislation through that Congress, we finally dropped to 3 percent in order to get it through in a timely way and move forward with a view, then, that we would go back to the 5 percent.

Secondly, it is, according to the SBA, it is more than 20 percent of small businesses that are veteran-owned. And so 15 percent across the board at VA would be appropriate.

In regard to the provision of the 10-year delimiting date for the spouse of a deceased veteran who died in service-connected conditions, we would urge you strongly to reconsider that, because 10 years may be too short. If a Gulf War veteran returns home today and they have small children -- gets married and they start a business and they have small children, 3 or 4 years from now and he or she dies, it is going to be a lot longer than 10 years before -- they are going to need to support the children. So we strongly urge you to reconsider that 10-year delimiting date for the spouse.

And a further key issue in this regard is why the delay until the end of fiscal year 2006? If it is worth doing, and this shouldn't be different than -- run-up to this has already been done with Executive Order 13360 at the VA, with the efforts of the senior officials who is leading this effort at VA, and we see no reason why it could not be implemented beginning October 1, calendar year 2005, or the first day of fiscal year 2006, not the last day of fiscal year 2006.

Mr. Chairman, I thank you very much. I see my time is over, and I appreciate the opportunity to present our views this morning, and would be happy to answer any questions. Thank you.

[The statement of Richard Weidman appears on p. 73]

MR. BOOZMAN. Thank you, and I thank all of the panel.

One thing, Mr. Weidman, I think what we were trying to do is -- not implying that we had to -- trying to illustrate that we had a wide salary range, not trying to imply that most were on the upper end of the scale by any means; in fact, I suspect that many more are on the lower end of the scale. But that is what we were trying to illustrate; that because of the wide discrepancy in various States, we are trying to link that with, as you have testified to, some sort of an educational thing, a career qualification, and possibly performance.

We are all told that restricting competition amongst suppliers will increase the constant supplies of especially health care-related items, things of that nature. How do you all respond to that when that comes up? Take turns.

MR. WEIDMAN. I have always wanted to say I defer to my distinguished colleague on my far left.

MR. LOPEZ. There is no evidence to support that. I have never seen a study that supports that kind of a feeling that restricting competition -- you are not really restricting competition, you are just limiting it to a specific number of people first; and then if not enough individuals respond, then it is back in the pool, back into the marketplace. So that is not really what happens, and I think the procurement people know that.

I think most procurement policies by the contracting officers are based on their own insecurities in dealing with service-disabled veterans and an unwillingness to offer them opportunities because it may reflect on their own performance.

MR. WEIDMAN. Mr. Chairman, I would agree that there is no study that we know of that would indicate one way or another about that. But I will tell you this: As you look at the GAO reports over the years there, it is used as an excuse for contracting officers and decision makers not to use -- to contract with service-connected disabled-owned businesses; when, in fact, if you look at those same, be they medical centers, those same facilities, et cetera, you will find that they are rife with what we call "Uncle Charlie" contracts. In other words, sweetheart deals with contractors in the local area.

And there is no mechanism to go back and look at that, and there is no strong systematic effort to look at that. And while frankly, the PBA, we don't think in many cases we are getting the bang for the taxpayer bucks for many goods and services that are purchased by the VA, it is certainly not the cause of use of specific contracting authorities, any of them, and certainly not service-disabled veteran-owned business.

MR. BOOZMAN. One other question, Mr. Weidman. You called the unemployment a sham. Why is that?

MR. WEIDMAN. When this was first proposed under the previous administration, I termed it -- having been a philosophy major at Colgate University, my father said, what are you going to do with that? Nobody is going to pay you to sit around and think. And it was just one more thing that my father was absolutely correct on. Nobody did.

Anyway, it is commission of the classic posthoc fallacy. In other words, because something happened after this point in time, it must be due to something that happened prior to that. And there is no relation one with the other.

People come in, and a scientist or a social scientist that the VETS brought in from the University of Maryland was there to explain this over at the VFW hall, and I confirmed it with him. And he seemed like a decent and intellectually honest fellow, and he admitted there was not anything whatsoever. And so if we wanted to change it, and if you look at what the switchover actually was in program year 2002, bam, it suddenly looks like their productivity went up 50 percent. Jeepers, boy, they are really doing a great job now.

Well, their productivity didn't go up. They had people's Social Security number because they wanted a one-stop center to register for their unemployment insurance. And once they had, they said you better go over here and register. So they had their name. So what they do is, they consult the unemployment insurance rolls, which means they got a job. They may never have been back to that center again, but the fact that they got a job, they are counting that as an entered employment and a success. And that is what at VVA we believe that it is a sham, Mr. Chairman, and a classic example of a post hoc ergo fallacy.

If we are going to measure placements, then let us measure placements. If we are going to measure entered employment -- which used to be that you have to demonstrate that you truly delivered a supported service of some sort, whether it is job counseling or whether it is going over delivery of labor market information about who is hiring within that community, and what kinds of jobs those companies were hiring, and show the individual how to follow up, and check on it later. That is a supportive service, and not just the fact that they wandered by the office.

MR. BOOZMAN. Ms. Herseth.

MS. HERSETH. Thank you, Mr. Chairman. I appreciate the testimony of the entire panel today.

Just one question. As we move forward with H.R. 3082, and many members supported the bill, but some concerns as we look forward to negotiating what is feasible in the short term versus the objectives in the long term.

Mr. Lopez or Mr. Weidman, would you with respect to H.R. 3082, would you support, in place of an immediate 9 percent requirement for veteran-owned small businesses, a more graduated requirement

initiative for assistance, perhaps starting at 5 percent -- which historically as you point out is where we were before it was negotiated back through the Senate, back in 1999 -- but starting at 5 percent and working up to 9 percent over a specified number of years?

MR. LOPEZ. My personal feeling is low standards, low performance. You tell them a goal of 3, they are going to do 1. You tell them 1, you might as well not have a program. I think if we keep it at 9, we may get 3, and that is our goal.

And I am kind of being facetious, but the fact remains that they are not motivated to use disabled veterans because they have such a lack of faith in their capability. That is a cultural problem we have in this country. It is especially true when one is responsible for making financial awards.

So I would not support it. But obviously, in a practical sense, we will take what we -- nah, I shouldn't say that. I ain't gonna take what we -- sorry.

MR. WEIDMAN. May I follow up on that?

MS. HERSETH. Please.

MR. WEIDMAN. The 5 percent in 1999 was for service-disabled vets, not for all vets. And the poison pill that they asked us to swallow on the other side of the Hill was 5 percent for all vets. And we knew they could get 5 percent for all vets because there were probably that many doing business with the VA, if they counted. The VA has had in place now for 2 years, a 7 percent goal for all veteran business that was established internally by the Secretary's order. So they had 2 years to gear up to reach 7 percent, and I see no reason not to make them go ahead and gear up to reach 9 percent.

There has to be some kind of sanctions, there has to be some kind of accountability right across the board for how you spend taxpayer dollars and how well you meet the mission, and there has been all too little of that across the board.

As to the 5 percent that we are suggesting for service-disabled veteran business owners, it has come to our attention now, and we have discussed it with Deputy Secretary Gordon Mansfield, that it looks like they have started to move up. What they are doing is taking people who had preexisting contracts under 8(a) and then finding out that they are service-disabled veterans and counting them as service-disabled veterans, too. So if the goal were 5 percent, we actually would get for real additional 3 percent veterans that got contracts because of service-disabled veterans, ifthat makes any senses, ma'am.

So we have offered, we continue to work with Mr. Mansfield, we continue to work with Scott Dennison, and we continue to work with Dr. Erlich, because it is VA Veterans' Health Administration where the -- and Fred Downs, who is now the acquisition director for the Veterans' Health Administration, to try to get it moving.

But there is a long way to go in these overall goals. And as Mr.

Lopez noted, constant oversight by this Committee is what will get us there. And we are grateful to you for everything you have done heretofore, and would like to express gratitude for your long-term commitment that we know that both you and the Chairman have on this issue.

MS. HERSETH. Thank you both for your well-informed opinions in response to that question and what we think is feasible and what the internal objectives are and what we know is the need for our continued oversight.

So, Mr. Chairman, I have no further questions, and I yield back.

MR. BOOZMAN. Thank you, Ms. Herseth.

Thanks to the panel for your testimony; we appreciate it, and it was very informative.

MR. BOOZMAN. Our next panel consists of Mr. John McWilliam, with the Veterans' Employment and Training Service; Keith Pedigo and Gail Wegner with the Department of Veterans' Affairs.

STATEMENTS OF JOHN M. McWILLIAM, DEPUTY ASSISTANT SECRETARY FOR OPERATIONS AND MANAGEMENT, VETERANS' EMPLOYMENT AND TRAINING SERVICE, DEPARTMENT OF LABOR; KEITH PEDIGO, DIRECTOR, LOAN GUARANTY SERVICE, VETERANS' BENEFITS ADMINISTRATION, ACCOMPANIED BY: GAIL WEGNER, DEPUTY DIRECTOR, OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION, DEPARTMENT OF VETERANS' AFFAIRS

MR. BOOZMAN. Let's start out with John.

STATEMENT OF JOHN M. McWILLIAM

MR. MCWILLIAM. Thank you, Mr. Chairman.

Chairman Boozman, Ranking Member Herseth, it is my honor to be here today before the Committee to present the views of the Department of Labor on several bills and draft bills regarding the draft bill authorizing the Secretary of Labor to establish professional qualifications for DVOPS and LVERs. This bill does require the Secretary to establish professional qualifications for the employment and continued employment of those veterans' representatives.

The Jobs for Veterans Act, Public Law 108-288, requires that States employ, to the maximum extent possible, qualified disabled veterans to serve as DVOPS, and qualified veterans or other eligible persons to serve as LVERs, but does not set specific standards for establishing the qualifications of candidates for these positions.

We agree that establishing qualification standards for the DVOPS and LVERs could enhance services to veterans and improve their employment outcomes.

However, in order to better understand the nature and extent of these professional standards, including how we would go about implementing them, we believe a thorough review of this issue is required. Therefore, our approach is consistent with the human capital reforms in the President's Management Agenda to first initiate a workforce analysis to identify the specific competencies needed by the DVOPS and LVERs, to identify existing skill gaps, and the options for closing those gaps.

DVOPS and LVERs are State employees whose employment standards are currently established by State workforce agencies. The establishment of national employment standards in these programs could provide a common level of standardization among the States by establishing for the first time competency models to guide their workforce activities. We would want to involve our stakeholders at the national and State levels on the front end of this initiative to ensure a workable program.

On the remaining five bills and draft bills, the Department of Labor generally supports appropriate legislation that benefits veterans, but respectfully refers to the Department of Veterans' Affairs.

Mr. Chairman, this concludes my testimony. I will be pleased to answer any questions.

MR. BOOZMAN. Thank you very much.

[The statement of John M. McWilliam appears on p. 79]

MR. BOOZMAN. Mr. Pedigo.

STATEMENT OF KEITH PEDIGO

MR. PEDIGO. Thank you, Mr. Chairman, and members of the Subcommittee. Thank you for the opportunity to testify today to present the views of the Department of Veterans' Affairs on six bills of great interest to our Nation's veterans. I have with me today Ms. Gail Wegner, Deputy Director of the Office of Small and Disadvantaged Business Utilization, Department of Veterans' Affairs.

The first bill I will discuss, Mr. Chairman, is H.R. 1773, which would make several amendments to the VA Native American direct loan program. Under this program, qualified Native American veterans living on trust land may receive direct housing loans from VA.

First, this bill would make the Native American direct loan program permanent. Because of some constitutional concerns that the Department of Justice has expressed, the VA would like to work with the Committee staff and Justice to address those issues and develop legislation that the administration can support.

Mr. Chairman, VA supports the provisions of the bill that would tie the maximum loan to the Freddie Mac conventional conforming loan

limit and extend eligibility to a veteran who is not a Native American but who is married to a Native American nonveteran.

The next item I will address, Mr. Chairman, is H.R. 3082, the Veteran Owned Small Business Promotion Act of 2005. This bill would establish a set-aside tool for veteran-owned small businesses and enable surviving spouses of veterans to participate in the Federal marketplace after the loss of their loved one, and provide VA with authority to choose veterans first when filling their requirements for our Department.

H.R. 3082, Mr. Chairman, proposes to establish a 9 percent procurement requirement for the Department of Veterans' Affairs for both prime contracting and subcontracting. While the administration supports expanding opportunities for veterans' small businesses in Federal contracting through appropriate goals and incentives, the administration does not support mandating that a certain percentage of contract dollars go to certain businesses.

Mr. Chairman, you also requested our views on a draft bill that would increase the maximum specially adapted housing grants authorized by sections 2101 (a) and (b) of Title 38, United States Code, to 55,000 and $12,000 respectively. VA favors enactment of this measure.

The next draft bill, Mr. Chairman, would authorize the Secretary to provide additional assistance to a veteran who is temporarily residing in a home owned by the veteran's parent or sibling. Veterans eligible under section 2101(a) could get up to $10,000, and veterans eligible under section 2101(b) up to $2,000. If the veteran subsequently receives a grant under section 2101 for a permanent residence, the amount of the assistance received under this proposed authority would be deducted from the maximum grant otherwise authorized by section 2102.

The VA believes the intent of this draft bill is laudable, and has no objection to the concept of the legislation. Before VA can endorse this or any similar legislation, however, we believe more study of this proposal is required and a number of practical issues need to be resolved.

For example, the veteran would have no ownership interest in the temporary residence and would be at the mercy of the parent or sibling to be permitted to continue to occupy the residence. Should the owner need or desire to sell the residence, or the veteran and relative have a falling out, the veteran could be forced to vacate the residence prematurely and lose the benefit of this one-time assistance.

Also, due to the high cost of construction, many homes cannot be adequately adapted, even as a temporary residence, on the amount proposed for the new grant. Likewise,when a veteran who has received such temporary assistance acquires a permanent residence, the grant for that home would be reduced by the amount of such ini-

tial grant. Reduction in the final grant might adversely affect the affordability of a permanent adapted home for some veterans. Thus, we need further study to ensure that we are not converting this important program into one that supplies two inadequate grants.

We would be pleased to meet with the Committee staff to discuss our concerns in greater detail.

The final draft bill would establish the Office of National Disabled Veterans Sports Programs and Special Events in VA to administer and facilitate participation in sports programs for disabled veterans and sponsor such programs for disabled veterans conducted by other groups. VA opposes this bill. It would create a redundant office with too narrow a mission.

Since 2000, the Office of National Programs and Special Events has been responsible for managing and posting VA's National Rehabilitative Special Events, which focus on rehabilitation, health promotion, and disease prevention by encouraging all veterans to lead healthy active lifestyles. Some of these events are not sports programs, and many of the Golden Age games participants are not disabled veterans.

VA does not believe that there is a need to create another office that would be limited to working solely on sports programs involving disabled veterans.

This concludes my statement, Mr. Chairman, and I would be pleased to respond to any questions that you or members of the Subcommittee may have.

[The statement of Keith Pedigo appears on p. 82]

MR. BOOZMAN. Ms. Wegner.

MS. WEGNER. I don't have a statement.

MR. BOOZMAN. You are off the hook then.

MS. WEGNER. Right.

MR. BOOZMAN. Do we know, how many -- if you just took all of the small businesses in general, do we know how many are veteran-owned?

MS. WEGNER. We know published statistics about veteran-owned. The frequently published statistics are from the Bureau of Census, based on an extrapolation of a small sample that was studied back in the early 1990s.

Using that extrapolation, Census says that they believe that there are between 4 and 5-1/2 million veteran-owned small businesses today. We haven't found all of those veteran-owned businesses. We know about 80,000 veteran-owned businesses, but that is it.

MR. BOOZMAN. How many are in your database?

MS. WEGNER. In our database, on the public database there are about 9,000 businesses. We have an internal database of those that

have been contacted and asked to register on our database, and that gets up to about 25,000 businesses on the internal level where they have not answered those four gateway questions that they are asked to address. Those are questions to verify that you are a veteran under the definition of the law, verify your service-connected disability, and that you meet Federal size standards.

MR. BOOZMAN. So there is quite a discrepancy in what the Census Bureau says and what you are showing. How many small businesses are there total; do we know that?

MS. WEGNER. The Small Business Administration has those figures, and they estimate that there are about 18 to 20 million small businesses total, but those are combined. They are not all sustainable businesses; some are casual businesses, those people that do part time and don't make a living off of it.

MR. BOOZMAN. So the Census Bureau has kind of a conservative number based on their figures. So again, I guess the problem I have on this, what is the VA at now as far as percentage today?

MS. WEGNER. With veterans?

MR. BOOZMAN. Yes, veterans only.

MS. WEGNER. For fiscal year 2004, the last year we had data, we were at 4.43 percent of our procurement dollars. That equates to $367 million that we invested with veterans last year.

MR. BOOZMAN. So, again, I guess one could argue that we are not at the average without any real push. If the average amount of businesses out there are 10 to 20 percent, then I guess with those kind of figures it doesn't seem hard at all, with an effort to give preference, that we could get our numbers up quite a bit.

MS. WEGNER. The 4 to 5-1/2 million estimate was based upon standard business lines. But distribution of those businesses varied across industry lines. There are a lot of industries that the Federal Government does not purchase goods and services from.

Mr. Boozman. So you feel that we are doing everything we can do to identify and do the job that we need to do to get the veteran preferences, as of the intent of the law?

MS. WEGNER. That is a tough question. Are we doing everything that we can do? I wouldn't say that the answer to that is yes. No. But I think there is more that we can do. I think we can work very much more cooperatively with our partners, with SBA and other agencies, to get the word out. We simply have not done that yet.

