VETERANS AFFAIRS

"To honor our veterans...gratitude and ceremonies are not enough. We must protect the benefits you have earned, address fully the dangers imposed by modern warfare, and preserve what you fought for: the American Dream at home and our leadership around the world."

President Bill Clinton
March 6, 1995

President Clinton has fought to protect the benefits earned by the men and women who served in our armed services and to address the new needs and challenges created by a changing world. The Clinton Administration has also worked to make the Department of Veterans Affairs more efficient and responsive by proposing and implementing changes at the VA that will improve services and save money. Many of these changes have long been advocated by veterans. The Administration has also aggressively responded to veterans of the Persian Gulf War suffering from undiagnosed illnesses, to the challenges created as the military downsized after the Cold War and to the needs of homeless veterans.

A RECORD OF ACCOMPLISHMENT:

- **Improved and Restructured VA Health Care System**: The Clinton Administration implemented significant management restructuring of the VA medical system, creating integrated service networks and consolidating duplicative medical and administrative services to ensure that scarce resources are focused on patient care. The Administration also proposed "gainsharing" to allow the VA medical facilities to retain a portion of the money VA collects from third parties. These changes will allow the VA to improve the quality of care to veterans. 97 budget

- **Protecting Veterans Benefits**: The Clinton Administration ensured full cost of living adjustment on benefits going to disabled veterans and military retirees; fought to fully fund benefit programs; successfully opposed Congressional proposals to eliminate compensation for certain mentally incompetent veterans; and proposed increased funding for the National Cemetery System to ensure that veterans and their families are buried with dignity. – ? → SAP ~~Mike~~ – 97 budget

- **Benefits for Vietnam Veterans**: Following review of the National Academy of Sciences report on the health effects of exposure to Agent Orange and other herbicides, President Clinton announced that Vietnam veterans with prostate cancer and peripheral neuropathy are entitled to disability payments based on their exposure to Agent Orange. The Administration ~~will~~ has also ~~seek~~ proposed legislation to provide an appropriate remedy for children of Vietnam veterans who suffer from spina bifida. In 1993, President Clinton extended disability benefits to Vietnam veterans with several other cancers and illnesses potentially caused by Agent Orange exposure. Press release Press release

- **Persian Gulf War Veterans' Illness**: President Clinton established the Presidential Advisory Committee on Gulf War Veterans' Illness aimed at finding the causes of these illnesses and improving the care available to Persian Gulf veterans. As part of the Gulf War illness effort, the Administration expanded funding for research and medical care at the Departments of Defense, Veterans Affairs, and Health and Human Services. PG press release ✓

- **Firm Commitment to Veterans in Federal Hiring**: Despite overall hiring declines across the federal government in the last three years, the percentage of jobs going to veterans has increased. The proportion of veterans among new full-time hires increased from 23.6% in 1992 to 33.3% in 1994. The federal government continues to lead the nation in the percentage of veterans and disabled veterans in its workforce. ✓ OPM

- **Training and Assistance**: The Clinton Administration helped over 1.5 million veterans into jobs through the Department of Labor's veterans employment service. More than ~~Nearly~~ 500,000 separating service members and their spouses received job search training under the Admin's ~~Department~~'s Transition Assistance Program. The veterans' unemployment rate has been cut by almost a third during the first three years of the Clinton Administration -- from 7.2% in January 1993 to 4.9% 3.3 in January 1996. DOL BLS survey - don't publish - DOL compiles

- **Faster Benefits Delivery**: The Administration improved processing time and reduced pending caseload for compensation and pension claims at the Veterans Benefits Administration. In FY 97, the Veterans Benefits Administration will process original compensation claims 33 days faster than in FY 96 and the pending caseload will be reduced from 348,000 at the end of FY 96 to 277,000 cases at the end of FY 97 -- a 20% reduction. The President's FY 97 budget included funding for 50 positions for the Board of Veterans' Appeals to improve timeliness in processing appeals. Done

- **Targeted, Supportive Assistance to Homeless Veterans**: President Clinton fought for increased funding to assist communities in developing local, coordinated solutions to break the cycle of homelessness. The Administration more than doubled VA funding of homeless programs in three years to the current level of $76 million. As part of a new Homeless Providers Grant Program, VA awarded more than $11.8 million to 59 public and private nonprofit groups to develop new programs to assist homeless veterans. The Administration's Interagency Council on the Homeless established a Homeless Veterans Task Force to improve services and programs for homeless veterans across agencies. ✓

THE CHALLENGES AHEAD:

President Clinton will continue to fight to protect the benefits veterans have earned and to help veterans respond to new needs and challenges by:

- Working for passage of reinventing government initiatives that will improve services to veterans, simplify complex eligibility rules and save money through streamlining.

