

**BOUNCE HOUSES, DRONES, AND
MASSAGE CHAIRS: A REVIEW OF VA'S
PURCHASE HISTORY IN THE VETERAN
READINESS AND EMPLOYMENT PROGRAM**

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BEFORE THE
SUBCOMMITTEE ON ECONOMIC
OPPORTUNITY
OF THE
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SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,
COMMITTEE ON VETERANS' AFFAIRS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:33 p.m., in room 360, Cannon House Office Building, Hon. Derrick Van Orden, (chairman of the subcommittee) presiding.

Present: Representatives Van Orden, Pappas, McGarvey, Ramirez, and Kennedy.

OPENING STATEMENT OF DERRICK VAN ORDEN, CHAIRMAN

Mr. VAN ORDEN. Good afternoon. The second meeting will come to order. I want to thank everyone for being here today to discuss the Veterans Readiness and Employment programs, VR&E. The purpose of this program is to assist veterans who have service-connected disabilities with the training and skills they need in order to obtain meaningful employment or live fully independent lives.

I know that this sounds so funny. I know that the doors of this program can open for veterans and their families that they otherwise may not have access to, so this program allows other programs—or veterans to have access to them. It is a fantastic benefit. That does not mean that we can give or are going to give you guys a blank check for VR&E.

Today we are going to examine the potential waste, fraud, and abuse that continues to occur with this multibillion-dollar U.S. Department of Veterans Affairs (VA) program. This is directly in line with the Trump administration appointing Vice President J.D. Vance to take care of other things in the executive branch and we look forward to working hand-in-hand with you guys.

Here are a couple examples. The VA has approved a purchase, \$31,000 for three custom-raised flower beds for a veteran to learn how to live independently. Having lived independently for a very long period of time, I never saw the necessity for a raised flower bed. The average market price for a flower bed is between \$1,100 to \$3,175. \$917,000 for initial evaluation and case management. That is what we got to talk about. What does this evaluation and case management mean and how can we be spending just under a million dollars for that for an individual veteran?

The Federal Government is having to pay over market prices on many items that are meant to help veterans find and maintain gainful employment. This is not a fiscally responsible—this is not fiscally responsible and shows that more guardrails and justifications are needed to approve these purchases. The issue here is that these purchases were made without employment metrics or outcomes, and this is due to the VR&E program sliding under the radar. If VA were to provide information that shows how these purchases resulted in veteran employment, then I am all for it as student veterans should be provided with all the necessary items they need for self-employment, economic opportunity and for their academic betterment.

However, we have to ensure that the taxpayers are also protected as the costs for this program continue to skyrocket. One individual, this is crazy, one individual has spent over \$800,000 in less than 3 years and over \$300,000 in 1 year. That is one veteran. This is an absurd amount of money that goes against the intent of the VR&E program and my legislation would help cap the amount of money that can be spent annually on supplies for VR&E enrollees.

This issue here is that we do not know the outcomes and more oversight is needed. VA projects the program to cost double over the next 2 fiscal years. We need to make sure that this program works for the veteran and it is not a blank check to continuously stay in a program and not reach the ultimate goal of program—of the meaning of the program, sorry, which is employment.

Under current law, there is no cap on the number of times you can enter the program. We have seen several individuals who have been in this program for over two decades. We have several individuals who have been involved in VR&E for over two decades. If disabled veterans are truly in need, they can and should—we can and should help them. I think we also agree that a training program that continues for 20 years is not meeting the needs of the veteran or the taxpayer. We must examine VA's path forward with VR&E to ensure that there are checks and balances in the program to safeguard the integrity of this benefit, and I look forward to hearing from you guys from the VA.

I also will mention that Ranking Member Pappas, my friend, and I have discussed this and I think that we are of common accord and both of us really want this program to work. We also understand that there is—we have to have measurable outcomes to make sure that we help the most amount of veterans as possible.

With that, I do yield to my good friend, Ranking Member Pappas.

OPENING STATEMENT OF CHRIS PAPPAS, RANKING MEMBER

Mr. PAPPAS. Well, thank you, Mr. Chairman.

When veterans finish their service to our country, too many have difficulty figuring out what to pursue next, securing steady employment, or experience a variety of other issues. Adapting to civilian life. That is why the VR&E program was established. To provide veterans with the resources and guidance to help navigate these obstacles and secure employment or even establish their own small business.

Indeed, VR&E is one of the most effective services that VA provides during the critical transition period to help veterans land on their feet, which is why I feel it is necessary to emphasize how disingenuous I feel that the messaging and rationale behind this hearing is. From what I understand, this hearing was prompted by cherry-picking some of the highest cost items from various VA regional offices. My staff requested copies of these documents multiple times so we could understand what was going on and scrutinize the expenditures. The majority refused to provide a copy. I think this is extremely frustrating since the entire discussion today was prompted and informed by these very documents.

Nonetheless, we were able to track them down ourselves. These documents primarily show that VR&E is doing what it is supposed to do for veterans. Of course, like all government programs, it needs oversight and could be improved. The items purchased for veterans were in support of successful businesses. That means veterans created business plans, had them approved by a counselor, and then launched those small businesses.

From the documents from VA, we have learned of additional examples of veterans receiving resources from VA to start a fishery business and a commercial printing business. In both cases, VA's support actually exceeded any of the examples raised by the majority in the title, but were not included in the provocative hearing title itself. Encouraging veterans to believe in themselves, become entrepreneurs, and build a life where their service is complete is exactly what this program is designed to do.

By the way, the businesses the majority has focused on, they are still successful today, providing jobs and contributing to local economies across the country. To point to these purchases through some sort of Department of Government Efficiency (DOGE) lens is completely out of context and does a disservice to the constructive ways that we should be examining and improving VR&E.

I am interested in helping—in hearing more from VA about their process and controls to ensure the integrity of this program. We should not be targeting a successful program because it is doing what it is supposed to do: supporting veterans who develop a successful business model approved by both VA and Small Business Administration (SBA) and need support to build upon their success. The highest spending item, in fact, was contracting out for VR&E services. That is what we should be discussing if we want to talk about ways that we can reduce spending, improve oversight, and improve VR&E effectiveness for veterans.

VA is still feeling the effects of President Trump and Elon Musk's staff cuts and now is being forced to contract out to provide veterans with their earned benefits. That means our veterans are receiving inferior services that are costing Americans more. When doctors prescribe a major purchase for a veteran, VR&E counselors are asked to approve or deny whether or not that purchase is appropriate. In the past, that meant a careful review of the recommendation from a doctor, a review of the veteran's situation, and an assessment of the appropriateness of such a purchase. With the caseloads now at about 200 cases per counselor and staffing in the agency reeling from DOGE cuts, counselors are simply making the best decisions they can given limited time and resources.

We should take a serious look at what can be done to improve this program, how we can better support VR&E staff and its mission. This includes properly staffing the agency so it has the staff necessary to properly conduct oversight and reviews of spending and that we do not have to spend millions of dollars on overpriced contractors. That is the hearing that I believe we should be having.

This committee claims to be looking for answers as to why VR&E is experiencing delays and I think it is simple: the program is not staffed appropriately. With the counselors overworked and aging out of the workforce, we are facing a major staffing cliff at VR&E if we do not act fast. I look forward to hearing from VA and our witnesses and our witness from Paralyzed Veterans of America (PVA) today because oversight of VR&E is important, it is needed, and it is up to this Congress to provide the agency with the resources it needs to do its job.

I yield back.

Mr. VAN ORDEN. The gentleman yields back on.

I will introduce our witness panel. Our first witness is Ms. Margarita Devon—Devlin, sorry, Margarita, principal deputy undersecretary for benefits, Veterans Benefits Administration at the Department of Veterans Affairs. Accompanying Ms. Devlin is Ms. Chantile Stovall, acting executive director, Veterans Readiness and Employment Service, Veterans Benefit Administration at the Department of Veterans Affairs. Our third witness is Ms. Julie Howell, associate legislative director at Paralyzed Veterans of America. Thank you very much for coming.

