

## NATIONAL VETERANS EMPLOYMENT & EDUCATION COMMISSION

### TOPIC 1: ECONOMY

Business investment in new equipment is likely in for a prolonged slump because of the global economic slowdown and because of uncertainty about the outcome of the U.S.-China trade war.

The two leading economies are engaged in a tit-for-tat battle that has each slapping successive rounds of penalties against each other's exports. Global growth is slowing as trade tensions have ramped up. Europe's outlook is deteriorating as its exports to China soften, while China itself is experiencing a decline in its exports that is putting its economy under strain. Britain continues to grapple with its long-delayed departure from the European Union. A disorderly exit would disrupt supply lines between Britain and the EU, potentially wreaking economic damage on both sides if shortages and anticipated logistic snarl-ups materialize.



Another drag on spending is that U.S. aircraft maker Boeing has not yet been able to get its grounded 737 Max aircraft certified as safe to return to service. A return will likely not happen until sometime next year at the earliest.

A scant 2% rise in capital spending is in store this year, before shrinking to 1% growth in 2020. New orders may have already peaked this year, and will be completely flat, if not down, in 2020. September orders and shipments of nonmilitary goods excluding aircraft dropped for the second time in three months. This category receives attention because it serves as a proxy for business investment. Weak shipments indicate that factories are less busy and likely will be operating at lower capacity in the future because order backlogs are being worked through faster.

Considering the slump in business spending, the unemployment rate declined to 3.5 percent in September, and total nonfarm payroll employment rose by 136,000, the U.S. Bureau of Labor Statistics reported today. Employment in health care and in professional and business services continued to trend up.

September job gains were lower than expected, but still consistent with the new normal for the economy. Monthly job growth in 2019 is likely to average 150,000 jobs per month, down from 223,000 in 2018. Partly, that is because there are fewer available workers to hire, given the low unemployment rate. But mostly, the smaller gains signal that the economy is slowing down to a more moderate growth rate. The tax cuts' stimulus to growth couldn't last, and the trade war with China is keeping exporters and commodities-oriented industries from expanding.

The positive takeaways from the report: Wage growth for nonsupervisory workers stayed fairly high at 3.5%. The share of prime-age workers (25 to 54) who are employed is the highest since 2010. There were a few weak spots, as well: Retail shed workers for the eighth straight month as stores continue to close. Eleven of 19 manufacturing industries lost jobs, showing the impact of

slowing exports. The telecom sector continued its long decline. Trucking experienced a surprise cutback for the second month.

The unemployment rate dropped to 3.5%, its lowest level since 1969. Job openings continue to exceed new hires. The short-term unemployment rate (which tracks folks who have been unemployed for less than six months) is at its lowest level since the Korean War in 1953.

Slower job growth is likely to allow the Federal Reserve to cut rates again on October 30, following cuts on July 31 and September 18. A softer jobs market gives the Fed some maneuvering room to cut rates without stoking inflationary pressures, since rapid job gains tend to lead to faster wage increases, which push up other prices.

<b>HOUSEHOLD</b>		<b>DATA</b>				
<b>Table A-5. Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted</b>						
[Numbers in thousands]						
Employment status, veteran status, and period of service	Total		Men		Women	
	SEP 2018	SEP 2019	SEP 2018	SEP 2019	SEP 2018	SEP 2019
Unemployed	131	157	98	122	33	35
<b>Unemployment rate</b>	<b>3.9</b>	<b>4.5</b>	<b>3.5</b>	<b>4.0</b>	<b>6.0</b>	<b>7.0</b>

*The national unemployment rate is 3.4 percent (September 2019). Gulf War II veterans unemployment rate is 4.5 percent.<sup>i</sup> Currently, the unemployment rate for Gulf War II women veterans is 7.0 percent (up from 3.4 percent in September).*

**TOPIC 2: MEETINGS**

*On Tuesday, October 29<sup>th</sup>*, the National Veterans Employment & Education Division joined a conference call with Lumina and ScoutComms to discuss communications support for the Credentialing Roundtable grant. Lumina Foundation is funding communications support directly, but requests American Legion advice on its choice for preferred vendor.