MR. BOOZMAN. Again, I think the spirit of the law was to get it done. And the problem that we face is, it is very difficult to get things done with agencies if we don't make them do it. And that is the dilemma we face. It is hard for us to get the other agencies to fall in line if we can't have you as a great model to say, hey, you can do this without the world falling apart. And so like I said, that is the dilemma that we face, trying to get it done without the mandate.

Several of the witnesses suggest moving the Office of Special Events to VHA. Can you all comment on that?

MR. PEDIGO. Yes, Mr. Chairman. Of course we support the idea of disabled veterans and other veterans being able to participate in a broad array of special events. Consequently, in 2000 we created the Office of National Programs and Special Events in the Office of the Assistant Secretary for Public and Governmental Affairs. And that program has a wide umbrella of events that it sponsors, such as the National Veterans' Wheelchair Games and the Winter Sports Clinic, to mention a few.

We believe that creating this new office would be duplicative of what the VA is already doing, and would not add any significant value to the benefits the veterans receive.

MR. BOOZMAN. A couple of things. In reading the VA testimony, I understand your comments that you made about diluting the benefit as far as fixing up the area, the homes, and things like that, and I think those kinds of things are valid, and I think we can work with you on those, and I think those are valid concerns.

I don't really understand the rift in the family-type of argument: There can be a breakup, and we have invested this and that. I mean, I guess my attitude there is, so much of what we do can always draw that out -- you can do that with any VA owner or anything else. Maybe you can do a VA loan if there is a divorce in the family. I mean, like you say, I understand your testimony, I appreciate it. That part of it I didn't really feel made a difference.

MR. PEDIGO. I understand that, sir. We were simply trying to point out all of the potential ramifications of that proposed legislation. We don't believe that veterans have a falling out with their siblings all that often, but it is a circumstance that could occur; and if it did occur, then the veteran would have lost the benefit that was provided to him or her.

MR. BOOZMAN. Ms. Herseth.

MS. HERSETH. Mr. Chairman, may I inquire of votes?

If I don't get through all of my questions, I will just submit them for the record. But let me just start.

For you, Mr. Pedigo, thanks for your support of the Native American direct loan program, and I look forward to working with you in improving legislation to make it a successful program.

I am curious. Could you just elaborate a little bit on what the Department of Justice constitutional concerns are; do these relate to sovereignty issues?

MR. PEDIGO. I wish I could elaborate. We haven't gotten a lot of feedback from the Department of Justice. We did hear that they had these concerns. We believe it may be focused on the fact that there may be some interpretation of law or the Constitution that would suggest that the broad umbrella of our Native American loan program,

which includes Native American Indians, Alaskan Natives, Native Hawaiians, Natives from Guam, and the Natives of American Samoa may be too broad. We believe it is possible that Justice believes that only Native American Indians really have a valid claim to the special benefit that this program would offer.

But I am speculating a little bit there, and that is why we would like to meet with members of the Committee as well as the Department of Justice to get a clear understanding of what their concerns are, and hopefully come up with some solutions so that we can go forward with this proposal.

Ms. Herseth. Well, thank you. I look forward to soon facilitating that kind of meeting so that we can both better understand what the constitutional concerns are there that have not been expressed as a pilot program. And we are dealing with veterans first and foremost, so I appreciate you raising those concerns. We will get those questions answered.

For the record, just real quickly, onpage 3 of your written testimony, right before the text for H.R. 3082, the estimate for the savings, do we need to clarify here that it is a discretionary 10-year savings of approximately 2.3 million as opposed to 23 million -- I wish it were 23 million, and I will take that, but I think they may have estimated that it was 2 million savings over 2 years.

Mr. Pedigo. We will check that out, and if so, we will correct it for the record.

Ms. Herseth. Also, if you could provide us, the members of the Committee and staff, with a reaction -- I am going to ask one more question -- but with some assessment of the point that our witness today from NMFA suggested about making the adaptive grant a multigrant rather than a one-time grant. I know that the current cap is 50, 000 average pay out there, the one-time payment is $49,500 or $49,900, but that may be because it is only a one-time use.

And perhaps if it were a multiple use, the veteran would make certain decisions to integrate certain adaptations over time. But we would like to get your feedback to the suggestion that was made, whether it is at 50,000 or increasing it to 55,000, what that may mean for flexibility for the veterans.

And I do want to get a chance to pose a question to Mr. McWilliam. I am pleased that you support improved qualification standards for the DVOPS and LVERs to improve overall service for veterans seeking employment. As I understand your testimony, you don't support the draft bill authorizing the Secretary of Labor to establish those qualifications at this time, but you do mention a workforce analysis.

So is this initiative of workforce enhancement development analysis something that the Department of Labor could begin without legislation; and, if so, is it something that you would be interested in promoting it personally?

MR. MCWILLIAM. Ma'am, we are very interested in looking at qualifications for the veterans' representatives and pursuing that. We are also looking into training that we are providing currently right now, and going through an annual update, looking at the training that is provided to them through the National Veterans Training Institute, which is the way that we provide professional -- I don't want to say certification, but professional training right now for the veterans' representations.

Our concern is this is a very complex issue, and we have to work with all of the States and the District of Columbia. There are many different personnel systems out there that would be affected by it, and we think it is just a very complex issue that needs a lot of study to make sure it can be implemented.

MS. HERSETH. Thank you. I have no further questions, Mr. Chairman.

MR. BOOZMAN. Thanks to the panel. And I do appreciate all of the hard work. Don't misunderstand, I really do appreciate, as I know the rest of the Committee does, the hard work that you do on behalf of our veterans. And we will be glad to work with you on these things and move forward.

So, without objection, the Subcommittee stands adjourned.

[Whereupon, at 4:30 p.m., the Subcommittee was adjourned.]

APPENDIX

Congresswoman Brown-Waite Statement for the Record

Veterans Economic Opportunity Subcommittee Hearing: Legislative Hearing
July 27, 2005 / 2:30 p.m. / 334 Cannon

Mr. Chairman, I would like to thank you for holding this hearing today.

The legislation before us today makes significant changes to the quality of life of our nation's veterans. From better inclusion of veteran-owned small businesses to creating an office to include disabled veterans in sports programs, this Committee has the opportunity to create new and exciting opportunities for veterans.

I particularly want to highlight the draft bill to increase the Disabled Veteran Adaptive Housing Grant. Many of our soldiers were seriously injured in the fight to defend our freedom. Some lost arms or legs and some have lost eyesight, among other debilitating injuries. At least 500 OIF/OEF veterans have had one or more limb amputated.

Upon returning to their homes, these veterans often have great difficulty getting around. They may find themselves engaged in a new war with staircases as their homes, which they have been longing to return to, are a new enemy. Without vital changes such as access ramps, these homes are inaccessible to veterans without help from a friend or loved one.

Our veterans should have the tools to resume their normal day-to-day lives. Adapted housing greatly contributes to a successful reintegration into society. The increased adapted housing grants allow disabled veterans to keep up with rising costs as they makeover their house to comply with their new needs. Today's bills will help Congress to take better care of our veterans, and they deserve nothing less.

I look forward to hearing from our panels today regarding their thoughts and ideas on this legislation. Thank you, Mr. Chairman.

STATEMENT OF THE HONORABLE ENI F.H. FALEOMAVAEGA BEFORE THE SUBCOMMITTEE ON ECONOMIC OPPORTUNITY OF THE COMMITTEE ON VETERANS AFFAIRS REGARDING HR 1773, THE NATIVE AMERICAN VETERANS HOUSING LOAN PROGRAM

Chairman Boozman and Ranking Member Herseth:

I want to thank you for your leadership on veterans affairs and for making it possible for Native Americans to participate in the veterans' housing loan program.

I am especially thankful that with your support American Samoa's veterans have also been able to participate in this very successful program. Today, I am here to also thank you for addressing the concerns of American Samoans without adversely affecting the rights of other tribes.

Many Samoans have served in the military and they are allowed to obtain home loans under current law. Other Samoans are married to non-Samoan veterans. Non-native military spouses married to native Samoans have not been able to qualify for the VA home loan program. In part, this is because the Native American Home Loan program excludes the spouses of non-native Americans from qualifying for a VA home loan.

For my constituents, this is problematic. In brief, most land in American Samoa is communal meaning that only Samoans of Tutuila, Manu's, Aunu'u, or Swain Islands may qualify for home loans offered by traditional lending institutions because only they can make claim to native land.

As a result of these land laws, non-native spouses of veterans or persons serving in the US Armed Forces who are married to a Samoan may not qualify for a VA home loan. The VA has been helpful in assisting the Committee and my office in drafting language to rectify this problem. I am pleased that VA supports this provision

It is my understanding that this language now makes it possible for a non-Samoan military member or veteran to qualify for a VA loan if the non-Samoan military member has a "meaningful interest" in the housing a Samoan spouse has been granted permission to build on communal land. It is also my understanding that "meaningful interest" means that the veteran has the right to reside in the home under tribal laws.

Ms. Herseth, thank you for including this provision in H. R. 1773. I thank the Committee for consideration of this provision, the VA for its assistance, and Ms. Mary Ellen McCarthy, Democratic Staff Director for Disability Assistance and Memorial Affairs, for her tireless efforts. I urge support of this legislation.

Executive Summary
Testimony of John Register
Manager of the Paralympic Academy and Military Programs
of the
United States Olympic Committee

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1. The witness, an Army veteran and a disabled athlete (single leg amputee) who was a member of the 1996 and 2000 U.S. Paralympic Teams, is the manager of Paralympic programs for the United States Olympic Committee ("USOC").

2. Since the end of World War II sport has been recognized as an important component of the rehabilitation process of injured military.

3. The USOC strongly supports the proposed legislation that would create within the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events because it would enhance the ability of both the VA and the USOC to better serve American service men and women who have recently incurred injury in the Middle East.

4. The USOC has already begun the process of partnering with the VA and will soon conclude an agreement on the language of a formal Memorandum of Understanding.

5. The USOC has been conducting clinics and demonstrations at Walter Reed and Brooke Army Medical Center, but wants to do more, not only to develop potential members of future Paralympic Teams but because it believes that it has a responsibility to be engaged in a larger program to serve people with disabilities.

An article appearing in the July 21st, 2005, edition of the *New York Times* describing John Register and the USOC's Paralympic Military Program has been submitted as an attachment to his written testimony.

TESTIMONY OF JOHN REGISTER
MANAGER

PARALYMPIC ACADEMY AND MILITARY PROGRAMS
OF THE
UNITED STATES OLYMPIC COMMITTEE

BEFORE THE
HOUSE VETERANS AFFAIRS
SUBCOMMITEE ON ECONOMIC OPPORTUNITY

Wednesday, July 27th, 2005

Good afternoon Mr. Chairman and members of the Subcommittee. I am John Register, representing the United States Olympic Committee (the "USOC"), a privately-funded organization chartered by Congress through the Ted Stevens Olympic and Amateur Sports Act. Our principal function is to field for the United States the most competent representation to the Olympic, Pan American, and Paralympic Games, the latter being a competition for elite disabled athletes conducted at the same Olympic venues approximately two weeks following the Summer and Winter Olympic Games.

I am an Army veteran who served in Operation Desert Shield and Operation Desert Storm, and am also an athlete who was a member of the 1996 and 2000 U.S. Paralympic Teams. My position with the USOC is Manager of the Paralympic Academy and Military Programs, and my main purpose this afternoon is to discuss legislation that would create within the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events, a proposal that the USOC enthusiastically endorses. Quite simply, such an office provides the potential for a highly-synergistic partnership between the USOC and the Department of Veterans Affairs that would enable us to expand significantly the work that the USOC, through its U.S. Paralympics division, has been performing to bring Paralympic sport to disabled American service men and women, many of whom have recently incurred injury in the Middle East.

During World War II it was discovered that sports and physical activity could play an important and unique role in the rehabilitation of military personnel with newly acquired disabilities. Young service members who had just returned from WWII and were undergoing rehabilitation were predictably drawn to sports and other team activities. The attraction of sports for the new set of veterans served as more than just a rehabilitation technique. In fact, sports served as a source of motivation as well as a path to a fuller life for young people in the aftermath of a disability. As would be expected, many of the veterans became exceptional athletes and sought opportunities for competition and excellence in the new world of competitive Paralympic sports.

For a time, competition in Paralympic sports was largely a veteran's activity. The elite competitors of Paralympic sport were primarily composed of veterans. Over time, the focus of Paralympic sports moved from veteran-centered to include civilian participants. While there remain important Paralympic sporting events hosted by veteran's organizations, the Paralympic Games has become the world's premier competition for athletes with disabilities, whether military or civilian.

With the onset of hostilities in Afghanistan and Iraq, a new generation of U.S. military personnel with disabilities has emerged. These newly-disabled men and women are young, ambitious, goal-oriented and in their physical prime. Sport, which played an integral role for returning veterans of World War II, Korea, and Vietnam, has the capacity to assist military personnel with adjusting to life with a disability. The USOC and its Paralympic partners recognize the opportunity to play a key role in the lives of returning military personnel with newly acquired disabilities.

(2)

The USOC has been conducting Paralympic sports programs and clinics at Walter Reed Army Medical Center since May of 2004 and at Brooke Army Medical Center ("BAMC") since January 2005. In the fall of 2004, a number of U.S. Paralympic team members, while staging for the Paralympic Games in Athens, participated in sports demonstrations and clinics with disabled military personnel from Walter Reed. The USOC's Paralympic partners also have been active in these efforts, especially Disabled Sports USA (DSUSA) at Walter Reed and Blaze Sports Clubs of America at BAMC. Additionally, the Paralympic partners have encouraged the participation of disabled military personnel in local, regional, and national competitions, where they have the opportunity to participate in sports clinics and observe elite athletes in action.

While sports clinics are a great way to introduce veterans to Paralympic sport, a more comprehensive program is needed to ensure that they realize the full benefits of sports participation. While the resources of the USOC and our various partners are limited, unfortunately, the pool of disabled military with newly-acquired disabilities is growing. The proposed Office of National Disabled Veterans Sports Programs and Special Events would have authorization to bring expanded reach and resources to serve these veterans. The USOC would welcome the opportunity to work with this office to further develop the programs, services, and events for the nation's disabled veterans.

The USOC and the Department of Veterans Affairs are developing a Memorandum of Understanding that will strengthen and expand upon existing sports programs for disabled veterans. It will expand the services to disabled veterans nationwide, and specifically in the vicinity of VA Medical Centers and veterans' centers, through accessing the resources and efforts of local and community-based Paralympic organizations. The creation of this new Office of National Disabled Veterans Sports Programs would bring national planning, coordination and support to these expanded efforts.

Let me be clear about why the United States Olympic Committee is so interested in veterans' sports programs and what we are trying to achieve. As noted earlier, the primary mission that Congress gave us in our charter, the Ted Stevens Olympic and Amateur Sports Act, is to field teams for the Olympic, Paralympic, and Pan American Games. It says nothing about conducting programs for veterans, whether they be able-bodied or disabled. However, as an organization that is accountable to Congress and, therefore, the American people, we have a responsibility to have relevance beyond the narrow scope of merely assembling a relative handful of athletes every two years and carrying them to their respective Olympic and Paralympic competitions. We believe that we have a larger responsibility to bring our talents and those of our principal assets – our Olympic and Paralympic athletes – to bear on issues that affect all levels of society. Assisting disabled veterans to lead full, active, and meaningful lives by introducing them to sport is an area where we have talent and resources, and where we can make a meaningful contribution. Further, looking at all sport, both able-bodied and disabled, from a self-interest point of view, our primary mission of fielding teams for the various competitions will be better served when the pool of potential athletes is expanded. Quite

simply, the more men and women that enter the participation pyramid at the base, the greater opportunity there is for more elite, Olympic and Paralympic-caliber athletes to develop and rise to the top.

The programs conducted at Walter Reed, BAMC, and other locations throughout the country have been encouraging, and have demonstrated the value of sport in the rehabilitation of disabled service men and women, but we know that so much more is needed. The partnership between the USOC and the Department of Veterans Affairs being formed through the Memorandum of Understanding will be greatly enhanced by the creation of this new Office of National Disabled Veterans Sports Programs, and I am confident that these efforts will result in high-quality sports programs and services for the disabled veterans who so greatly deserve the best efforts of us all.

STATEMENT OF
BRIAN E. LAWRENCE
ASSISTANT NATIONAL LEGISLATIVE DIRECTOR
OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
JULY 27, 2005

Executive Summary

H.R. 3082 the Veteran-Owned Small Business Promotion Act of 2005: DAV would not oppose its favorable consideration.

H.R. 1773 the Native American Veteran Home Loan Act: DAV would not oppose its favorable consideration.

Draft bill to establish the Office of National Disabled Veterans Sports Programs and Special Events: DAV supports this commendable bill and recommends that the special events office be placed under the Veterans' Health Administration (VHA). Additionally, the VHA should be required to develop a comprehensive Memorandum of Understanding (MOU) with co-sponsors, and to provide detailed accountability for all special events office funds, including co-sponsorship fees.

Draft bill to increase assistance amount for Specially Adapted Housing: DAV fully supports this draft bill, and recommends it include a provision for automatic annual cost-of-living adjustments to specially adapted housing grants.

Draft bill to create a new Adaptive Housing Grant: The DAV fully supports this draft bill.

Draft bill to encourage greater qualifications and standards for DVOPs/LVERs: DAV would not oppose favorable consideration of this draft bill.

