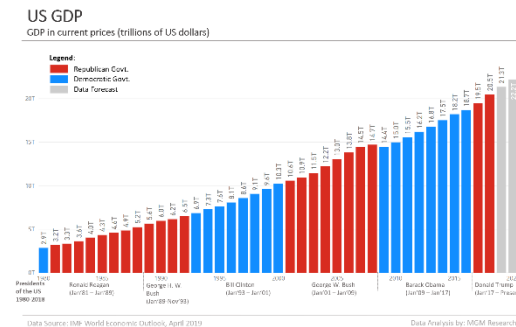


# NATIONAL VETERANS EMPLOYMENT & EDUCATION COMMISSION

## TOPIC 1: ECONOMY

### US economic growth will settle at 2.1 percent in 2020. Recession risks are contained

The Conference Board forecasts US real GDP growth to come in at 2.2 percent for Q4 of 2019 over Q3 and annual growth for 2019 to end up at 2.3 percent. While this rate is slower than the 2.9 percent growth rate in 2018, we believe the worst of the slowdown is behind us and that quarterly growth will settle around or slightly above its long-term potential growth rate of 2 percent in 2020.



While the six-month growth rate of the US leading economic index remains slightly negative, following three consecutive declines, the index was unchanged in November. This sideways movement is encouraging and supports our outlook of 2.1 percent GDP growth for 2020.

The drivers of growth this year will shift somewhat from what we experienced in 2019. The growth contribution from real consumer spending is likely to remain strong in Q4 2019 but will gradually soften

throughout 2020 as personal income growth slows somewhat. However, we expect the decline in industrial production to ease and eventually bottom out, which should lead to improvements in business sentiment and bolster business investment. This will help to offset slower growth in consumer spending. Additionally, a strong pick-up in housing starts and permits data indicates that residential investment will support economic growth over the coming quarters.

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]

	Total		Men		Women	
Employment status, veteran status, and period of service	DEC 2018	DEC 2019	DEC 2018	DEC 2019	DEC 2018	DEC 2019
Unemployed	124	108	110	91	15	14
Unemployment rate	3.4	3.1	3.7	3.0	3.0	3.1

*The national unemployment rate is 3.5 percent (December 2019). Gulf War II veterans' unemployment rate is 3.1 percent.<sup>i</sup> Currently, the unemployment rate for Gulf War II women veterans is 3.1 percent (down from 8.0 percent in November).*

## TOPIC 2: MEETINGS

***On Monday, January 27, 2020,*** the National Veterans Employment & Education Division met with Bill Ashton, Military Veterans Agriculture Liaison, United States Department of Agriculture. We discussed new initiatives for hiring veterans and their spouses across the nation, in particular in more rural areas.

***On Monday, January 27, 2020,*** the National Veterans Employment & Education Division participated in a phone conference with the Policy Advisor from Facebook (Washington, DC office) to discuss ways to advocate for homeless veterans and highlight former homeless veterans who have become or are interested in becoming entrepreneurs.

***On Monday, January 27, 2020,*** the National Veterans Employment and Education Division met with the Senate Small Business Committee to follow up on several issues regarding taxes, interstate commerce, and the role of small businesses in the VA medical supply chain.

***On Tuesday, January 28, 2020,*** the National Veterans Employment & Education Division attended a Career Fair Hosted by JobZone. The event was held at Naval Air Station Patuxent River.

***On Tuesday, January 28, 2020,*** the National Veterans Employment & Education Division attended a virtual webinar (Soldiers & Sailors Memorial Hall & Museum in Pittsburgh, PA) with Serving Together, to better understand how to serve our underrepresented veterans, uncover areas of stigma, and identify best practices in supporting their needs in the community. Several veteran-focused panels will include: “*Engaging Minority and Underrepresented Veteran Communities*” and “*Uncovering Areas of Stigma and Identifying Best Practices in Supporting Underrepresented Veterans.*”

***On Wednesday, January 29, 2020,*** the National Veterans Employment and Education Division met with Source America regarding their programmatic improvements since the US Ability One Commission’s formal request to remove wage restrictions for the severely disabled workforce and fulfill their congressional mandate to provide more employment opportunities to veterans.