Please stand and raise your right hand.

[Witnesses sworn.]

Mr. VAN ORDEN. Thank you. Let the record reflect that the witnesses have answered in the affirmative.

Ms. Devlin, you are now recognized for 5 minutes to deliver your testimony on behalf of the Department of Veterans Affairs.

STATEMENT OF MARGARITA DEVLIN

Ms. DEVLIN. Good afternoon, Chairman Van Orden and Ranking Member Pappas. It is good to see you both again and distinguished members of the subcommittee. Thank you for the opportunity to testify at this hearing titled “Bounce Houses, Drones, and Massage Chairs: A Review of VA’s Purchase History in the Veterans Readiness and Employment Program.” Joining me today from the Veterans Benefits Administration is Ms. Chantile Stovall, acting executive director of VR&E Service.

The VR&E program plays a vital role in helping veterans overcome service-connected disabilities so they can achieve meaningful career goals or, when employment is not feasible, attain greater independence in their daily lives. The purchases that may appear unconventional at first glance represent real veterans who, through tailored rehabilitation plans, have built successful businesses, secured long-term employment, or achieved essential independence in their homes and in their communities.

Congress establishes the statutory authorities under which the VR&E program operates and VA implements those authorities as written. The purchases referenced in the title of this hearing were made within that framework in direct support of approved rehabili-

tation plans designed to meet the individualized needs of the veterans we serve. Each decision reflects a balance between responsible stewardship of taxpayer dollars and providing veterans the best opportunity for their success.

VA remains fully committed to strengthening the VR&E program through rigorous financial oversight, robust internal controls, and modernization efforts that enhance service to veterans and accountability to taxpayers and Congress. If Congress chooses to amend these authorities or redefine the program's parameters, VA will fully and faithfully implement those changes. We stand ready to provide technical assistance as you consider any potential updates to ensure the program remains strong, accountable, and aligned with your intent.

Ms. Stovall and I are prepared to answer your questions. Thank you very much for inviting us.

[THE PREPARED STATEMENT OF MARGARITA DEVLIN APPEARS IN THE APPENDIX]

Mr. VAN ORDEN. Thank you, Ms. Devlin.

The written statement of Ms. Devlin will be entered into the hearing record.

Ms. Howell, you are now recognized for 5 minutes—for 2-1/2 minutes—just kidding, 5 minutes to deliver your testimony on behalf of the Department of Veterans Affairs.

STATEMENT OF JULIE HOWELL

Ms. HOWELL. Chairman Van Orden, Ranking Member Pappas, and members of the subcommittee, PVA appreciates the opportunity to share our views on the Veteran Readiness and Employment program, or VR&E.

VR&E assists disabled veterans in finding meaningful and lasting employment despite incurring disabilities or illnesses due to their military service. The services and supports available to veterans with catastrophic disabilities through VR&E are critical to ensuring their successful employment outcomes and/or their independence. Although today's hearing is focused on purchase history within VR&E, our written testimony mainly highlights our broader concerns with the program. We chose this focus because PVA believes that strong management and oversight of the VR&E program are essential for the program's fiscal integrity and accuracy.

I will focus my oral remarks on three topics: a brief reminder of the mission of VR&E, some ongoing concerns that we have, and I will close with a few suggestions that may help to improve delivery of this critical benefit.

First, there seems to be a fundamental misunderstanding of what the VR&E program is supposed to do for veterans. All you have to do is look up VR&E on any social media platform to see that confusion abounds and answers are hard to find. At its core, VR&E is an employment program for disabled veterans. Most veterans believe that VR&E exists to help them return to school or address needs related to starting their own business, but many veterans do not understand the role of a vocational rehabilitation counselor, or a VRC. A VRC is trained to help veterans find suitable, sustainable, and financially sufficient employment that will sustain them through their lives, not just for a few years after they

have completed the program. It is imperative for stakeholders to understand that the expertise that comes with a master's in vocational rehabilitation directly relates to a veteran's viability and long-term employment outcomes.

However, in this current environment, VRCs are expected to do the administrative work of authorizations, reimbursements, uploads, letters, dashboards, and tracking performance metrics. These are important functions, but they are not employment counseling. If these functions are a priority for VA, then VA should hire staff with business, accounting, or similar backgrounds to accomplish that work. Doing so would free up the time, allowing a VRC to focus on the work of employment counseling, particularly for veterans with complex disabilities.

While PVA is grateful for the opportunities we have been given to provide feedback on this essential program, there seems to be a disconnect between the VA, Congress, and the veteran community about the best ways to guarantee the sustainability of this important program, which brings me to my second point. For years, PVA and other Veterans Service Organizations (VSO) have requested additional appropriations from Congress to meet the demands of the program that is facing exponentially increasing enrollment numbers. These requests have mostly gone unheard. Veterans still experience long wait times, struggle to contact their counselors, and VRCs are overburdened by administrative tasks.

We fear that the VR&E program is experiencing a perfect storm of high case volume, understaffing, and an enormous amount of administrative burden. Morale is low, demand is high, and VRCs are close to burning out. If something is not done to address these issues, veterans will likely wait even longer to get into the program, enrolled veterans may experience delayed payments and other negative effects that could impact their long-term well being.

Finally, I would like to offer a couple suggestions that we think could help in the delivery of benefits for VR&E participants. First, VR&E needs to hire additional staff. Recently, on a stakeholder engagement call, VR&E shared that they were undergoing a hiring blitz to help fill vacancies across the country. However, it is unclear from that conversation which positions VA is prioritizing. The VR&E program, again, should consider hiring additional support staff to help reduce the administrative burden that is falling heavy on the shoulders of counselors.

Next, VR&E should create national specialty teams for complex service tracks, such as retroactive inductions, self-employment, and independent living.

Additionally, VR&E should end mandatory overtime. VRCs are not a finite resource, and PVA has concerns about the sustainability of this cadre in the face of increasing demand. Without sufficient staffing across the country, veterans will continue to face barriers that impact their financial independence as well as their participation in the labor market.

In closing, VR&E is an earned benefit intended to get veterans into suitable employment, and the longstanding issues that have been voiced over the years continue. It is essential that we do everything we can to ensure the sustainability of the VR&E program.

Thank you again for the invitation to testify, and I welcome any questions you have.

[THE PREPARED STATEMENT OF JULIE HOWELL APPEARS IN THE APPENDIX]

Mr. VAN ORDEN. Thank you, Ms. Howell.

The written statement of Ms. Howell will be entered into the hearing record.

We are now going to proceed to questionings. They are going to call votes here in a little bit, so we are going to do 3 minutes per member and then if we have time, we will go into a second round of questions. I just do not want to stop there and restart it again.

With that said, I now recognize Ranking Member Pappas for 3 minutes.

Mr. PAPPAS. Thanks, Mr. Chairman.

The President's budget was just released and it targets hiring 300 counselors next year to support the growing, growing caseloads within VR&E. Ms. Devlin, I wonder if I could ask you a few questions about this, if you could address the current caseload within VR&E.

Ms. DEVLIN. Yes, thank you for the question. Our current ratio is 1-to-199, which is why we really need to get these counselors hired.

Mr. PAPPAS. If the 300 are hired, does that get us closer to the 1-to-125? Does it get us all the way there?

Ms. DEVLIN. It will get us closer, not all the way.

Mr. PAPPAS. Can you address what Ms. Howell brought up in her testimony about the need for more support staff and how that could, you know, help balance the workload of VRCs?

Ms. DEVLIN. Thank you for the question. I agree that VRCs should be spending more time counseling veterans and less time on administrative tasks. When we look at what lends itself to satisfaction with the program, what veterans will typically tell you is their relationship with their counselor is the most important part of their satisfaction, that connection, the ability to have the counselor fully invest in that veteran's success. The Readiness and Employment System (RES) system that we are in the process of deploying will take a lot of that administrative burden off of the counselors while also administering more internal controls for fiscal accountability.