- Continuing to restructure the VA's health care system.

- Continuing to improve veterans' benefits delivery system to give veterans increased access and more efficient service.

- Continuing to work with the Presidential Advisory Committee to find causes and care for Persian Gulf veterans with undiagnosed illnesses.

- Continuing unprecedented outreach to veterans and veterans service organizations.

May 1996

U.S. Department of Labor

VETS

Office of the Assistant Secretary for Veterans' Employment and Training

FAX

DATE: 7/26/96

SEND TO (NAME AND TITLE): Molly

REGION (CIRCLE): ALL I II III IV V VI VII VIII IX X

OTHER LOCATION:

LOCAL TELEPHONE NUMBER:

FROM (NAME AND TITLE): Hary

OFFICE AND PHONE:

[ ] OFO 219-9105	[ ] OVERT (GMD,VRR) 219-9110, 8611	[X] OIMB 219-8421	[ ] TAP 219-5573

OTHER (SPECIFY):

TOTAL NUMBER OF PAGES SENT (INCLUDING FAX COVER SHEET): 1

SUBJECT:

Please call the applicable office telephone number above if you do not receive all pages or need more information.

Additional Instructions or Message: VETS UNEMPLOYMENT RATE for 1996 is 3.3.%

NATIONAL OFFICE FAX NUMBER: (202) 219-7341

DVOP/LVER Data

Transition Assistance Program	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996 (2 qtrs rpts)
Total	119,164	145,092	163,044	151,814	64,046
	(-8,000 pre-Clinton)				+ 32,000 (estimate) to June 1996

- not just VETS → total # of sep'g service members + spouses who rec'd job srch, skills training...
- VA, DoD, + VETS, + SBA - funded programs

[DOD - logistics
VA

119
145
163
152
96
675

+ 5% more overseas
∴ more than 700.000

1991 set up
1992 ramped up (from 10 to 44 states)

• recently separated service members traditionally have trouble entering new jobs - TAP has successfully helped - unempl comp down
- very cost-effective since TAP low cost + UC high cost

Sheet1

	Wrkshps	Parts	Rets	Seps	Spous	Oth
I	31	1431	388	937	79	27
II	53	1440	377	1011	48	4
III	161	10425	3690	6414	292	29
IV	375	16185	3283	11791	401	710
V	39	1156	676	409	48	23
VI	197	6412	2439	3707	232	34
VII	51	2667	764	1806	85	12
VIII	56	2646	2779	872	69	88
IX	370	17802	4005	13245	471	81
X	71	3882	914	2779	184	5
Total	1404	64046	19315	42971	1909	1013

2nd Qtr FY'1996
March

= spreadsheet tracking TAP enrollment

Veterans' Employment and Training Service

BLS Monthly Averages
Civilian Labor Force
(In thousands)

29-Jul-96	JAN 93	JUN 96
All Veterans	25,610	24,727
Civ Labor Force	16,248	14,804
Employed	15,078	14,312
Unemployed	1,170	492
Not in Labor Force	9,362	9,923
Percent Unemployed	7.2%	3.3%
Percent NILF	36.6%	40.1%

* - not seasonal → have been adjusted
June → not typically low month

Veterans' Employment and Training Service

BLS Monthly Averages
Civilian Labor Force
(In thousands)

29-Jul-96	JAN 93	FEB 93	MAR 93	APR 93	MAY 93	JUN 93	JUL 93	AUG 93	SEP 93	OCT 93	NOV 93	DEC 93
All Veterans	25,610	25,590	25,561	25,547	25,764	25,764	25,762	25,752	25,741	25,719	25,699	25,698
Civ Labor Force	16,248	16,221	16,304	16,173	16,407	16,454	16,262	16,393	16,429	16,342	16,244	16,129
Employed	15,078	15,079	15,196	15,170	15,565	15,551	15,409	15,537	15,582	15,490	15,425	15,259
Unemployed	1,170	1,142	1,107	1,003	842	906	853	856	847	852	819	870
Not in Labor Force	9,362	9,369	9,257	9,374	9,357	9,308	9,500	9,359	9,312	9,378	9,455	9,569
Percent Unemployed	7.2%	7.0%	6.8%	6.2%	5.1%	5.5%	5.2%	5.2%	5.2%	5.2%	5.0%	5.4%
Percent NILF	36.6%	36.6%	36.2%	36.7%	36.3%	36.1%	36.9%	36.3%	36.2%	36.5%	36.8%	37.2%