STATEMENT OF
BRIAN E. LAWRENCE
ASSISTANT NATIONAL LEGISLATIVE DIRECTOR
OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
JULY 27, 2005

Mr. Chairman and Members of the Subcommittee:

On behalf of the 1.3 million members of the Disabled American Veterans (DAV), I appreciate the opportunity to present our views on the following bills and draft bills:

H.R. 3082, the Veteran-Owned Small Business Promotion Act of 2005: would require the Department of Veterans Affairs (VA) to award nine percent of its procurement contracts to small businesses owned and operated by veterans. The bill would further stipulate that at least one-third of the total value of all such contracts be awarded to small businesses owned and operated by veterans with service-connected disabilities. Disabled veteran owned businesses would be given greatest preference for awarding prime and subcontracts, and non-disabled veteran owned businesses would have the next highest priority. The amendments made by this Act would apply to contracts awarded after September 30, 2006.

This commendable bi-partisan bill, which was introduced by Chairman John Boozman and co-sponsored by Ranking Member Stephanie Herseth, Congressman Michael Bilirakis, Congressman Dan Burton, and Congressman Terry Everett, would be a revolutionary step forward for veteran and disabled veteran business owners. Previous legislative efforts encouraging the federal government to increase its utilization of such businesses (Public Law 106-50) merely set a three percent goal without including additional incentives. Since goals by themselves are little more than rhetoric, the intentions of Congress went unmet.

Because H.R. 3082 would require, rather than just encourage, the VA to award nine percent of procurement contracts to veteran owned businesses, we would expect to see much greater adherence to the intent of this bill. H.R. 3082 rightfully intends to establish the VA as the role model for other government agencies to emulate. If it is successful in attaining the nine percent requirement, the VA would far surpass other agencies' utilization of veteran and disabled veteran owned businesses.

Though we have no resolutions from our membership specific to this bill, the DAV acknowledges the positive impact it would have for disabled veteran business owners, and we would not oppose its favorable consideration.

H.R. 1773, the Native American Veteran Home Loan Act: would authorize a permanent program for direct housing loans to Native American veterans.

Some Native American veterans face difficulty in obtaining conventional financing for the purchase or construction of homes because they cannot own federal reservation land, and trust lands cannot be used to secure loans. Though the DAV has no resolution calling for this legislation, we firmly believe Native Americans who have served in our Armed Forces should have equal opportunities to share in the American dream of home ownership, and we appreciate the necessity of special provisions authorizing the VA to provide direct loans to Native Americans. We have no objection to the favorable consideration of this meritorious legislation.

Draft bill to establish, in statute, the Office of National Disabled Veterans Sports Programs and Special Events: This legislation would statutorily establish a VA special events director and office to provide for, facilitate, and encourage participation by disabled veterans in rehabilitative programs and events. Additionally, it would authorize an appropriation of $5 million each fiscal year to carry out the activities of the office.

The VA, along with several veterans' service organizations (including the DAV) as co-sponsors, hosts annual national rehabilitative special event programs for veterans receiving health care from VA medical facilities. These four programs, which include the National Disabled Veterans Winter Sports Clinic, National Veterans Wheelchair Games, National Veterans Golden Age Games, and the National Creative Arts Festival, focus on rehabilitation and enhancement of the physical, social, and emotional well-being of many severely disabled veterans. These programs showcase the therapeutic value of sports, fitness, and recreation, which are key factors in VA's extensive rehabilitation programs, and are profoundly beneficial in helping veterans overcome or mitigate the physical and emotional impact of severe disabilities.

In addition to supporting rehabilitative events through co-sponsorship, the membership of the DAV has adopted a resolution calling on Congress to provide a separate line-item appropriation in the VA budget to ensure the continuance of these worthy programs. Therefore, we are pleased with the comparative intent of this draft legislation. Adequate resources designated specifically for the special events office would eliminate the VA's need to raise funds and allow it to focus exclusively on rehabilitation and therapy for disabled veterans. The responsibility for raising additional funds can and should be left to co-sponsors.

Along with our support of this draft bill, we encourage the Subcommittee to include language to place the special events office under the Veterans' Health Administration (VHA). Currently, the programs are under the authority of the VA Office of Public Affairs and the VHA is almost completely removed from administrative decisions. Though the Public Affairs Office certainly has a role to play, the ultimate purpose of these special events is to provide rehabilitative therapy to severely disabled veterans. Since VHA is the department responsible for providing such care, it should be the designated controlling authority for the four rehabilitative programs mentioned above.

As the administrative authority, the VHA should be required to develop a comprehensive Memorandum of Understanding (MOU) with co-sponsors, and to provide detailed accountability for all special events office funds, including co-sponsorship fees. Without such financial support from the DAV and other co-sponsors, substantially fewer disabled veterans would benefit from

these uplifting special events. Therefore, co-sponsors should be allowed at least some level of input regarding the programs.

The DAV applauds the Subcommittee for recognizing the value and importance of National Disabled Veterans Sports Programs and Special Events, and for having the foresight to ensure they are available to severely disabled veterans in the future. The DAV supports this commendable bill and hopes the Subcommittee will consider our suggestions for improvement.

Draft bill to increase assistance amount for Specially Adapted Housing: This legislation would increase the specially adapted housing grant from $50,000 to $55,000, and the special home adaptation grant from $10,000 to $12,000.

These provisions would partially fulfill recommendations by both *The Independent Budget (IB),* and DAV Resolution No. 113, which calls for an increase in the specially adapted housing and home adaptation grants. The *IB* is a budget and policy document that sets forth the collective views of the DAV, AMVETS (American Veterans), the Paralyzed Veterans of America (PVA), and the Veterans of Foreign Wars of the United States (VFW). As reported in the 2006 *IB*,

> Providing assistance to the most seriously disabled servicemembers who need special home adaptations to enable mobility within the home is an important part of assisting them with the transition from institutionalization to independent living in their own homes.

In addition to providing immediate increases, both the DAV and the *IB* recommend that legislation be enacted to provide automatic annual cost-of-living adjustments to specially adapted housing grants. While we hope the Subcommittee will consider adding such a provision to this legislation, the DAV fully supports this draft bill.

Draft bill to create a new Adaptive Housing Grant: This legislation would create a new Adaptive Housing Grant for veterans who do not own a house but live with parents or relatives and need certain adaptations to living space.

Although the DAV has no resolution calling for this legislation, we recognize its merit and applaud the Subcommittee for its consideration of severely disabled veterans who reside with their parents or other relatives. The DAV fully supports this draft bill because it is within our mission of building better lives for our nation's disabled veterans and their families.

Draft bill to encourage greater qualifications and standards for Disabled Veteran Outreach Program (DVOP) specialists, and Local Veterans Employment Representatives (LVERs): This legislation would direct the Department of Labor (DOL) to establish professional qualifications for DVOP/LVER personnel that are consistent with the duties and functions of their positions.

DVOP/LVER personnel help disabled veterans make the difficult and uncertain transition from military to civilian life. They help provide jobs and job training opportunities for disabled

and other veterans by serving as intermediaries between employers and veterans. They maintain contacts with employers and provide outreach to veterans. They also develop linkages with other agencies to promote maximum employment opportunities for veterans.

Though the DAV has no resolutions specific to professional qualifications for DVOP/LVER employees, we acknowledge the importance of filling DVOP/LVER positions with capable individuals. Disabled veterans deserve to have employment representatives who are trained specifically to meet their unique requirements. As such, the DAV recommended in earlier testimony that DVOP/LVER training programs receive adequate funding. We hope that our recommendation will be considered along with the Subcommittee's consideration of establishing professional qualifications for DVOP/LVERs. The DAV has no objection to the favorable consideration of this draft bill.

Closing

The several bills before the Committee today would enhance, expand, or make beneficial adjustments to benefits and services for veterans. The DAV appreciates the ongoing efforts of this Committee to improve and strengthen veterans programs, as well as the efforts and continuing support of the sponsors of these bills.

STATEMENT OF CARL BLAKE,

ASSOCIATE LEGISLATIVE DIRECTOR,

PARALYZED VETERANS OF AMERICA

BEFORE THE HOUSE COMMITTEE ON VETERANS' AFFAIRS,

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

CONCERNING

H.R. 3082, THE "VETERAN-OWNED SMALL BUSINESS PROMOTION ACT OF 2005;"

H.R. 1773; AND

OTHER PROPOSED LEGISLATION

JULY 27, 2005

EXECUTIVE SUMMARY

H.R. 3082, the "Veteran-Owned Small Business Promotion Act"

- PVA fully supports this legislation.
  - Mandates that nine percent of contracts awarded by VA go to veteran and disabled veteran-owned small businesses.
- Three percent contracting goal established by P.L. 106-50 is not being met by any federal agency.
  - Severely disabled veterans often fall through the cracks.
- PVA believes that the National Veterans Business Development Corporation already maintains a comprehensive database of veteran-owned small businesses.

H.R. 1773

- PVA supports H.R. 1773 which would make permanent the pilot program established by P.L. 102-547 that authorizes the Secretary of Veterans Affairs (VA) to provide direct housing loans to Native America veterans.

VA Office of National Disabled Veterans Sports Programs and Special Events

- PVA supports the creation of an Office of National Disabled Veterans Sports Programs and Special Events and a director position to oversee this Office.
  - PVA has a special interest because it is a chief co-sponsor, along with the VA of the National Veterans Wheelchair Games.
- Control of this Office should be placed in the Veterans Health Administration.
  - Primary purpose of these events is rehabilitative therapy.
- PVA recommends a separate line-item appropriation for this Office.

Specially Adapted Housing

- PVA supports increase in Specially Adapted Housing Grant from $50,000 to $55,000 and additional grant from $10,000 to $12,000.
  - Adaptive housing grants should be automatically adjusted annually.
- PVA supports the authorization for adaptive housing assistance for veterans who temporarily reside with parents or a sibling.

Disabled Veteran Outreach Program (DVOP)/Local Veterans Employment Representatives (LVER)

- PVA supports the proposed legislation that would require the DOL to establish professional qualifications for DVOP specialists and LVER staff.
- Implementation of these professional qualifications will require greater efforts on the part VETS, specifically the National Veterans Training Institute, as well as the Education and Training Administration.

Chairman Boozman, Ranking Member Herseth, members of the Subcommittee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to testify today on the H.R. 3082, the "Veteran-Owned Small Business Promotion Act;" H.R. 1773, a bill that permanently authorizes the Native American Home Loan Program; a draft bill to codify the VA "Office of National Disabled Veterans Sports Programs and Special Events;" a draft bill to increase the Specially Adapted Housing Grant; a draft bill to authorize adapted housing assistance for disabled veterans residing in housing owned by a parent or sibling; and a draft bill to establish professional qualifications for Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVER). PVA particularly appreciates the efforts of this Subcommittee to address the housing needs of disabled veterans. The many improvements made by these proposals will prove vital to the men and women who have incurred a disability in service to this country.

H.R. 3082, the "Veteran-Owned Small Business Promotion Act"

PVA fully supports this proposed legislation that would require the VA to award nine percent of procurement contracts to small businesses owned by veterans, and specifically disabled veterans. As a participating member of the Task Force for Veterans Entrepreneurship, PVA has worked with many of the veterans service organizations to ensure that veterans and disabled veterans are given proper consideration for contracting opportunities with the federal government. We played an active role in the enactment of P.L. 106-50, the "Veterans Entrepreneurship and Small Business Development Act of 1999." This law established a three percent goal for all prime contracts as well as the same goal for subcontracts awarded by federal agencies for service-connected disabled veteran-

owned small businesses. However, virtually every agency within the federal government has failed miserably to achieve this goal. It is even more disheartening that the federal department responsible to veterans, the VA, has done so poorly to achieve these established goals.

In 2003, Congress enacted P.L. 108-183, the "Veterans Benefits Act of 2003," that attempted to expand the possibilities for federal contracting with veteran-owned small businesses. This law allows federal agencies to offer sole-source contracts to veteran-owned small businesses that can successfully provide the contracted services and provide them at a fair and reasonable price.

As we have stated in the past, the flaw with P.L. 106-50 is that it establishes three percent as merely a goal for federal agencies to strive to achieve. PVA, and all of the organizations that comprise the Task Force for Veterans Entrepreneurship, have argued that three percent should be mandated. Federal agencies generally ignore this three percent goal because they know that no real sanctions can be taken against them.

For this reason, we welcome the requirement that the VA offer nine percent of procurement contracts to veteran-owned small businesses. This forces the VA to be accountable both to Congress and to the veterans it serves. The VA should set the bar that all other federal agencies should have to meet in contracting. We would encourage this Subcommittee to consider legislation that would mandate that at least three percent of all

contracting opportunities be offered to veteran-owned and disabled-veteran owned-small businesses.

PVA also appreciates the intent of the section of this legislation that requires the VA to maintain a database of veteran-owned small businesses. However, we believe that this may be unnecessary. Currently, the National Veterans Business Development Corporation (NVBDC) maintains the most comprehensive database of veteran-owned small businesses in this country. This information has been vital to the NVBDC's ability to assist veterans start their own businesses and open doors of opportunity for them. We would recommend that the VA coordinate with the NVBDC to obtain the most comprehensive information available.

H.R. 1773

PVA supports H.R. 1773 which would make permanent the pilot program established by P.L. 102-547 that authorizes the Secretary of Veterans Affairs (VA) to provide direct housing loans to Native America veterans. It has become more difficult for veterans to purchase a home because of soaring housing prices. Native American veterans are not shielded from the same difficulties. VA home loans have proven vital in allowing veterans to realize the dream of owning a home. The rates offered by the VA afford veterans opportunities that they might not otherwise have with a private lender. PVA supports making this pilot program permanent. Likewise, we have no objection to allowing the VA to offer these loans to the spouses of Native American veterans.

VA Office of National Disabled Veterans Sports Programs and Special Events

PVA supports the creation of an Office of National Disabled Veterans Sports Programs and Special Events and a director position to oversee this Office. PVA has a special interest in this Office as we are the chief sponsor, along with the VA, of the National Veterans Wheelchair Games (NVWG). Likewise, we fully support the activities of the National Disabled Veterans Winter Sports Clinic, the National Veterans Golden Age Games, and the National Creative Arts Festival. PVA has one of the highest participation rates of members in these events.

However, we would like to recommend that the Office be removed from the VA Office of Public Affairs and be consolidated under the Veterans Health Administration (VHA). Although these events serve as a good social event for veterans to interact, participation in these events is not just about being involved in an elite athletic competition. The ultimate purpose of the Wheelchair Games, Winter Sports Clinic, Golden Age Games and Creative Arts Festival is to provide the best rehabilitative therapy possible to maximize independence and enhance the quality of life for severely disabled veterans. Given that rehabilitation is part of the mission of VHA, we believe that it should be the controlling authority.

The importance of these events in the rehabilitation process cannot be overstated. PVA's Deputy Executive Director, John Bollinger, recently relayed a story to me about an experience he had while attending the Wheelchair Games. During the opening ceremony, he ran into a young Iraqi Freedom veteran who he had met last year at Bethesda Naval

Hospital. The young man was very depressed and emotionally strained. His mother informed Mr. Bollinger that he was having a hard time coping with his injury and situation. This was the first opportunity he had to get out and experience social and athletic activities with other veterans facing the same challenges he faces every day.

On the last day of the Games, Mr. Bollinger saw the young man again. He had won two gold medals participating in the Games. Mr. Bollinger explained that it would have been impossible to hide the smile on the young man's face. He had an entirely different outlook on life given his experiences. This perfectly exemplifies the importance of events like the Wheelchair Games in the rehabilitation process.

PVA believes that a separate line-item appropriation should be included in the VA budget to support these events. This would remove some of the burden that the VA carries when trying to raise funds to support these programs and allow it to focus on the actual purpose of these events—rehabilitation. PVA, veterans service organizations, and other co-sponsors of this events, could then continue to raise additional funds to support the events.

PVA appreciates the focus being placed on these important programs. With disabled servicemen and women exiting the military everyday, especially from Operations Enduring Freedom and Iraqi Freedom, these programs will provide a beacon of hope to those men and women who will continue to face challenges every day of their lives. PVA encourages the Subcommittee to consider the recommendations we have made to set this Office up for success.

Specially Adapted Housing

PVA fully supports the proposed legislation that would increase amount of the Specially Adapted Housing Grant from $50,000 to $55,000. PVA members are the highest users of this very important grant. It provides much needed assistance to veterans with severe service-connected disabilities who wish to purchase a house. PVA also supports the increase in the grant for veterans with service-connected blindness from $10,000 to $12,000.

In accordance with recommendations of *The Independent Budget*, we also believe that an additional change is necessary to this grant program. As the housing market has continued to boom, these grants have not kept pace. Without an annual adjustment to the grants, inflation will continue to erode the purchasing power of the grants. PVA recommends that Congress amend this legislation to include an automatic annual adjustment indexed to the rise in the cost-of-living.

PVA also supports the draft legislation that would authorize the VA to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling. Without this assistance, many veterans are forced to prolong their stay in a VA medical center because they have no accessible home to go to. I have personally experienced the difficulty created by this particular situation. After incurring a spinal cord injury while on active duty, I conducted rehabilitation at the VA medical center in Richmond. My wife and I were not immediately able to find a place to live due to our changed financial situation, so we lived with my parents for a couple of months. So that I

could gain access to their house while using a wheelchair, we paid to have a ramp installed and have a bathroom modified for my needs. This proved to be a substantial cost, particularly with regards to making improvements to the existing bathroom. Many young men and women could benefit from this adaptive housing assistance.