***On Wednesday, January 29, 2020,*** the National Veterans Employment and Education Division met SBA’s Office of Veterans Business Development regarding Legion priorities, programs, events as well as SBA’s participation in the Legion’s winter conference held in Washington DC.

***On Wednesday, January 29, 2020,*** the National Veterans Employment & Education Division attended a meeting hosted by AEI. They discussed agriculture policies and rural development, which may affect veterans.

***On Thursday, January 30, 2020,*** the National Veterans Employment & Education Division attended a Career Fair Hosted by JobZone. The event held at Andrews Air Force Base.

***On Friday, January 31, 2020,*** the National Veterans Employment & Education Division participated in several conference calls with Kathryn Poynton, Director of Event, U.S. Department of Commerce Foundation, Hiring Our Heroes. We discussed upcoming career fair that they would like The American Legion to participate in, to include career fair and workshops during The American’s 60th Anniversary Washington Conference.

## TOPIC 3: EMPLOYMENT

The American Legion supports The Work Opportunity Tax Credit (WOTC) – Resolution 351: Support Tax Credit for Certain Employers – and is encouraged to see that Congress has introduced legislation that would extend or make permanent the WOTC.



The WOTC can help employers close the skills gap by encouraging them to hire applicants who often are overlooked, such as people with criminal histories, military veterans, and the long-term unemployed. Here's what employers should know about participating in the program.

The program was designed to encourage employers to hire workers from certain target groups that have historically faced barriers to employment, explained Jeanne Madden, division vice president, and general manager at ADP Tax Credit Services in Florence, S.C.

By hiring from these groups, an employer may receive a tax credit, which helps the company save money, Madden said. "So, not only can the WOTC program help HR professionals to address the challenge of finding diverse, qualified applicants, it also allows the HR department to have a positive financial impact on the organization."

The U.S. Department of Labor issued more than 2.2 million WOTC certifications in 2018. The WOTC program expired at the end of 2019, but it has expired and been reauthorized more than a dozen times since 1996. Federal lawmakers continue to show interest in the program, and multiple proposals have been made to expand the program's eligibility groups, noted Vaughn Hromiko, principal and director of client services at Sacramento, Calif.-based WOTC Planet. "Based on past performance, we predict Congress will renew WOTC; however, these are strange times politically," he said. "The future is still uncertain."

The Society for Human Resource Management (SHRM) strongly supports [H.R. 2213](#) and [S. 978](#), the Work Opportunity Tax Credit and Jobs Act, which proposes to make WOTC permanent. SHRM is urging members of Congress to co-sponsor this legislation and act before the end of the year. "Programs like WOTC promote valuable talent pools, incentivize workplace diversity and help reduce the growing talent shortage at thousands of workplaces in the U.S.," noted Chatrane Birbal, SHRM's director of policy engagement.

The WOTC program has been in place since 1996 and is "one of the few government programs that are achieving its stated objectives—helping to employ individuals in WOTC-defined target groups," Madden said. The program takes eligible workers off other forms of government assistance, which ends up saving money for both the federal and state governments. The maximum tax credit is defined by law and ranges from \$1,200 to \$9,600 for each eligible employee—depending on the employee's target group and hours worked in the first year.

Eligible job applicants that are hired and certified must work a minimum of 120 hours during the first year of employment, then the employer can claim a tax credit of 25 percent of qualified wages, up to a certain limit set for the target group. An employer may claim a credit equal to 40 percent of the eligible employee's qualified wages, up to a certain maximum, if the employee has worked at least 400 hours. For most target groups, the maximum wages eligible for WOTC is \$6,000 per eligible employee, which translates to a \$2,400 credit. Employers may consider up to \$24,000 in wages for a long-term unemployed veteran with a disability and receive a credit of up to \$9,600. The credit is limited to the amount of business income tax liability or social security tax the employer owes.

