

NATIONAL VETERANS EMPLOYMENT & EDUCATION COMMISSION TOPIC 1: ECONOMY

More than a quarter of the U.S. economy has ground to a halt in recent weeks as the coronavirus pandemic shutter nonessential businesses and generates millions of layoffs and furloughs across the country, according to Moody's Analytics data published on Sunday by The Wall Street Journal.



The Moody's report estimates that 8 in 10 U.S. counties are currently under some form of official lockdown, with more than 40 states ordering varying degrees of temporary business shutdowns in a bid to promote social distancing measures that are believed to help contain the spread of COVID-19.

Economic losses vary by state; California has lost an estimated 31.5% of its daily gross domestic product output as much of the state's economy remains on lockdown, according to the report.

[READ: Young and Minority Workers Feeling First Effects of Coronavirus Unemployment]

All told, the analysis suggests daily economic output in the U.S. is down 29% from where it sat a month ago, during the first week of March. Analysts have widely described the pandemic as delivering perhaps the most significant short-term economic shock to the domestic economy in modern history.

"The intensity and warp speed of the economic deterioration seems more serious than even the Great Recession that followed the financial crisis," Bernard Baumohl, chief global economist at the Economic Outlook Group, wrote in a report on Friday. "We have overnight entered what feels like an economic ice age. It's a deep freeze for farmers, airlines, most manufacturers, retailers, restaurants, hotels, and both the hospitality and energy industries."

Moody's estimates U.S. GDP will fall at an annualized rate of 30% in the second quarter, although the losses are expected to be temporary as more of the economy opens up in the weeks ahead. If the current lockdown situation were to persist for the next two months, Moody's estimates that U.S. GDP would drop at a cataclysmic rate of 75%.

Still, Moody's chief economist Mark Zandi told The Wall Street Journal that "there's nothing in the Great Depression that is analogous to what we're experiencing now," given the severity of the current economic losses. And the Moody's analysis only accounts for current business closures – which means it is likely to underestimate the full scale of economic disruptions expected in the weeks ahead as unemployment soars and household spending and wealth plummet.

During the final two full weeks of March, an estimated 10 million Americans filed initial unemployment claims, eclipsing by several multiples any previous two-week unemployment spike in U.S. history. Many experts believe the current unemployment rate in the U.S. has soared above 10% – which would likely be a record-setting spike from February's 3.5% rate. Millions more layoffs are expected.

"Record-breaking jobs losses, plunging confidence and contracting manufacturing and service-sector activity in March are sadly just the tip of the recessionary iceberg about to hit the U.S. economy," a team of economists at Oxford Economics wrote in a report on Friday. "The labor market collapse has only just begun."

HOUSEHOLD						DATA
Table A-5. Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted						
[Numbers in thousands]						
Employment status, veteran status, and period of service	Total		Men		Women	
	FEB 2019	FEB 2020	FEB 2019	FEB 2020	FEB 2019	FEB 2020
Unemployed	118	155	97	140	21	16
Unemployment rate	3.1	4.1	2.9	3.7	4.0	6.2

The national unemployment rate is 3.6 percent (February 2020). Gulf War II veterans' unemployment rate is 4.5 percent.ⁱ Currently, the unemployment rate for Gulf War II women veterans is 2.8 percent (up from 2.6 percent in February).

TOPIC 2: CONFERENCE CALLS

On Monday, April 6, 2020 the National Veterans Employment & Education Division had a phone conference with Mark Toal, Outreach Director, Department of Labor-Veterans Employment and Training Services (DOL-VETS). We discussed the opportunity to add The American Legion to the Department of Labor's Advisory Committee on Veterans Employment, Training, and Employer Outreach (ACVETEO).

On Monday April 6, 2020 the National Veterans Employment and Education Division released a white paper summarizing loans and grants that were available with regards to the third phase of the COVID 19 relief package and also a tutorial that helps businesses and nonprofits determine their loan amount they may be eligible to receive under the Paycheck Protection Program.

On Monday April 6, 2020 the National Veterans Employment and Education Division had conversations with NASAA Executive Board members on implementation issues for Distance Learning Bill, particularly grading methodology. VA is publishing guidance to hopefully clear up questions around this issue.