Mr. PAPPAS. How confident are you that this 300 target can be hit? Do we have enough qualified applicants that will be out there for us to hire? Do you feel like the pay scale is competitive enough with the private sector?

Ms. DEVLIN. It is a great question. Yes. We are all—we are about halfway there on our goal to hire these individuals. We went out with a very aggressive recruitment strategy. We did not just put, you know, job announcements on USAJobs. We recruited through the Commission on Rehabilitation Counselor Certification, through LinkedIn, through the colleges and universities that offer these training programs. We got more applicants than ever and we are in the process of filling all those vacancies.

Mr. PAPPAS. I am wondering if you can address some of the expenditures that we were taking a look at: 49,000 for fishing supplies, 46,000 on a Ultraviolet (UV) printer for a commercial print-

ing company. I understand that you cannot get into the specifics of these, you know, veterans' cases. I am wondering if you can answer this, are the veterans who received those resources currently running small businesses with these supplies and have they been successful?

Ms. DEVLIN. Yes, I will let Ms. Stovall address those specific cases. We were—we did look into the cases that are the subject of the letter. I will tell you that it was really heartwarming to hear the stories as told by these veterans of their self-employment success and the challenges that they had trying to find employment before they got to a VR&E counselor, who helped them achieve their dream of having their own business.

I will let Ms. Stovall address those specific cases.

Ms. STOVALL. Thank you for the question. With regard to the fish hatchery supplies that was purchased, the 49,000 for that purchase, that is for a veteran that is participating in self-employment and they are successfully operating their business. In fact, they reported earnings of 237,000 for 2024. The veteran is still in the program right now. We do have a requirement to follow them for up to a year before we close the case to make sure that the program or the business is still viable and sustainable.

Mr. PAPPAS. Okay. I am over my time, so I yield back. Thanks.

Mr. VAN ORDEN. The gentleman yields.

The chair now recognizes my friend from the great State of Kentucky, Mr. McGarvey.

Mr. MCGARVEY. Thank you, Mr. Chairman. Thank you all for being here.

This program is so important because our veterans are so important. The Veterans Readiness and Employment program, or VR&E as we are calling it, this is something that veterans turn to when they are trying to rebuild their futures. They are looking for a path back to work, back to stability, back to independence. That is why every delay, every unclear message from VA, it has real-world, real-life consequences for these veterans and their families.

Participation in VR&E has grown a lot in recent years because of the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act. I think this is a good thing. This is a positive development. Too many veterans are walking into a system right now that is overwhelmed. We got to make sure that these veterans—sometimes are waiting months to talk to a counselor for the first time. In the most extreme cases, the wait is stretched past 5 months, that is not a small inconvenience. That is a veteran sitting at home. That is a veteran who is unable to start school. That is a veteran who is not back to work, who is not beginning training, who is not moving forward.

What the veteran tells us and the data shows is that the real challenge here is access and communication. Veterans cannot reach their counselors. Appointments are rushed. Some are told to complete forms on their own that are meant to be filled out with the help of a super—a trained professional. When the process becomes really confusing, then the veterans, they lose time, they lose their benefits, they sometimes just give up altogether.

I want to point out that is not the veteran's failure. That is a failure of the system that is supposed to be helping our veterans.

At the end of the day, this program, we know it works when the veterans can actually use it, when they can get an appointment, when they can understand the process, when they can trust that the VA is focused on them and their success. That is what today should be about. Are the veterans getting what they need to build their future? Are we letting political theater getting in the way?

Ms. Devlin, I will start with you. You heard me mention that we have seen VR&E wait times stretch from a couple of weeks to more than 5 months in some areas. What is VA doing right now, not in 2027, not after another Information Technology (IT) rollout, but right now to shorten those wait times for veterans who are stuck in limbo?

Ms. DEVLIN. Thank you for the question. You are right, we were well on our way to reducing those wait times before the government shut down. Unfortunately, during those 43 days, we were unable to process any applications or conduct counseling appointments. We are working through it. We want our veterans to get into programs as quickly as possible.

We are doing many different things. One of the things we are doing in the process of hiring is while those vacancies exist in certain stations, we are making sure to sort of equalize the work by distributing it more equitably across where we have staffing capacity. Many of our veterans prefer the telecounseling appointments anyway. It really does not matter if your counselor is in Milwaukee or in San Diego. Right? As long as you can get your appointment, get into a rehab plan, and get started on your way. That is helped us to control time and we are bringing that timeliness back down again.

Mr. MCGARVEY. Thanks. It has to be brought down. Also, it is not just the timeless, in the few seconds I have got left, it is communicating to the veteran what that is and then holding up your— all's end of the bargain.

Mr. VAN ORDEN. The gentleman's time has expired.

Mr. MCGARVEY. I yield back.

Mr. VAN ORDEN. The gentleman yields.

I now recognize myself for 3 minutes.

What is the educational requirement, Ms. Devlin, for a VA counselor?

Ms. DEVLIN. Master's level training and rehabilitation counseling. We have recently expanded it to allow many other master's level degrees to count toward that requirement.

Mr. VAN ORDEN. Okay. We got something through the House, a bill that lowers that to a bachelor's degree requirement, which I went to VR&E myself personally. You do not need a master's degree to be a counselor. Right after we got that passed, it was a couple weeks after, they announced they are hiring these things and the President's—about 300 new counselors. I would like 3,000 new counselors.

The education requirement is silly. That is an administrative restraint that the VA has put on itself.

What is the average full employment rate from the last cycle for a veteran that goes through VR&E?

Ms. DEVLIN. I am sorry. I do not understand the question.

Mr. VAN ORDEN. Of the veterans that go through the VR&E program, what is the full employment rate from this last cycle?

Ms. DEVLIN. Of the veterans that went through. Last year, we had 10,527 actually be declared as a successful outcome, 55,301 entered a new rehabilitation plan during that year and 83,188 continued pursuing a previously developed plan.

Mr. VAN ORDEN. Where does the percentage 37 come into this?

Ms. DEVLIN. I am not sure where that is coming from.

Mr. VAN ORDEN. That is if you look at the full employment rate.

How many jobs have graduates? I know this is not the intended purpose of this. Specifically, how many jobs have graduates of VRE created? Like, for instance, the fish hatchery, which, by the way, that is not a lot of money for a fish hatchery. I will be honest. We have got one in our district. I do not know how small that joint is, but—so how many people does that person employ? Do we know?

Ms. STOVALL. I am not sure of that, sir.

Mr. VAN ORDEN. Okay. These are the sorts of things that we need to start tracking because if we want to invest, you know, Mr. Pappas brings up this amount of money for this commercial printing thing. If we are going to invest a million dollars into a veteran and they are hiring 50 people, that is a heck of a lot different than investing a million dollars into a veteran who is self-employed and not employing anybody else.

If we look at this program more holistically and understand that we want our veterans to be radically successful, I want this to be very available to everybody, but when we are looking at these numbers, we need to have more metrics of, like, what is actually happening. Like what is the average length of employment for a veteran following their case closing at VR&E?

Ms. DEVLIN. If you look at our longitudinal study, which has been following veterans for about 20 years, their percentage of employment rate is 74 percent.

Mr. VAN ORDEN. For how long?

Ms. DEVLIN. Well, the oldest category that we are following is from 2010—

Mr. VAN ORDEN. Okay.

Ms. DEVLIN [continuing]. so 16 years.

Mr. VAN ORDEN. For the average amount of years a person is—

Ms. DEVLIN. Veterans who went through the program in 2010, who are still—

Mr. VAN ORDEN. I am going to respect my own rule. My time has expired. We are going to go into a second round of questioning.

I now recognize the ranking member for, you know, you want to just do 5 minutes?

Mr. PAPPAS. Whatever you think.

Mr. VAN ORDEN. I now recognize the ranking member for 5 minutes. I think they are holding votes here.

Mr. PAPPAS. All right. Thanks for your generosity, Mr. Chairman.

Mr. VAN ORDEN. Oh, sheesh, knock it off.