DVOP/LVER

PVA has worked closely with the other veterans service organizations and Hill staff over the last few years to continue to improve the programs administered by the Department of Labor's (DOL) Veterans Employment and Training Service (VETS). This is particularly true of the DVOP specialists and LVER. PVA fully supported P.L. 107-288, the "Jobs for Veterans Act," which required VETS to implement more meaningful performance measures for DVOP and LVER staff. These changes were meant to emphasize the placement of severely disabled veterans and other veterans facing barriers to employment and to avoid some forms of "cherry picking."

PVA supports the proposed legislation that would require the DOL to establish professional qualifications for DVOP specialists and LVER staff. These improvements can only ensure that veterans get the best quality employment service available to them. Implementation of these professional qualifications will require greater efforts on the part of VETS, specifically the National Veterans Training Institute, as well as the Education and Training Administration.

PVA looks forward to working with this Subcommittee to ensure that meaningful improvements are made to benefits programs veterans rely upon. We would be happy to answer any questions that you may have. Thank you.

Information Required by Rule XI 2(g)(4) of the House of Representatives

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2005

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— $228,000 (estimated).

Paralyzed Veterans of America Outdoor Recreation Heritage Fund – Department of Defense -- $1,000,000.

Fiscal Year 2004

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— $228,000 (estimated).

Fiscal Year 2003

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— $228,803.

William Carl Blake
Associate Legislative Director
Paralyzed Veterans of America
801 18th Street NW
Washington, D.C. 20006
(202) 416-7708

Carl Blake is an Associate Legislative Director with Paralyzed Veterans of America (PVA) at PVA's National Office in Washington, D.C. He represents PVA to federal agencies including the Department of Defense, Department of Labor, Small Business Administration, and the Office of Personnel Management. In addition, he represents PVA on issues such as homeless veterans and disabled veterans' employment as well as coordinates issues with other Veterans Service Organizations.

Carl was raised in Woodford, Virginia. He attended the United States Military Academy at West Point, New York. He received a Bachelor of Science Degree from the Military Academy in May 1998. He received the National Organization of the Ladies Auxiliary to the Veterans of Foreign Wars of the United States Award for Excellence in the Environmental Engineering Sequence.

Upon graduation from the Military Academy, he was commissioned as a Second Lieutenant in the United States Army. He was assigned to the 1st Brigade of the 82nd Airborne Division at Fort Bragg, North Carolina. Carl was retired from the military in October 2000 due to a service-connected disability.

Carl is a member of the Virginia-Mid-Atlantic chapter of the Paralyzed Veterans of America.

Carl lives in Fredericksburg, Virginia with his wife Venus and son Jonathan.

NMFA
National Military Family Association, Inc.
2500 North Van Dorn St., Suite 102 • Alexandria, VA 22302-1601 • (703) 931-6632 • Fax (703) 931-4600 • www.nmfa.org

The Voice for Military Families

Statement of

Deborah Kline Fryar

Deputy Director, Government Relations

National Military Family Association
Alexandria, Virginia

Before the

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
of the
HOUSE VETERANS' AFFAIRS COMMITTEE

July 27, 2005

Not for publication
until released by the
Committee

The National Military Family Association (NMFA) is the only national organization whose sole focus is the military family and whose goal is to influence the development and implementation of policies that will improve the lives of those family members. Our mission is to serve the families of the seven uniformed services through education, information and advocacy.

Founded in 1969 as the Military Wives Association, NMFA is a non-profit 501(c)(3) primarily volunteer organization. NMFA today represents the interests of family members and the active duty, National Guard, Reserve, and retired personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service, and the National Oceanic and Atmospheric Administration.

NMFA volunteer Representatives in military communities worldwide provide a direct link between military families and NMFA's staff in the nation's capital. Representatives are the "eyes and ears" of NMFA, bringing shared local concerns to national attention.

NMFA receives no federal grants and has no federal contracts.

NMFA's web site is located at *http://www.nmfa.org*.

Deborah Kline Fryar, Deputy Director, Government Relations

Ms. Fryar was hired as Deputy Director of Government Relations for the National Military Family Association (NMFA) in March 2004. In that position, she monitors issues relevant to the quality of life of families of the uniformed services and represents the Association at briefings and other meetings. She began as a volunteer with the Association in 1996 after being appointed as an NMFA Representative for Kaiserslautern, Germany and continued her service in Stuttgart, Germany, and Fort Lewis Washington. She was appointed to the NMFA Professional Development Program Committee (PDP) in May 2002. Ms. Fryar currently serves on the Congressionally-mandated Department of Defense Beneficiary Advisory Panel for the Uniform Formulary, which is a Federal Advisory Panel. She serves on The Military Coalition's Veterans and Health Care Committees. Additionally, she represents military families on the Navy Force Management Oversight Committee (FMOC) Working Group of the Injured Marines and Sailors Program.

A Texas transplant, Ms. Fryar earned a B.S. in Nursing from West Texas A&M University in Canyon, Texas. She has spent the past sixteen years as a military spouse. One of the most important parts of her life is her active duty husband, Ron, who is also a strong advocate of military families. She has been involved at all levels of family programs to include being a Core Instructor and Master Trainer for Army Family Team Building. Ms. Fryar has been involved in a myriad of other volunteer family programs to include Health Services Auxiliaries at various military hospitals, American Red Cross, Army Family Action Plan (AFAP), Marines' Toys for Tots, Compassionate Ministries, Ladies Ministries and a Military and Uniformed Services Support Group at her church.

EXECUTIVE SUMMARY

Wounded Servicemembers Have Wounded Families
NMFA asserts that behind every wounded servicemember is a wounded family. NMFA believes that support for the wounded/injured in today's conflict must take a more inclusive view of military families. That view cannot include just the spouse and the children.

Who are the Families of Wounded Servicemembers?
In the past, most benefit programs offered by the Department of Defense (DoD) and Department of Veterans Affairs (VA) have regarded a servicemember's family as only his/her spouse and children. Now, however, it is not unusual to see the parents and siblings of a single servicemember presented as part of the servicemember's family unit. Almost 50 percent of the force is single today. As more single servicemembers are wounded, their parents and siblings must take on the task of helping their son, daughter, brother, or sister through the recovery process. To serve all wounded/injured servicemembers, we must also provide support to the parents of single servicemembers and their siblings as well.

Adaptive Housing Assistance
Many families are spending much of their own money to pay for needed housing modifications, often taking out personal loans to pay for these adaptations. NMFA supports an increase to the amount of assistance for specially adapted housing. We also support adaptive housing assistance for disabled veterans residing temporarily in housing owned by a parent or sibling. Additionally NMFA recommends that Congress consider extending the Adaptive Housing Benefit to a multi-use benefit up to the limit provided in law.

Transition to VA
The transition between the DoD and the VA health system can be confusing for servicemembers and their families. Transition time lines and available services extended to wounded servicemembers sometimes vary by Service. NMFA is concerned that servicemembers in the transition to private sector employment continue to face challenges. NMFA supports the establishment of professional qualifications for disabled veterans' outreach program specialists and local veterans' employment representatives.

Mr. Chairman and distinguished members of this Subcommittee, the National Military Family Association (NMFA) appreciates your interest in the families of veterans, especially the families of servicemembers who have been disabled and injured. We are grateful to the Subcommittee for this opportunity to express our views concerning the needs of those families and to comment on the proposed legislation under discussion today. NMFA is concerned that servicemembers in the transition to private sector employment continue to face challenges. Of prime importance is the translation of military training skills. We also hear that some employment representatives hired to counsel wounded servicemembers are not experienced. Additionally, families have told us that more needs to be done to help financially during the servicemember's recovery time and transit to the Department of Veterans Affairs (VA).

NMFA appreciates your leadership and sensitivity in addressing the financial requirements and needs for increases in adaptive housing. The proposal to provide adaptive housing assistance for disabled veterans residing temporarily in housing owned by parents or siblings is critical to the families of single servicemembers. Likewise, the proposed increases in the amount of assistance for certain disabled veterans for specially adapted housing would be invaluable in keeping pace with today's increased construction costs, and would help alleviate some of the expenses that are often incurred by the families of wounded single servicemembers. Your insight to increases in adaptive housing and awareness of the need to hire professional individuals who are qualified to work as local veterans' employment representatives will go a long way in assisting wounded servicemembers in coming years.

Since the beginning of the Global War on Terrorism (GWOT), there have been 13,189 U.S. servicemembers Wounded in Action (WIA) (Washington Headquarters Service Defense Manpower Data Center, Statistical Information Analysis Division, June 30, 2005). That number increases almost daily. Of the total number of servicemembers wounded to date, 61.5 percent have been E-4 and below and almost 50 percent are under the age of 25. The force that is being wounded/injured today is a young force. In recent Congressional testimony, Major Tammy Duckworth, a wounded servicemember, stated *"...as I look around at the other wounded Soldiers, it is clear that the majority of them are young with long lives ahead of them. Whether we will continue to have the honor of serving in uniform, or return to productive civilian lives, we will require continued access to high quality VA services as we age. The VA will need to support this need over the long term as currently wounded Soldiers will be accessing its programs over a lifetime"* NMFA believes that it is imperative that a comprehensive system be in place not just to support wounded and injured veterans but also their families over the long term.

In this statement, NMFA will address issues related to families of servicemembers in the following subject areas:

- Wounded Servicemembers Have Wounded Families
- Who Are the Families of Wounded Servicemembers?
- Adaptive Housing Assistance
- Transition to VA

Wounded Servicemembers Have Wounded Families

NMFA asserts that behind every wounded servicemember is a wounded family. Spouses, children, parents, and siblings of servicemembers injured defending our country experience many uncertainties. Fear of the unknown and what lies ahead in the weeks, months, and even years, weighs heavily on their minds. Other concerns include the injured servicemember's return and reunion with their family, financial stresses, and navigating the transition process to the VA. It is NMFA's belief that, when designing support for the wounded/injured in today's conflict, the government, especially the VA, must take a more inclusive view of military families. That view cannot include just the spouse and the children. To serve all wounded/injured servicemembers, we must also provide support to the parents of single servicemembers and their siblings as well.

Who are the Families of Wounded Servicemembers?

In the past, the VA and the Department of Defense (DoD) have generally focused their benefit packages for a servicemember's family on his/her spouse and children. Now, however, it is not unusual to see the parents and siblings of a single servicemember presented as part of the servicemember's family unit. In both the active and reserve components, almost 50 percent of the force is single. Having an injured or wounded servicemember is new territory for family units. Regardless if the servicemember is married or single, their families will be affected in some way by the injury. As more single servicemembers are wounded, more parents and siblings must take on the task of helping their son, daughter, brother, or sister, through the recovery process. Most parents and siblings are thankful their servicemember survived and for the outstanding medical care their servicemember is receiving; however, the burden of care can be overwhelming.

Military units and family readiness groups have been forced to communicate with parents during deployments because parents expect to be included in information about their deployed children. When that single servicemember is injured, the parent(s) are taking time off their jobs or even quitting their jobs to travel to Walter Reed Army Medical Center or the National Naval Medical Center at Bethesda to be with and care for their child. They are the ones driving the servicemember to therapy, learning how to care for their wounds, and watching for signs of physical setbacks or some sort of mental illness during the recovery. Because the severely injured single servicemember cannot be on their own, there is only one place they can go when they leave the hospital: back to Mom and Dad. NMFA has heard of some married servicemembers, their spouses and small children going back to live with their parents for a short time following their hospitalization. The proposed bill this Subcommittee is reviewing to expand the support for adaptive housing to parents of these servicemembers recognizes the role parents are assuming as caregivers for our severely injured heroes, especially in the period immediately after their release from the hospitals.

Adaptive Housing Assistance

When wounded servicemembers go home to recuperate in the homes of their parents and siblings, their families are spending much of their own money to pay for needed modifications, often taking out personal loans to pay for necessary housing adaptations. Whether installing wheelchair ramps, adapting bathrooms with handicap

accessories, redoing floors, widening doors and hallways, installing handrails and specialized Braille products, or hiring electricians and plumbers, the costs for making these adaptations is expensive for these families. Caring for the injured/wounded in their homes during their recovery time, these families forgo their own lives for the needs of their wounded child or sibling.

Immediate and long term financial pressures affect the family of every wounded/injured servicemember. The initial hospitalization and recovery period often requires the servicemembers' family to leave work for an extended period of time in order to be with their loved one, thus potentially losing a source of income and incurring tremendous travel expenses, child care costs and other unexpected living expenses. The added home renovation/construction costs often are necessary at a time when the family can least afford these expenses. Faced with the imminent arrival of the servicemember home from the hospital, families feel they must make the renovations—regardless of their ability to pay—in order to ease the recovery of their child. One injured servicemember's parents, who had to abandon their jobs to care for their wounded son, voiced a concern that they didn't know how families who depended on two incomes could quit their jobs to take care of their disabled son or daughter. Another servicemember's parents said he and his wife are pleased with the medical care their son received, but the military needs to take a look at the assistance provided to parents of wounded servicemembers. The increased financial burden placed on families of wounded servicemembers to pay out of pocket for housing adaptations requires immediate attention.

NMFA supports an increase to the amount of assistance to specially adapted housing. We also support adaptive housing assistance for disabled veterans residing temporarily in housing owned by a parent or sibling.

Currently, severely disabled servicemembers are eligible for a one time only use Adaptive Housing through the VA. While this is a noteworthy benefit, the problem is that the modification is a "one-time" use benefit and funds not used initially cannot be reserved for use at a later time. NMFA would like to see the benefit be converted to a multi-use benefit where the balance could be carried over. Since many of the severely injured troops return to their parents' homes before subsequently moving to their own homes, they would benefit from the opportunity to carry over any unused portion of the allowance.

NMFA recommends that Congress consider extending the Adaptive Housing Benefit to a multi-use benefit up to the limit provided in law.

Transition to the VA

The transition between the DoD and the VA health system can be confusing for servicemembers and their families. Transition time lines and available services extended to wounded servicemembers sometimes vary by Service. The DoD and each military Service have developed unique programs for treating seriously injured servicemembers: the Army Disabled Soldier Support System (DS3), the Marine For Life (M4L), the Navy Sea Warrior/ Safe Harbor, the Air Force Palace HART, and the DoD Military Severely Injured Center. These programs have each made progress in the delivery of information and

support services for the injured and their families. NMFA thanks the Services and the DoD for their efforts to provide support to injured servicemembers and their families and hopes they will continue their joint efforts. We continue to ask that the role of the DoD and the VA be clearly explained and delineated and joint efforts between all the Services and the VA in support of the servicemember and family continue to be the priority.

We would ask that the DoD, VA, and Department of Labor continue joint efforts in placing wounded servicemembers and their spouses in proper jobs. As mentioned earlier, translation of military training skills into everyday job terms is an important part of helping disabled veterans placed in comparable jobs that utilize their skills. To help ensure that servicemembers are being serviced by highly trained employment counselors who understand the issues involved in properly placing disabled veterans, **NMFA supports the establishment of professional qualifications for disabled veterans' outreach program specialists and local veterans' employment representatives.**

Invisible Wounds

NMFA also realizes that visible wounds are not the only injuries affecting military families. Many servicemembers will return with psychological injuries manifesting as anxiety, mood disorders, depression, and Post Traumatic Stress Disorder (PTSD). Wounded servicemembers are at higher risk of developing PTSD or psychological or emotional problems. Over time, some servicemembers may be predisposed to alcoholism and drug abuse, unemployment, homelessness and suicide. While these psychological injures are inflicted by the hazards and trauma of being in a combat environment, the unfortunate reality is that the stigma of having mental health injuries causes many individuals to suffer silently. Psychological disorders can make the transition from military to civilian life a harrowing one and in the process, families can become collateral damage. NMFA asks DoD, the VA, and Congress to remain vigilant regarding mental health issues affecting returning servicemembers and their families.

Because "wounded servicemembers have wounded families," NMFA recommends the following to support wounded and injured servicemembers and their families:

- Include parents in the definition of family when discussing the support needs of servicemembers;
- Increase the amount of money available for adaptive housing;
- Provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling;
- Establish professional qualifications for disabled veterans' outreach program specialists and local veterans' employment representatives;
- Encourage continued coordination efforts between the military Services, OSD, and the VA in support of the wounded servicemember and family;
- Continue awareness of mental health issues affecting returning servicemembers.

Mr. Chairman, NMFA appreciates the opportunity to raise awareness of issues affecting wounded servicemembers' families. We are thankful for your leadership and

sensitivity in addressing the financial requirements and needs for increases in adaptive housing and assistance for disabled veterans residing temporarily in housing owned by parents or siblings. Your willingness to address the need to hire professional individuals who are qualified to work as local veterans' employment representatives will go a long way in assisting wounded servicemembers for an extended time.

Testimony

Of

John K. Lopez, SDV, Chairman
Association for Service Disabled Veterans
110 Maryland Ave., NE, Suite 100
Washington, DC 20002

To

The Subcommittee on Economic Opportunity of
The House Committee on Veterans' Affairs

Wednesday, 27 July 2005, 2:30 p.m.
Room 334, Cannon House Office Building

"H.R. 3082 AND THE IMPLEMENTATION OF THE VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999 AND SECTION 308 OF THE VETERANS BENEFIT ACT OF 2003"

Testimony

Of John K. Lopez

July 27, 2005

Good afternoon Members, I would like to thank you for your kind invitation to present the views of the Association for Service Disabled Veterans (ASDV) regarding the important matters before the Committee.

Without objection, I shall summarize my testimony and submit my full statement for the record.

The 25 million military veterans of our nation thank the Chairman and Ranking Members of the Committee and Subcommittees for the compassionate and responsible leadership that they have demonstrated in the development of veterans entrepreneurship.