On Tuesday April 7, 2020 the National Veterans Employment and Education Division attended a webinar hosted by the Defense Leadership Forum with regards to the COVID-19 SBA Emergency Disaster Loans & Grants Assistance. The topics discussed were Section 823 of the National Defense Authorization Act and Contracting, Proposals & Business Plan Support - SBA, MBDA, OSDBU's.

On Tuesday, April 7, 2020 the National Veterans Employment & Education Division spoke with Sarah Kathryn Poynton, Director, Event and Special Project, U.S. Chamber of Commerce Foundation, Hiring Our Heroes. In these uncertain times, the U.S. Chamber has shifted to online seminars. We also discussed the Career Fair during the National Convention.

On Tuesday, April 7, 2020 the National Veterans Employment & Education Division conducted a teleconference with SVAC and HVAC staffers, minority and majority, and VSOs to continue discussion of the Student Veteran Coronavirus Response Act of 2020, H.R. 6322.

On Tuesday, April 7, 2020 the National Veterans Employment & Education Division spoke with Kate Bush, corporate recruiter, Advance Auto Parts. Advance Auto Parts is currently looking to hire veterans nationwide. They are considered essential.

On Wednesday, April 8, 2020 the National Veterans Employment & Education Division participate on a Podcast with Scott Deluzio, Drive on Podcast. Talked about events and resources that The American Legion will be participating in (Virtual Workshops, and Career Fairs.)

On Friday, April 10, 2020 the National Veterans Employment & Education Division hosted a teleconference planning call. The American Legion is planning to host a virtual resume workshop in collaboration with DOL-VETS, Texas Veterans Commission, and Department of New Jersey. The virtual workshop is schedule for Wednesday, April 22nd from 1:00 pm – 2:00 pm.

On Friday, April 10, 2020 the National Veterans Employment & Education Division met with EdCounsel/Lumina Risk Based Survey Executive Team to discuss Risk Based Survey Advisory Committee work, including a new flow chart on how to determine which schools receive a RBS. Conversations with Hill Staffers on issues involving implementation of legislation by the VA, new legislation and Outreach Bill for SAAs.

TOPIC 3: EMPLOYMENT

In March, the overall national unemployment rate, including veterans, increased by 0.9 percentage point to 4.4 percent. "This is the largest over-the-month increase in the rate since January 1975, when the increase was also 0.9 percentage point," BLS said.



It noted that the data from the first weeks of March "reflect some of the early effects of the coronavirus [COVID-19) pandemic on the labor market." "We cannot precisely quantify the effects of the pandemic on the job market in March," BLS said. "However, it is clear that the decrease in employment and hours and the increase in unemployment can be ascribed to effects of the illness and efforts to contain the virus."

The unemployment rate for all male veterans was 4.0% in March, and 4.3% for female vets, BLS said. For post-9/11 veterans, the rate was 3.7% for men and 6.2% for women. For Gulf War I-era veterans, those who served from August 1990 to August 2001, the unemployment rate in March was 3.2%. For World War II, Korea and Vietnam veterans, it was 4.1%, BLS said.

The standout figure in the data was that the economy lost 701,000 jobs in March, ending a 10-year period of jobs growth as businesses shut down and Americans stayed home. It was the first decline in payrolls since September 2010, according to BLS. Think tanks and Wall Street are forecasting that the jobs situation will only get worse in the coming months in an economy likely to face a prolonged period of recovery once the pandemic is controlled.

Based on the stunning increase of unemployment insurance claims to 6.6 million in the week ending March 28, and 3.3 million the previous week, the Congressional Budget Office revised its estimates Thursday, projecting a 7% decline in second-quarter Gross Domestic Product and continuing unemployment rates topping 10%.

In a release, the Economic Policy Institute projected that "nearly 20 million workers will be laid off or furloughed by July, with losses in every state. "Following its usual practice, the BLS will adjust its figures for March later this month to account for late-arriving data. It will likely report a higher unemployment rate.

From their own discussions with the Labor Department, American Legion officials said they had learned that as many as 10,000 recently separated service members had filed for unemployment in the last two weeks of March.

"I hate to say it, [but] probably we don't have the full scope of it yet," Ariel DeJesus, assistant employment director at the Legion, said of the pandemic's impact on veterans' job prospects.

"Anytime a veteran files for unemployment it's concerning to us," said Joe Sharpe, the Legion's employment director, stressing the need for more workshops, job fairs and other forms of assistance for veterans to navigate their way through the downturn.