Veterans' Employment and Training Service

BLS Monthly Averages
Civilian Labor Force
(In thousands)

29-Jul-96	JAN 94*	FEB 94	MAR 94	APR 94	MAY 94	JUN 94	JUL 94	AUG 94	SEP 94	OCT 94	NOV 94	DEC 94
All Veterans	27,202	27,231	27,227	27,232	27,234	27,173	27,197	27,738	27,407	27,113	26,184	26,133
Civ Labor Force	17,179	17,211	17,125	17,030	17,078	16,974	16,978	17,499	17,055	17,012	16,222	16,132
Employed	16,077	16,113	16,134	16,157	16,249	16,140	16,098	16,657	16,341	16,301	15,544	15,495
Unemployed	1,101	1,098	991	874	828	834	881	842	714	710	677	637
Not in Labor Force	10,023	10,020	10,101	10,202	10,156	10,199	10,219	10,238	10,352	10,102	9,963	10,001
Percent Unemployed	6.4%	6.4%	5.8%	5.1%	4.8%	4.9%	5.2%	4.8%	4.2%	4.2%	4.2%	3.9%
Percent NILF	36.8%	36.8%	37.1%	37.5%	37.3%	37.5%	37.6%	36.9%	37.8%	37.3%	38.0%	38.3%

BLS Monthly Averages
Civilian Labor Force
(In thousands)

29-Jul-96	JAN 95	FEB 95	MAR 95	APR 95	MAY 95	JUN 95	JUL 95	AUG 95	SEP 95	OCT 95	NOV 95	DEC 95
All Veterans	26,140	26,143	25,979	26,036	26,003	25,971	25,980	25,041	25,009	24,981	24,811	24,920
Civ Labor Force	16,045	16,009	15,958	16,003	15,852	15,836	15,743	14,687	14,947	15,001	14,728	14,800
Employed	15,247	15,274	15,219	15,325	15,221	15,144	15,042	14,110	14,441	14,523	14,020	14,267
Unemployed	798	735	739	678	631	693	700	577	506	478	688	534
Not in Labor Force	10,093	10,134	10,021	10,034	10,151	10,135	10,237	10,355	10,061	9,980	10,083	10,120
Percent Unemployed	5.0%	4.6%	4.6%	4.2%	4.0%	4.4%	4.4%	3.9%	3.4%	3.2%	4.7%	3.6%
Percent NILF	38.6%	38.8%	38.6%	38.5%	39.0%	39.0%	39.4%	41.4%	40.2%	40.0%	40.6%	40.6%

[illegible]

BLS Monthly Averages
Civilian Labor Force
(in thousands)
29-JUL-96

	JAN 93	FEB 93	MAR 93	APR 93	MAY 93	JUN 93	JUL 93	AUG 93	SEP 93	OCT 93	NOV 93	DEC 93	JAN 94	FEB 94	MAR 94
All Veterans	[illegible]	[illegible]	[illegible]	25,547	25,764	25,764	25,152	25,352	25,341	[illegible]	[illegible]	[illegible]	27,392	27,231	27,227
Civ Labor Force	[illegible]	[illegible]	[illegible]	16,173	[illegible]	16,456	16,262	16,350	16,429	16,342	[illegible]	[illegible]	[illegible]	[illegible]	17,125
Employed	[illegible]	[illegible]	15,195	15,170	15,565	15,551	[illegible]	15,337	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	16,113	[illegible]
Unemployed	[illegible]	1,143	[illegible]	[illegible]	[illegible]	[illegible]	853	[illegible]	847	[illegible]	[illegible]	[illegible]	1,181	[illegible]	[illegible]
Not in Labor Force	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	9,453	9,565	[illegible]	[illegible]	[illegible]
Percent Unemployed	[illegible]	7.0%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Percent NILF	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