Mr. PAPPAS. Ms. Devlin, I understand the requests for VR&E resources are reviewed, they require approval. Could you talk a little bit more about the oversight and controls that are in place for these expenditures? Are there instances in which VA may decline

a veteran's initial business model? Even if the business model is approved, are there declines in terms of request for resources?

Ms. DEVLIN. Thank you for the question. Yes, we do have an approval process, which I can let Ms. Stovall talk about. We would potentially deny a program. We collaborate with the Small Business Administration, also, in helping to evaluate the feasibility of the program. Ms. Stovall can speak to—

Mr. PAPPAS. Okay.

Ms. DEVLIN [continuing]. the internal controls we have.

Ms. STOVALL. Yes, thank you. We do have internal controls which start at the regional office. There are the plans that cost over \$50,000 would come to me for review. During my time that I have been in this seat for the past 8 months, I have had the opportunity to review three of those plans—excuse me, five plans, and one has been approved, one has been denied, and there are three others that are going through the process right now.

When we look at those plans, we are looking for viability. We are looking to determine if it is a feasible vocational goal for the veteran or not and if they have considered all the criteria, like can this veteran complete traditional employment or not, before we jump to self-employment. On those bases are—those are kind of what we look at.

Also, if the business is already an existing business, that is not something that we would support under self-employment.

Mr. PAPPAS. Okay. I appreciate that.

Regarding the \$15,000 that was spent on the massage chair, I wonder if you have some additional context for that one. Does VA stand by the purchase and agree that it was needed?

Ms. STOVALL. Yes. The massage chair was purchased for 100 percent service-connected disabled veteran that suffered from some vascular as well as mental health conditions, Post-Traumatic Stress Disorder (PTSD) or phobia. We did consult with Veterans Health Administration (VHA) medical—well, professional occupational therapist who approved the recommendation for that particular chair.

I would just like to say when we are—it is an independent living case and so when we are looking at what is appropriate for the veteran, I think we need to look at the whole person. This is one of those psychosocial, you know, areas where we need to consider what is necessary for this veteran to be able to live independently in their community. By being able to relieve the stress and anxiety, we were able to successfully rehab her where she could start to integrate into her community.

Mr. PAPPAS. Thank you for that.

The documents provided on VR&E spending from VA also show incredibly high spending on contracting. In fact, the contracting dollars dwarf the actual spending on supplies for veterans. I am wondering if you can just tell us more about why VA is contracting to this degree, spending millions of dollars on contracting within VR&E.

Ms. DEVLIN. Yes, thank you for that question. I have been in the VA for a long time, and when I started as a counselor, we had contracting back then.

Contracting does not replace the need for a counselor. Contractors help support, but they cannot make decisions. They can do the part of the process, for example, of assessing interests, aptitudes, abilities, helping the veteran explore career opportunities, developing some proposed avenues for the veteran to achieve those goals. Then they turn that work into a counselor, who meets with the veteran and makes the final decisions and then approves any purchases that might be required for that. We can also have contractors support case management to help make sure we are getting grades and, you know, supporting the veteran through their training.

The contracts used to be done at the regional office level when I started almost 31 years ago. For many years now, they have been centralized in Central Office. It is sort of one giant contract vehicle and then the regional offices issue task orders against them. That creates greater control, greater accountability, and better sort of fiscal responsibility because we can get better pricing that way.

Mr. PAPPAS. Ms. Howell, I am wondering if you can answer the question about whether you do—whether VA was spending this amount of money on contracting and how you view that.

Ms. HOWELL. Thank you for the question, sir. I believe Ms. Devlin spoke about contracting in her last testimony on VR&E. We did not really know what that looked like or what it meant to be people in the field. I think if VR&E, if they are so overburdened by people coming into the program or existing cases that they need to spend this kind of money for contracting, it begs the question, like, can we not just spend that money hiring additional staff with the understanding that there is going to be onboarding? Like you have—just because you have that master's in rehabilitative counseling, you still need to learn the VA systems. You still need—everyone knows what it is like to be new at a job. You got to learn the way this stuff goes.

Sorry, I do not know if I should keep talking or if he is going to get—

Mr. PAPPAS. I do not think he noticed, but now he has.

Mr. VAN ORDEN. The gentleman's time has expired.

Mr. PAPPAS. I yield back.

Mr. VAN ORDEN. Well, no, because I am looking. I am looking at this.

The chair now recognizes Mr. McGarvey from the great State of Kentucky.

Mr. MCGARVEY. Thank you, Mr. Chairman.

I am going to go back with you. PVA has warned that VR&E is at a dangerous tipping point, and that is a quote. You say this is because there are high caseloads because of the administrative burden that is going on there. From your perspective, what is the single biggest barrier preventing veterans, especially those with catastrophic disabilities, from getting timely, meaningful VR&E support?

Ms. HOWELL. Thank you for the question, sir. I think the thing that is most in the way for one of my members being able to successfully engage with the program is that thoughtful employment counseling, which is what a VRC's job is. I think there is a fundamental misunderstanding between the education level required for

a VRC to do that employment counseling long term for a veteran with catastrophic disabilities. If we have a case, like I was a VR&E participant, the chairman was a VR&E participant, we are able-bodied veterans that do not have the same level of complexities as someone who is a member of my organization.

If VRCs are spending their time doing all these administrative tasks and they are being pulled away from offering true employment counseling, that does a disservice to our members. We have spoken to many VRCs over the years and we are hearing that, you know, we are trying to rate VRC's performance metrics by the same metrics that they are applying to claims raters. These are fundamentally different services and their delivery is completely different. If a VRC is spending time being thoughtful about the employment counseling they are delivering to veterans that is showing up in their metrics and they are getting pressure from their management to improve the metrics for leadership.

I do think it is a fine line between allowing them to do their job, which, again, is rehabilitative counseling for complex disabilities and complex cases. A traditional education path may be someone without a bachelor's degree, that is fine. They can handle those cases that were like the chairman's or mine's that do not have those complexities. VRCs need to be allowed to offer thoughtful employment counseling for the veterans that need it.

Mr. MCGARVEY. Thank you, Ms. Howell. I appreciate that.

I will just say for the veterans in the independent living track, the delays do not just slow down a career. They affect the daily life of a veteran. What changes would make the biggest difference for those veterans right now? You talked about some of the problems. What changes would you make right now to make the biggest difference right now?

Ms. HOWELL. Thank you for the question, sir. I do not know that fixing independent living has—there is an immediate solution to this, but I do think that experienced VRCs who have been at this game a long time, they can create a sort of tiger team to handle these more complex cases, so that as we are onboarding these new VRCs that, again, are learning systems, the experienced, folks—because independent living is, from what I have been told, a very complex system thing to manage as a VRC. If we allow a tiger team of some sort of experts who are well trained in processing all the paperwork needed for this, understand the tracking mechanisms, the consultations with VHA and occupational therapists, if we can create a team that understands that system and have them work on these cases, I think that would have an impact.

Yes. Thank you.

Mr. MCGARVEY. Cool.

Thank you, Mr. Chairman. I yield back.

Mr. VAN ORDEN. The gentleman yields.

I was just listening and we are having great parallel discussions here because we are trying to process what is going through, and it is great.

The RES system—or let us clear some—clear the air a little bit here. We have two different things here. You are asking for more counselors, which is why we lowered the educational threshold, because I fundamentally disagree that you need a master's degree so

we can get—where the pool of potential applicants will be greater. That is great. Then you are asking for support staff. Well, the contractors are filling the position of the support staff now.

I think it is—I want these things to go through quickly, I want them to be efficient, and I want them to be very effective. The ability to hire all these other people into the VA system, you know, in a timely manner so that backlogs and everything for the VR&E program, we are going to have to deal with, what did Dick Cheney say? You do not go to war with the Army you want, you go to the war with the Army you have. This is what we have right now. We are trying to get this right.

When is this RES going to be on the readiness employment system? When is that going to be FOC, or fully operational capable?

Ms. DEVLIN. That is a great question. It is in Initial Operational Capability (IOC) right now in all 56 regional offices. It will be fully enabled with all cases by Veterans' Day.