DeJesus and Sharpe said they are encouraged that the Army last week joined the Navy in offering service members due to separate or retire the option of staying in longer to avoid entering a job market in free fall.

With their commanders' permission, soldiers will be allowed the option of extending their service by three to 11 months, the Army said in statements March 28. On March 20, in anticipation of a spike in unemployment rates, the Navy began offering six- to 12-month extensions to sailors planning to retire or leave the service.

One of the surprises in the BLS data for March was the decrease in the unemployment rate for post-9/11 veterans, said Thomas Porter, executive vice president of Iraq and Afghanistan Veterans of America.

"We just don't know what the reason for that is" based on the preliminary data, he said. Porter added that projections for possible double-digit unemployment rates in the coming months point to the need for Congress to work up another relief package, on top of the recently passed \$2 trillion stimulus bill.

TOPIC 4: CAREER FAIRS

ALL CAREER FAIRS SCHEDULED THROUGH APRIL HAVE BEEN CANCELLED, SUSPENDED, OR POSTPONED.

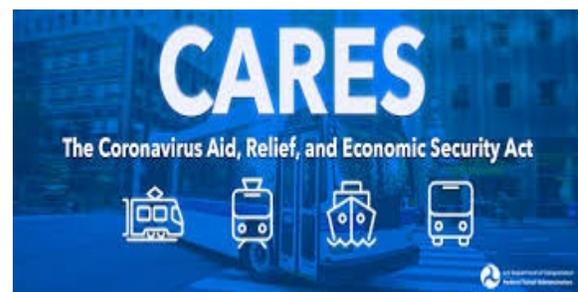
The American Legion is working on hosting virtual workshops and virtual career fairs.

The mission of The American Legion's National Veterans Employment & Education Commission is to take actions that affect the economic wellbeing of veterans, including issues relating to veterans' education, employment, home loans, vocational rehabilitation, homelessness, and small business

TOPIC 5: VETERAN HOUSING AND HOMELESSNESS

Being Informed: CARES Act and Beyond

The CARES Act includes sizable "recovery rebates" of \$1,200 per adult (\$2,400 for a married couple) and \$500 per dependent child age 16 or younger. A married couple with two children is therefore eligible for \$3,400. The rebates phase down gradually for couples with incomes above \$150,000, heads of household with incomes above \$112,500, and individuals with incomes above \$75,000.



While the final version is an improvement it did not cover:

- *Denies the entire rebate to certain immigrant families, including some with children who are U.S. citizens.* For a household to receive any rebate, each person in the household — including children — must have a Social Security number (SSN). (The only exception is for members of armed services, if one spouse has an SSN.) This is even harsher than the 2017 tax law’s Child Tax Credit provisions, which require that a child have an SSN to qualify for the rebate but do not require parents to have an SSN. The CARES Act leaves out both children who have an SSN and those who do not whose parents brought them to the United States.
- *Denies the rebate to tens of millions of dependents.* Filers may only claim the additional \$500 for dependents for children under age 17. This means that filers who support other dependents — including elderly dependents, adults with disabilities living with family members who help care for them, and college students — won’t get extra help based on these dependents. There’s no clear policy rationale for this choice, which ignores the struggle of many families with dependents who are not minor children, and the added cost to rectify it would be quite modest.
- *Requires members of vulnerable groups to submit burdensome tax filings.* Treasury will send automatic stimulus payments to many people who filed a 2019 or 2018 tax return using the direct deposit information from their tax returns, where available. But tens of millions of people don’t file a tax return: either their incomes are so low they don’t have to or they receive the bulk of their income from untaxed sources such as Social Security, veterans benefits, or disability benefits. The CARES Act creates mechanisms to reach recipients of certain federal benefits but leaves much to Treasury’s discretion to determine whether and how to get automatic payments to such individuals.

Treasury should use this authority to act quickly and aggressively to get as many of these people automatic payments as possible. Requiring them to file a tax return during a pandemic would be a barrier to many people who are self-isolating, have low incomes or disabilities, or are otherwise vulnerable, and who lack access to in-person help from family, government offices, nonprofit organizations, or even for-profit preparers while physical distancing is in place to reduce virus transmission. Treasury and the IRS will likely quickly issue guidance after the law is enacted to provide further guidance on who will need to file a tax return or provide updated bank account or other information.