## TOPIC 4: CAREER FAIRS

The National Staff participated in two Veteran Careers Fairs – Naval Air Station Patuxent River, and Andrews Air Force Base – where The American Legion was able to engage an estimated 125 servicemembers, veterans, and the spouses.



**Clearance Data: Both Career Fairs**

(38.7%)	US Citizen - No Clearance
(10.3%)	Confidential - Public Trust
(31.4%)	Secret
(3.49%)	Top Secret
(9.3%)	Top Secret / SCI
(1.16%)	TS/SCI plus CI Polygraph
(2.33%)	TS/SCI plus Full-Scope Polygraph (Lifestyle)
(2.33%)	Non-US Citizen

Data gathered during these two events highlights the caliber and quality of today's veterans and servicemembers leaving the military.

*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

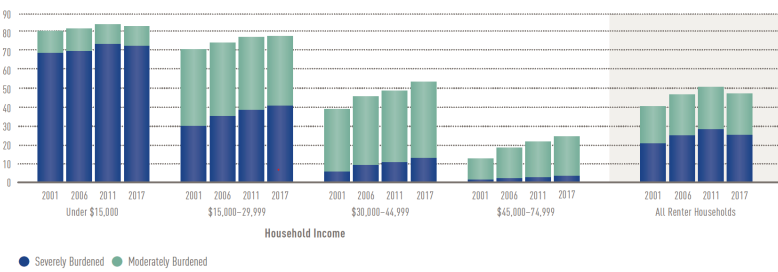
### The Effects of Affordable Housing and Why It Should be Prioritized in 2020

America is in the midst of an affordable housing crisis, and yet this topic has to rise to the presidential candidate's political agenda in 2020. While several presidential candidates have expressed ideas, none have released broad plans about affordable housing or have made it a top priority.

Affordable housing remains acute, especially for low-income households, according to a 2019 Harvard Housing Report. And according to the National Low Income Housing Coalition, a renter working 40 hours a week and earning minimum wage can't afford a two-bedroom apartment anywhere in the nation.

In a recent Census Bureau report (2018), the agency noted concerns regarding homelessness risks among older adults, racial minorities, uninsured people, and those most vulnerable to an economic recession. The lack of affordable housing is linked to poverty, homelessness, education, and health disparities.

**Although Improving Nationally, Renter Cost-Burden Rates Are Still Rising Across Most Income Groups**  
Share of Renter Households with Cost Burdens (Percent)



Notes: Household incomes are adjusted to 2017 dollars using the CPI-U for All Items. Moderately (severely) cost-burdened households pay 30–50% (more than 50%) of income for housing. Households with zero or negative income are assumed to have severe burdens, while households paying no cash rent are assumed to be without burdens.  
Source: 2018 tabulations of US Census Bureau, American Community Survey 1-Year Estimates

While there have been notable reductions in homelessness over the past decade with the increase of funding to federal voucher programs and permanent supportive housing programs, there is more work to be done. According to HUD’s annual point-in-time counts, the number of people experiencing homelessness fell by 87,000 from 2008 to 2018 and by some 38,000 in the last five of those years. This progress reflects an expansion of permanent supportive housing and the widespread adoption of the “housing first” model that provides housing without preconditions for changes in behavior. The improvements have been most evident among populations that have received targeted efforts and resources—veterans, families, and the chronically homeless.

