

THE INDEPENDENT BUDGET

Veterans Agenda for the 116th Congress

Policy Recommendations for Congress and the Administration

Create an Economic Opportunity Administration Within The Department of Veteran Affairs (VA)

Recommendation

- Congress should separate from the Veterans Benefits Administration (VBA) all programs related to economic opportunity and create a new administration within VA focused on economic opportunities for veterans.

Background and Justification

VBA is comprised of three Administrations: VBA, Veterans Health Administration (VHA), and National Cemetery Administration (NCA). VBA is in charge of not only compensation and pension benefits for veterans, but also the GI Bill, vocational rehabilitation, housing and business loans, and the broadly defined transition assistance program, which is shared with the Department of Defense (DOD) and the Departments of Labor (DOL) and Homeland Security (DHS). Many of these programs are currently under the Office of Economic Opportunity (OEO), which is overseen by a deputy under secretary. However, this position has been left vacant for some time and it does not appear that the vacancy will be filled any time soon.

Currently, the OEO programs are enmeshed with the myriad of entities that makeup VBA. Compensation, being the largest program, dominates the attention of VBA which makes it difficult for the economic opportunity (EO) programs to get adequate funding, specialized

resources, and other prioritization. For example, while VBA has been focused on the modernization and streamlining of the claims and appeals process, other important programs such as Vocational Rehabilitation and Employment (VR&E) have seen a stagnation of resources and oversight. Between 2014 and 2018, VR&E participation has increased by approximately 17 percent while its funding has risen just under 2 percent despite a 2014 Government Accountability Office (GAO) report that recommended that further performance and workload management improvements were needed.

Without a deputy under secretary, there has been a lack of leadership, which has frustrated outside entities, such as veterans service organizations, who notice the lack of an advocate for EO programs. Additionally, the House Veterans' Affairs Committee has a subcommittee focused exclusively on EO programs further emphasizing the advantage of having a central point of contact for accountability and oversight. Furthermore, the DOD, DHS,

and DOL collaborate to manage the Transition Assistance Program (TAP) for out-processing service members, but efforts have been hampered by the lack of a deputy under secretary of the OEO to act as a counterpart to coordinate their efforts at VBA. Since VA does not have the primary role in TAP, *The Independent Budget* veterans service organizations (IBVSOs) believe having an under secretary for EO would help ensure that VA's views on TAP initiatives and resources are enhanced.

This nation should have as much focus on the economic opportunities for veterans as it does for their health care and benefits. In reality, not all veterans are seeking VA health care when they are discharged, they are not needing assistance from the NCA, nor are they all seeking disability

compensation. However, the vast majority are looking for gainful employment and/or educational opportunities. Congress should recognize the value of these programs by separating them into their own Administration focused solely on economic utilization and growth.

The IBVSOs recommend that Congress enact legislation to separate from VBA all programs currently in the OEO and create a fourth Administration under the VA with its own under secretary whose sole responsibility is the portfolio of EO programs. This new under secretary for EO would refocus resources, provide a champion for these programs, and create a central point of contact for veterans service organizations and Congress.