Mr. VAN ORDEN. Oh, that is a pretty good day.

Ms. DEVLIN. Mm-hmm, it is.

Mr. VAN ORDEN. Then how many of these contracting positions are going to be eliminated once that is FOC?

Ms. DEVLIN. Contract support is basically surge support. It is not that we have positions. We have contracts that enable us to surge when we need to. For example, we have a higher volume of applicants that hit the San Diego area all at once. We can leverage contractors to help support those counselors.

These are people with the same credentials. Those credentials are important to be able to understand the physical and emotional aspects of disability and how that relates to the labor market. There is a relevance to this education requirement.

Mr. VAN ORDEN. I get it. Ms. Howell, then how does that jive with what you said, that we should have more permanent positions if the contractors that we are hiring in surge capacity have the same qualifications as the people that you are saying you want to be employed by the VA? Did I hear that right? It sounds like you want two pieces of pie or something. If Ms. Devlin is saying that the contractors that are being hired and are working at the VA have the same accreditation and qualifications as a permanent party person in the VA, why are you asking for more VA employees if it is already being met by the contracting entity?

Ms. HOWELL. Well, I am not—I do not have the numbers. The data was not shared with me on the expenditures on what is spent on these contracts. I did not have access to that information.

What I can say is that we are in a surge moment right now. Since I have been doing this work, we have been over the threshold with or without contracting. The caseload has never been below 1-to-125 in the 4 years I have been at PVA. They still need a full-time staff, like, to do these things. It stands to reason that it might be cheaper to offer this stuff in-house rather than contracting.

Additionally, when it comes to the contracting, we have been told from veterans that they are joining their intake call that is supposed to be a one-on-one with a counselor, and them and 400 of their closest battle buddies are on a Zoom with one person trying to do the, like, the intro sort of orientation course for this.

Mr. VAN ORDEN. I hear you. I am just one thing that I am going to push back on you here. I do not—cheaper is not a word I am going to use when it comes to veterans. So efficiency, that sort of stuff, but never cheaper. Less expensive maybe, more efficient, 100 percent. We are not—and I know that we have not discussed this, but I know Chris and I are 6 and 7. We do not talk about—we are not going to cheap our veterans anywhere. Maybe that is not what you intended to say.

Ms. Devlin, who certifies these contractors?

Ms. DEVLIN. The contracting officer puts the requirements in the contract and the person who oversees the contract would review the resumes and confirm that they meet the requirements.

Mr. VAN ORDEN. Okay. A permanent Veterans Affairs Administration employee and this contractor, the same person is making sure they have this proper certification. Correct?

Ms. DEVLIN. It is not a certification, it is an educational requirement. Yes, essentially when an employee is hired, a Federal Government employee is hired, it is part of the hiring process. Right?

Mr. VAN ORDEN. Yes.

Ms. DEVLIN. We verify for a contractor, we review the contract, the resumes that get submitted for the contract as they get submitted. It is surge capacity, so these are not—

Mr. VAN ORDEN. Hold on 1 second. I only have 15 seconds. Ms. Howell, we have a—it is a volume issue, not a quality issue. Is that right?

Ms. HOWELL. Yes, sir.

Mr. VAN ORDEN. Okay. Well, we are working on that. We really are.

Good. Okay. Well, with that, my time has expired.

I would like to thank you all for coming today. I thank you for your work, I really do. As I said, I am a—I attended—it is so funny. I went to VR&E and now I am a Member of Congress, so maybe we should cancel the entire program. Just kidding.

We are working diligently and it is going to—it is just going to take time. Just like it takes time to educate somebody. Takes time to hire somebody. Takes time to get into a place. Takes some time to learn your job. I think that we can all agree that we want to be in the same place, that is every veteran that has earned this—earned, it is not a gift—that has earned this benefit, has timely access to the programs that they are suited for.

I will throw out these two different anecdotes. Interestingly enough, I wanted to go to culinary school and they would not approve it because I had been diagnosed with PTSD and they have to provide you with knives. The other one was, it was a running joke in the office that I went through my stuff is they actually approved clown school for somebody. That is real.

What we want to do is make sure that every one of these dollars is applied most bang for the buck. I would like to see some more metrics. You said you did a longitudinal study for over 16 years. I would like to see how many people they are employing and all these things so that we can maximize, Ms. Howell, every single thing that we can do for these veterans because it is critically important and I think it is great.

To be able to have dignity as a disabled veteran is crucial, and that is earned. It is up to us to fulfill that promise that we have made to our veterans.

With that, I would like to yield to my ranking member for any closing comments.

Mr. PAPPAS. Well, thank you very much and thanks for our witnesses for their testimony here today.

Look, I have gotten to know veterans in New Hampshire that have successfully navigated VR&E and are benefiting in real time from the resources that are provided. I think to Ms. Howell's point, during your, you know, years at PVA, the caseload issue continues to be a problem. We have an overburdened program, and we need more people that are working as counselors or supporting counselors to be able to ensure that veterans are ultimately getting what they need and deserve out of the program.

I am glad we could drill down beyond the headline of this hearing today and actually talk a little bit about the substance of what is going on. I think we all need to make sure that we are continuing to work on process improvements, ensuring that there is the right scrutiny and oversight provided. I think you gave us good answers on that front today.

I come back to that core issue. You know, we have got to work on those ratios. We, we got to make sure that veterans are not waiting and that they are getting the good service that VA I know intends to put out.

Let us continue to work on that, and yield back my time.

Mr. VAN ORDEN. The gentleman yields. Thank you, Ranking Member Pappas, and thank you very much for coming today. We—you guys are becoming frequent flyers over there.

I ask unanimous consent that all members may have 5 legislative days to revise and extend their remarks and include any extraneous materials. Without objection, so ordered.

The hearing is now adjourned.

[Whereupon, at 3:16 p.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENTS OF WITNESSES

Prepared Statement of Margarita Devlin

Good afternoon, Chairman Van Orden, Ranking Member Pappas, and distinguished members of the Subcommittee. Thank you for inviting me to discuss the Department of Veterans Affairs (VA) Veteran Readiness and Employment (VR&E) program. I am accompanied by Ms. Chantile Stovall, Acting VR&E Service Director.

Program Overview

The purpose of the VR&E program is to provide temporary, targeted intervention for Service members and Veterans with service-connected disabilities affecting their ability to obtain or maintain suitable employment or live independently. It provides individualized counseling and rehabilitation services through five service tracks – rapid access to employment, re-employment, employment through long-term services, self-employment and independent living. Once entitlement is established, program participants receive tailored support directed specifically toward their vocational or independent living goals and limited solely to those essential services pertinent to their approved rehabilitation plans. Vocational Rehabilitation Counselors (VRCs) work with participants to set goals, develop tailored rehabilitation plans and guide progress through structured case management.

VR&E provides services nationwide through 56 regional offices, the National Capital Region Benefits Office, approximately 142 out-based locations, 70 military installations supporting the Integrated Disability Evaluation System, and 104 VetSuccess on Campus sites. In Fiscal Year 2025, more than 1,500 employees delivered over \$2.8B in services to more than 199,600 Veterans.

VRCs and Vocational Rehabilitation Specialists (VRS) operate within defined VR&E policies, established cost thresholds, and approval protocols. While rehabilitation plans are developed collaboratively with Veterans, every requested service, supply, or piece of equipment must directly support the approved goal and be fully documented.

Staff follow standardized procedures to verify need, justify each item, and obtain supervisory or higher-level approval for requests that exceed delegated authority. These controls ensure VR&E provides only resources essential for training, employment preparation, self-employment, or Independent Living while upholding responsible stewardship of program funds.

Program Oversight

Before a rehabilitation plan is finalized, all services and equipment must be approved according to statutory, regulatory and VR&E policy thresholds. VR&E enforces internal controls that include supervisory review, fiscal oversight, and required justification when a plan exceeds a counselor's authority. The Invoice Payment Processing System (IPPS) further safeguards approvals by routing requests to the correct official and preventing actions beyond delegated authority.