H.R. 3082, **"THE VETERAN OWNED SMALL BUSINESS PROMOTION ACT OF 2005",** is a splendid example of the Committees concern and focus, in responding to the veteran need for rehabilitation and transition assistance.

H.R. 3082 gives specific authority to the Department of Veterans Affairs (USDVA) to accept direct responsibility for the provision of benefit to the veterans, and especially, the service disabled veteran. It puts the task to that agency specifically established for the purpose of serving "those who bore the battle".

H.R. 3082 also puts focus on a more direct and specific course of action for USDVA efforts, as we have experienced with P.L. 106-50 and P.L. 108-183. The legislated intent of the U.S. Congress has been variously interpreted by regulators due to the necessity for inserting and parsing of the required language, statements and references, of existing regulations and public laws.

H.R. 3082 is a welcome clarification of the resolve of the Committee to clearly state the public willingness to assist in the rehabilitation of our nations veterans.

H.R. 3082 also clarifies the misconception that Veterans Entrepreneurship and the proposed act is a socio-economic development initiative or a cultural inequity panacea.

It is not!!

H.R. 3082 is a specified contribution to that continuing obligation of our nation to rehabilitate those veterans that sacrifice for our nations security and prosperity.

There is no justification for requiring that service disabled veteran indemnification and rehabilitation be adjusted to the conduct of any other government program.

The service disabled veterans government service incurred misery is unique! Future generations of American military heroes will be forever indebted to the 106th, 107th, 108th, and 109th Congress, and especially the 109th Congress, for their commitment to honor and support those killed, maimed, and tortured in the continuing struggle to provide security and prosperity for the people of the world.

Those Iraqi-Afghanistan veterans returning from harms way are experiencing a different outreach from others who have served and that is a tribute to the consciences of the Members of the U.S. Congress.

We ask that the Congress enact H.R. 3082 expeditiously and that the Congress stay acutely engaged in a process of verifying that the intent of the legislation is implemented!

Thank you for your attention. I would be pleased to answer any questions the Members may have.

EXECUTIVE SUMMARY OF
JOSEPH C. SHARPE JR., DEPUTY DIRECTOR
ECONOMIC COMMISSION, THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
JULY 27, 2005

Mr. Chairman and Members of the Subcommittee:

The American Legion appreciates this opportunity to express our views on the many important bills being considered today by the Committee.

H.R. ____, A draft bill to authorize the Secretary of Labor to establish professional qualifications for disabled veterans outreach program specialists and local veterans' employment representatives.

This draft bill is to amend title 38, United States Code, to direct the Secretary of Labor to establish professional qualifications for disabled veterans' outreach program specialists (DVOP) and local veterans' employment representatives (LVER). The American Legion believes there is a direct correlation between the successful placement of veterans into training programs and job placement with having professional qualifications standards set for DVOPs and LVERs.

H.R. 3082, "The Veteran-Owned Small Business Promotion Act of 2005."

This legislation would amend title 38, United States Code, to require that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by veterans, and for other purposes. The American Legion supports this bill.

H.R. 1773, A bill to make permanent an existing "pilot" program of direct home loans to Native American Veterans, and for other purposes.

This legislation amends title 38, United States Code, to make permanent the Native American Veteran Housing Loan Program, (set to expire after December 31, 2008). The American Legion supports the purpose of this loan program.

H.R. ____, A draft bill to establish at the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events.

This legislation requires the Department of Veterans Affairs establish an Office of National Disabled Veterans Sports Programs and Special Events that would encourage and facilitate disabled veterans in participating in sporting events. The American Legion supports any bill that would enhance the quality of life for our nations disable veterans.

H.R. ____, A draft bill to increase the amount of assistance for certain disabled veterans for specially adapted housing.

This bill increases the maximum available grant to eligible veterans for specially adapted housing. The American Legion is pleased to support this legislation.

H.R. ____, A draft bill to authorize the Secretary of Veterans Affairs to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

This legislation authorizes VA to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling. The American Legion fully supports this bill. Mr. Chairman, this concludes my statement.

STATEMENT OF
JOSEPH C. SHARPE JR., DEPUTY DIRECTOR
NATIONAL ECONOMIC COMMISSION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERAN' AFFAIRS
UNITED STATES HOUSE OF REPERESENTATIVES
ON
BENEFITS-RELATED LEGISLATIVE INITIATIVES

JULY 27, 2005

Mr. Chairman and Members of the Subcommittee:

The American Legion appreciates this opportunity to express our views on the many important bills being considered today by the Committee. We applaud the Committee for holding hearings on these vital issues.

H.R. , A draft bill to authorize the Secretary of Labor to establish professional qualifications for disabled veterans outreach program specialists and local veterans' employment representatives.

This draft bill is to amend title 38, United States Code, to direct the Secretary of Labor to establish professional qualifications for disabled veterans' outreach program specialists (DVOP) and local veterans' employment representatives (LVER). The LVERs and DVOPs are the heart and soul of VETS (Veterans Employment Training Services). The mission of VETS is to promote the physical, emotional and economic security of America's veterans. The vision of the VETS program is to create a seamless transition back to civilian life for veterans. It is composed of many dedicated professional veterans who struggle to maintain a quality, veteran-oriented program. The role of VETS is to augment local employment service offices and handle the hard-to-place veterans.

The LVER's role is to:

- Ensure veterans are receiving quality services from local employment services employees;
- Maintain regular contact with community leaders, employers, labor unions, training programs, and veterans' service organizations;
- Conduct job search assistance workshops
- Provide job development and job referrals.
- Provide labor market information
- Provide referrals to training and supportive services
- Facilitate guidance and counseling service to certain veterans

The LVER has no counterpart in a local employment service office. Their only supervisory responsibility is any assigned DVOP. As taxed as the LVER may be, the DVOP's job is just as demanding. DVOP's can be relied on to:

- Develop jobs leads and job training opportunities through contacts woth employers;
- Promote and develop apprenticeship and on-the-job training opportunities with employers;
- Carry out outreach activities to locate veterans in need of job assistance;
- Provide assistance to employers in securing job training opportunities for eligible veterans;
- Assist local employment services office employees with in their responsibilities for serving veterans;
- Promote and assist in the development of entry-level and career job opportunities;

With the dramatic increase in the number of veterans from the wars in Iraq and Afghanistan being discharged, and the unacceptable unemployment rates among female veterans and all veterans between the ages of 20 and 24, the roles and professionalism of the DVOPs and LVERs in assisting all transitioning veterans to the civilian workforce are increasingly important. Furthermore, The American Legion believes there is a direct correlation between the successful placement of veterans into training programs and job placement with having professional qualifications standards set for DVOPs and LVERs.

The unique experience of military service serves as a benefit to veterans who are employed as DVOPs and LVERS. That shared experience enables DVOPs and LVERS to better understand the needs of the veterans seeking assistance and ultimately results in more timely and efficient assistance. The American Legion strongly supports the hiring requirement of both DVOPs and LVERS to be veterans.

Additionally, VA Vocational Rehabilitation Service has long been criticized for emphasizing training over job placement. The American Legion believes that VETS should be required to work more closely with VA VocRehab because of VETS' expertise in the field.

H.R. 3082, "The Veteran-Owned Small Business Promotion Act of 2005."

This legislation would amend title 38, United States Code, to require that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by veterans, and for other purposes. Veterans' benefits have always included assistance in creating and operating veteran-owned small businesses. This assistance dates back to the Servicemen's Readjustment Act of 1944. The American Legion supports this bill that adds value to the nature of military service and transfers that service into the federal market place.

H.R. 1773, A bill to make permanent an existing "pilot" program of direct home loans to Native American Veterans, and for other purposes.

This legislation amends title 38, United States Code, to make permanent the Native American Veteran Housing Loan Program, (set to expire after December 31, 2008) under which the Secretary of Veterans Affairs may make direct housing loans to Native American veterans; to include limiting the amount of any increase in the principal amount of any direct housing loan made to a Native American; and extend the eligibility for such direct loans to a non-Native American veteran who is the spouse of a Native American. The American Legion supports the purpose of this loan program to give Native American veterans an opportunity to purchase, construct, or renovate homes on trust lands, and applauds the success this program has had in ensuring that qualified Native American veterans have the opportunity to purchase homes on trust land. Before this pilot program was implemented, commercial home loan institutions would not give individuals home loans on trust lands due to the unique relationship between the trust land and the federal government. The government actually owns the land, but will lease the land to Native Americans for an extended period of time. However, with VA currently having the authority to make direct loans to Native Americans, there is no need to have commercial lending institutions involved in the lending process. Since the pilot program's inception, over 468 loans have been disbursed, resulting in a sharp rise of homeownership within the Native American veteran community. By making this program permanent and with continued outreach efforts by VA to the Native American veteran community, the number of home loans made to Native American veterans will continue to increase in the coming years.

H.R. ____, A draft bill to establish at the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events.

This legislation requires the Department of Veterans Affairs establish an Office of National Disabled Veterans Sports Programs and Special Events that would encourage and facilitate disabled veterans in participating in sporting events. The American Legion supports any bill that would enhance the quality of life for our nations disable veterans.

H.R. ____, A draft bill to increase the amount of assistance for certain disabled veterans for specially adapted housing.

This bill increases the maximum available grant to eligible veterans for specially adapted housing from the current $50,000 to $55,000 and special home adaptations from $10,000 to 12,500. Specially adapted housing grants are made available for the installation of wheel chair ramps, chair lifts, modifications to kitchens and bathrooms and other adaptations to homes for veterans who cannot move about without the use of wheelchairs, canes or braces or who are blind and suffer the loss or loss of use of one lower extremity. Special home adaptation grants are available for veterans who are legally blind or have lost or lost the use of both hands. Given the rising costs of construction materials and services, The American Legion is pleased to support this legislation.

H.R. ____, A draft bill to authorize the Secretary of Veterans Affairs to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

This legislation authorizes VA to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling. As in all wars, the majority of disabled veterans returning home are young persons who have not yet established themselves in their own homes and who return to their families of origin. This enlightened legislation would mitigate the financial burden to parents, brothers or sisters who make needed home modifications to accommodate these deserving veterans. The American Legion fully supports this bill.

Mr. Chairman, this concludes my statement. I will be happy to answer any questions you may have.

Vietnam Veterans of America

8605 Cameron Street, Suite 400 • Silver Spring, MD 20910 • Telephone (301) 585-4000
Main Fax (301) 585-0519 • Advocacy (301) 585-3180 • Communications (301) 585-5245 • Finance (301) 585-5542
World Wide Web: http://www.vva.org

A Not-For-Profit Veterans Service Organization Chartered by the United States Congress

Statement

Of

Vietnam Veterans of America (VVA)

Submitted by

Richard Weidman
Director of Government Relations

With

Alan Gibson, Chairman
VVA National Employment, Training, & Business Opportunities

Before the
Subcommittee on Economic Opportunities
Committee on Veterans Affairs,
U.S. House of Representatives

July 27, 2005

Mr. Chairman, Ranking Member Herseth, and distinguished Members of this panel, thank you for allowing Vietnam Veterans of America (VVA) to present our views on these important issues and contemplated legislation before the Committee today. On behalf of VVA National President Thomas H. Corey and our members and leaders nationwide, congratulations and commendation to each of you for this and other productive hearings you have held earlier this year. Acknowledgement is due to Mr. Alan Gibson, Chairman and to the VVA National Employment, Training, & Business Opportunities Committee he leads for the guidance and work on VVA's remarks here today.

In regard to the Unnumbered HR Bill on Increase in Assistance Amount for Specially adapted Housing, VVA strongly supports this change to increase the assistance. VVA's only concern is whether this increase will be enough to offset the rapidly escalating costs of building materials in all areas of the nation, so that perhaps consulting with the National Builders Association and others may be in order before you go to final mark up of this much needed legislation.

VVA favors Unnumbered HR Bill on Adaptive Housing Assistance for Temporary housing. It is often the case, particularly with younger veterans, that they will return to live with their parents or another family member for a time until they feel ready to launch out on their own. This is an important step to recognize this reality, and you are to be commended for drafting this proposed legislation. Once again, our only concern is as to whether this is enough to do even temporary (but safe) modifications.

In regard to Unnumbered HR Bill on Establishing Professional Qualifications for DVOPs VVA has some serious questions to the means proposed, although not to the concept. - Why is this left to the Department Of Labor without any mention of the Veterans Employment & Training Service (VETS)? Without VETS input, and required consultation with the Veterans Service Organizations, you will have those who have never done the job making decisions on what that job should entail. This would also be yet another opportunity for the Employment & Training Administration to thwart the will of the Congress, in collaboration with many of the Work Force Development Agencies.

All of us familiar with this area already know that what is required by a DVOP cannot be all done by one human being now, even if the local office or center would allow them to do their job properly. If they are going to make professional qualifications they had better be ready to pay for those qualifications. The law currently requires that these positions pay AT LEAST the same pay as a beginning employment specialist in the same agency. However, that "floor" became a "ceiling" almost immediately. The only way many can afford to become a DVOP is because they Military, receive disability compensation in some amount, and have a spouse that works in a reasonably lucrative profession.

VVA would suggest that the Committee consider linking individual pay to these proposed qualifications AND to productivity. Similarly, the funds available to a state or even an SMSA (Standard Metropolitan Statistical Area) should be directly tied to real placement numbers (not the UI rolls sham of so-called "placements" currently in place), particularly in regard to disabled veterans.

VVA strongly agrees with the need for HR 1773 - Native American Housing Loan, and agrees with the bill as written.

In regard to H.R. 3082- the "Veteran Owned Small Business Promotion Act of 2005" Vietnam Veterans of America commends the Committee leaders and Members for continued concern and action to assist veteran business owners, particularly sevice disabled veteran business owners. The move to increase the goal for all veteran owned business owners to 9% of all prime contracts and 9% of all subcontracts is indeed commendable. VVA does, however, encourage you to consider increasing the goal for all veteran owned businesses to 15% and for service-disabled veterans to 5% at the U.S. Department of Veterans Affairs.

Even the Small Business Administration says that over 20% of all small enterprises are veteran owned and operated, and it should be remembered that the genesis of what ultimately became Public Law 106-50, was HR 5668 which passed the House of Representatives with not dissenting votes in July of 1999, called for a 5% goal for service disabled veterans in all prime contracts and all subcontracts in each agency. The arguments of the then Administration and have the Office of Management & Budget was that it should be reduced because nobody knew how many service-disabled veteran owned businesses existed. In order to get legislation enacted, the goal was reduced to 3%, with the understanding that the issue would be revisited after the study of service disabled veterans (commonly known as the "Camacho Report") was formally delivered to the Congress and released to the public. As of this week, the SBA still has not delivered this report, paid for with taxpayer dollars, to the Congress as required by law. Therefore, we urge the Committee to move to restore the 5% that was the original judgment of the right goal for service disabled veteran business owners by the House of Representatives.

Even more importantly, there must be some sort of sure, swift, and meaningful sanctions for decision makers and contract officers who just simply ignore the law, and even President Bush's Executive Order 13-360 of October 2004. Recently, an active duty field grade officer on the Army's Advertising Group is reputed to have stated in regard to the 3% goal for service disabled veteran business owners "that does not apply here." Incredibly, he still has his rank and position after having shown such disrespect for a lawful order of his Commander In Chief. That is but one of hundreds of examples we can share with you as to the non-compliance with existing law, even though it has now been greatly reinforced by the President's Executive Order. We do not pretend to know what the right sanctions are that would work, but there must be something that can be done to uphold the law. This lack of accountability by Federal managers is an issue that has rankled VVA for 25 years, and we look forward to working with the distinguished members on this panel to achieve much greater accountability at every level of the Federal government and by Federally funded endeavors.

Also in regard to H.R. 3082, VVA believes that on Page 5, that section "(C) 10 year delimiting date should be stricken from the list of ending dates. The reason is that- any Disabled Veteran who dies and the spouse takes his/her position may have small children and/or not have reached retirement age at the end of 10 years, stills needs a means of making a livelihood for him/herself

and or children. This is not taking care of the Veteran or his/her surviving spouse who has borne the battle as well if this 10-year date is left intact.

A key issue that VVA would urge you to modify is the effective date of this legislation once enacted. Why the delay until 2006? Why not now, at the end of FY 2005? If there is a delay until the end of FY2006 there will be 2 chances to delete the effective date and/or Bill. More importantly, VA has had plenty of time to prepare, as they have had a 7% goal for all veteran owned businesses for more than three years, so their marketing plans should already be in place and functioning smoothly.

Lastly, Mr. Chairman, VVA favors passage of the Unnumbered HR Bill on VA Disabled Veterans Sports Program in establishing an office with the links noted in the draft bill.

Mr. Chairman, That concludes my remarks. I will be pleased to answer any questions or provide any clarifications you may need.

VIETNAM VETERANS OF AMERICA
Funding Statement
July 27, 2005

The national organization Vietnam Veterans of America (VVA) is a non-profit veterans membership organization registered as a 501(c)(19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the House of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any federal grant or contract, other than the routine allocation of office space and associated resources in VA Regional Offices for outreach and direct services through its Veterans Benefits Program (Service Representatives). This is also true of the previous two fiscal years.

For Further Information, Contact:
Director of Government Relations
Vietnam Veterans of America.
(301) 585-4000, extension 127

RICHARD WEIDMAN

Richard F. "Rick" Weidman serves as Director of Government Relations on the National Staff of Vietnam Veterans of America. As such, he is the primary spokesperson for VVA in Washington. He served as a 1-A-O Army Medical Corpsman during the Vietnam war, including service with Company C, 23rd Med, AMERICAL Division, located in I Corps of Vietnam in 1969.