	APR 94	MAY 94	JUN 94	JUL 94	AUG 94	SEP 94	OCT 94	NOV 94	DEC 94	JAN 95	FEB 95	MAR 95	APR 95	MAY 95	JUN 95
All Veterans	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	27,113	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	25,571
Civ Labor Force	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	17,006	[illegible]	[illegible]	16,112	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Employed	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	16,341	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Unemployed	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	637	637	[illegible]	730	[illegible]	[illegible]	631	[illegible]
Not in Labor Force	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	10,357	[illegible]	[illegible]	10,001	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Percent Unemployed	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Percent NILF	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

	JUL 95	AUG 95	SEP 95	Annual Average	OCT 95	NOV 95	DEC 95	JAN 96	FEB 96	MAR 96	APR 96	MAY 96	JUN 96
All Veterans	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
Civ Labor Force	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
Employed	[illegible]	14,910	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
Unemployed	700	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	534	[illegible]		[illegible]		[illegible]	[illegible]
Not in Labor Force	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	10,171		[illegible]		[illegible]	[illegible]
Percent Unemployed	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
Percent NILF	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]

Table 1. Employment status of persons by veteran status, age, race, Hispanic origin, and sex, June 1996 (based on CPS)

(Numbers in thousands)

Age	Civilian noninstitutional population	Civilian labor force: Total	Civilian labor force: Percent of population	Civilian labor force: Employed	Unemployed: Total	Unemployed: Rate	Not in the labor force
Male veterans							
Total, 20 years and over	23,477	14,059	59.9	13,607	447	3.2	9,423
20 to 24 years	111	100	90.7	95	6	5.7	10
25 years and over	23,366	13,953	59.7	13,512	441	3.2	9,413
25 to 34 years	1,361	1,279	93.9	1,225	54	4.2	82
35 to 44 years	2,901	2,637	90.9	2,544	93	3.5	264
35 to 39 years	1,229	1,136	92.4	1,081	55	4.8	93
40 to 44 years	1,672	1,501	89.8	1,462	39	2.6	171
45 to 54 years	5,869	5,335	90.9	5,184	151	2.8	534
45 to 49 years	3,127	2,887	92.3	2,795	92	3.2	240
50 to 54 years	2,742	2,448	89.3	2,390	59	2.4	294
55 to 64 years	4,719	3,096	65.7	3,003	95	3.1	1,620
55 to 59 years	2,043	1,644	80.7	1,608	40	2.4	395
60 to 64 years	2,676	1,451	54.2	1,395	56	3.8	1,225
65 years and over	8,516	1,604	18.8	1,557	47	3.0	6,912
40 years and over	20,776	11,539	55.5	11,206	332	2.9	9,237
40 to 54 years	7,541	6,836	90.7	6,646	190	2.8	705
55 years and over	13,235	4,702	35.5	4,560	143	3.0	8,532
Male war veterans							
Total, 20 years and over	17,550	9,213	52.5	8,966	247	2.7	8,337
20 to 24 years	-	-	-	-	-	-	-
25 years and over	17,550	9,213	52.5	8,966	247	2.7	8,337
25 to 34 years	-	-	-	-	-	-	-
35 to 44 years	1,407	1,268	90.1	1,241	26	2.1	139
35 to 39 years	147	139	94.4	137	2	1.4	8
40 to 44 years	1,260	1,129	89.6	1,104	25	2.2	131
45 to 54 years	5,203	4,763	91.5	4,625	137	2.9	440
45 to 49 years	3,020	2,793	92.5	2,701	92	3.3	227
50 to 54 years	2,183	1,970	90.2	1,924	46	2.3	213
55 to 64 years	2,759	1,668	60.5	1,626	43	2.6	1,091
55 to 59 years	844	682	80.8	671	11	1.7	162
60 to 64 years	1,915	986	51.5	955	31	3.2	929
65 years and over	8,181	1,514	18.5	1,474	41	2.7	6,667
40 years and over	17,403	9,074	52.1	8,829	245	2.7	8,329
40 to 54 years	6,463	5,891	91.2	5,729	162	2.7	571
55 years and over	10,940	3,183	29.1	3,099	83	2.6	7,757

