

DIRECTING THE SECRETARY OF VETERANS AFFAIRS TO
ESTABLISH A VETSTAR AWARD PROGRAM

MAY 20, 2011.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. MILLER of Florida, from the Committee on Veterans' Affairs,
submitted the following

R E P O R T

[To accompany H.R. 802]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 802) to direct the Secretary of Veterans Affairs to establish a VetStar Award Program, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

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AMENDMENT

The amendment is as follows:

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 802
OFFERED BY MR. FILNER

Strike all after the enacting clause and insert the following:

SECTION 1. VETSTAR AWARD PROGRAM.

- (a) IN GENERAL.—Section 532 of title 38, United States Code, is amended—
- (1) by striking “The Secretary may” and inserting “(a) ADVERTISING IN NATIONAL MEDIA.—The Secretary may”; and
 - (2) by adding at the end the following new subsection:

“(b) VETSTAR AWARD PROGRAM.—(1) The Secretary shall establish an award program, to be known as the ‘VetStar Award Program’, to annually recognize businesses for their contributions to veterans’ employment.

“(2) The Secretary shall establish a process for the administration of the award program, including criteria for—

 - “(A) categories and sectors of businesses eligible for recognition each year; and
 - “(B) objective measures to be used in selecting businesses to receive the award.”.
- (b) CLERICAL AMENDMENTS.—
- (1) SECTION HEADING.—The heading of such section is amended by adding at the end the following: “; **VetStar Award Program**”.
 - (2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 532 and inserting the following new item:

“532. Authority to advertise in national media; VetStar Award Program.”.

Amend the title so as to read:

A bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to establish a VetStar Award Program.

PURPOSE AND SUMMARY

H.R. 802 was introduced on February 18, 2011 by Representative Bob Filner of California. H.R. 802 directs the Secretary of Veterans Affairs (VA) to establish the VetStar Award Program, to annually recognize businesses for their contributions to veterans’ employment.

BACKGROUND AND NEED FOR LEGISLATION

Veterans have experienced higher than normal rates of unemployment during the current economic recession as shown by the following table derived from data provided by the Bureau of Labor Statistics (BLS):

During the 111th Congress, the Subcommittee on Economic Opportunity received testimony from veteran stakeholders concerning the rates of unemployment among some veterans when compared to their civilian counterparts, and the challenges faced by the small business community. This sentiment was shared by veteran stakeholders at the March 3, 2011 subcommittee hearing on ‘Veterans’ Employment and Training Service’s Budget and State Grant Program.

In 2010, the U.S. Bureau of Labor Statistics stated that the “unemployment rate for veterans who served in the military since September 2001—a group referred to as Gulf War-era II veterans—was 10.3 percent in 2009.” The following table illustrates the effects of the recent economic downturn on Gulf Era II veterans when compared with their non-veteran peers.

EMPLOYMENT STATUS OF GULF WAR-ERA II VETERANS AGE 18 AND OVER, NOT SEASONALLY
ADJUSTED, JANUARY 2006–PRESENT
[Levels in thousands]

Month and year	Civilian noninstitutional population	Civilian labor force						Not in the labor force
		Total	Percent of population	Employed		Unemployed		
				Total	Percent of population	Total	Rate	
Apr–07	1,483	1,270	85.6	1,206	81.3	64	5.0	214
Apr–08	1,591	1,328	83.5	1,254	78.8	74	5.6	263
Apr–09	1,902	1,552	81.6	1,392	73.2	160	10.3	350
Apr–10	2,101	1,694	80.6	1,472	70.0	223	13.1	407
Apr–11	2,466	1,962	79.5	1,748	70.9	214	10.9	505

EMPLOYMENT STATUS OF NONVETERANS AGE 18 AND OVER, NOT SEASONALLY ADJUSTED,
JANUARY 2006–PRESENT
[Levels in thousands]

Month and year	Civilian noninstitutional population	Civilian labor force						Not in the labor force
		Total	Percent of population	Employed		Unemployed		
				Total	Percent of population	Total	Rate	
Apr–07	199,254	136,602	68.6	131,000	65.7	5,602	4.1	62,652
Apr–08	201,747	138,495	68.6	132,119	65.5	6,375	4.6	63,252
Apr–09	203,975	139,733	68.5	127,950	62.7	11,783	8.4	64,242
Apr–10	206,378	140,337	68.0	127,291	61.7	13,046	9.3	66,041
Apr–11	208,727	139,957	67.1	128,072	61.4	11,885	8.5	68,771

As seen in the tables above, Gulf War-era II veterans have experienced unemployment rates above their non-veteran counterparts for several years. The Committee believes it is important to use every available avenue to reduce unemployment among all veterans, especially those who are now returning from combat. One of the ways to show the nation's appreciation to employers who are meeting that challenge is to recognize companies who set an aggressive standard for hiring, retaining, and promoting veterans.

Therefore, H.R. 802 will highlight hiring efforts by employers by creating an incentive for businesses to employ veterans by directing the VA to develop a low-cost, annual awards program that recognize businesses who excel at hiring veterans. The award can be displayed by business owners to emphasize their business' commitment to the veteran community. The program requirements and selection process would be determined and run by the Department of Veterans Affairs (VA).