Mr. Weidman was part of the staff of VVA from 1979 to 1987, serving variously as Membership Service Director, Agency Liaison, and Director of Government Relations. He left VVA to serve in the Administration of Governor Mario M. Cuomo (NY) as statewide director of veterans employment & training (State Veterans Programs Administrator) for the New York State Department of Labor.

He has served as Consultant on Legislative Affairs to the National Coalition for Homeless Veterans (NCHV), and served at various times on the VA Readadjustment Advisory Committee, the Secretary of Labor's Advisory Committee on Veterans Employment & Training, the President's Committee on Employment of Persons with Disabilities - Subcommittee on Disabled Veterans, Advisory Committee on veterans' entrepreneurship at the Small Business Administration, and numerous other advocacy posts in veteran affairs.

Mr. Weidman was an instructor and administrator at Johnson State College (Vermont) in the 1970s, where he was also active in community and veterans affairs. He attended Colgate University (B.A., (1967), and did graduate study at the University of Vermont.

He is married and has four children.

TESTIMONY OF

JOHN M. MCWILLIAM

DEPUTY ASSISTANT SECRETARY FOR OPERATIONS AND MANAGEMENT VETERANS' EMPLOYMENT AND TRAINING U.S. DEPARTMENT OF LABOR

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY COMMITTEE ON VETERANS AFFAIRS

U.S. HOUSE OF REPRESENTATIVES

July 27, 2005

Chairman Boozman, Ranking Member Herseth, and distinguished members of the Subcommittee.

It is my honor to appear before this committee today on behalf of Secretary Elaine Chao to present the views of the Department of Labor (DOL) regarding several bills and draft bills.

A draft bill to increase the amount of assistance for certain disabled veterans for specially adapted housing.

DOL generally supports appropriate legislation that benefits veterans, but DOL respectfully defers to the Department of Veterans Affairs on the draft bill to increase assistance for certain disabled veterans for specially adapted housing.

A draft bill to authorize the Secretary of Veterans Affairs to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

DOL generally supports appropriate legislation that benefits veterans, but DOL respectfully defers to the Department of Veterans Affairs on the draft bill to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

A draft bill to authorize the Secretary of Labor to establish professional qualifications for disabled veterans outreach program specialists and local veterans' employment representatives.

This draft bill requires the Secretary of Labor to establish professional qualifications for the employment and continued employment of persons as Disabled Veterans Outreach Program specialists (DVOPs) and Local Veterans Employment Representatives (LVERs). The Secretary would be required to establish those standards within 180 days of enactment of the Act. Persons employed as DVOPs and LVERs at the time of enactment would be allowed a five year period to meet the continued employment qualifications.

The Jobs for Veterans Act (Public Law 107-288) requires that states employ, to the maximum extent possible, qualified disabled veterans to serve as DVOPs, and qualified veterans or other eligible persons to serve as LVERs, but do not set specific standards for establishing the qualifications of candidates for these positions.

We agree that establishing qualification standards for the DVOPs and LVERs could enhance services to veterans and improve their employment outcomes. However, in order to better understand the nature and extent of these professional standards, including how we would go about implementing them, we believe a thorough review of this issue is required. Therefore, our approach, consistent with the Human Capital reforms in the President's Management Agenda, would be first to initiate a workforce analysis to identify the specific competencies needed by DVOPs and LVERs, any existing skill gaps, and options for closing these gaps.

DVOPs and LVERs are state merit employees whose employment standards are currently established by state workforce agencies. The establishment of national employment standards in the DVOP and LVER programs could provide a common level of standardization among the states by establishing, for the first time, competency models to guide their workforce activities. We would want to involve our stakeholders at the national and state levels on the front end of this initiative to ensure a workable program.

H.R. 1773, a bill to make permanent the Native American Veteran Housing Loan Program, and for other purposes.

DOL generally supports appropriate legislation that benefits veterans, but DOL respectfully defers to the Department of Veterans Affairs on H.R. 1773, a bill to make permanent the Native American Veteran Housing Loan Program, and for other purposes.

H.R. 3082, a bill to require that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by veterans, and for other purposes.

DOL generally supports appropriate legislation that benefits veterans, but DOL respectfully defers to the Department of Veterans Affairs on H.R. 3082, a bill to require

that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by veterans, and for other purposes.

A draft bill to establish on the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events.

DOL generally supports appropriate legislation that benefits veterans, but DOL respectfully defers to the Department of Veterans Affairs on the draft bill to establish on the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events.

Mr. Chairman, this concludes my testimony. I am pleased to respond to any questions.

STATEMENT OF

KEITH PEDIGO

DIRECTOR, LOAN GUARANTY SERVICE

DEPARTMENT OF VETERANS AFFAIRS

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

HOUSE COMMITTEE ON VETERANS' AFFAIRS

JULY 27, 2005

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to testify today and present the views of the Department of Veterans Affairs on six bills of great interest to our Nation's veterans.

H.R. 1773

The first bill I will discuss, Mr. Chairman, is H.R. 1773, which would make several amendments to the VA Native American Direct Loan program. Under this program, qualified Native American veterans living on trust land may receive direct housing loans from VA.

2.

First, this bill would make the Native American Direct Loan program permanent. Under this program, which was enacted as a pilot program in October 1992, VA has made over 450 loans to Native American veterans living on trust lands. This program is currently set to expire December 31, 2008.

VA believes the Native American Direct Loan program has proven to be a viable benefit which provides financing to a unique class of veterans residing in areas where private funding is not generally available. VA looks forward to working with the Congress to extend this program. We are advised, however, that the Department of Justice has some constitutional concerns. We would be pleased to work with the Committee staff and the Department of Justice to address those issues and develop legislation that the Administration can support.

In addition, H.R. 1773 would tie the maximum permitted Native American Direct Loan to the single-family conforming loan limit established by the Federal Home Loan Mortgage Corporation (also known as "Freddie Mac"). The Veterans Benefits Improvement Act of 2004 tied the maximum VA housing loan guaranty to the Freddie Mac single-family conforming loan limit. We believe tying the maximum Native American Direct Loan to the same Freddie Mac limit is appropriate, and VA supports that proposal.

Finally, H.R. 1773 would extend eligibility for a Native American Direct Loan to a veteran who is not a Native American, but who is married to a Native American non-veteran. To be eligible for such a loan, the qualified non-Native American veteran and the spouse must reside on trust land, and both the veteran and spouse must have a meaningful interest in the dwelling or lot.

Due to the scarcity of private financing on tribal trust land, non-Native American veterans who choose to live with a Native American spouse on tribal trust land are effectively precluded from obtaining VA guaranteed loans. VA is

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not certain how many tribes allow non-Native American spouses who reside on trust land to obtain a meaningful interest in the dwelling. In cases where tribal law allows such an interest, VA has no objection to extending this benefit as proposed by H.R. 1773.

VA estimates enactment of H.R. 1773 would produce a discretionary first-year savings of $708 thousand, and a discretionary 10-year savings of approximately $23 million.

H.R. 3082

The next item I will address, Mr. Chairman, is H.R. 3082, the "Veteran-Owned Small Business Promotion Act of 2005."

This bill would:

- Establish a set-aside tool for veteran-owned small businesses;
- Enable surviving spouses of veterans to participate in the Federal marketplace after the loss of their loved one; and
- Provide VA with authority to "Choose Veterans First" when filling requirements for our Department.

H.R. 3082, Mr. Chairman, proposes to establish a nine percent procurement requirement for the Department of Veterans Affairs for both prime contracting and subcontracting. While the Administration supports expanding opportunities for veterans' small businesses in Federal contracting through appropriate goals and incentives, the Administration does not support mandating that a certain percentage of contract dollars go to certain businesses.

4.

DRAFT BILL -- INCREASE IN ADAPTIVE HOUSING GRANTS

Mr. Chairman, you also requested our views on a draft bill which would increase the maximum Specially Adapted Housing grants. The maximum Specially Adapted Housing grant authorized by section 2101(a) of title 38, United States Code would be increased from $50,000 to $55,000, and the maximum Special Housing Adaptations grant authorized by section 2101(b) would be increased from $10,000 to $12,000. VA favors enactment of this measure.

These grants were last increased by Public Law 108-183, enacted December 16, 2003. The cost of construction has risen in the past year and a half, and continues to increase. VA believes an increase in the amount of this important benefit to eligible veterans with total and permanent service-connected disabilities is justified and appropriate.

VA estimates that enactment of this draft bill would produce first year costs of $4.2 million and a 10-year cost of $46.5 million.

DRAFT BILL -- GRANTS FOR TEMPORARY ADAPTIVE HOUSING

The next draft bill, Mr. Chairman, would authorize the Secretary to provide additional assistance to a veteran who is eligible for Specially Adapted Housing under chapter 21 of title 38, United States Code, and who is temporarily residing in a home owned by the veteran's parent or sibling. This assistance would be in the form of a grant to assist the veteran in adapting the temporary residence to meet the veteran's special needs.

The temporary residence grant for a veteran who is eligible for the grant authorized by section 2101(a) of title 38 could not exceed $10,000, and in the case of a veteran eligible for the grant authorized by section 2101(b), the

temporary residence grant could not exceed $2,000. Only one such grant for a temporary residence would be permitted for any one veteran. If the veteran subsequently receives a grant under section 2101 for a permanent residence, the amount of the assistance received under this proposed authority would be deducted from the maximum grant otherwise authorized by section 2102.

VA believes the intent of this draft bill is laudable, and has no objection to the concept of this legislation. Before VA can endorse this or any similar legislation, however, we believe more study of this new proposal is required and a number of practical issues need to be resolved.

For example, Mr. Chairman, the veteran would have no ownership interest in the temporary residence, and would be at the mercy of the parent or sibling for being permitted to continue to occupy the adapted temporary residence. Should the owner need or desire to sell the residence, or if the veteran and relative have a falling out, the veteran could be forced to vacate the residence prematurely and would lose the benefit of this one-time assistance. In addition, a number of veterans needing a temporary residence may not be able to obtain accommodations with a parent or sibling. We question whether qualified temporary residences should be so limited.

Due to the high costs of construction, many homes cannot be adequately adapted, even as a temporary residence, for the amount proposed for the new grant. Likewise, when a veteran who has received such temporary assistance acquires a permanent residence, the grant for that home would be reduced by the amount of such initial grant. Because the veteran did not own the temporary residence, the veteran will have no equity to apply to the new residence. The reduction in the final grant might adversely affect the affordability of a permanent adapted home for some veterans. Thus, we need further study to ensure we are

not converting this important program into one that supplies two inadequate grants.

We would be pleased to meet with Committee staff to discuss our concerns in greater detail, Mr. Chairman.

VA estimates enactment of this draft legislation would produce no increase in benefits costs and insignificant administrative expenses.

DRAFT BILL -- DISABLED VETERANS' OUTREACH PROGRAM AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

The next draft bill, Mr. Chairman, would direct the Secretary of Labor to establish professional qualifications for Disabled Veterans' Outreach Program Specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs) under the program of employment and training services authorized by chapter 41 of title 38, United States Code, and administered by the Department of Labor, Veterans' Employment and Training Service. This program offers employment and training services to eligible veterans by providing grants to states to fund, among other things, DVOP and LVER positions. Under this grant program, funds are allocated to State Workforce Agencies using a formula that takes into account the number of veterans seeking employment within their state and the veterans' unemployment rate in that state.

It is not clear what specific professional qualifications are intended to be addressed by this proposal. However, since this program is administered by the

7.

Department of Labor, we respectfully defer to the views of that Department regarding the merits of this proposal.

DRAFT BILL -- OFFICE OF NATIONAL DISABLED VETERANS SPORTS PROGRAMS AND SPECIAL EVENTS

The final draft bill, Mr. Chairman, would establish an Office of National Disabled Veterans Sports Programs and Special Events in VA. This office would establish and carry out sports programs for disabled veterans. In addition, the office would arrange for VA to sponsor sports programs for disabled veterans conducted by other groups if the Secretary determines that the programs are consistent with VA's goals and missions. The office would provide for, facilitate, and encourage disabled veterans to participate in these programs. Finally, the office must cooperate with the United States Olympic Committee to promote the participation of disabled veterans in the Paralympics.

VA opposes enactment of this bill. VA is very supportive of the National Special Rehabilitative Events and veteran participation in the Paralympics. However, VA has significant concerns about the name proposed for the new office and the intent of this bill.

In 2000, VA established an Office of National Programs and Special Events. This Office is responsible for management and hosting of VA's National Rehabilitative Special Events. This year, this office is conducting many national events for veterans including the 25th National Veterans Wheelchair Games, the 20th Winter Sports Clinic, the 17th Creative Arts Festival, and the 19th Golden Age Games.

The name proposed for the new Office is inaccurate and misleading. The National Special Rehabilitation Events focus on rehabilitation, health promotion

and disease prevention by encouraging veterans to lead healthy active lifestyles. As a group, their primary function is health-related rather than as "sports" events. Furthermore, the Creative Arts Festival is not a sports program at all, and many of the Golden Age Games' geriatric participants are not "disabled" veterans. In addition, we do not believe that there is a need to create another office that would be limited to working solely on sports programs involving disabled veterans. In our view, VA's existing office does an excellent job of managing these programs. It would create management inefficiencies to separate these functions into two offices.

VA is currently cooperating with the United States Olympic Committee by referring elite disabled veteran athletes who have participated in VA National Special Rehabilitation Events to their sports program for the Paralympics. VA is also cooperating with the National Senior Games Association to encourage VA patients to participate in their senior games. However, the senior games and the Paralympics are primarily sports competitions, not health promotion or rehabilitation activities. Therefore, we believe that it would be inappropriate for VA to provide direct support or resources to these activities because they do not fall within VA's healthcare mission.

This concludes my statement, Mr. Chairman. I will be pleased to respond to any questions you or the members of the Subcommittee may have.

444 N. Capitol Street NW, Suite 142, Washington, DC 20001
202-434-8020 fax 202-434-8033 www.WorkforceATM.org

NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES (NASWA)
SUMMARY OF REQUEST
ON PROFESSIONAL QUALIFICATIONS FOR DVOPS AND LVERS

SUBMITTED BY MAREN DALEY, CHAIR OF THE NASWA
VETERANS AFFAIRS COMMITTEE AND
EXECUTIVE DIRECTOR, JOB SERVICE NORTH DAKOTA

July 27, 2005

We have reviewed the Subcommittee's legislative discussion draft that would direct the Secretary of Labor to establish the professional qualifications of disabled veterans' outreach program specialists and local veterans' employment representatives. We support the intent of this proposed legislation to ensure individuals hired for the DVOP and LVER positions are the most qualified to assist our veterans, but request your consideration of the following recommendations to make sure this goal is achievable in each state:

- NASWA recommends the Subcommittee study state personnel hiring systems and assess how these systems would affect and be affected by the proposed legislation;

- NASWA recommends more than the 90-day time proposed in the draft bill for states to implement any new requirements after the Secretary establishes such qualifications;

- NASWA is concerned with the requirement to meet the minimum qualifications for all DVOP and LVER staff hired prior to the date the Secretary establishes;

- The current minimum requirements for DVOP and LVER positions should be studied to determine current state policies. In addition, it is important to consider how minimum qualifications for the DVOP and LVER positions align with other positions within the state classification system, and more specifically within a local office or one-stop career center.

NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES (NASWA) STATEMENT ON PROFESSIONAL QUALIFICATIONS FOR DVOPS AND LVERS

SUBMITTED BY MAREN DALEY, CHAIR OF THE NASWA VETERANS AFFAIRS COMMITTEE AND EXECUTIVE DIRECTOR, JOB SERVICE NORTH DAKOTA

July 27, 2005

Chairman Boozman, Congresswoman Herseth, and distinguished Members of the Subcommittee, on behalf of the National Association of State Workforce Agencies, I thank you for the opportunity to share information regarding states' perspective on establishing professional qualifications for the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representatives (LVER). The members of our association constitute state leaders of the publicly-funded workforce investment system vital to meeting the employment needs of veterans through the DVOP and LVER programs.

Our members are committed to providing the highest quality of service to our nation's veterans, National Guard members and Reservists. We are focused on serving recently separated veterans and disabled veterans, our highest priority. During Fiscal Year 2004, our DVOP's and LVER's assisted 703,000 veterans in entering employment. With the war efforts in Iraq and Afghanistan, this is a critical time to ensure high quality workforce services are available for those who served our country in time of war.

The Jobs for Veterans Act (P.L. 107-288) provides greater flexibility for the Veterans Employment and Training Service (VETS), states, and the DVOP and LVER staff in serving veterans. This flexibility allows states to tailor programs to meet the unique needs in each state and local area, while instituting minimum standards to ensure consistently high quality programs are available to veterans across the nation.

We have reviewed the Subcommittee's legislative discussion draft that would direct the Secretary of Labor to establish the professional qualifications of disabled veterans' outreach program specialists and local veterans' employment representatives. We support the intent of this proposed legislation to ensure individuals hired for the DVOP and LVER positions are the most qualified to assist our veterans, but request your consideration of our recommendations to make sure this goal is achievable in each state.

NASWA recommends the Subcommittee study state personnel hiring systems and assess how these systems would affect and be affected by the proposed legislation. The study should also assess the implementation time proposed in the legislation to determine if new state hiring criteria may be integrated timely. As you are aware, there is wide variation in state organizational structures, staffing requirements and procedures, personnel classification systems, bargaining-unit agreements, and demographics.

NASWA recommends more than the 90-day time proposed in the draft bill for states to implement any new requirements after the Secretary establishes such qualifications. The

complexity of state classification systems makes it very difficult for states to implement the changes within 90 days.

