



10 Tackle Veteran Employment Challenges

According to the Bureau of Labor Statistics (BLS), prior to the 2020 novel coronavirus (COVID-19) pandemic, veteran unemployment numbers were some of the lowest in over 19 years. Unemployment numbers for veterans with disabilities; however, have continued to lag behind the rest of the veteran population. Currently, veteran unemployment numbers are much higher, with some studies finding that many veterans with disabilities have left the labor market altogether. The Independent Budget veterans service organizations (IBVSOs) recommend tailoring employment solutions to: better meet the needs of veterans with disabilities; ready job-seeking veterans into high-demand occupations; support organizations helping veterans find employment; improve the Department of Veterans Affairs' (VA) Veteran Readiness and Employment (VR&E) program; and help veterans and military spouses with credentialing and licensing issues. We also recommend better supporting Veteran-Owned Small Business (VOSB) and Service-Disabled Veteran-Owned Small Business (SDVOSB) programs to ensure veterans remain gainfully employed throughout and following the pandemic.

Improve Employment Support for Veterans with Disabilities

According to the Department of Labor (DOL), veterans with service-connected disabilities are less likely to participate in the labor force than veterans without disabilities.¹ Veterans with nonservice-connected disabilities experience similar challenges; only 37 percent are employed compared to more than 75 percent of veterans without disabilities.² Veterans with disabilities, especially those with catastrophic disabilities, often face significant challenges in finding and obtaining employment within their capabilities.

We have only seen these challenges exacerbated by the COVID-19 pandemic and current economic recession. Once the national pandemic took hold, the number of unemployed veterans almost tripled.³ Fourteen percent of veterans are working in the top five industries most impacted by COVID-19.⁴ A recent study by the Brookings Institute reports that 42 percent of jobs lost to COVID-19 are not returning.⁵ And as of September 2020, data suggests that many individuals with disabilities are no longer on furlough or actively looking for work and are leaving the employment market.⁶

We cannot have a robust discussion around employment if we do not discuss the health benefits of mean-

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ingful and gainful employment. The shelter in place orders resulted in a drastic rise in calls to the VA crisis line and increased mental health-related telehealth appointments. Isolation is a strong predictor of suicide and can lead to exacerbation of mental illness and disorder symptoms, and contribute to conditions such as depression, anxiety, and dementia.⁷ Experts agree that employment can positively factor in recovery from illness and enhance mental wellness, especially when compared to unemployment. Meaningful employment provides daily structure and a sense of self-worth, as well as supports social engagement.⁸ Thus, not only is it financially important to get veterans back to work, but it is also better for their overall health.

Additional employment challenges for veterans include age, gender, race, and geography. According to DOL's BLS, among the 284,000 unemployed veterans in 2019, 56 percent were ages 25 to 54, 39 percent were age 55 and over, and 5 percent were ages 18 to 24.⁹ And according to a 2018 VA Report, minority veterans face a 44 percent higher risk of unemployment than nonminority veterans.¹⁰ Working-age rural veterans (18 to 64 years old) had a lower employment rate than rural nonveterans and urban veterans.

Lastly, to be successful in employment or school, veterans with significant disabilities must have access to safe and reliable transportation. Congress authorizes VA to provide a one-time grant to eligible veterans to use toward the purchase of a new or used automobile to accommodate certain disabilities that resulted from a condition incurred or aggravated during active military service. The substantial costs of modified vehicles, coupled with inflation, present a financial hardship for many disabled veterans who need to replace their primary mode of transportation once it reaches its lifespan. The IBVSOs recommend Congress establish multiple automobile grants for veterans to use once every 10 years, totaling the current grant maximum in effect at the time of vehicle replacement.





Improve Employment Programs to Better Serve Veterans with Disabilities

Veterans with disabilities run the risk of adverse outcomes if they contract COVID-19 due to their comorbid conditions. Thankfully, COVID-19 has helped change the narrative around work-from-home and the productivity of employees. However, increased unemployment throughout the nation means veterans are now competing for work-from-home positions with hundreds of other candidates, resulting in significantly reduced public transportation schedules. Thus, veterans with disabilities will need additional support to plan their return to employment.

VA's VR&E program has successfully helped many service-connected veterans pursue employment and educational opportunities. However, the IBVSOs remain concerned about the high caseloads VR&E counselors maintain as it limits the amount of time they can spend with veteran clients assessing their current status, needs, goals, and what determines meaningful employment for that veteran. Congress should study changing the current program eligibility standards to determine if doing so would streamline the process by expanding eligibility to all veterans who have been awarded service-connected disability ratings, regardless of the degree of disability. Many veterans also continue to experience high turnover rates of their VR&E counselors, which can affect their long-term success in the program.

As a result, the IBVSOs would like to see the VA Office of Inspector General conduct an assessment of the VR&E program staff. This assessment will determine the average amount of time each counselor spends working with a veteran, the rate of staff turnover, the length of time between counselor engagement, and the length of employment for veterans placed into positions through VR&E. This will ensure that there are sufficient staffing levels and a low rate of attrition, which is vital to the success of this critical program. By pursuing education, training, or civic engagement, veterans will be better equipped to re-enter the workforce when the pandemic subsides or when they have work-from-home employment opportunities. The IB-

VSOs recommend eliminating the delimiting date of the eligibility period for veterans participating in the VR&E program to account for disruptions in the employment and educational process due to COVID-19 and the accompanying economic recession.

