

**STATEMENT OF
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THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
H.R. 294, H.R. 1169, H.R. 1182, H.R. 2416, H.R. 2461, H.R. 2614, H.R. 2696, H.R. 2874,
H.R. 2928, H.R. 3223, H.R. 3554, H.R. 3561, H.R. 3577, and draft legislation**

SEPTEMBER 24, 2009

Madam Chairwoman, Ranking Member Boozman, and Members of the Subcommittee:

Thank you for this opportunity to present The American Legion's views on the several pieces of legislation being considered by the Subcommittee today. The American Legion commends the Subcommittee for holding a hearing to discuss these very important and timely issues.

H.R. 294, Veteran-Owned Small Business Promotion Act of 2009, which amends title 38, United States Code, to provide for the reauthorization of the Department of Veterans Affairs (VA) small business loan program. The American Legion does not have an official position on reauthorizing the small business loan program within the VA at this time. However, The American Legion recommends that Congress establish a direct lending program through the Small Business Administration (SBA). This effort would offer low-interest loans to otherwise healthy veteran-owned and service-disabled veteran-owned businesses that are having trouble obtaining the credit they need for necessary operating expenses or expansion. The American Legion believes the SBA's Office of Veterans' Business Development should be the lead agency to ensure that Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) veterans are provided with Entrepreneurial Development Assistance. Comprehensive training should be handled by the SBA and Resource Training Centers should include DOD and VA facilities.

H.R. 1169 seeks to amend title 38, United States Code, to increase the amount of assistance provided by the Secretary of VA to disabled veterans for specially adapted housing and automobiles and adapted equipment. This legislation seeks to triple the amount of grants that are provided to severely injured veterans. Cost of construction has risen significantly. The increase in funding will assist those severely wounded veterans with the resources to pay for automobiles, adaptive automobile equipment, and adaptive housing for their disabilities. Ultimately, this bill would provide injured veterans with a specific quality of life that they are entitled too. The American Legion supports this legislation.

H.R. 1182, Military Spouses Residency Relief Act, would amend the Servicemembers Civil Relief Act (SCRA) to prohibit, for purposes of voting for a Federal, state, or local office, deeming a person to have lost a residence or domicile in a state, acquired a residence or domicile in any other state, or become a resident in or any other state solely because the person is absent

from a state because the person is accompanying the person's spouse who is absent from the state in compliance with military or naval orders. This bill would add a new subsection (c) of section 571, as follows: "Income for services performed by the spouse of a servicemember shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the spouse is not a resident or domiciliary of the jurisdiction in which the income is earned because the spouse is in the jurisdiction solely to be with the servicemember serving in compliance with military orders." This bill expands SCRA protection against state income tax liability that applies to a working military spouse. This bill would also protect the right of the military spouse to vote by absentee ballot in his/her home state (legal residence), despite their absence from the state for the purposes of being with the active duty spouse in another state. The American Legion supports this important piece of legislation.

H.R. 2416 seeks to require VA to use purchases of goods or services through the Federal Supply Schedules for the purpose of meeting certain contracting goals for participation by small business concerns owned and controlled by veterans, including veterans with service-connected disabilities. The American Legion has encouraged Congress to require reasonable "set-asides" of Federal procurements and contracts for businesses owned and operated by veterans. The American Legion supported legislation in the past that sought to add service-connected disabled veterans to the list of specified small business categories receiving 3 percent set-asides. Public Law (PL) 106-50, "The Veteran Entrepreneurship and Small Business Development Act of 1999," included veteran-owned small businesses within Federal contracting and subcontracting goals for small business owners and within goals for the participation of small businesses in Federal procurement contracts. It requires the head of each Federal agency to establish agency goals for the participation by small businesses owned and controlled by service-connected disabled veteran, within that agency's procurement contracts. Agency compliance with PL 106-50 has been minimal. In 2004, Executive Order 13360 was issued to strengthen opportunities in Federal contracting for service-disabled veteran-owned businesses. The American Legion supports this legislation.

H.R. 2461, Veterans Small Business Verification Act, amends title 38, United States Code, to clarify the responsibility of the Secretary of VA to verify the veteran status of the owners of small business concerns listed in the database maintained by the Secretary. The American Legion has no official position on this issue at this time.

H.R. 2614, Veterans' Advisory Committee on Education Reauthorization Act of 2009, seeks to amend title 38, United States Code, to reauthorize the Veterans' Advisory Committee on Education (VACOE). VACOE is composed of members who are prominent leaders in education/training, particularly in veterans' education and training. They are able to provide valuable insight and advice to the VA Secretary and Members of Congress. The American Legion believes there is a definite need to constitute an independent body that is able to analyze and develop intelligent, practical solutions to difficult issues and to present those solutions to VA's senior leadership and congressional members as well as other stakeholders. Lastly, VACOE meetings are open to the public. Any individual/group can attend and address VACOE with issues they wish to bring to the attention of VA leadership. In turn, this Advisory Committee can pass those concerns onto VA and Members of Congress.