NASWA is concerned with the requirement to meet the minimum qualifications for all DVOP and LVER staff hired prior to the date the Secretary establishes. The impact of changing minimum qualifications after hire should be assessed to determine the potential for law suits, grievances, and the impact on delivery of services to veterans. State classification systems are very complex and cover most positions within state government. Often DVOP and LVER positions are aligned within a more general position classification, including employment interviewer, employment consultant, and employment specialist. In some states, the DVOP and LVER positions are in a separate classification and in some cases the DVOP may be in one classification and the LVER in another. Classification systems usually use a list of necessary knowledge, skills and abilities (KSAs) to determine position requirements, minimum qualifications and pay levels. The pay for any position is usually determined by the classification level for each position.

Changes in the classification of positions are usually prescribed by state statute or policy, which usually require a considerable amount of time to complete. The DVOP and LVER positions must be under civil service. Many of the DVOP and LVER positions are covered by bargaining-unit agreements. Although management establishes and directs the requirements for a position, changes to classification or KSAs, which affect pay levels, would need to be presented and possibly negotiated with bargaining-units – where applicable.

The current minimum requirements for DVOP and LVER positions should be studied to determine current state policies. It would then be possible to determine the impact and significance of changes required by this legislation. Minimum education requirements may, or may not, be as important as the knowledge of military systems and the ability for a veteran to serve a veteran with empathy.

The NASWA Veterans Affairs Committee met last week and discussed the proposed legislation. The Committee listed skill levels, especially soft skills, as more important than setting minimum education levels. Many states use an "and/or" clause between education and experience in their position announcements, i.e. the applicant must either meet the minimum education level, or can substitute relevant experience for some years of education. If a minimum education level would be set, the Committee recommends using credit hours instead of any specific degree. The Committee also discussed the potential for certification requirements, which could be required following actual hire. Professional development after hire and through out a staff member's career should always be supported and encouraged. The National Veterans Training Institute (NVTI) is an invaluable resource to provide such professional development for DVOPs and LVERs.

In addition, it is important to consider how minimum qualifications for the DVOP and LVER positions align with other positions within the state classification system, and more specifically within a local office or one-stop career center delivery point. Misalignment with other positions could create staffing problems for one-stop career centers.

NASWA recommends the concerns presented in our testimony be considered prior to movement of the proposed legislation. NASWA and its staff are willing to assist the Subcommittee.

Thank you for the opportunity to address these important issues.

Statement of

Walter Blackwell
President/CEO of the National Veterans Business Development Corporation

Before the
Subcommittee on Benefits
Committee on Veterans Affairs
United States House of Representatives

Washington, D.C.
July 27, 2005

With Respect To

Veteran-Owned Small Business Promotion Act of 2005 **(H.R. 3082),** ***the***
Native American Veteran Home Loan Act **(H.R.1773),**
Various Bills to Amend Title 38;
With Regard to Disabled Veterans Sports Programs and Special Events,
Increase of Specially Adaptive Housing,
Assistance to Disabled Veterans Residing Temporarily in Housing Owned by Parent or Sibling, and
Establishment of Professional Qualifications for Disabled Veterans' Outreach Program Specialists and Local Veterans' Employment Representatives

Mr. Chairman, Ranking Member and Members of the Subcommittee, thank you for holding this hearing and for the opportunity to present our views on the following legislative proposals: *the Veteran-Owned Small Business Promotion Act of 2005 (H.R. 3082), the Native American Veteran Home Loan Act (H.R.1773), Various Bills to Amend Title 38; With Regard to Disabled Veterans Sports Programs and Special Events, Increase of Specially Adaptive Housing, Assistance to Disabled Veterans Residing Temporarily in Housing Owned by Parent or Sibling, and Establishment of Professional Qualifications for Disabled Veterans Outreach Program Specialists and Local Veterans Employment Representatives.* The National Veterans Business Development Corporation (TVC) supports the provisions in these bills.

H.R. 3082- Veteran-Owned Small Business Promotion Act of 2005

TVC supports the concept of requiring that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by Veterans. We believe this will help the dismal performance of Federal Agencies and prime contractors to identify and contract with reasonable and responsive Veteran and Service-Disabled Veteran owned businesses. We also believe H.R. 3082 should be enacted so that all qualified Veteran business owners can receive an entitlement as well as a tribute to their self-less service to our Nation. We believe it would provide solid, tangible proof of the true value we put on the public service of our military members. We strongly support the provisions of H.R. 3082 and see this as a major step towards promoting opportunity for self-employment by Veteran and Service-Disabled Veteran owned businesses, while accomplishing the business goals and

objectives of the Department of Veterans Affairs. The skills, training and motivation that our Veterans have gained through their service to our Nation make them well-suited business owners, as well as sole source contractors. We can only hope that Congress in its' infinite wisdom will instruct other Federal Agencies to do the same.

Native American Veteran Home Loan Act (H.R. 1773), Amendment to Title 38, United States Code With Respect To Disabled Veterans Sports Programs and Special Events, Increase of Specially Adaptive Housing, Assistance to Disabled Veterans Residing Temporarily in Housing Owned by Parent or Sibling, and Establishment of Professional Qualifications for Disabled Veterans Outreach Program Specialists and Local Veterans Employment Representatives

Mr. Chairman, while the primary mission of TVC is to provide Veterans and Service-Disabled Veterans with access to capital, business services as well as entrepreneurial education and training; TVC realizes that it is vitally important for all Veterans to be physically, mentally, and spiritually cared for. Therefore, TVC strongly supports H.R. 1773, as well as Amendments to Title 38 that will assist Veterans with their employment needs, along with housing and recreational opportunities.

In closing, again I want to thank the Chair, Ranking Member and the entire Subcommittee for their concern for our Veterans and Service Disabled Veterans.

Competition Offers Its Healing Powers to War's Wounded

By: Lynn Zinser, The New York Times
July 21, 2005

SAN ANTONIO - When John Register walked in front of a group of injured soldiers at Brooke Army Medical Center, he wore a big, easy smile and spoke from his heart. His space-age left leg extended from a pair of khaki shorts, and he had the soldiers' attention even before he told them that he too had been in the Army, and that he too had fought in Iraq.

Register looked out over a group of men battered by a war in which roadside bombs have become the daily nightmare across Iraq and Afghanistan: each one tearing a hole in more lives, sending more soldiers home to navigate life as amputees.

Into their confusing and painful journey, Register walks with his prosthetic leg, magnetic smile and absolute belief in the message he brings. On this steamy June day in San Antonio, he stood in an airless gym and cut through the heartache by preaching about the magic of sports. As the head of the United States Olympic Committee's Paralympic Military Program, Register is not only a veteran and an amputee, but he is also a two-time Paralympian who believes in the healing power of competition.

Register's mission was to coax a group of wary new amputees into trying games that seemed as foreign as they were familiar: routine sports adapted for the disabled.

"They may not be ready to hear about the Paralympics" - the international competition for the disabled - "and becoming a Paralympic athlete," Register said. "But we do see it as a way they can look at the possibilities."

Register, 40, began to unveil those possibilities by bringing accomplished athletes and coaches from four Paralympic sports: sitting volleyball, wheelchair tennis, wheelchair fencing and archery. He had staged enough exhibitions to know what to expect. At first, most soldiers sat back and watched skeptically. When they were finally drawn into the game, their hesitance vanished.

"The disability disappears," Register said, talking about his favorite moment of the job. "And the game is on."

At Brooke, Register had the usual cautious audience, with one notable exception. Justin Hollenbach, 22, of Lacy, Wash., volunteered eagerly, no matter the sport.

"I'll try anything," Hollenbach said. "I want to skateboard. I hope there's a Para-X Games."

After the wheelchair tennis exhibition, an instructor brought a hand-operated bicycle to the court. Hollenbach plopped into the seat, and with a few cranks was flying around the court and eventually down a grassy hill with the instructor chasing him.

"Woo-hoo!" Hollenbach bellowed. "I've got to get one of these."

His fellow soldiers shook their heads and laughed. They were familiar with Hollenbach's exuberance, seemingly untouched by the roadside bomb that tore off his right foot while he was on patrol March 14 in Baghdad. Hollenbach described himself sitting by the side of the road, calming the soldiers around him even though he was the one who was injured.

Eventually, most of the other soldiers joined Hollenbach in the sports. In the sitting volleyball game, it took only a few minutes for the trash-talking to erupt and for the players to begin diving for shots and slapping hands. Wheelchair tennis was a tougher challenge, learning to manipulate a wheelchair as well as hitting a ball.

The plan is to have these sports become a regular activity at Brooke, as an outlet and an escape.

"Look at these guys," said Dan Seefeldt, 42, of Manitowoc, Wis., who lost almost all of his left leg to a roadside bomb in Baghdad. "They're all happy. It gets them out of their rooms, away from the hospital. It's a really good experience."

The doctors and commanders at Fort Sam Houston, which houses Brooke, agreed quickly to the U.S.O.C.'s introducing sports to their patients. They see it as another way to care for a growing number of soldiers facing an altered life.

They have organized a family assistance center for spouses and parents. They arrange fishing trips and picnics. The people of San Antonio have donated money and time and entertainment.

One night, a picnic brought together all of the injured, not just the amputees, and their families. Latin dancers performed. A restaurant donated the barbecue. The heartache was universal, but a spirit of resilience persevered.

Army officials believe sports can have a special place in the healing process.

"We consider these guys tactical athletes," said Col. Robert Granville, one of two orthopedic surgeons who care for the amputees at Brooke, "and we are trying to return them as near as possible to their pre-injury state of function. So this type of activity really plays right into it. Most of these guys are late teens, early 20's, so they're very competitive."

This program brings the Paralympics back to its roots as an activity for injured veterans after World War II. Sir Ludwig Guttmann, a German-born neurosurgeon who fled Nazi occupation for England in 1939, believed in sports as a rehabilitation tool and organized wheelchair competitions in several sports among spinal cord patients. His idea grew, and the first Paralympics was staged shortly after the 1960 Olympics in Rome.

Now the event draws about 4,000 athletes in 21 summer sports and 4 winter ones to compete after every Olympics.

Still, Joe Walsh, the director of U.S. Paralympics, said the Paralympic profile remained so low that even most disabled people do not know it exists. He said the military's amputee centers gave his organization a place to spread the word to those likely to benefit.

"The No. 1 goal is to open up opportunities for people wounded in the military to participate in sports," Walsh said. "By doing that, we are sure to end up with some top-level athletes. It's almost a sure thing."

Most of the soldiers here had never heard of disabled sports, much less an Olympic-level competition. The clinics provided a revelation.

Seefeldt started out the wheelchair tennis drills struggling to move the chair quickly enough to reach the ball. Once he practiced for a while, he began scorching forehands into the corners, shots he learned playing tennis on two legs. He finished the game and announced he would ask the Army for a chair, realizing he could play tennis with his two children.

"That was awesome," he said.

Other soldiers never ventured from the sidelines. A few were outright bitter, refusing even the gentlest approaches. Seefeldt, somewhat of an older-brother figure, tried to persuade them. Most, though, were simply shy or reluctant and joined after a few encouraging words.

Moses Sonera, 31, of Puerto Rico, was one of those. It had been more than a year since he came home from Iraq, but his injured foot was not responding to treatment. Register's clinics

came a few days before Sonera had his left leg amputated below the knee. But trying each game made Sonera smile and gave him a new perspective.

"I've never seen all these different sports," he said. "It makes me realize I can do everything."

That, of course, is the heart of Register's message.

"He is the ideal person for this job," Walsh said.

The irony of Register's injury is that he came home from the Persian Gulf war in 1991 without a scratch. He returned to the Army's World Class Athlete Program - he was a four-time all-American in track at the University of Arkansas - and was training for the 1996 Olympic trials when a routine hurdles run in 1994 changed everything. He hit a hurdle, landed badly, dislocated his knee and severed an artery.

He was flown to Brooke for the amputation.

For a time, the idea of being an athlete again struck Register as nothing short of absurd. But he took up swimming as a way to get back in shape, then began timing himself. Someone told him the qualifying time for the Paralympic trials, and he used it as a goal. He made it not only to the trials, but also to the 1996 Paralympics. In 2000, he qualified as a runner, in the 200 meters.

"People asked me, with advancements in artificial-leg technology, do you think you will run as fast as Michael Johnson or jump as far as Carl Lewis?" Register said. "The question is, if either of them lost a limb, would they run as fast or jump as far as John Register? Can you get over the limb loss and can you get back on the track and get running again? Or are you going to hide yourself in a shell?"

Register saw enough people make the latter choice, and he found a new cause. The U.S.O.C. hired him 18 months earlier. Register now sees his injury in a new light.

"I don't believe in coincidences," he said.

When he talks to soldiers, he shows them a Paralympics video, one filled with as many crashes as triumphant moments. He wants them to know disabled people can still be tough and resilient. He tells them there is hope and redemption in the crashes and the triumphs.

"I have mad respect for him," Hollenbach said. "When he first came here, he really opened up our eyes."

They watched and they listened because he is one of them.

I

109TH CONGRESS
1ST SESSION

H. R. 1773

To amend title 38, United States Code, to make permanent the Native American Veteran Housing Loan Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2005

Ms. HERSETH (for herself, Mr. FALEOMAVAEGA, Mr. EVANS, Mr. MICHAUD, Mr. REYES, Ms. BERKLEY, Mr. UDALL of New Mexico, Mr. ABERCROMBIE, Ms. BORDALLO, Mr. SANDERS, Mr. GRIJALVA, Ms. KILPATRICK of Michigan, Mr. CASE, Mr. PALLONE, Mr. OBERSTAR, and Mr. BOOZMAN) introduced the following bill; which was referred to the Committee on Veterans' Affairs

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A BILL

To amend title 38, United States Code, to make permanent the Native American Veteran Housing Loan Program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Veteran Home Loan Act ".

SEC. 2. PERMANENT AUTHORITY TO MAKE DIRECT HOUSING LOANS TO NATIVE AMERICAN VETERANS.

(a) PERMANENT AUTHORITY.—Section 3761 of title 38, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "establish and implement a pilot program under which the Secretary may" in the first sentence; and

(B) by striking "shall establish and implement the pilot program" in the third sentence and inserting "shall make such loans";

(2) in subsection (b), by striking "In carrying out the pilot program under this subchapter, the" and inserting "The"; and

(3) by striking subsection (c).

(b) CONFORMING AMENDMENTS.—Section 3762 of such title is amended—

(1) in subsection (b)(1)(E), by striking "the pilot program established under this subchapter is implemented" and inserting "loans under this subchapter are made";

(2) in subsection (c)(1)(B), by striking "carry out the pilot program under this subchapter in a manner that demonstrates the advisability of making direct housing loans" in the second sentence and in-

serting "make direct housing loans under this subchapter";

(3) in subsection (i)—

(A) by striking "the pilot program provided for under this subchapter and" in paragraph (1);

(B) by striking "under the pilot program and in assisting such organizations and veterans in participating in the pilot program." in paragraph (2)(A) and inserting "under this subchapter and in assisting such organizations and veterans with respect to such housing benefits."; and

(C) by striking "in participating in the pilot program." in paragraph (2)(E) and inserting "with respect to such benefits.";

(4) in subsection (j)—

(A) in the matter preceding paragraph (1)—

(i) by striking "through 2006"; and

(ii) by striking "the implementation of the pilot program" and inserting "activities conducted"; and

(B) by striking "pilot program" each place it appears in paragraphs (3), (4), and (5) and

1 inserting "housing benefits under this sub-
2 chapter".
3 (c) ESTABLISHMENT OF MAXIMUM AMOUNT OF
4 LOANS.—(1) Subsection (c)(1)(B) of section 3762 of such
5 title is amended—
6 (A) by striking "(B) The" and inserting
7 "(B)(i) The";
8 (B) by striking "The amount" in the sec-
9 ond sentence and inserting "Subject to clause
10 (ii), the amount"; and
11 (C) by adding at the end the following new
12 clause:
13 "(ii) The amount of any increase under clause (i)
14 may not exceed an amount determined by subtracting—
15 "(I) the amount referred to in subparagraph
16 (A), from
17 "(II) the amount of the Freddie Mac con-
18 forming loan limit limitation determined under sec-
19 tion 305(a)(2) of the Federal Home Loan Mortgage
20 Corporation Act (12 U.S.C. 1454(a)(2)) for a single-
21 family residence, as adjusted for the year involved.".
22 (2) Subsection (j)(1) of such section is amended by
23 inserting "referred to in subsection (c)(1)(A)" before the
24 period at the end.

(d) TECHNICAL AMENDMENT.—Subsection (c)(1)(A) of section 3762 of such title is amended by inserting "veteran" after "Native American".

(e) CLERICAL AMENDMENTS.—(1) The heading for subchapter V of chapter 37 of such title is amended to read as follows:

"SUBCHAPTER V—DIRECT HOUSING LOANS FOR NATIVE AMERICAN VETERANS".

(2) The heading for section 3761 of such title is amended to read as follows:

"§ 3761. Permanent authority to make direct housing loans to Native American veterans".

(3) The table of sections at the beginning of chapter 37 of such title is amended by striking the items relating to subchapter V and section 3761 and inserting the following new items:

"SUBCHAPTER V—DIRECT HOUSING LOANS FOR NATIVE AMERICAN VETERANS

"3761. Permanent authority to make direct housing loans to Native American veterans.".

SEC. 3. EXTENSION OF ELIGIBILITY FOR DIRECT LOANS FOR NATIVE AMERICAN VETERANS TO A VETERAN WHO IS THE SPOUSE OF A NATIVE AMERICAN.