HEARINGS

On May 3, 2011, the Subcommittee on Economic Opportunity conducted a legislative hearing on various bills introduced during the 112th Congress, including H.R. 802. The following witnesses testified: Ms. Christina M. Roof, National Acting Legislative Director for AMVETS; Mr. Tom Tarantino, Senior Legislative Associate with Iraq and Afghanistan Veterans of America; Mr. Shane Barker, Senior Legislative Associate of the National Legislative Service with the Veterans of Foreign Wars of the United States; Mr. Robert Madden, Assistant Director for the National Economic Commission with The American Legion; Mr. Andrew Connolly, a service dis-

abled veteran from Dubuque, IA; and Mr. Keith M. Wilson, Director of Education Service, Veterans Benefit Administration, with the U.S. Department of Veterans Affairs, accompanied by Mr. Jan R. Frye, Deputy Assistant Secretary for Acquisitions and Logistics, and Mr. F. John. Brizzi, Deputy Assistant General Counsel with the U.S. Department of Veterans Affairs. Those submitting statements for the record included: Mr. Dr. Vivianne Cisneros Wersel, Au.D., Chair of the Government Relations Committee with the Gold Star Wives of America, Inc.; Dorothy Gillman, President of the National Association of Veterans Programs Administrators; Paralyzed Veterans of America; and Vice Admiral (Ret.) Norbert R. Ryan, Jr. President of the Military Officers Association of America.

SUBCOMMITTEE CONSIDERATION

On March 5, 2011, the Subcommittee on Economic Opportunity met in an open markup session and ordered favorably forwarded to the full Committee H.R. 802 by voice vote.

COMMITTEE CONSIDERATION

On May 12, 2011, the full Committee met in an open markup session, a quorum being present, and ordered H.R. 802, as amended, reported favorably to the House of Representatives, by voice vote. During consideration of the bill the following amendment was considered:

An amendment in the nature of a substitute, offered by Ranking Member Bob Filner of California, which amended section 532 of title 38, United States Code, to include the provisions of H.R. 802 as introduced was agreed to by voice vote.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report the legislation and amendments thereto. There were no recorded votes taken on amendments to or in connection with ordering H.R. 802 reported to the House. A motion by Mr. Braley of Iowa to order H.R. 802, as amended, reported favorably to the House of Representatives was agreed to by voice vote.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the es-

estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 802 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate on H.R. 802 prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 802 provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 16, 2011.

Hon. JEFF MILLER,
Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 802, a bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to establish a VetStar Award Program.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is William Ma.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 802—A bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to establish a VetStar Award Program

H.R. 802 would require the Secretary of Veterans Affairs to establish an award program to annually recognize businesses for their contributions to veterans' employment.

Based on information from the Department of Veterans Affairs (VA), CBO anticipates that establishing and implementing such an award program would impose few workload and budgetary requirements on VA. We expect that the award program would require VA staff to develop the award criteria, advertise the program, review nominations, and select winners. Award recipients would be recognized with awards such as trophies and plaques. Assuming the availability of the necessary funds, CBO estimates that implementing this bill would cost less than \$500,000 over the 2012–2016 period for additional personnel costs and to purchase awards and administrative supplies.

Enacting H.R. 802 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 802 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is William Ma. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 802 prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 802.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional authority for H.R. 802 is provided by Article I, section 8 of the Constitution of the United States.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. VetStar Award Program

This section directs the Secretary of Veterans Affairs to establish a VetStar award program to annually recognize businesses who have made significant contributions for veterans employment.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38, UNITED STATES CODE

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PART I—GENERAL PROVISIONS

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CHAPTER 5—AUTHORITY AND DUTIES OF THE SECRETARY

Subchapter I—General Authorities

SEC. 501. RULES AND REGULATIONS.

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Subchapter II—Specified Functions

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§532. Authority to advertise in national media.

532. *Authority to advertise in national media; VetStar Award Program.*

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Subchapter II—Specified Functions

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§ 532. Authority to advertise in national media; VetStar Award Program

§ The Secretary may

(a) *ADVERTISING IN NATIONAL MEDIA.*—*The Secretary may purchase advertising in national media outlets for the purpose of promoting awareness of benefits under laws administered by the Secretary, including promoting awareness of assistance provided by the Secretary, including assistance for programs to assist homeless veterans, to promote veteran-owned small businesses, and to provide opportunities for employment in the Department of Veterans Affairs and for education, training, compensation, pension, vocational rehabilitation, and healthcare benefits, and mental healthcare (including the prevention of suicide among veterans).*

(b) *VETSTAR AWARD PROGRAM.*—(1) *The Secretary shall establish an award program, to be known as the “VetStar Award Program”, to annually recognize businesses for their contributions to veterans’ employment.*

(2) *The Secretary shall establish a process for the administration of the award program, including criteria for—*

(A) *categories and sectors of businesses eligible for recognition each year; and*

(B) *objective measures to be used in selecting businesses to receive the award.*

* * * * *