Higher cost or complex procurements may require approval from regional or national VR&E leadership. These controls ensure all procurements are justified, compliant, and aligned with program goals. VR&E maintains a robust oversight structure across its regional operations. VR&E Officers conduct local quality reviews to ensure compliance with policy, documentation standards, and fiscal controls, while Support Services Divisions audit purchase card transactions for adherence to financial and acquisition regulations.

Nationally, VR&E Service reinforces consistency through targeted quality reviews, onsite visits, and assessments conducted via the Systematic Oversight and Analysis Review (SOAR). Together, these strengthen internal controls, mitigate risk, and support disciplined fiscal stewardship. As a result, VR&E maintains a 97 percent fiscal accuracy score, which is a measure of the accuracy of fiscal activity in Chapter 31 cases, including subsistence allowance, and payments such as tuition, fees, books, and supplies.

Modernization Efforts

VA is strengthening VR&E oversight through the new Readiness & Employment System (RES), designed to consolidate case management and financial controls into one modern platform. RES has been deployed across all 56 regional offices and will replace the legacy Corporate WINRS¹ system. RES standardizes workflows, automates manual processes, and ensures entitlement decisions, plans and authorizations are consistently documented and auditable. Role based workflows and electronic audit trails enhance accountability. Advanced capabilities—such as expanded automation and near-real time financial monitoring—are currently under development and are expected to be completed by the end of Q2 Fiscal Year 2027.

These transformation efforts embed internal controls into daily operations, strengthen compliance with VA and Federal standards, and improves the quality, timeliness of information available for management, reporting and oversight. Collectively, RES will enhance VR&Es ability to deliver efficient, transparent, and accountable services to Veterans.

Program Metrics

Program participation has grown significantly since passage of the PACT Act, which expanded eligibility for VR&E services. Since August 2022, participation has increased 74 percent—from 120,000 to 210,000 as of March 2026, demonstrating sustained demand for rehabilitation and employment support.

In Fiscal Year 2025, VR&E delivered record-setting performance across every major measure. The program completed 126,960 entitlement determinations, 55,301 Veterans began new rehabilitation programs, and 83,188 Veterans continued in their previously established programs. During the same period, VR&E supported 21,773 Veterans in becoming job-ready; and achieved 19,372 successful program completions—the highest in program history. This included a record 10,527 Veterans who secured employment. These outcomes reflect significant progress in preparing Veterans for long-term career success, stability, and economic independence.

Conclusion

In closing, VA remains deeply committed to advancing and strengthening the VR&E program, particularly in its financial oversight, internal controls and transformation efforts. To optimally serve Veterans, I am committed to regularly evaluating and refining program parameters in alignment with evolving demands and best practices. Implementing explicit expectations and comprehensive accountability frameworks for participating Veterans is essential. By establishing transparent evaluation metrics and systematically tracking progress, the program can enhance its effectiveness in facilitating meaningful and sustainable outcomes for Veterans. Chairman Van Orden and Ranking Member Pappas, this concludes my statement. My colleague and I welcome any questions you or other Members of the Subcommittee may have.

Prepared Statement of Julie Howell

Chairman Van Orden, Ranking Member Pappas, and members of the subcommittee, Paralyzed Veterans of America (PVA), appreciates the opportunity to share our views on the Veteran Readiness and Employment (VR&E) Program. VR&E assists disabled veterans in finding meaningful and lasting employment despite incurring disabilities and illnesses due to their military service. The services and supports available to veterans with catastrophic disabilities through VR&E are critical to ensuring their successful employment outcomes and independence.

Prior to the passage of the Americans with Disabilities Act (ADA) in 1990, there were no widespread Federal protections against disability-based employment discrimination. PVA was a leader in advocating for the passage of this seminal civil rights law that provides opportunities and access for people with disabilities, including disabled veterans. While the ADA guaranteed equal opportunity in public accommodations, employment, and State and local government services, many disabled veterans still encounter challenges when attempting to participate in the labor market.

¹ Corporate Winston-Salem, Indianapolis, Newark, Roanoke, and Seattle System. The name is derived from the first letter of the names of the five pilot test stations that tested the original program. It is an automated case management system supporting the VR&E program (legacy).

PVA has been fortunate to share our views on the VR&E program over the years and has testified several times before this subcommittee. We appreciate each of these opportunities but there still seems to be a disconnect between the Department of Veteran Affairs (VA), Congress, and the veteran community about the best ways to ensure the sustainability of this important program. So, PVA would like to take this opportunity to discuss the basics of the VR&E program, highlight the importance of the Independent Living (IL) track for disabled veterans, and offer solutions for the program's future. Also, we will recommend ways to improve the experience for veterans attempting to access the program, as well as those enrolled, and discuss the relationship between PVA and the VR&E program.

VR&E Tracks and Purpose

For more than a century, the VR&E program has provided vocational rehabilitation counseling and other resources that contribute to the long-term well-being of our Nation's disabled veterans. The program is comprised of five tracks that offer specialized services and supports, providing veterans with the expertise of Vocational Rehabilitation Counselors (VRCs) who help them determine suitable employment opportunities based on their long-term abilities. The five tracks are reemployment, rapid access to employment, self-employment, employment through long-term services, and independent living.

The reemployment track can assist those who have recently separated from the military and who would like to return to their old employer, when suitable. This track makes the most sense for servicemembers returning to a civilian job from an activation who need workplace accommodations due to injury or illness sustained during service, and for those under the protection of the Uniformed Services Employment and Reemployment Rights Act (USERRA).

The rapid access to employment track helps veterans who wish to use their existing skills in their next job. Veterans enrolled in this track may be eligible for employment counseling, short-term training, job-search and job-placement support from VRCs or other program staff, such as a Vocational Rehabilitation Specialist (VRS).

The employment through long-term services track is designed to support veterans who are struggling to find meaningful employment due to the severity of their service-connected injury or illness. This track allows veterans to pursue education or training to obtain employment beyond their current skill set and experience. Employment through long-term services is often one of the most misunderstood tracks. Too many veterans assume that when they are eligible for VR&E, they are automatically eligible for this track and that the VA will pay for whatever education path they are interested in. However, that is not the case. VR&E is not the Post-9/11 GI Bill.

The self-employment track is intended for veterans with an employment barrier who have the desire, skills, and drive to run a successful business. While in this track, veterans may receive coordination services and assistance with a business plan, an analysis of the business concept, training in small-business operations, marketing, and finance, as well as guidance on obtaining the resources needed to carry out the business plan. This track is coordinated with the Small Business Administration, which approves business plans on behalf of the VRCs. Historically, the self-employment track has been marred with confusion, barriers to entry, and a lack of transparency.

Last, the IL track is designed to help disabled veterans achieve maximum independence in their daily lives. If a veteran has difficulty with activities of daily living, such as bathing, dressing, entering or exiting their home, or if a veteran is so disabled that they cannot work, they may qualify for IL services. Through the IL track, a veteran may be eligible for various home adaptation grants intended to improve the accessibility of a veteran's home and enhance a veteran's overall quality of life.

Independent Living and Catastrophically Disabled Veterans

The IL track was established by Congress in 1980 as a pilot program with an initial enrollment cap of 500 veterans per fiscal year. Over time, the cap has increased, most recently to 2,700 in 2010.

The IL track focuses on providing services to veterans with severe disabilities; so, they may improve functioning with their disabling condition, allowing them to consider employment or volunteer work. Through IL, the VA can guide these veterans in developing goals and provide information, referrals to support resources, and case management, if necessary, to support their success. Several creative alternatives to employment preparation can be recommended, purchased, or approved by a veteran's counselor to enhance a veteran's quality of life.

The IL track must be able to accept any veteran who could benefit, free from concerns about exceeding the arbitrary enrollment cap. In addition, VR&E counselors must be well-versed in the IL track to ensure that eligible individuals who would benefit most from enrollment are given the opportunity to participate. Once a veteran is in the program, VRCs must also closely track referrals to VA services and benefits to ensure they are addressed. Otherwise, the program will fail the veterans it serves, and their independence will be at risk.