DVOP/LVER Data

Historical Files - VETS

	PY 1992 (FY 93)	PY 1993 (FY 94)	PY 1994 (FY 95)	PY 1995 (FY 1996) (3d Qtr data)
DVOP/LVER/ES ACTIVITY				
DVOP Applicants	951,656	929,237	781,558	
LVER Applicants	829,432	771,837	669,369	
ES Veteran Applicants	994,866	871,016	848,608	
TOTAL VETERAN APPLICANTS	2,775,954	2,572,090	2,299,535	1,880,095
DVOP Vets Served	1,005,388	988,924	873,033	
LVER Veterans Served	986,138	937,211	856,788	
ES Veterans Served	178,793	83,104	196,904	
TOTAL VETERANS SERVED	2,170,319	2,009,239	1,926,725	1,456,289
DVOP Veterans Counseled	58,302	51,761	54,005	
LVER Veterans Counseled	46,458	40,961	38,354	
ES Veterans Counseled	84,657	76,321	158,897	
TOTAL VETERANS COUNSELED	189,417	169,043	251,256	124,249
DVOP Referred to Job	541,270	541,087	395,049	
LVER Referred to Job	480,965	470,229	359,560	
ES Veterans Referred to Job	246,240	192,191	447,827	
TOTAL VETERANS REFERRED	1,268,475	1,203,507	1,202,436	916,152
DVOP - Vets entering empl	177,252	189,324	179,605	
LVER - Vets Entering empl	170,920	177,604	168,952	
ES Veteran entering empl	213,415	192,396	218,061	
TOTAL VETERANS Entering empl	561,587	559,324	566,618	409,394

total: 2.097 M helped into jobs

April 22, 1996

96

U. S. DEPARTMENT OF LABOR - EMPLOYMENT SERVICE PROGRAMS
ETA 9002 QUARTERLY REPORT

JULY 1, 1995 THRU MAR. 31, 1996

NATIONAL SUMMARY

CUMULATIVE YEAR-TO-DATE	VETERANS TOTAL 22-44 18	45-54 19	55+ 20	TOTAL 21
1 TOTAL ACTIVE APPS	1,149,085	458,748	245,460	1,880,095
2 VETERANS				
3 MALE	1,028,610	446,376	240,555	1,737,814
4 FEMALE	120,475	12,372	4,905	142,281
5 YOUTH				
6 ADULT (22 AND OVER)				
7 22-44				
8 45-54				
9 55 AND OVER				
10 ECON DISADV TOTAL	141,571	42,955	15,442	203,009
11 WELFARE	25,940	7,266	1,938	35,477
12 ASSESSMENT SERVICES	184,107	77,134	37,655	303,819
13 INTERVIEWED	109,973	47,341	24,195	184,541
14 COUNSELED	72,775	33,429	16,123	124,249
15 TESTED	24,708	7,299	2,140	34,793
16 ASSIGNED CASE MGR	11,249	4,907	1,760	18,138
17 PROV CASE MGT SERV	8,417	3,593	1,109	13,297
18 VOC GUID SERV PROV	97,888	35,622	16,749	153,523
19 REF TO OTHER SERV	304,375	121,207	59,983	493,920
20 REF TO SKILLS TRNG	58,856	24,621	11,392	96,871
21 REF TO FED TRNG	33,925	14,293	6,446	56,023
22 REF TO JTPA	20,657	10,441	5,151	36,965
23 REF TO OTHER TRNG	35,207	13,251	5,906	55,637
24 REF TO EDUC SERV	15,153	4,645	1,664	22,160
25 REF TO SUPP SERV	269,414	106,410	52,700	435,686
26 TRAINING PLACEMENTS	12,146	4,851	1,848	19,267
27 FED TRNG PLACEMENTS	7,818	3,179	1,169	12,437
28 JOB SEARCH ACTIVITIES	538,045	212,301	105,492	872,361
29 REF TO EMPLOYMENT	605,204	208,954	87,664	916,152
30 REFERRED TO FED JOB	25,112	7,913	2,918	36,457
31 REFERRED TO FCJL JOB	189,852	62,489	20,923	277,311
32 REF PERM JOB (+150)	574,855	197,459	81,329	867,301
33 ENTERED EMPLOYMENT	274,102	90,315	38,158	409,394
34 PLACED TOTAL	179,292	49,941	19,782	253,568
35 PLACED (UNDER 22)				
36 PLACED (22-44)				
37 PLACED (45-54)				
38 PLCD (55 AND OVER)				
39 PLACED IN FED JOB	4,295	1,467	528	6,356
40 PLACED IN FCJL JOB	36,315	9,094	2,741	49,081
41 PLCD PERM JOB(+150)	147,944	39,325	15,323	206,432
42 OBTAINED EMPLOYMENT	110,116	44,704	19,730	177,183
43 REC SOME REPORT SERV TRANSACTIONS	904,218	351,150	179,264	1,456,289
44 ASSESSMENT SERV TOTAL	266,890	116,448	55,106	445,420
45 INTERVIEWED	126,818	54,998	27,535	212,747
46 COUNSELED	105,839	51,509	24,681	184,770
47 TESTED	34,233	9,941	2,890	47,903
48 REF TO EMPLOYMENT	2,051,393	681,825	253,099	3,032,519
49 PLACED (TRANSACTIONS)	237,458	73,524	30,952	344,754
50 OBTAINED EMPLOYMENT	127,421	50,345	21,877	202,652

