

NATIONAL VETERANS EMPLOYMENT & EDUCATION COMMISSION

TOPIC 1: ECONOMY

The Department of Veterans Affairs can now back loans that exceed the conforming loan limit, as a bill eliminating this cap was signed into law by President Donald Trump

The Blue Water Navy Vietnam Veterans Act allows homebuyers to borrow above the 2019 limit of \$484,350 for most counties without any down payment.



Earlier this year, the Senate unanimously approved the bill, and now President Trump's signature makes it official.

The move comes after a decades-long fight for veterans to receive health care benefits for diseases related to Agent Orange exposure, according to military.com, which said the bill would "fast-track disability compensation" for as many as 90,000 affected former service members.

In an earlier draft of the bill, the cost of these benefits was to be financed by raising VA loan fees 0.35% to 0.5% for non-disabled veterans, according to military.com.

However, trade groups like the National Association of Realtors lobbied against such an increase, and as a result, the approved bill reduces the proposed fee increases. However, it does not eliminate a bump in fees for VA loans.

NAR President John Smaby said the association teamed with other housing industry trade groups to ensure veteran benefits would be extended without a significant increase to VA loan fees.

"Realtors support efforts to boost veteran participation in this program, but we also believe VA loan guarantee fees should be based on the risk of the loan made, not the costs of other VA programs or benefits," Smaby said.

"As we aim to ensure our nation's veterans have every possible opportunity to achieve the American Dream of homeownership, the National Association of Realtors has remained a strong supporter of the VA home loan guaranty program," said Smaby. "This vital tool encourages private lenders to offer favorable home loan terms to qualified veterans and provides a much-needed resource to those who have sacrificed so much for this country."

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	
	July 2018	July 2019	July 2018	July 2019	July 2018	July 2019
Gulf War-era II veterans						
Unemployed	99	128	86	112	12	16
Unemployment rate	3.0	3.6	3.1	3.7	2.4	3.2

The national unemployment rate is 3.7 percent (July 2019). Gulf War II veterans unemployment rate is 3.6 percent.¹ Currently, the unemployment rate for Gulf War II women veterans is 3.2 percent (Down from 3.6 percent in June).

TOPIC 2: MEETINGS

On Monday, August 5th, the National Veterans Employment & Education Division continued efforts to complete administrative and logistical requirements in support of the upcoming National Convention. The VE&E Division is working closely with Habitat for Humanity International to develop an interactive map that will show the location of current and future Habitat for Humanity projects and the American Legion Posts in the geographic area.

On Monday, August 5th, the National Veterans Employment & Education Division teleconferenced with the U.S. Chamber of Commerce, Hiring Our Heroes to discuss participation at the upcoming career fairs and summits.

On Wednesday, August 7th, the National Veterans Employment & Education Division teleconferenced with the U.S. Chamber of Commerce, Hiring Our Heroes to discuss the upcoming career fair during the National Convention. Currently, we have 18 employers who have agreed to participate and three service providers.

On Friday, August 9th, the National Veterans Employment & Education Division will attend the BRAVO Veteran and Military Spouse Small Business Conference hosted by the US Chamber of Commerce.

TOPIC 3: EMPLOYMENT

Over the past few months, The American Legion National Veterans' Employment and Education Division has fielded several questions and concerns regarding potential discrimination allegations against in the private and federal sectors. In a recent call (August 9, 2019), a veteran contacted the office to voice concerns that he feels his veterans' preference was violated when applying for employment within the federal government.

Additionally, in a recent meeting with Senator Lankford's and Senator Senema's office, The American Legion expressed its concern that federal agencies may not be adequately trained in the implementation or application of veterans' preference.

Also, most people are aware that federal law bars discrimination on the job due to gender, race, and religion, but they often don't realize that it also covers current and former members of the military as well.



With fewer Americans serving in the military today than in past decades, this kind of discrimination can be subtle, taking the form of assumptions that civilians make about military life and service.

That could come from recruiters who ignore relevant job experience — like leading a caravan of military vehicles in the desert when hiring for a job driving a commercial truck. It could come in the form of an innocent-seeming question during a job interview about whether you suffered from post-traumatic stress disorder (PTSD) after completing a tour in Afghanistan. Alternatively, it could be the more obvious refusal to reinstate you at your old job after regular service with the National Guard.