Improving Understanding of the VR&E Program

There is a fundamental misunderstanding of what the VR&E Program is supposed to do for veterans. You need only look up VR&E on any social media platform to see that veterans across the country do not fully understand its purpose. At its core, VR&E is an employment program for disabled veterans. The differences between tracks may seem frivolous to many people, but within each track are specific guidelines and regulations that authorize or limit what can be approved.

Most veterans believe VR&E exists to help them return to school or address needs related to starting their own business, but they often fail to understand the role of a VRC in the process. There have been many debates about the education level required for a VRC, along with proposals to reduce the education requirement for the position. It is imperative for stakeholders to understand that the expertise that comes with a master's in vocational rehabilitation directly relates to a veteran's viability and long-term employment outcomes.

It makes little sense for a veteran who is service-connected for bad knees and a bad back to be approved by a VR&E counselor for work in a labor-intensive field. The service-connected disabilities the veteran possesses will inevitably be exacerbated by this type of work, and the veteran will likely need to find another career path in the future. But what happens to those veterans when they've exhausted their education benefits and VR&E eligibility, and then find themselves needing assistance at a critical juncture in their lives? A VRC is trained to find that veteran suitable, sustainable, and financially sufficient employment that will sustain them through their lives, not just for a handful of years after leaving the program.

Improve and Enhance VR&E

For years, PVA, and other veterans service organizations (VSOs) have requested that the VR&E program receive additional appropriations from Congress to meet veterans' demand for the program. Over the past few years, VR&E program enrollment has grown exponentially with little increase in staff or resources. Now, we find ourselves in a crisis. Veterans are experiencing the longest wait times of the program's history, counselors are drowning in administrative burden, and still, we have hearings asking VSOs and the VA, "How can we fix this?" The answer is simple: there needs to be a hiring blitz for VR&E counselors and program support staff.

Another potential barrier within the program is that the decision to hire an additional counselor is determined at the Regional Office (RO) level. With limited available funds, the RO may need additional raters or other staff who they believe are more important than a VRC or other VR&E staff. Ironically, in past hearings, Congress demanded that the program's director fill positions in ROs across the country, but the director lacks that authority. After discovering significant wait times in the San Diego area, VR&E activated a Tiger Team to help get the situation under control. The team successfully got the RO back on track, proving that additional staff can subdue this crisis. The VA should prioritize hiring VRCs, VRs, and other administrative staff that can help where the need is the greatest, working to reduce the backlog of applications, streamline approvals, and delegate administrative tasks to support staff to increase a VRC's ability to offer direct employment counseling to the most complex cases.

VR&E is intended to provide rehabilitation counseling to disabled veterans with complex disabilities and serious barriers to employment. Providing professional, intensive, and supportive counseling is now something that VRCs get penalized for. Instead, they are being asked to prioritize authorizations, reimbursements, uploads, letters, dashboards, and performance metrics. While these are important functions, they are not counseling. If these functions are now the priority of the VA, then they should hire individuals with business, accounting, or similar backgrounds to accomplish that work. VRCs must be able to focus on what they are trained to do: care for veterans and their employment situations.

The current trajectory of the VR&E program is unsustainable. The program is experiencing a perfect storm of high case volume, understaffing, and an enormous amount of administrative burden. We have heard that morale is impossibly low. The demands of management are crushing counselors. Meanwhile, the metrics they are expected to perform are created for claims raters, not VRCs and employment out-

comes. All VRCs are forced to work mandatory overtime, while also receiving emails about the importance of work-life balance.

Changes are needed to place counseling back at the center of VR&E delivery to ensure severely disabled veterans receive access to the benefits they have earned. Some recommendations to improve the program are to:

- Hire additional VRs to handle basic case management tasks such as collecting grades, submitting authorizations to schools, reviewing bills, contacting veterans for missing paperwork, conducting outreach on inactive cases, and other work that doesn't require the skills of a VRCs.
- Let master's-level VRCs determine program eligibility; administer vocational assessments and career exploration; manage plan development and redevelopment; research appropriate training programs; conduct labor market analysis; coordinate services with other departments; assess the need for accommodations; assist with job placement; and, overall, have more contact with higher-need veterans.
- Create specialty or tiger teams, composed of master's-level VRCs for more complex service tracks, such as IL and self-employment. These services differ significantly from the other tracks and require substantial manpower.
- Create a national specialty team for retroactive inductions, which typically require 10–20 hours of work per case.
- End mandatory overtime for VRCs and instead, offer it on a volunteer basis.
- Ensure the new case management system, the Readiness and Employment System (RES), is ready for full deployment. Several IT projects totaling millions of dollars have already failed to improve VR&E delivery. Thus, the VA must be more careful about this latest effort. Years of thoughtful development went into the new RES, and we must do everything we can to ensure the national rollout is a success.

The bottom line is VR&E can be improved, but it will take innovative and intentional actions to move the needle on veteran outcomes.

PVA and the VR&E Program

At a subcommittee oversight hearing in 2018, our Chief Policy Officer, Heather Ansley, testified on VR&E and stressed the importance of continued collaboration with public and private partners for the program. PVA's Veteran Career Program (VCP), formerly known as PAVE, is staffed by VRCs who provide one-on-one career counseling to all veterans, transitioning service members, spouses, and caregivers. Our VCP team has long worked alongside the VR&E program; however, in recent months, something has changed within VR&E, and our VCP staff are seeing it first-hand.

For a veteran to begin the VR&E program, they must complete VA Form 20-1902w, which is used to determine eligibility and the specific employment and training needs of veterans. At the top of the form, it states that it is intended to be completed during the comprehensive initial evaluation conducted by a VRC. However, our career program staff have helped several veterans fill out this form, which is now expected to be completed by the veteran before a VRC can even schedule the initial intake call. An effective intake appointment is usually scheduled for an hour; yet, we hear from veterans that some VRCs are only offering a 20-minute phone call for these critical appointments. That is unacceptable. A veteran's service-connected disabilities might make it difficult or impossible for them to complete this form to even receive an evaluation.

Our career program staff are even helping VRCs do their jobs, especially new counselors who have not received the appropriate training. Because of the experience of many of our VCP staff, newer VRCs know they are a reliable resource to help them navigate unfamiliar systems. This becomes especially true when discussing the complexities of the IL track, which could take several hours of administrative work just for the initial intake and approval.

We are concerned that the VR&E program is at a dangerous tipping point. We fear that counselors will choose to leave the VA, leaving the program in an even worse situation. Our career program staff feel that VA counselors are being placed in an untenable situation, resulting in veterans being denied enrollment in VR&E. Veterans may even choose to give up on a program they are eligible for because of the significant barriers to entry. The current situation cannot continue.

Congress's refusal to fund the VR&E program at an appropriate level and VA's inability to know what the needs of the program are nationally, result in veterans not receiving proper assistance. The VA must make every reasonable effort to help veterans access their benefits. The growing trend of VA relying on veterans to pro-

vide additional information to access their earned benefits is becoming alarming, when, historically, this was done in partnership with VA staff. This is especially true in the case of PVA members who are some of the most catastrophically disabled veterans the VA cares for. VRCs must be able to spend the appropriate amount of time and attention on complex cases.

During the 2018 hearing mentioned earlier, Chief Policy Officer, Heather Ansley, wrote in her testimony: “With the reality of continuing budgetary constraints, it is unclear when, if ever, VR&E may have the counselors and other resources necessary to adequately assist the increasing number of veterans who are seeking VR&E services each year.” Here we are again, discussing caseloads being too high and the administrative burden being too great, yet there seems to be no measurable progress in ensuring that veterans are served by a properly resourced system.

It is our hope to continue working with this subcommittee, Congress, the VA, and other stakeholders to ensure the sustainability of the VR&E program. Thank you again for the opportunity to share our views on the VR&E program, and I welcome any questions you may have.

Information Required by Rule XI 2(g) of the House of Representatives

Pursuant to Rule XI 2(g) of the House of Representatives, the following information is provided regarding Federal grants and contracts.

