

**STATEMENT OF
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NATIONAL ECONOMIC COMMISSION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
PENDING LEGISLATION**

JUNE 10, 2010

Chair Herseth Sandlin, Ranking Member Boozman and distinguished Members of the Subcommittee:

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

H.R. 3685:

This bill requires the Department of Veterans Affairs (VA) to put a link on its website for VetSuccess.com and other job websites, especially those which encourage hiring veterans. It also mandates VA to run national ad campaigns to advertise VetSuccess. However, VA already has VetSuccess on its website. It also has links to Usajobs.gov, Indeed.com, and Monster.com, among others.

The American Legion fully supports VA's mission to help veterans find meaningful careers. The administration has taken appropriate steps to help veterans by adding these websites to its website. Yet, we note there are some issues that need to be resolved. While VetSuccess is easily found, one would have to know what VetSuccess is in order to find it useful. Further, only upon getting to VetSuccess did we find the other websites. These were easily found under jobs, but again required the veteran to know what VetSuccess was.

We agree with the intent of this bill; however, we do not believe VA should be required by law to design its website a certain way. This bill requires VA to put all job-related sites in a drop down menu. This would essentially tie the agency's hands as technology develops. If in the future there is a more user-friendly way to design a website than a drop down menu, VA would be unable to change its design without new legislation. Therefore, we do not support this aspect of the legislation.

The bill also calls for appropriated funds to be used for national advertising of VetSuccess. VA continues its outreach to veterans, and has increased outreach to OIF/OEF veterans; however it is critical to know what VetSuccess is in order to take advantage of its services. Therefore, The

American Legion supports allocating funds to VA for the use of national advertising of VetSuccess.

H.R. 114, the “Veterans Entrepreneurial Transition Business Benefit Act”

This legislation seeks to allow veterans eligible to receive financial educational assistance under the Montgomery G.I. Bill (Chapter 30 of title 38, United States Code) to use, with the approval of the Secretary of Veterans Affairs, any of such financial assistance to establish and operate a business that the veteran will own and operate as the primary source of income for the veteran. The American Legion views small businesses as the backbone of the American economy. It is the driving force behind America’s past economic growth and will continue to be the major factor as we move further into the 21st century. Presently, more than nine out of every ten businesses are small firms, which produce almost one-half of the Gross National Product. Veterans’ benefits have always included assistance to create and operate veteran-owned small businesses.

Not every veteran is destined for college; therefore, the Montgomery GI Bill needs to be more accessible for those veterans with entrepreneurial aspirations. While veterans are entitled to a small business loan, allowing veterans to use the Montgomery GI Bill as well will allow veterans an extra income to sustain their families until the business turns a profit. In addition, a higher percentage of today’s service members are married (with children in the majority of cases) when they are discharged. Meeting the financial obligations to sustain and maintain a household is vital, and often serves as a major obstacle to their timely use of the Montgomery GI Bill. Every effort must be made to empower veterans with options so they can make the best choice to help them achieve the American dream.

The American Legion proudly supports the Veterans Entrepreneurial Transition Business Benefit Act.

H.R. 4319, the “Specially Adapted Housing Assistance Enhancement Act of 2009”

HR 4319 requires that any grant for adapted housing made to a veteran who temporarily resides in a family member’s dwelling not count against the lifetime cap for adapted housing grants paid to veterans.

Currently, there are two VA grant programs available to qualifying veterans for the installation of wheel chair ramps, chair lifts, modifications to kitchens and bathrooms to homes for veterans who use wheelchairs, canes or braces or who are blind and suffer the loss or loss of use of one lower extremity: the paraplegic grant which has a lifetime cap of approximately \$63,000 and the adapted housing grant which is capped at \$12,756.

The American Legion believes that with the increasing numbers of disabled veterans returning from Iraq and Afghanistan, the need for specially adapted housing is paramount. Today, disabled veterans have a higher unemployment rate than the normal civilian population. Hard economic times can force veterans to temporarily reside with friends or family. Further, periods

of poor health can force the same circumstances. Still, veterans must have access to ramps and other modifications in their new temporary residences. The lack of handrails or ramps, for instance, may lead to falls and accidents which in turn would cost the VHA in health care and possibly the VBA with benefits.

Veterans forced into these situations, for whatever reasons, should be assured they will have access to adaptive housing needs, regardless of whether they already used the grant on a previous home. In turn, if a veteran uses the adaptive housing grant on the temporary dwelling, he/she should be assured monies will be available to adapt his or her next dwelling. It is for these reasons and the rising costs of construction materials and services, The American Legion is pleased to support this pending legislation that would allow veterans to adapt the house they temporarily reside in without it counting towards their life-time grant cap.