Several federal laws aim to prevent those kinds of situations. Here's a look at the laws that protect those who come back from their service as they reenter the workforce.

Finally, The USERRA provides the following protections to current or former members of the U.S. military: (1) they cannot be discriminated against by employers based on military service, and (2) they are to be reinstated to their pre-deployment job when they return from duty. Moreover, these provisions apply to all private and government employers, regardless of their size.

Upon return to his/her job, the employer must make reasonable accommodations for the employee who has incurred new disabilities or aggravated existing ones.

The veterans' preference is an advantage where qualified veterans receive preference over non-veterans for federal government positions. This advantage applies to the hiring and firing of employees. The veterans' preference does not guarantee a job or the right to a favorable internal employment decision, such as a promotion.

Thanks to these federal laws, veterans and active-duty members of the military have rights, but knowing you have them is the first step to protecting your job and career.

TOPIC 4: VETERAN HOUSING AND HOMELESSNESS

One might believe that, in a nation as great as America, every citizen would have a place to live, a roof over their heads and somewhere safe to sleep at night. Not so much. The situation can be especially bad for veterans in this country's homeless population. At last count, there were somewhere between 40,000 and 70,000 homeless veterans. Getting an exact count is unlikely because when someone well-dressed and carrying a clipboard approaches a homeless encampment, the population of that camp magically shrinks — fast.



Nearly 10 percent of U.S. veterans are women, which means about 2 million women nationwide, and about 10 percent of that group is homeless. Moreover, here's the capper — the percentage of homeless women veterans is increasing much more than in the male veterans population. Not exactly the kind of statistics one would hope for from a global superpower whose citizens place so much emphasis on and trust in military service. However, it is what is. Thankfully, some North County folks are working on a solution to the women-veteran homelessness problem. An Orcutt home will house homeless women veterans, thanks to the work of a nonprofit, Operation WEBS, which was founded one year ago to help women transition to civilian life after leaving the military.

WEBS stands for Women Empowered Build Strong, and the organization recently celebrated the opening of its women veterans stability home with a ribbon-cutting ceremony. Since April, two formerly-homeless veterans have called the four-bedroom house their home. The Orcutt facility is just the first phase in a multi-year project to develop a full-fledged organization that will support women veterans, helping them to rebuild their lives after leaving military service. As most every veteran knows, the military offers a controlled environment that gives servicemen and women a sense of security. However, once their service is completed, that protective umbrella disappears. It can be a harsh adjustment for so many. Bunches of roses, of all colors and varieties, to the WEBS organizers for the work they have begun to make life a bit easier for those who answer the call to duty. So these kinds of programs that extend far beyond the one or two days a year veterans are honored are the real American spirit at work.

You hear or read the word "succulent" and, at first, you think it might be something lurking in a bad horror movie. Succulent, as it relates to the plant world, is top-notch, which is why so many folks showed up at the Santa Maria Public Library a couple of weekends ago for the library's 3rd Annual Succulent Exchange. Succulents are drought-resistant plants. If you give them too much water, they react by starting to wilt. Alternatively, as one exchange participant said, "They thrive on neglect." Succulents also can be grown by merely cutting off a branch or a leaf and sticking it into the soil. The plant takes care of the rest.

However, the beauty of the Succulent Exchange event is not just the easy-to-grow plants. The Saturday morning event drew a big crowd, which is yet another way an active community stays connected, with people meeting people, and sharing. The Succulent Exchange is the brain-child of Gillian Speicher and Selena Fierro, both librarians at the Santa Maria Public Library, because "we just love succulents and we know the community loves succulents," Speicher said. Roses to two thoughtful librarians, and to everyone who puts together such opportunities to bring our communities closer together.

TOPIC 5: CAREER FAIRS

This week, work continued on The American Legion's upcoming hiring events to be staged in Carlisle (PA), Fredericksburg (VA), Herndon (VA), Joint Base Anacostia-Bolling (DC), Joint Base Andrews (MD), Lexington Park (MD), JBMH (VA), and Indianapolis (IN).