*On Tuesday, October 29<sup>th</sup>*, the National Veterans Employment & Education Division and Veterans Affairs and Rehabilitation Division met with the Endeavor Group that has refined the Stellate Ganglion Block (SGB) for PTSD treatment through a public private partnership. SGB is not a cure, However, it is a highly effective, well tolerated, fast acting, inexpensive biologic technique that provides prolonged relief from the debilitating symptoms of PTSD.

*On Wednesday, October 30<sup>th</sup>*, the National Veterans Employment & Education Division met with Syracuse University’s IVMF and National Coalition for Veteran Owned Business to discuss the upcoming VetSource event in NYC that they are hosting with the NYC Department of Veterans Services.

***On Wednesday, October 30<sup>th</sup>***, the National Veterans Employment & Education Division attended a College Promise and Financial Sustainability Symposium on how to manage and maintain funding in order to build financially sustainable Promises. Invitation-only participants from the College Promise movement and student voices came together, shared ideas, and informed the College Promise Campaign's collective impact work.

***On Friday, November 1<sup>st</sup>***, the National Veterans Employment & Education Division attended a discussion on improvements to the Military Lending Act that have been drafted by Maxine Waters office. It proposes solutions that will expand the Military Lending Act to include military spouses and veterans, but limits its protections to payday, vehicle title and finance company loans that are the most egregious lenders.

### TOPIC 3: EMPLOYMENT

This week, Congressman Andy Kim (NJ-03), Congressman Paul Cook (CA-08), and Congressman Gil Cisneros (CA-39) introduced H.R. 4941, the bipartisan Veteran Employment Transition (VET) Act, that would help veterans identify employment opportunities to help service members during their transition to civilian life.



“There’s no better way we can thank our returning veterans than by giving them every opportunity for a good paying job,” said Congressman Kim. “That opportunity starts with information. By empowering great organizations like the American Legion and VFW to reach out directly to returning

veterans, we can fulfill our promise to those who served. I want to thank Congressman Cook and Congressman Cisneros for their partnership in this effort and look forward to working with my colleagues on both sides of the aisle to get this done.”

“Veterans who serve our country honorably shouldn’t struggle to find employment upon returning home,” said Congressman Cook. “This legislation would provide crucial improvements to veterans’ employment outreach programs across the country. It’s important that we do all we can to support organizations that strive every day to support our veterans. I thank Congressman Kim for his leadership on this issue and look forward to working with him to get this bill passed.” Our newsletter delivers the local news that you can trust.

“As a Navy veteran I understand the difficulties our veterans face as they attempt to transition back to civilian life and find work,” said Congressman Cisneros. “Our veterans develop critical technical and leadership skills during the course of their service, and we must do more to help them find opportunities to put those skills to work in our modern economy. I’m proud to join Congressmen Kim and Cook in this bipartisan legislation to empower VSOs to step up outreach on employment opportunities and ensure our veterans have the support they need to successfully transition back into our communities.”

The VET Act allows data collected through the Department of Defense's Transition Assistance Program to be shared with qualified veteran service organizations such as the American Legion, Vietnam Veterans of America and the Veterans of Foreign Wars. Sharing this data will empower these organizations to engage in outreach to returning veterans, sharing information employment opportunities and local veteran employment events.

The bill, formally endorsed by the Student Veterans of America and the Veterans of Foreign Wars, would also provide privacy protections for veteran's information and an option for veterans to opt-out of communication from veteran service organizations.

"The transition from military to civilian life can be one of the most difficult challenges veterans face," said Ryan Luurtsema, Veteran Coordinator at Ocean County College. "Congressman Kim's bill will help service members returning to Ocean County with better transition guidance and proper advocacy in getting the information they need to find a secondary career path and increase quality of life for themselves and their family."