H.R. 4635, the “Foreclosure Mandatory Mediation Act of 2010”

This legislation mandates a lender conduct a one-time mediation with a veteran prior to foreclosing or proceeding to sheriff’s sale at the lender’s expense.

According to the Mortgage Bankers Association, the delinquency rate for subprime loans stands at 30 percent, while only 5 percent of veterans have defaulted on their VA home loans. The prime loan delinquency rate is 7 percent, while FHA defaults stand at about 9 percent. The data shows veterans with VA home loans are keeping their homes better than any other consumers with any other loan type.

VA has a longstanding program of assisting veterans who encounter financial difficulty and have trouble making their mortgage payments. This program involves a partnership with the servicers of VA loans under which VA aggressively monitors the efforts of these servicers in assisting veterans with repayment plans, loan modifications and the granting of forbearance. VA often intervenes directly with the veteran to assure that he/she has the opportunity to take advantage of one of these options. When these options are not practical, servicers are required to consider alternatives to foreclosure, such as a deed in lieu of foreclosure or a short sale. Also, in 2008 VA finished the development of a leading edge information technology system known as the VA Loan Electronic Reporting Interface (VALERI) as well as a comprehensive change to the business processes and regulations involved in the servicing of VA loans. This has given VA an even greater opportunity to assure that veterans are given every reasonable chance to keep their homes during times of financial difficulty.

The goal must always be for the veteran to remain in his or her home. The American Legion supports this legislation and believes it will only aid VA to assist veterans who have trouble making their mortgage payments.

H.R. 4664:

This piece of legislation amends the Servicemembers Civil Relief Act to prohibit the sale, foreclosure or seizure of property owned by a surviving spouse of a service member killed on active duty in OIF/OEF during the one year period following the service member's death.

The American Legion has no position on this bill at this time.

H.R. 4765:

This bill seeks to amend Title 38 U.S.C., to authorize veterans who are enrolled in VA educational programs, and thus eligible for work study, to receive work study allowances for certain outreach services.

These services include distributing information to members of the Armed Forces, veterans, and their dependents about the benefits and services administered by VA and other appropriate governmental and non-governmental programs and to prepare and process papers and other documents, including documents to assist in the preparation and presentation of claims for benefits under 38 C.F.R.

While The American Legion recognizes the opportunity presented for veterans to work in congressional offices, we have concerns about the type of outreach services they would provide; specifically, preparing and processing documents pertaining to claims for benefits. The American Legion notes that there would be ample opportunity for these work study veterans to give benefits advice in the course of their work study. In order to represent a veteran in a disability claim, a representative must be accredited by VA. Should a work-study veteran inadvertently give benefits advice without being accredited, no matter how well intentioned, that veteran would be liable.

The American Legion supports this bill, since often there are not enough work-study positions available for students seeking work-study. However, The American Legion requests the legislation include strict guidelines to ensure work-study veterans do not put give benefits advice to veterans seeking help with their VA claims.

H.R. 5360, Blinded Veterans Adaptive Housing Improvement Act of 2010

Presently, for blinded veterans to be eligible for a VA adapted housing grants they must have visual acuity of 5/200 or less. However, the currently accepted federal standard for blindness is 20/200. This essentially means some veterans can be legally blind, but not qualify for adapted housing grants through VA. The lack of adapted housing can make a blind veteran's environment a danger. This legislation will update the VA visual acuity standard so that it is in line with the federal standard for blindness and updates the eligibility standards of impaired range of vision to the federal standard of 20 degrees or less.

The American Legion wholeheartedly supports this legislation as we believe too many blinded veterans who need adapted housing are being ignored under current law.

Draft Bill, Veteran-Friendly Business Act of 2010

This bill directs the Secretary of Veterans Affairs to establish an annual award program to recognize businesses for their contributions to veterans' employment.

Veterans returning from Afghanistan, Iraq and other tours of duty do not always come back to a hero's welcome -- at least from employers. The jobless rate for veterans between ages 18 to 24 was 21.1 percent in 2009. Numerous national publications have reported veterans are having a more difficult time finding jobs due to physical and mental disabilities, multiple deployments and challenges with translating military skills in civilian workforce language.

Because people like acknowledgement for the good work they do, The American Legion fully supports this legislation since it highlights businesses that hire our veterans and keep them gainfully employed.

The American Legion appreciates the opportunity to comment on the bills being considered by the Subcommittee. I would be happy to answer any questions that you might have. Thank you.