(a) EXTENSION.—Subchapter V of chapter 37 of title 38, United States Code, is amended—

1 (1) by redesignating section 3764 as section
2 3765; and
3 (2) by inserting after section 3763 the following
4 new section:
5 **"§ 3764. Qualified non-Native American veterans**
6 "(a) Subject to the succeeding provisions of this sec-
7 tion, for purposes of this subchapter, a qualified non-Na-
8 tive American veteran is deemed to be a Native American
9 veteran, except that any reference in this subchapter to
10 the jurisdiction of a tribal organization over a Native
11 American veteran is deemed to be a reference to the Na-
12 tive American spouse of the qualified non-Native American
13 veteran.
14 "(b) In making direct loans under this subchapter to
15 a qualified non-Native American veteran, the Secretary
16 shall ensure that the tribal organization permits, and the
17 qualified non-Native American veteran actually holds, pos-
18 sesses, or purchases, using the proceeds of the loan, jointly
19 with the Native American spouse of the qualified non-Na-
20 tive American veteran, a meaningful interest in the lot,
21 dwelling, or both, that is located on trust land.
22 "(c) Nothing in subsection (b) shall be construed as
23 precluding a tribal organization from imposing reasonable
24 restrictions on the right of the qualified non-Native Amer-
25 ican veteran to convey, assign, or otherwise dispose of such

1 interest in the lot, dwelling, or both if such restrictions
2 are designed to ensure the continuation in trust status of
3 the lot, dwelling, or both. Such requirements may include
4 the termination of the interest of the qualified non-Native
5 American veteran in the lot, dwelling, or both upon the
6 dissolution of the marriage of the qualified non-Native
7 American veteran to the Native American spouse.".

8 (b) CONFORMING AMENDMENTS.—Section 3765 of
9 such title, as redesignated by subsection (a), is amended
10 by adding at the end the following new paragraph:

11 "(5) The term 'qualified non-Native American
12 veteran' means a veteran who—

13 "(A) is the spouse of a Native American,
14 but

15 "(B) is not a Native American.".

16 (c) CLERICAL AMENDMENT.—The table of sections
17 at the beginning of chapter 37 of such title is amended
18 by striking the item relating to section 3764 and inserting
19 after the item relating to section 3763 the following new
20 items:

"3764. Qualified non-Native American veterans.
"3765. Definitions.".

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I

109TH CONGRESS
1ST SESSION

H. R. 3082

To amend title 38, United States Code, to require that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by veterans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 2005

Mr. BOOZMAN (for himself, Ms. HERSETH, Mr. BILIRAKIS, Mr. BURTON of Indiana, and Mr. EVERETT) introduced the following bill; which was referred to the Committee on Veterans' Affairs

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A BILL

To amend title 38, United States Code, to require that 9 percent of procurement contracts entered into by the Department of Veterans Affairs be awarded to small business concerns owned by veterans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Veteran-Owned Small
5 Business Promotion Act of 2005".

SEC. 2. DEPARTMENT OF VETERANS AFFAIRS REQUIREMENT FOR PARTICIPATION BY SMALL BUSINESSES OWNED AND CONTROLLED BY VETERANS IN 9 PERCENT OF PROCUREMENT CONTRACTS.

(a) IN GENERAL.—Subchapter II of chapter 81 of title 38, United States Code, is amended by adding at the end the following new section:

"§ 8127. Contract requirement for small business concerns owned and controlled by veterans

"(a) REQUIREMENT.—(1) The Department shall award not less than 9 percent of the total value of all prime contract and subcontract awards by the Department for each fiscal year to small business concerns owned and controlled by veterans.

"(2) At least one-third of the total value of all awards made under paragraph (1) shall be awarded to small business concerns owned and controlled by veterans with service-connected disabilities.

"(b) SOLE SOURCE CONTRACTS.—For purposes of meeting the requirement of subsection (a), and in accordance with this section, a contracting officer of the Department shall award a sole source contract to any small business concern owned and controlled by veterans if—

"(1) such concern is determined to be a responsible contractor with respect to performance of such

contract opportunity and the contracting officer does not have a reasonable expectation that 2 or more small business concerns owned and controlled by veterans will submit offers for the contracting opportunity;

"(2) the anticipated award price of the contract (including options) will not exceed $5,000,000; and

"(3) in the estimation of the contracting officer, the contract award can be made at a fair and reasonable price that offers best value to the United States.

"(c) USE OF RESTRICTED COMPETITION.—For purposes of meeting the requirements of subsection (a), and in accordance with this section, a contracting officer of the Department shall award contracts on the basis of competition restricted to small business concerns owned and controlled by veterans if the contracting officer has a reasonable expectation that 2 or more small business concerns owned and controlled by veterans will submit offers and that the award can be made at a fair and reasonable price that offers best value to the United States.

"(d) ELIGIBILITY OF SMALL BUSINESS CONCERNS.—To be eligible to be awarded a contract under this section, a small business concern shall be listed in

1 the database of veteran-owned businesses maintained by
2 the Secretary under subsection (e).
3 "(e) DATABASE OF VETERAN-OWNED BUSI-
4 NESSES.—(1) Subject to the succeeding provisions of this
5 subsection, the Secretary shall maintain a database of
6 small business concerns owned and controlled by veterans.
7 "(2) Information maintained in the database shall be
8 submitted on a voluntary basis by such veterans.
9 "(3) In maintaining the database, the Secretary shall
10 carry out only two verification functions, as follows:
11 "(A) Verification that each person listed in the
12 database is a veteran.
13 "(B) In the case of a veteran who indicates a
14 service-connected disability, verification of the serv-
15 ice-disabled status of such veteran.
16 "(4) The Secretary shall make the database available
17 to all Federal departments and agencies.
18 "(5) If the Secretary determines that the public dis-
19 semination of certain types of information maintained in
20 the database is inappropriate, the Secretary shall take
21 such steps as are necessary to maintain such types of in-
22 formation in a secure and confidential manner.
23 "(f) ENFORCEMENT PENALTIES FOR MISREPRESEN-
24 TATION.—Any small business concern that is determined
25 by the Secretary to have misrepresented the status of that

concern as a small business concern owned and controlled by veterans for purposes of this subsection, shall be subject to—

"(1) section 1001 of title 18; and

"(2) sections 3729 through 3733 of title 31.

"(g) TREATMENT OF BUSINESSES AFTER DEATH OF VETERAN-OWNER.—(1) If the death of a veteran causes a small business concern to be less than 51 percent owned by one or more veterans, the surviving spouse of such veteran who inherits ownership rights in such small business concern shall be treated as if the surviving spouse were that veteran for the purpose of maintaining the status of the small business concern as a small business concern owned and controlled by veterans for the period described in paragraph (2).

"(2) The period referred to in paragraph (1) is the period beginning on the date on which the veteran dies and ending on the earliest of the following dates:

"(A) The date on which the surviving spouse remarries.

"(B) The date on which the surviving spouse gives up an ownership interest in the small business concern.

"(C) The date that is ten years after the date of the veteran's death.

"(h) PRIORITY FOR CONTRACTING PREFERENCES.—

"(1) PRIORITY AMONG VETERAN-OWNED SMALL BUSINESSES.—Preferences for awarding prime contract and subcontract awards under this section shall be applied in the following order of priority:

"(A) Small business concerns owned and controlled by veterans with service-connected disabilities.

"(B) Small business concerns owned and controlled by veterans.

"(2) RELATIONSHIP TO OTHER CONTRACTING PREFERENCES.—A procurement may not be made from any source on the basis of a preference provided under any other provision of law if the procurement would otherwise be made from a different source under this section.

"(i) DEFINITIONS.—In this section:

"(1) The term 'small business concern' has the same meaning as under section 3 of the Small Business Act (15 U.S.C. 632).

"(2) The term 'small business concern owned and controlled by veterans' means a small business concern—

"(A) not less than 51 percent of which is owned by one or more veterans or, in the case

of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans;

"(B) the management and daily business operations of which are controlled by one or more veterans or, in the case of a veteran with service-connected total disability that is permanent in nature, the spouse of such veteran; and

"(C) that is listed in the database of veteran-owned businesses maintained by the Secretary under subsection (e).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8126 the following new item:

"8127. Contract requirement for small business concerns owned and controlled by veterans.".

SEC. 3. DEPARTMENT OF VETERANS AFFAIRS CONTRACTING PRIORITY FOR VETERAN-OWNED SMALL BUSINESSES.

(a) PRIORITY FOR VETERAN-OWNED SMALL BUSINESSES.—Subchapter II of chapter 81 of title 38, United States Code, as amended by section 1, is further amended by adding at the end the following new section:

1 **"§ 8128. Contracting priority for small business con-**
2 **cerns owned and controlled by veterans.**
3 "(a) IN GENERAL.—In procuring goods and services
4 pursuant to a contracting preference under this title or
5 any other provision of law, the Secretary shall give priority
6 to a small business concern owned and controlled by vet-
7 erans, if such business concern also meets the require-
8 ments of that contracting preference.
9 "(b) DEFINITION.—The term 'small business concern
10 owned and controlled by veterans' has the meaning given
11 that term under section 8127 of this title.".
12 (b) CLERICAL AMENDMENT.—The table of sections
13 at the beginning of such chapter, as amended by section
14 1, is further amended by inserting after the item relating
15 to section 8127 the following new item:

"8128. Contracting priority for small business concerns owned and controlled by veterans.".

16 **SEC. 4. EFFECTIVE DATE.**
17 (a) IN GENERAL.—The amendments made by this
18 Act shall apply to contracts awarded during fiscal years
19 beginning after September 30, 2006.
20 (b) TRANSITION RULE.—In carrying out section
21 8127 of title 38, United States Code, as added by section
22 1(a), with respect to contracts awarded during fiscal year
23 2007, the Secretary of Veterans Affairs shall treat the ref-

1 erence to "9 percent" in subsection (a)(1) of such section
2 as if it were a reference to "6 percent".

○

[DISCUSSION DRAFT]

109TH CONGRESS
1ST SESSION

H. R. _____

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide adaptive housing assistance to disabled veterans residing temporarily in housing owned by a parent or sibling.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. ADAPTIVE HOUSING ASSISTANCE FOR DIS-**
2 **ABLED VETERANS RESIDING TEMPORARILY**
3 **IN HOUSING OWNED BY PARENT OR SIBLING.**
4 (a) ASSISTANCE AUTHORIZED.—Chapter 21 of title
5 38, United States Code, is amended by inserting after sec-
6 tion 2102 the following new section:
7 **"§ 2102A. Assistance for veterans residing tempo-**
8 **rarily in housing owned by parent or sib-**
9 **ling**
10 "(a) In the case of a disabled veteran who is eligible
11 for assistance under section 2101 of this title and who
12 is residing temporarily in a residence owned by the parent
13 or sibling of such veteran, the Secretary may assist the
14 veteran in acquiring such adaptations to such residence
15 as are determined by the Secretary to be reasonably nec-
16 essary because of the veteran's disability.
17 "(b) The assistance authorized under subsection (a)
18 shall not exceed—
19 "(1) $10,000, in the case of a veteran described
20 in section 2101(a)(2) of this title; or
21 "(2) $2,000, in the case of a veteran described
22 in section 2101(b)(2) of this title.
23 "(c) The assistance authorized by subsection (a) shall
24 be limited in the case of any veteran to one residence.
25 "(d)(1) Subject to paragraph (2), any veteran who
26 accepts assistance under this section shall not by reason

1 thereof be denied assistance under section 2101 of this
2 title.
3 "(2) The aggregate amount of assistance available to
4 a veteran under this section and section 2101 of this title
5 shall not exceed the amount specified in section 2102 of
6 this title.
7 "(e) Assistance under this section shall be provided
8 in accordance with such regulations as the Secretary may
9 prescribe.".
10 (b) CLERICAL AMENDMENT.—The table of sections
11 at the beginning of such chapter is amended by inserting
12 after the item relating to section 2102 the following new
13 item:

"2102A. Assistance for veterans residing temporarily in housing owned by parent or sibling.".

[DISCUSSION DRAFT]

109TH CONGRESS
1ST SESSION

H. R. _____

To amend title 38, United States Code, to direct the Secretary of Labor to establish professional qualifications for disabled veterans' outreach program specialists and local veterans' employment representatives.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title 38, United States Code, to direct the Secretary of Labor to establish professional qualifications for disabled veterans' outreach program specialists and local veterans' employment representatives.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PROFESSIONAL QUALIFICATIONS FOR DIS-**
2 **ABLED VETERANS' OUTREACH PROGRAM**
3 **SPECIALISTS AND LOCAL VETERANS' EM-**
4 **PLOYMENT REPRESENTATIVES.**

5 (a) DISABLED VETERANS' OUTREACH PROGRAM
6 SPECIALISTS.—Section 4103A of title 38, United States
7 Code, is amended by adding at the end the following new
8 subsection:

9 "(e) PROFESSIONAL QUALIFICATIONS.—(1) The Sec-
10 retary shall establish professional qualifications for eligi-
11 bility for employment and continued employment of dis-
12 abled veterans' outreach program specialists under this
13 section.

14 "(2) Such professional qualifications shall be con-
15 sistent with the duties and functions of such specialists.".

16 (b) LOCAL VETERANS' EMPLOYMENT REPRESENTA-
17 TIVES.—Section 4104 of such title is amended by adding
18 at the end the following new subsection:

19 "(e) PROFESSIONAL QUALIFICATIONS.—(1) The Sec-
20 retary shall establish professional qualifications for eligi-
21 bility for employment and continued employment of local
22 veterans' employment representatives under this section.

23 "(2) Such professional qualifications shall be con-
24 sistent with the duties and functions of such representa-
25 tives.".

1 (c) DEADLINE FOR ESTABLISHMENT OF QUALIFICA-
2 TIONS.—The Secretary of Labor shall establish the quali-
3 fications required by the amendments made by subsections
4 (a) and (b) not later than the date that is 180 days after
5 the date of the enactment of this Act.
6 (d) EFFECTIVE DATE.—(1) The professional quali-
7 fications for eligibility for employment and continued em-
8 ployment established by the amendments made by sub-
9 sections (a) and (b) shall apply with respect to any dis-
10 abled veterans' outreach program specialist or any local
11 veterans' employment representative hired after the 90-
12 day period that begins on the date the Secretary estab-
13 lishes such qualifications.
14 (2) With respect to disabled veterans' outreach pro-
15 gram specialists or local veterans' employment representa-
16 tives hired on or before the end of such 90-day period,
17 the professional qualifications for continued employment
18 established by the amendments made by subsections (a)
19 and (b) shall apply to such specialists and representatives
20 beginning on the date that is five years after the date on
21 which the Secretary establishes such qualifications.

109TH CONGRESS
1ST SESSION

H. R. _____

To amend title 38, United States Code, to increase the amount of assistance for certain disabled veterans for specially adapted housing.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title 38, United States Code, to increase the amount of assistance for certain disabled veterans for specially adapted housing.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCREASE IN ASSISTANCE AMOUNT FOR SPE-**
4 **CIALLY ADAPTED HOUSING.**

5 (a) IN GENERAL.—Section 2102 of title 38, United
6 States Code, is amended—

7 (1) by striking "$50,000" in the matter pre-
8 ceding paragraph (1) of subsection (a) and inserting
9 "$55,000"; and

1 (2) by striking "$10,000" in subsection (b)(2)
2 and inserting "$12,000".
3 (b) EFFECTIVE DATE.—The amendments made by
4 subsection (a) shall apply with respect to assistance fur-
5 nished on or after the date of the enactment of this Act.

.....

(Original Signature of Member)

109TH CONGRESS
1ST SESSION

H. R. _____

To amend title 38, United States Code, to establish in the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title 38, United States Code, to establish in the Department of Veterans Affairs an Office of National Disabled Veterans Sports Programs and Special Events.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEPARTMENT OF VETERANS AFFAIRS OFFICE OF NATIONAL DISABLED VETERANS SPORTS PROGRAMS AND SPECIAL EVENTS.

(a) ESTABLISHMENT OF OFFICE OF NATIONAL DISABLED VETERANS SPORTS PROGRAMS AND SPECIAL

1 EVENTS.—Chapter 3 of title 38, United States Code, is
2 amended by adding at the end the following new section:

3 **"§ 320. Office of National Disabled Veterans Sports**
4 **Programs and Special Events**

5 "(a) There is in the Department an Office of Na-
6 tional Disabled Veterans Sports Programs and Special
7 Events. There is at the head of the Office a Director.

8 "(b) Subject to the direction of the Secretary, the
9 Director—

10 "(1) shall establish and carry out qualifying
11 programs and events;

12 "(2) may provide for sponsorship by the De-
13 partment of qualifying programs and events;

14 "(3) may provide for, facilitate, and encourage
15 participation by disabled veterans in qualifying pro-
16 grams and events; and

17 "(4) shall cooperate with the United States
18 Olympic Committee and its subsidiaries to promote
19 the participation of disabled veterans in sporting
20 events sponsored by the United States Olympic
21 Committee and its subsidiaries.

22 "(c) For purposes of this section, a qualifying pro-
23 gram or event is a sports program or other event in which
24 veterans with disabilities participate and that is approved

1 by the Secretary as being consistent with the goals and
2 missions of the Department.
3 "(d) There is authorized to be appropriated to carry
4 out the activities of the Office $5,000,000 for each fiscal
5 year.".
6 (b) CLERICAL AMENDMENT.—The table of sections
7 at the beginning of such chapter is amended by adding
8 at the end the following new item:

"320. Office of National Disabled Veterans Sports Programs and Special Events.".