Fiscal Year 2026

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events—Grant to support rehabilitation sports activities—\$368,500.

Fiscal Year 2025

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events—Grant to support rehabilitation sports activities—\$502,000.

Fiscal Year 2023

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events—Grant to support rehabilitation sports activities—\$479,000.

Disclosure of Foreign Payments

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.

STATEMENTS FOR THE RECORD

Prepared Statement of Veterans Education Success

Chairman Van Orden, Ranking Member Pappas, and Members of the Subcommittee:

We thank you for the opportunity to present this statement for consideration for this hearing. Veterans Education Success is a nonprofit organization with the mission of advancing higher education success for veterans, service members, and military families, and protecting the integrity and promise of the GI Bill and other Federal education programs.

In this statement, we address this timely and important hearing topic, “Bounce Houses, Drones, and Massage Chairs: A Review of VA’s Purchase History in the Veteran Readiness and Employment Program.”

As outlined in our previous statements to Congress, we have continued to receive complaints from veterans about Veteran Readiness and Employment (VR&E).^{1, 2, 3} Recent complaints continue to tell the story, including these core issues:

A. Veterans feel VR&E and its counselors steer them away from high-quality programs or push them to enroll in low-quality programs.

Many veterans have told us that VR&E counselors steer them away from top colleges and toward low-quality online programs. One recent veteran, a 100 percent disabled 12-year service member, was denied approval for an Ivy League business school. The counselor dismissed it as too expensive despite its clear career advantages and the likelihood of higher earnings. Veterans find the approval process arbitrary, as the same schools are approved for others.

B. Veterans complain that applying for and using VR&E benefits is too difficult; counselors have denied their admission to the VR&E program, denied their education program, or refused to cover certain programmatic costs without a reasonable explanation, causing tremendous stress.

One veteran was denied funding for essential coursework materials, including a laptop, with no apparent reason beyond a vague claim of insufficient funds. Others report difficulty using VR&E for graduate or professional degrees, with counselors blocking doctoral programs and instead approving degrees that do not align with their disabilities or vocational goals. Some counselors improperly decide that advanced degrees are unnecessary, even after veterans have already started their programs. Many veterans believe counselors lack training to assess how disabilities impact career options.

C. VR&E counselors are often challenging to reach and do not provide timely information and responses to veterans.

Veterans frequently report unresponsive, incompetent, or even antagonistic counselors who seem more focused on disqualifying them than helping. Some are repeatedly reassigned counselors, receiving conflicting guidance and decisions. Many worry about retaliation.

¹ Veterans Education Success, “VES Written Statement on Evaluating the Effectiveness of VA Vocational Rehabilitation and Employment Programs Before the House Committee on Veterans’ Affairs Subcommittee on Economic Opportunity” (Jun. 4, 2019), https://vetsedsuccess.org/wp-content/uploads/2019/06/VES_SFR_VRE_06032019-1.pdf.

² Veterans Education Success, “Our Statement for the Record on the Topic of ‘Veteran Readiness and Employment: Is VA Succeeding?’” (Sept. 15, 2022), <https://vetsedsuccess.org/wp-content/uploads/2022/09/VES-SFR-VRE-Hearing-HVAC-EO-September-15-2022.pdf>.

³ Veterans Education Success, “Our Statement for the Record on the Topic of ‘Examining the Effectiveness of the Veterans Readiness and Employment (VR&E) Program’” (Dec. 11, 2024), <https://vetsedsuccess.org/wp-content/uploads/2024/12/Statement-For-the-Record-VRE-HVAC-EO-Dec-2024.pdf>.

One veteran considered withdrawing from VR&E entirely after a year without a response from his counselor. A medically retired Army veteran struggled for over 6 months to even start the program.

Based on the issues addressed above, we make the following recommendations for the Committees' consideration:

- **Staff Ratio.** Reduce the maximum client-to-counselor ratio from 125 to 85 to ensure veterans receive timely, individualized support. While VA has worked to reduce this number, 125 remains too high for counselors to address veterans' needs adequately, and veterans continue to report unresponsive counselors.
- **Counseling Consistency.** Require increased training for VR&E counselors to ensure consistent, high-quality guidance. Too many veterans are steered into low-quality schools while others are approved for top-tier institutions. Counselors should be trained to avoid recommending schools with Federal caution flags or law enforcement actions. They should be empowered to approve graduate degrees when needed to help veterans achieve their vocational goals. Additional training and explicit guidance would improve program delivery and the veteran experience.
- **System Modernization.** Continue to improve and modernize the VR&E case management system to prevent payment delays and reduce administrative burdens. Given the financial hardships many veterans face, timely payments are critical. We commend the e-VA Document Repository and Automation Initiative, which significantly reduces the burden on both veterans and counselors by streamlining required documentation.
- **Housing Allowance Parity.** Establish a Monthly Housing Allowance (MHA) for VR&E students at rates comparable to the Post-9/11 GI Bill to keep pace with rising living costs.⁴

We thank the Subcommittee for its attention to this critical issue and consideration of these recommendations. We will continue to provide feedback based on what we hear from the veterans we work with on an ongoing basis.

Conclusion

Veterans Education Success sincerely appreciates the opportunity to provide our input and expertise on this topic. The higher education industry continues to evolve in these dynamic times, and we emphasize the importance of maintaining high standards. Student veterans, taxpayers, and Congress must expect the best outcomes from the use of hard-earned GI Bill benefits.

We look forward to working with you on these solutions and are grateful for the continued opportunities to collaborate further.

Information Required by Rule XI, Clause 2(g)(4) of the House of Representatives and the Rules of the House Committee on Veterans' Affairs

Pursuant to Rule XI, clause 2(g)(4) of the House of Representatives, Veterans Education Success has not received any Federal grants in Fiscal Year 2026, nor has it received any Federal grants in the two previous Fiscal Years.

Information Required by the Rules of the House Committee on Veterans' Affairs Regarding Foreign Government and Foreign Adversary Funding

Pursuant to the Rules of the House Committee on Veterans Affairs, and consistent with the definitions set forth in P.L. 118-50, Division H, § 2(g)(1), Veterans Education Success has not received any contracts, grants, or payments originating with a foreign government, a foreign adversary-controlled entity, or an entity or country of particular concern.

⁴Veterans Education Success, "Statement for the Record, House Committee on Veterans' Affairs Economic Opportunity Subcommittee Hearing, *Getting Veterans to Work after COVID-19*" (Jul. 21, 2020), <https://vetsedsuccess.org/our-sfr-for-july-21-hvac-economic-opportunity-subcommittee-hearing-getting-veterans-to-work-after-covid-19/>.

Prepared Statement of Abe Hamadeh

Thank you, Mr. Chairman.

Our government has a sacred obligation to be a faithful steward of every dollar it takes from the American people. Taxpayers work hard for that money, and they trust us not to squander it. When Washington breaks that trust, it is the job of this Committee to stand up and say so. Waste, fraud, and abuse are not abstractions. They are a betrayal. And of all the ways the Federal Government can betray the public trust, none is more offensive than wasting a single penny meant for the men and women who wore the uniform. A penny diverted from a disabled veteran is the worst kind of abuse there is.

That is why we are here today. The VR&E program exists for one reason: to help disabled veterans return to work and reclaim their independence. That is a promise America made, and it is a promise worth keeping. But this Committee has uncovered purchases inside this program that are flat-out indefensible. \$15,500 for a single massage chair. \$50,000 in fish hatchery supplies... for ONE veteran. \$23,827 on bounce houses. A \$266,000 laptop order. And here is the real kicker: 189 individual plans exceeding \$100,000 apiece, with no meaningful oversight of the contracts being written. A program on pace to hit \$4.7 billion by Fiscal Year 2027 cannot be run like a slush fund, and a 45 percent re-entry rate after [QUOTE] “successful” completion is not success—it is a revolving door. Arizona veterans and the taxpayers footing the bill deserve better. It’s time someone minds the store.