H.R. 2696, Servicemembers' Rights Protection Act, amends the Servicemembers Civil Relief Act (SCRA) to provide for the enforcement of rights afforded under that Act. The American Legion supports this legislation that authorizes the Attorney General to file a civil action for violation of the SCRA and allows a service member the right to join the Attorney General in a civil action. This bill will also provide service members their own private cause of action, regardless of any enforcement action taken by the Attorney General. These amendments to SCRA will clarify the service member's right to bring a personal cause of action for damages or other appropriate remedies against violators of the SCRA.

H.R. 2874, Helping Active Duty Deployed Act of 2009, amends the Servicemembers Civil Relief Act to improve the equitable relief available for service members called to active duty. This bill would give service members needed relief from early termination charges related to residential, professional, business, or agricultural rental leases. This bill would also require an institution of higher learning to refund the tuition and fees paid by a student whose absence is due to military service.

H.R. 2928 seeks to amend title 38, United States Code (USC), to provide an apprenticeship and on-the-job training program under the Post 9/11 Veterans Education Assistance Program. Not all veterans attend institutions of higher learning (IHLs). Many veterans prefer traditional employment and/or may require employment for personal or family reasons. The American Legion recommends that these programs be included under the Post 9/11 GI Bill (Chapter 33):

- flight training;
- correspondence schools;
- vocational schools;
- apprentice programs; and,
- on-the-job training programs.

Chapter 33 needs to be modified to include non-college degree programs. Veterans choosing to use their educational benefits for other than IHLs are able to use them under the existing Chapter 30 or Chapters 1606 or 1607, title 10, USC; however, in those instances the benefit recipients are not entitled to either the housing stipend or the allowance for books and supplies. The American Legion believes that veterans should never be limited in the manner they use their educational benefits.

H.R. 3223 amends title 38, United States Code, to improve the VA's contracting goals and preferences for small business concerns owned and controlled by veterans. This bill will amend Section 8127 of title 38, United States Code, in subsection (c), by striking 'may' and inserting 'shall' for the purpose of reaching and surpassing veterans' and service-disabled veterans' procurement goals. This bill would also not disqualify a veteran or veterans of more than one small business concern from being included in the VA's database. The American Legion supports these amendments that would allow for more qualified veteran and service-disabled veteran business owners to compete and receive contracts from VA.

H.R. 3554, National Guard Education Equality Act, amends title 38, United States Code, to provide for the inclusion of certain active duty service in the Reserve components as qualifying

service for purposes of Post 9/11 Educational Assistance Program. This legislation will extend benefits to title 32 Active Guard Reserve (AGR) service members under the Post 9/11 GI Bill. Many AGR personnel were called to active duty via title 32 in support of the response to the attacks on America on September 11, 2001, in addition to deploying for Operation Iraqi Freedom and Operation Enduring Freedom. Thus, AGR service members have answered the nation's call to arms and should receive equal education benefits for their service. Additionally, this bill will provide a full four-year college education to members of the National Guard, who are discharged with a service-connected disability. The American Legion fully supports enacting the National Guard Education Equality Act.

H.R. 3561 amends title 38, United States Code, to increase the amount of educational assistance provided for certain veterans for flight training. The American Legion supports the increase from 60 percent to 75 percent for veterans pursuing flight training. The extra funds would eliminate a considerable amount of the costs to obtain the initial instrument rating and commercial pilot certifications needed for advancement in the aviation field.

H.R. 3577, Education Assistance to Realign New Eligibilities for Dependents (EARNED) Act of 2009, amends title 38, United States Code, to provide authority for certain members of the Armed Forces who have served 20 years on active duty to transfer entitlement to Post 9/11 Educational Assistance to their dependents. The American Legion has no official position on this issue at this time.

The draft legislation seeks to provide for an increase in the amount of reporting fees payable to educational institutions that enroll veterans receiving educational assistance from the VA. Due to the lack of staffing and budget cuts that are being made at institutions, an increase in reporting fees is warranted. The school's certifying official assists veterans with applying for classes and monitors their enrollment weekly along with ensuring this information is reported to VA. The increased funding could assist with more staffing and provide better equipment (i.e. computers) which would provide a self-serve area for veterans or allow more funds to provide for a Veterans Center.

The American Legion appreciates the opportunity to present this statement for the record. Again, thank you Madam Chairwoman, Ranking Member Boozman, and Members of the Subcommittee for allowing The American Legion to present its views on these very important issues today.