Congressman Kim is a member of the House Committee on Small Business and the House Armed Services Committee. In addition to introducing the VET Act, Congressman Kim has been a vocal proponent for a new veterans' health care facility in Ocean County, and has introduced bipartisan legislation to protect veterans from VA errors. As a member of the House Armed Services Committee, he's led efforts to strengthen resiliency programs at Joint Base McGuire-Dix-Lakehurst, strengthen economic opportunities for military spouses, and require the Department of Defense to the end use of harmful PFAS chemicals.

#### **TOPIC 4: VETERAN HOUSING AND HOMELESSNESS**

On any given night, the federal government estimates there are around 40,000 homeless veterans sleeping on the street or in tents and stairwells. Each and every one of them is entitled to the VA benefits they fought and bled for. As part of the Home for the Holidays initiative, the Cleveland VA, HUD and the Cleveland Metropolitan Housing Authority have increased their outreach efforts to connect homeless and distressed veterans with housing vouchers and VA benefits.



HUD's VASH program, also known as VA Supportive Housing, combines HUD housing vouchers with supportive services from the VA. The goal of the program is get veterans off the street and into treatment and therapy. On Thursday, the Cleveland VA hosted dozens of local agencies and property owners to create a 'one stop shop' for veterans. CMHA and the VA provided veterans with transportation and

other assistance so they could view apartments throughout the Cleveland area.

Veterans who have not joined the VASH program were also given the opportunity to do so.

“It’s a beautiful thing. There is no way any veteran in America -- and definitely in Cuyahoga County -- should be homeless,” said Larry Akins, a veteran of the US Army. “We have so many benefits, so many programs. There are so many people that are willing to help you.”

The efforts appear to be making some progress. According to the VA’s most recent point-in-time homeless veteran count, the number of homeless veterans in Ohio has dropped more than 38% since 2011, including a 13% decline from 2017 to 2018.

Akins, a veteran of the first Gulf War, is emblematic of the VASH program’s success, he said. After returning home and raising his family, Akins became an addict, he said, eventually landing him in Cuyahoga County Common Pleas Court on felony charges. He was sentenced to probation and was required to receive treatment at the VA for his addiction issues. Akins then began to flourish.

He enrolled in a VA program that provided him a job in the VA system while he was receiving treatment, allowing him to save money to buy his own car and rent his own apartment. Akins’ treatment has gone so well that he’s received two job offers.

“Sometimes we have to keep ourselves in position for a blessing. I was happy that I was in the position when they called me to accept the job,” Akins said. “If I was out in the streets or out some where I shouldn’t have been or locked up in jail, all that would be for naught.”

Akins has now become a full-throated advocate for the program. “They have helped me to the point where I could help myself,” Akins said. “With all these avenues you can take, you don’t have to be homeless.”

## TOPIC 5: CAREER FAIRS & ROUNDTABLES

This week, work continued on The American Legion’s upcoming hiring events to be staged in Fort Carson (CO), Aurora (CO), JBLM (WA), King George (VA), Fort Meade (MD), Lexington Park (MD)

## TOPIC 6: SMALL BUSINESS

As we enter November, a month of gratitude, SBA begins the month by celebrating National Veterans Small Business Week (NVSBW), during Nov. 4-8, 2019. We take this opportunity to say “thank you” to our military men and women, and the veteran community for serving our country.



SAVE THE DATE

**NATIONAL VETERANS  
SMALL BUSINESS WEEK**

**Nov. 4-8, 2019**



Now entering its sixth year, NVSBW raises awareness of veteran business ownership and encourages local communities to support their veteran- and military-owned businesses. At SBA, the Office of Veterans Business Development is devoted exclusively to promoting veteran entrepreneurship and supporting veteran small business owners and their families.

Veterans and transitioning service members can access customized entrepreneur curriculums, in-person classes, and online courses to aid them in their small business journey. SBA knows that these resources are valued by our service members' community.