Assist Veterans Return to Work Post-COVID-19

As we initiate efforts to help veterans get back to work, we must focus our valuable resources and time on getting them into jobs that are in demand. Thus, the IBVSOs strongly support programs like the Veterans Employment Through Technology Education Courses and the Rapid Retraining Program to strengthen existing retraining job opportunities and establish new resources to get veterans back on their feet. Congress should also authorize grants to third-party organizations that specialize in transition and employment services. We call on Congress to enact legislation expeditiously to support these types of initiatives.

No one entity can meet the needs of all disabled veterans. However, together, we can think beyond what we traditionally do for veterans seeking employment and

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adopt innovative ways forward to better help veterans with disabilities. This means offering robust training and upskilling programs, including paid training and internships, to bridge the financial gap as well as providing more guided employment programs to assist veterans with disabilities in exploring new career fields.

Support Certification & Licenses for Active Duty Personnel and Spouses

Research has shown that veterans who hold certificates and certifications generally receive higher wages than

veterans who do not.¹¹ Still, they often face challenges in translating their military experience to civilian recognition. The Department of Defense (DOD) establishes, measures, and evaluates performance standards for every occupation within the armed forces, providing some of the nation's best vocational training to its military personnel. Unfortunately, that training is generally not recognized as fulfilling state and private sector certification and licensure requirements for civilian equivalent occupations. This means many former military personnel, certified as proficient in their military occupational specialty, are not recognized as certified or licensed to perform a comparable job in the civilian workforce once they leave the military.

The IBVSOs recommend DOD, in collaboration with states, unions, and certifying/licensing entities, expand its training curriculum to meet the various certification and licensure requirements of applicable civilian equivalent occupations. Congress must facilitate a national dialogue, working closely with DOD, VA, and DOL, as well as state governments, employers, trade unions, and licensure and credentialing entities. Together, they should establish clear processes so that military training meets civilian certification and licensure requirements for the states in which veterans choose to live once they leave military service.

Additionally, we are concerned about the unemployment of military spouses. The BLS does not track statistics on military spouse employment but other organizations estimate this rate is as high as 26 percent, more than seven times the national average.¹² Underemployment estimates among military spouses are as high as 51 percent. Many of these men and women move from state to state with their service member spouse and having interstate agreements for licensing portability would help support employment for military spouses.¹³

Improve Veteran-Owned Small Business (VOSB) and Service-Disabled Veteran-Owned Small Business (SDVOSB) Programs

Programs like the VOSB and SDVOSB contribute significantly to restoring veterans' quality of life while aiding

in their transitions from active duty to civilian life. However, many federal agencies have not reached the government-wide three percent goal of set-aside contracts.¹⁴ Federal agencies must be held accountable to meet the federal procurement goals outlined by Executive Order No. 13360 and sections 15(g) and 36 of the Small Business Act, which gives agency contracting officers the authority to reserve certain procurements for SDVOSBs. Congress should enact legislation requiring the federal government to set-aside goals of no less than three percent mandatory objectives rather than goals. Additionally, Congress should require underperforming federal agencies to make up for shortfalls

in achieving these objectives in the subsequent fiscal year. In addition, VA must hire and train a sufficient number of employees to quickly and effectively certify and recertify veterans' small businesses.

Veterans who have done the work to meet the many prerequisites to be awarded an initial federal contract present an additional challenge to their families and employees when they die. Accommodations must be made so businesses built and operated by ill and injured veterans can continue to thrive and support not only the owner's family, but also the families of those who are employed through these SDVOSBs. ♦

The IBVSOs Recommend:

- Congress establish multiple automobile grants for veterans to use once every ten years, totaling the current grant maximum in effect at the time of vehicle replacement as access to transportation is critical for both training and employment.
- Congress provide sufficient resources for VR&E to explore new methodologies to formulate a proper client-to-counselor ratio based on the challenges associated with more severely disabled veterans. They must: study changing the current program eligibility standards; and direct the VA OIG to assess the VR&E program.
- Congress introduce and pass employment programs aimed at getting veterans quickly back to gainful employment in high-demand fields as well as legislation to strengthen existing retraining job opportunities and establish new resources.
- Congress engage in a national dialogue with the public and private sector to establish clear processes, so that military training matches civilian certification and licensure requirements.
- Congress direct the DOL to track statistics related to military spouse unemployment and underemployment so that there is an understanding of the unique challenges they face.
- Congress enact legislation requiring the federal government to make set-aside goals of not less than three percent mandatory objectives rather than goals. Congress should require underperforming federal agencies to make up shortfalls in achieving these objectives in the subsequent fiscal year.
- Congress enact legislation to provide a reasonable transition period for all SDVOSBs to retain their status with the federal government following the death of a service-disabled veteran business owner via a surviving spouse, children, or heirs; thus, allowing the business to restructure over time without downsizing, laying off workers, or closing.