TOPIC 6: SMALL BUSINESS

Scattered in warehouses throughout the country are the kinds of federal resources that can help make small businesses thrive — laptops and office furniture, construction equipment and farm tools that have been gathering dust, unused and unseen, year after year. Meanwhile, thousands of American service members are returning home from war, taking off their uniform then taking a chance: trying to scrounge up enough resources to start their small businesses, all too often struggling to stay in the black if and when they get off the ground.

Even in an era of such political gridlock, it just made no sense for these two problems to co-exist.

As of a few weeks ago, they no longer do. After both branches of Congress overwhelmingly voted for its passage in December, my Veterans Small Business Enhancement Act became law earlier this month, allowing veteran small business owners to acquire those pieces of equipment and personal property that the federal government no longer has any use for, effectively free of charge.



Now that farmer in southern Illinois might not have to stay up at night, worried about how he'll possibly be able to pay for that generator. Now that veteran who returned from war and went back to school can get the computers she needs to open the doors to her very own practice. Also, now, American taxpayers will no longer have to foot the bill to store all those resources that belong in office buildings and cornfields. A win-win, by anyone's estimation. There is a reason veterans are twice as likely to start or lead their own companies as civilians, with roughly 10 percent of small businesses across the country run by those who've served, including 80,700 in Illinois alone.

It's because no matter where they were deployed, no matter which branch they call their own, those who've worn the uniform have a kind of courage instilled in them that's impossible to root out — the type of resilience and determination that can turn a longshot idea into a smooth-running, profit-making business. Yet thanks to many factors, the number of veterans leading their own companies is plummeting as compared to generations past. While a staggering 49.7 percent of World War II veterans went on to run our businesses, followed by 40 percent of Korean War veterans, just 4.5 percent of those who served after Sept. 11, 2001, had launched their companies as of late 2016.

We know that veterans are far more likely to hire other veterans, especially those who are struggling with the wounds of war, both visible and otherwise. So fewer vets at the helm of companies mean fewer vets throughout the ranks, too — fewer learning the ropes of an industry. Fewer climbing the ladder to the top. Fewer who, someday, might start a business of their own.

This bill will help change all that, beginning to reverse the trend of entrepreneurship among recent veterans and, in doing so, getting more of our heroes get hired and trained today so they can succeed tomorrow. These women and men risked their lives for the rest of us overseas. It was way past time for us to pass legislation that looks out for them when they step back onto U.S. soil. So to all those veterans who own or are looking to start small businesses, this bill is for you. Also, all you have to do to begin laying claim to those unused items and their untapped potential is to contact your local state agency.

TOPIC 7: EDUCATION

Education Secretary Betsy DeVos's move to reverse Obama-era restrictions on for-profit colleges and reinvigorate the shady industry has backfired spectacularly. Since DeVos and team greenlighted the accreditation of one of the nation's largest chains of for-profit colleges, Dream Center Education Holdings, and its purchase of schools, thousands of students have been affected by school closures and conversion to nonprofit status. One group of students that have been greatly affected are military veterans, who have racked up useless credits and massive debts that can become the burden of taxpayers and the federal government to the tune of hundreds of millions of dollars.



The deregulation efforts of the for-profit college sector began back in 2017, soon after Dream Center — a charity affiliated with a Los Angeles-based megachurch with no higher-education experience — acquired some colleges from a significant for-profit player in bankruptcy. DeVos had made it a priority to bolster for-profit schools, according to an article by The New York Times. In addition to relaxing oversight on the sector, DeVos also allowed for-profit schools to convert to non-profit status by loosening the rules of that process.

"School closures also cost taxpayers and our federal government hundreds of millions of dollars in financial losses in discharged federal student loans."

It's also come to light that a DeVos aide, Diane Auer Jones, a former lobbyist, and executive for for-profit colleges, was granting personal favors to help Dream Center, which controls more than 100 campuses with 50,000 students, to promote the company gain accreditation. DeVos, before becoming Education Secretary, had invested in companies with ties to for-profit schools.

Back in 2016, Dream Center had its eyes on the failing ITT Technical Institutes, but the Obama administration astutely blocked that acquisition as part of its crackdown on the for-profit college sector. Moreover, ITT ultimately shuttered its doors. However, Dream Center found a new deal that would be blessed and moved forward by DeVos and team to purchase three large for-profit chains, the Art Institutes, Argosy University and South University from the bankrupt Education Management Corp.