SBA encourages veterans and transitioning service members to utilize SBA services. Here are five SBA resources available today to our country's service members reach the American Dream of owning a business:

1. **Transition Assistance:** SBA and its resource partners support active duty and transitioning service members, veterans, and military spouses through Boots to Business, part of the Department of Defense's Transition Assistance Program. Find a Boots to Business education and training program here: <https://sbavets.force.com/s/>
2. **Entrepreneurial Training:** On your entrepreneurship mission, you may need additional training to help you start, grow, or expand your business. Whether you're a female veteran, service-disabled veteran, or looking to learn business fundamentals, you can tap into SBA's entrepreneurial training programs for help. Resource partners include Women's Business Centers that assist women in starting and growing small businesses; Small Business Development Centers that offer free, one-on-one counseling and low-cost training services; and SCORE a network of thousands of volunteer business counselors around the country that provides free in-person and online counseling as well as educational workshops.
3. **Access to Capital:** It may be time to consider funding options for your business – whether it's capital to start the company or funding to help you expand. SBA and its network of resources understand that funding and capital may be a barrier for veterans on their mission to start or scale up your business. The network of local offices, resource partners, and organizations is available to help entrepreneurs identify lenders and understand different financing options. SBA's Lender Match is a free online referral tool that connects small businesses with participating SBA-approved lenders.
4. **Government Contracting:** Are you looking to pursue government contracting opportunities to help your business grow? At this stage of your mission, SBA and its partners can help you through the Veteran Federal Procurement Entrepreneurship Training Program where you can learn how to navigate the complexities of government contracting. Learn more about government contracting here <https://www.sba.gov/federal-contracting>
5. **SBA District Offices** can connect you to local SBA resources, mentors and training. Visit [www.SBA.gov](http://www.SBA.gov) for more information and to find a local office.

### **THE AMERICAN LEGION'S RURAL VETERAN INITIATIVE FOR SMALL BUSINESSES**

Entrepreneurship is a proven pathway for Veterans from all walks of life to build an income, independence and financial security for themselves, their families, their employees, and their communities. Rural entrepreneurs start businesses at higher rates than their urban counterparts and have higher five-year business survival rates, and these businesses play a particularly vital role in rural America, creating roughly-

two-thirds of new jobs and supporting economic and social wellbeing of their communities. While these entrepreneurs represent great potential, they often face different challenges than those in metropolitan areas, including geographic isolation, spotty broadband services, ailing infrastructure, a reluctance among major companies, banks and healthcare providers to serve the area, difficulties in hiring and retaining qualified workers and barriers in accessing capital to build their businesses. Still, The American Legion regards them as the backbone of community, invests heavily in their towns, and is interested in shaping local and state policy.

In March 2018 the Federal Reserve Bank of St. Louis published a report titled “Financial Innovations to Improve Economic Resiliency in Rural Communities” They “brought together impact investors and community development practitioners to explore the barriers and opportunities for how mission-based financial institutions can support rural communities. Some of their conversations focused around:

- Strategies to wrangle capital to rural communities and the mission-based financial institution that serve them
- Roles that regional networks for funding and financing could play to serve rural regions
- The importance of partnerships to both deploy capital and build local community development capacity
- Needs for financing rural housing and rural broadband infrastructure.

The Veterans Employment and Education Division held a Capital Assess Roundtable with a focus concerning:

- Identifying economically distressed communities where a large number of veterans reside;
- Exploring if veteran entrepreneurship (existing or new) could play a role in helping to revitalize those communities;
- Analyzing the resources-and gaps in resources-available to assist veterans in this endeavor;
- Assist in providing veteran entrepreneurs in those communities with the education and resources needed to help revitalize their communities.

The Department of Veteran Affairs, Small Business Administration, United States Department of Agriculture, Department of Treasury, First Data, Syracuse University, all attended our first meeting with Mellon, Goldman Sachs, and other banks expressing interest in participating in follow/up meetings. VE&E is also currently concentrating on resources available in the State of Mississippi; has the largest rural amount of veterans followed by West Virginia and Arkansas the state has a veteran population of 174 thousand veterans. The current poverty rate is listed at 21.5% for the state, while ten communities within the state have a poverty rate from 30% to 50%, the highest in the nation.

## **TOPIC 7: EDUCATION**

A dispute about embattled Thomas Jefferson School of Law helped spark the federal government’s recent decision to strip California of its ability to determine which schools can accept students’ GI Bill benefits.