So how do we assist veterans? Ensure the lack of affordable housing gets local and national attention. At the local level, millions of dollars are going into public policies to address housing, which is evident in Washington, D.C., where a fund was established to preserve affordable rental housing in the district. At the national level, entities like the *Opportunity Starts at Home* campaign are engaging congressional members. *Opportunity Starts at Home* hosted a congressional briefing on 14 January to discuss two major bipartisan bills introduced in the Senate covering eviction and housing stability issues. The briefing was attended by approximately 100 Capitol Hill staffers, (and the American Legion was present), to encourage elected officials to co-sponsor and support bills for affordable housing in the House and Senate.

During the congressional briefing, Dr. Matthew Desmond, Professor of Sociology at Princeton, and author of the Pulitzer Prize-winning book *Evicted: Poverty and the Profit in the American City*, was present as a panel member. He revealed increasing eviction rates in cities across the nation confirm that “we’re in the middle of a housing crisis, and that means more and more people are giving more and more of their income to rent and utilities.” Desmond notes that incomes have remained flat for many Americans over the last two decades, but median asking rents have increased by 70 percent, adjusting for inflation. Nearly 32 percent of all US households are paying more than 30 percent of their incomes on housing (i.e., cost-burdened), and 1 in 6 households are spending more than 50 percent of their income on housing.

If current housing supply trends persist, house prices and rents will continue to rise at a healthy clip, further limiting the housing options for many. To ensure that the market can produce homes that meet the diverse needs of the growing US population, the public, private, and nonprofit sectors must address constraints on the development process. And for the millions of families and individuals that struggle to find housing that fits their budgets, much greater public efforts will be necessary to close the gap between what they can afford and the cost of producing decent housing.



## TOPIC 6: SMALL BUSINESS

FedEx Corp. (NYSE: FDX) today announced the launch of its eighth annual Small Business Grant Contest. This year, the contest offers grants and services to 12 U.S.- based small businesses, distributing a collective prize pool of more than \$250,000. Winners also receive FedEx Office® print and business services credit to help support their small business. Also, they join a community of small businesses that offer peer insights. The 2020 FedEx Small Business Grant Contest prize packages include:



- Grand prize: One (1) winner of \$50,000, plus \$7,500 in FedEx Office print and business services
- Silver prize: One (1) winner of \$30,000, plus \$5,000 in FedEx Office print and business services
- Bronze prize: Ten (10) winners of \$15,000, plus \$1,000 in FedEx Office print and business services

New this year, one of the winners will be recognized with the "Veteran-Owned Business Honor" as part of the company's commitment to helping U.S. military veterans as they transition to civilian life. As in past years, one of the Bronze prize winners will receive the "Entrepreneur Choice Award," a distinction bestowed by the FedEx Entrepreneur Advisory Board, which is comprised of former grant winners and small business owners from around the country.

"FedEx is invested in helping small businesses grow and prosper, and our mission is to help these entrepreneurs shine," said Scott Harkins, senior vice president, Customer Experience Marketing at FedEx. "We are proud to help our winners elevate their businesses to new heights by supplying access and opportunity for them to reach their customers, whether in their brick and mortar storefront or their virtual one."

The 2019 contest garnered more than 1.3 million votes and attracted more than 13,000 candidates from across the United States. Lux Blox, an Illinois-based company that manufactures construction blocks to teach children (and adults) about nature's design principles through play, took home the grand prize. In the year since winning the FedEx Small Business Grant Contest, the owners of Lux Blox used their winnings to help with their mission to develop programs and videos to support STEAM (science, technology, engineering, art, and math) learning, and therapeutic exercises for individuals with autism and sensory disorders.

Over the past eight years, 38,000 businesses have entered the contest in the United States alone. The contest has now grown from one country to 10 countries, and the grant pool for the U.S. contest has grown from \$50,000 to more than \$250,000 in total prizes.

The 2020 FedEx Small Business Grant Contest is open to U.S.-based for-profit small businesses that have 1-99 employees and have been operating for six months or more as of Jan. 28, 2020. To enter, participants must visit [www.fedex.com/grantcontest](http://www.fedex.com/grantcontest) and enter their business information (including their FedEx shipping account number), write a short profile about their business, and upload up to four photos of their business or product, including their logo. While not required, participants also have the option of submitting a 90-second "elevator pitch" video to supplement their entry.