CUMULATIVE YEAR-TO-DATE	VIETNAM ERA 22-44 22	45-54 23	55+ 24	TOTAL 25	DISABLED 22-44 26	45-54 27
1 TOTAL ACTIVE APPS	244,309	401,295	51,406	697,456	73,667	37,778
2 VETERANS						
3 MALE	232,929	392,820	50,567	676,709	64,070	36,499
4 FEMALE	11,380	8,475	839	20,747	9,597	1,279
5 YOUTH						
6 ADULT (22 AND OVER)						
7 22-44						
8 45-54						
9 55 AND OVER						
10 ECON DISADV TOTAL	31,994	37,959	2,968	72,969	10,204	4,238
11 WELFARE	6,396	6,442	409	13,249	1,593	617
12 ASSESSMENT SERVICES	39,911	67,342	8,077	115,367	16,221	8,152
13 INTERVIEWED	24,385	41,726	5,065	71,188	8,677	4,416
14 COUNSELED	16,347	28,715	3,569	48,649	7,812	4,197
15 TESTED	4,203	6,404	596	11,216	1,910	729
16 ASSIGNED CASE MGR	2,592	4,393	440	7,427	2,702	1,431
17 PROV CASE MGT SERV	1,935	3,209	295	5,441	2,215	1,168
18 VOC GUID SERV PROV	20,935	31,685	3,724	56,359	8,253	3,870
19 REF TO OTHER SERV	64,627	107,577	13,548	185,807	25,238	12,698
20 REF TO SKILLS TRNG	12,954	21,924	2,609	37,498	5,759	2,910
21 REF TO FED TRNG	7,339	12,677	1,577	21,599	3,528	1,784
22 REF TO JTPA	4,912	9,184	1,179	15,282	1,597	905
23 REF TO OTHER TRNG	7,242	11,897	1,343	20,486	3,763	1,804
24 REF TO EDUC SERV	3,029	4,112	432	7,574	1,421	614
25 REF TO SUPP SERV	57,372	94,552	11,972	163,942	22,343	11,241
26 TRAINING PLACEMENTS	2,618	4,298	497	7,416	1,589	710
27 FED TRNG PLACEMENTS	1,815	2,787	312	4,736	1,093	490
28 JOB SEARCH ACTIVITIES	111,085	188,104	23,025	325,290	38,577	19,038
29 REF TO EMPLOYMENT	127,659	186,025	21,594	335,427	42,257	19,633
30 REFERRED TO FED JOB	5,104	7,016	895	13,021	3,033	1,412
31 REFERRED TO FCJL JOB	39,268	56,475	6,315	102,095		
32 REF PERM JOB (+150)	120,460	175,929	20,298	316,822	40,293	18,631
33 ENTERED EMPLOYMENT	57,302	80,133	9,028	146,518	20,198	8,969
34 PLACED TOTAL	36,541	44,460	4,928	85,972	12,645	5,213
35 PLACED (UNDER 22)						
36 PLACED (22-44)						
37 PLACED (45-54)						
38 PLCD (55 AND OVER)						
39 PLACED IN FED JOB	987	1,310	188	2,487	675	326
40 PLACED IN FCJL JOB	6,824	8,273	913	16,017		
41 PLCD PERM JOB(+150)	28,904	35,086	3,958	67,979	10,461	4,176
42 OBTAINED EMPLOYMENT	23,912	39,553	4,443	67,930	8,988	4,277
43 REC SOME REPORT SERV TRANSACTIONS	192,043	308,744	39,031	540,069	59,748	30,457
44 ASSESSMENT SERV TOTAL	58,552	101,124	12,265	172,003	24,446	12,806
45 INTERVIEWED	28,553	48,486	5,881	82,933	10,225	5,335
46 COUNSELED	24,194	43,906	5,561	73,695	11,517	6,433
47 TESTED	5,805	8,732	823	15,375	2,704	1,038
48 REF TO EMPLOYMENT	441,487	609,804	67,041	1,118,669	156,101	71,361
49 PLACED (TRANSACTIONS)	54,472	65,568	6,987	127,072	16,722	7,720
50 OBTAINED EMPLOYMENT	27,614	44,559	4,912	77,103	10,553	4,842