Even if Treasury exercises its full discretion, millions of very low-income people will very likely have to file a tax return to receive the stimulus payment. The Volunteer Income Tax Assistance (VITA) program will be essential in reaching these people, and is likely to see a surge in need to help millions more people who have not previously been required to file a tax return — while facing the enormous task of shifting to online service in the middle of a pandemic and an extended 2019 tax filing season. The CARES Act appropriated modest additional resources to the IRS and Treasury to implement the stimulus payments, and the Administration should ensure that VITA has the resources needed to meet this challenge.

For those in a homeless status and do not have a permanent address or bank account, they can have a check mailed to the home of a trusted family member, a shelter, or a state agency where they currently receive assistance/support.

TOPIC 6: SMALL BUSINESS

Speaker Nancy Pelosi and Senate Democratic Leader Chuck Schumer issued this statement on Democrats' priorities for small businesses and working families in an interim emergency coronavirus package:

“The heartbreaking acceleration of the coronavirus crisis demands bold, urgent and ongoing action from Congress to protect Americans' lives and livelihoods. As Democrats have said since Day One, Congress must provide additional relief for small businesses and families, building on the strong down-payment made in the bipartisan CARES Act.

“Congressional Democrats are calling for:



- \$250 billion in assistance to small businesses, with \$125 billion channeled through community-based financial institutions that serve farmers, family, women, minority and veteran-owned small businesses and nonprofits in rural, tribal, suburban and urban communities across our country, and improvements to ensure all eligible small businesses can access this critical funding and are not turned away by banks;
- \$100 billion for hospitals, community health centers and health systems, providing desperately needed resources to the frontlines of this crisis, including production and distribution of national rapid testing and Personal Protective Equipment (PPE);
- \$150 billion for state and local governments to manage this crisis and mitigate lost revenue, doubling down on the investment secured in the CARES Act;
- Strong additional support for families with a 15 percent increase to the maximum SNAP benefit to help put food on the table.

“After we pass this interim emergency legislation, Congress will move to pass a CARES 2 Act that will extend and expand the bipartisan CARES Act to meet the needs of the American people. CARES 2 must provide transformational relief as the American people weather this assault on their lives and livelihoods.

“The American people need to know that their government is there for them in their time of great need.”

TOPIC 7: EDUCATION

In reaction to the national emergency caused by the novel coronavirus, President Donald Trump has directed the Department of Veterans Affairs (VA) to stop withholding payments or benefits from veterans who have a debt with the agency.



In his April 2 news conference detailing the nation's response to the COVID-19 pandemic, Trump announced that he had directed VA Secretary Robert Wilkie to suspend collections from veterans.

During the news conference, the president stated, "We take very good care of our veterans. At my direction, Secretary Wilkie will use any authority at his disposal to extend deadlines for benefits and suspend debt collections."

Trump's statement also sounds like it directs the department to stop collection of any debts related to VA medical treatment; however, that is not the case.

If you are affected by the COVID-19 (CORONAVIRUS), have a VBA benefit debt and need temporary financial relief, please contact DMC at 1-800-827-0648 to request assistance.

The financial relief actions include the following until further notice:

- Suspending all actions on Veteran debts under the jurisdiction of the Treasury Department.
- Suspending collection action or extending repayment terms on preexisting VA debts, as the Veteran prefers.

If you owe the VA money for overpaid benefits, your debt will not be excused, just suspended. You will still have to pay it back eventually. The exact timeline of the suspension is not known at this time, but the announcement will most likely stop any garnishments, tax levies and court-ordered collections for the foreseeable future.

Normally, if you owe the VA money, it will either work with you to get it back or force you to comply. Measures could include adding interest and late fees to your debt after 30 days; withholding other VA benefits after 90 days; garnishing your wages; withholding other federal benefits; and referring you to a collection bureau after 120 days.

Veterans Education Success, a veterans advocacy group, applauded the announcement on its Twitter account, stating, "We're cautiously optimistic of this announcement as it's been a priority of ours during this time of a national crisis in our country."

The group testified to Congress in September 2019 that VA debt collection affects one in four GI Bill recipients and often results in the department withholding disability payments and tax refunds or garnishing wages to satisfy debts.

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