The contest entry period is open from Jan. 28 to March 2, 2020, with public voting to take place from Feb. 4 to March 8, 2020, to help narrow down the applicant pool from which the Top 100 will be chosen. Following a judging period, winners will be announced May 4, 2020.

## TOPIC 7: EDUCATION

About 250,000 veterans affected by a new reduction in GI Bill Monthly Housing Allowance (MHA) payments could receive extra cash for one school term, thanks to a "relief" program offered by the Department of Veterans Affairs. Student veterans who might qualify for the relief payout were sent an email notice Jan. 22 about the change.

**VA** | U.S. Department of Veterans Affairs

### GI Bill Students: Are you impacted by the Monthly Housing Allowance (MHA) rate changes?

On December 1, 2019, VA implemented changes to how MHA is calculated. Find out how your MHA may be impacted.

**What is MHA?**

The MHA payments you receive for the Post-9/11 GI Bill® are based on the Department of Defense's (DoD) Basic Allowance for Housing (BAH) rates for an E-5 with dependents. DoD adjusts the BAH rate every calendar year (January 1) based on housing costs across the country. Your MHA is based on your school's campus location. MHA rate changes are effective August 1 (the beginning date of the academic year). VA pays MHA for the days you attended class, so if your term starts in the middle of January, the payment you receive in the beginning of February will be pro-rated accordingly.

"You are receiving this email because we have identified you as someone impacted by our recent implementation of changes to the Post-9/11 GI Bill Monthly Housing Allowance (MHA)," the email said.

"Some GI Bill students may realize a decrease in their MHA because of these changes, and VA is offering these impacted individuals the opportunity to apply for one-time relief to aid in

their transition and financial planning to a lower MHA. When relief is granted in these circumstances, VA will pay the difference between the previous MHA payment, and the new MHA payment to individuals verified by VA to have been affected by the change for the first affected term."

To be paid the different, qualifying students need to fill out a special waiver request, the email states.

Since its implementation, the GI Bill Monthly Housing Allowance (MHA) has been based on the military's Basic Allowance for Housing (BAH). This worked well when the Post-9/11 GI Bill began, but there was a little-noticed provision in the 2015 National Defense Authorization Act that reduced BAH payments to cover 95% of a service member's housing costs instead of 100%.

The legislation didn't affect the GI Bill MHA rate, however, which meant MHA was higher than BAH. Lawmakers decided to change that in 2017 when the Forever GI Bill realigned GI Bill MHA payments with military BAH.

The Forever GI Bill states that anyone who first uses their benefits on or after Jan. 1, 2018, will get the new, lower MHA. Those who used their GI Bill before that date are grandfathered in and receive the higher MHA rate -- unless they change schools or have a break in classes of at least six months.

The law also states that GI Bill MHA will now be paid based on the location of the campus where you attend the majority of your classes. Previously, MHA was paid based on the location of the main campus. So, depending on your situation, your housing allowance may increase or decrease.

These changes were supposed to go into effect Aug. 1, 2018; however, the VA had problems updating its computer systems in time, so they weren't implemented until Dec. 1, 2019. As a result, more than 300,000 veterans were underpaid. These veterans will get lump-sum payments to make up the difference.

VA executives testified to Congress several times that those veterans who were overpaid due to the delay in implementing the law won't have to repay the government.

Up to 250,000 veterans who were overpaid as a result of the change in the law will have their debts automatically waived by the VA and are eligible for the one-term relief payment of their MHA at the old, higher rate. According to the VA, this will help affected students adjust their budgets to the new lower payment amounts.

**Joseph C. Sharpe, Jr., Director**  
**Veterans Employment & Education Division**  
**202.861.2700 ext. 2989**  
**Week Ending: 1/31/20**

---