California’s Department of Veterans Affairs suspended Thomas Jefferson from enrolling new students with veterans benefits in late 2017 and removed the school from the GI Bill program all together last year. The state acted in response to the San Diego law school being placed on probation by its national accreditor.



But the U.S. Department of Veterans Affairs believed the California's agency's actions were improper because the school still had accreditation while it was on probation. The California VA eventually reversed course and reinstated the law school, but not before Thomas Jefferson students with veterans benefits had to rely on the school to step in to provide financial support in the government's place for several months.

Thomas Jefferson has actively welcomed students with GI Bill benefits, and it received roughly \$4.4 million in tuition and fee payments for beneficiaries from fiscal 2009 through fiscal 2017. But Thomas Jefferson's myriad issues on other fronts jeopardized its ability to keep receiving students' veterans benefits.

For example, just 31% of the school's first-time takers passed the July 2016 California bar exam. The law school tied for the second-worst performance among the state's 21 ABA-accredited institutions. Meanwhile, Thomas Jefferson had struggled financially since taking on \$130 million in debt to construct a state-of-the-art facility in San Diego's East Village that opened for classes in 2011.

The school's ABA probation caught the attention of the California Department of Veterans Affairs, also known as CalVet. The agency notified Thomas Jefferson in a letter dated Dec. 29, 2017, that it was suspended from receiving veterans benefits from any newly enrolled students effective immediately.

CalVet gave Thomas Jefferson until Feb. 27, 2018, to come back into compliance by meeting one of two conditions: The first option was demonstrating it was no longer on ABA probation, and the second was applying for approval in the GI Bill program as a non-accredited law school.

On March 15, 2018, CalVet notified Thomas Jefferson it was withdrawing its ability to accept GI Bill benefits from new or current students. The state wrote Thomas Jefferson was not in compliance with the standards necessary to be approved either as an accredited or unaccredited school.

However in summer 2018, the federal VA sent a letter to CalVet highlighting concerns about its work approving schools to receive GI Bill benefits. The first issue raised in the Aug. 24 letter was the "improper suspension and/or withdrawal" of schools' ability to accept veterans benefits. In regard to Thomas Jefferson, the state "inappropriately took action as if the programs were not accredited and advised the school to request a waiver from VA," the federal letter said. "Thomas Jefferson School of Law's programs were accredited at the time, although in a probationary status."

The letter concluded by stating that the federal government looked forward to California's "timely resolution of these performance concerns." Less than a week later, the federal VA released a national advisory urging state agencies in charge of approving which schools can receive GI Bill benefits not to overrule other bodies' determinations about whether a school should be accredited or licensed.





The memo said “it is inefficient and a waste of VA resources for a [state approving agency] to repeat their work and expend further resources in an attempt to confirm or overrule their determinations.” The advisory was issued as a result of CalVet’s actions, the federal VA later said.

CalVet’s handling of Thomas Jefferson’s GI Bill eligibility was one of many instances in which the federal VA felt the state had fallen short with such work. In a Sept. 6, 2019, letter to CalVet outlining those alleged shortcomings, the federal government said it was not going to sign an agreement for California to handle the GI Bill approval process for fiscal 2020.

“Over the last three years, CSAAVE’s performance has significantly declined to an unacceptable level, impacting the trust of veterans in the GI Bill approval process,” the VA wrote. The federal VA said it would be taking over the state’s GI Bill duties on Oct. 1, 2019. CalVet initially claimed it would continue its GI Bill role despite not receiving a new contract, but on Sept. 30 it sent school administrators a message in which it acknowledged the federal government would be assuming the work. Sherr said the law school believes the federal VA taking over for California “may help to ensure other schools are not adversely impacted” as it was.

Regardless of what happens, Thomas Jefferson is in danger of again losing its ability to accept GI Bill benefits. In May, the American Bar Association’s legal education council voted to strip the school of its ABA accreditation. The panel highlighted concerns about the school’s finances, admissions practices and rigor of its educational offerings.

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**Week Ending: 11/01/19**

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