Fast forward to the present. Dozens of Dream Center's campuses are out of money and set to close, more than a dozen more universities have already been sold — some to a New York private equity firm in a deal arranged by DeVos and team — and more than 40 other schools are under the control of a court-appointed receiver. In total, some 26,000 students have been affected by the demise of Dream Center Education Holdings.

Thousands of those students left scrambling to salvage their education plans are Post-9/11 GI Bill recipients, who are hard targets of the predatory for-profit schools because they can use the GI Bill funds to collect up to 100% in federal aid. For-profit schools must pull in at least 10% of their funding from sources outside of federal aid, the so-called 90/10 rule. However, Congress wrote a big loophole, excluding GI Bill funding from the 90% limit, and for-profit schools actively seek-out veterans as students.

"For-profit schools aggressively target veteran students and spend a ton on marketing, but spend little on instruction," Walter Ochinko, research director at Veterans Education Services, told DCReport.

"They have large marketing teams that do robocalls all the time and use lead generators to reach out to veterans." With the closures of ITT Technical Institutes schools and the failing of Corinthian Colleges Inc., another 12,000 GI Bill students were affected by the weaknesses of the for-profits in the past few years.

"Deregulation efforts have created a situation where vets are being harmed, they don't have much recourse," Ochinko said. "When a school closes, there's only a partial restoration of benefits for veterans. Essentially they are left out in the cold."

When these schools close, students transferring from for-profit to public schools could lose an estimated 94% of their credits. Also, if they retain their credits, they often don't apply toward fulfilling their degree requirements toward their majors, according to a report filed in June by the U.S. Government Accountability Office (GAO). For many veteran students, school closures and transfers can exhaust their GI Bill benefits.

School closures also can cost the federal government and taxpayers hundreds of millions of dollars in financial losses due to discharged federal student loans.

For GI Bill beneficiaries, the Department of Education works with the Veterans Business Affairs agency and State Approving Agencies (SAA), known as "the triad." State Approving Agencies, state employees under contract with the VA, have the authority to shut down schools and remove GI Bill benefits, the VA does not. However, DeVos' deregulation efforts would undermine protections for GI Bill beneficiaries by making it more difficult for state approving agencies to hold schools accountable, according to a report by Veterans Education Success, which works with military service organizations to educate federal and state policymakers to ensure the success of the GI Bill and its beneficiaries.

The Office of the Inspector General of the Department of Veterans Affairs (VA) conducted an audit of the Veterans Business Affairs and state approving agencies oversight of all programs for military veterans from February 2015 through January 2016, and estimated 44 of the 51 state agencies "did not adequately oversee the education and training programs to ensure only eligible programs participated in the Post-9/11 GI Bill program."

The report, published in December 2018, found that out of an estimated \$585 million paid for these "improper payments," a staggering 81% or \$473.8 million went to for-profit schools. If the Veterans Business Affairs agency does not implement oversight and better recommendations to the SAAs about \$2.5 billion in related improper payments will go to potentially ineligible programs over the next five years, "putting billions of dollars at risk for fraud and waste and hindering efforts to provide quality education to eligible students," according to the audit.

Then there's the problem of performance at these schools. The for-profit colleges examined in the GAO report showed the lowest graduation percentage of any college, at 22% for a four-year program, compared with 73% for public schools and 66% at nonprofit schools. Retention rates for full-time students also lagged, at 56%, compared with 88% for public schools and 85% for nonprofit schools.

The Department of Education recently filed a regulation in June stating plans to loosen requirements and oversight of accreditation agencies, which will only create more incentives for the Dream Centers of the nation.

"Essentially, they are up a creek," Ochinko said. He and his organization, Veterans Education Success, recommend that Congress restore full benefits to GI Bill students in these circumstances. Rep. Donna Shalala (D-Fla.) recently introduced a bill to close the 90/10 loophole at for-profit colleges, a small step in the right direction.

Joseph C. Sharpe, Jr., Director
Veterans Employment & Education Division
202.861.2700 ext. 2989
Week Ending: 8/9/19