placement : job opening from employer + then ind'l placed
obtained employment = give training + then ind'l obtains employment on their own w/in 30 days
(~~famous for being weak in acctg~~)

7/26/96

To: Molly Brostrom
From: Al Borrego - DOL VETS
re: Vets - Numbers..

Draft Speech Insert -- President Clinton's Address to the Disabled American Veterans

If you need any information, please, feel free to Call ~~Harry~~ Hary Puente-Duany @ 219.6350.
Thanks.
home phone (301) 439-1827

Since I took office, our vibrant economy has been a powerful engine of job creation. Many of those jobs have gone to veterans. The Labor Department under Bob Reich has made veterans employment a priority, and Preston Taylor, assistant secretary for veterans employment and training has, made that priority a reality.

(Since President Clinton took office - until March 31, 1996

That's because what veterans want most is what Americans want most -- good jobs and economic security for their families. So I am proud to report that since I took office, more than 6 million veterans have received training and job search assistance and more than 2 million of them now have jobs. (2,096,000 Veterans have jobs.)

* (7,562,572 Veterans received services as of March 31, 1996) *

And more of these jobs will be going to veterans with disabilities, thanks to a joint program between the Department of Labor and Veterans Affairs. By working as a team, we will help veterans with disabilities show what we have always known -- that given a chance, they can a job and do it well.

U.S. Department of Labor

VETS

Office of the Assistant Secretary for
Veterans' Employment and Training

FAX

DATE: 7/26/96

SEND TO (NAME AND TITLE): Molly

REGION (CIRCLE): ALL I II III IV V VI VII VIII IX X

OTHER LOCATION:

LOCAL TELEPHONE NUMBER:

FROM (NAME AND TITLE): Mary

OFFICE AND PHONE:

[ ] OFO	[ ] OVERT (GMD,VRR)	[X] OIMB	[ ] TAP
219-9105	219-9110, 8611	219-8421	219-5573

OTHER (SPECIFY):

TOTAL NUMBER OF PAGES SENT (INCLUDING FAX COVER SHEET): 1

SUBJECT:

Please call the applicable office telephone number above if you do not receive all pages or need more information.

Additional Instructions or Message: VETS UNEMPLOYMENT RATE for 1996 is 3.3 %

NATIONAL OFFICE FAX NUMBER: (202) 219-7341

Veterans' Employment since Clinton took office

- Over one and a half million veterans have been helped into jobs by the Department of Labor's public employment service (1,687,529)
- Almost half a million separating service members and their spouses have been given job search training under the Transition Assistance Program (453,136)
- Special Veterans' employment programs targeting disabled veterans helped over 85,000 disabled veterans into jobs

Veterans' Unemployment

- The veterans' unemployment rate has been reduced by more than half (7.2% in January 1993 to 3.4% during September 1995)
- Unemployment compensation for service members leaving the military has been reduced from $556 to $292 million
  - 138,618 separating service members still had to be supported with unemployment compensation after their separation this fiscal year
- Over 14,000 separating service members with special problems getting employment were provided training in cooperation with private sector employers

Budgetary Impacts

FY 1996

Federal administration of Programs

- The President's budget request would have provided $23 million to VETS for program administration - $2.433 million for the Transition Assistance Program
  - The House passed Appropriation provides $19.525 million
  - The Senate mark provides $19.419 million
    - Federal Staff are facilitating TAP sessions today - VETS does not have sufficient funding to provide for contract workshop facilitators

Programs

- The President requested $83.6 million for the Disabled Veterans' Outreach Program
  - The House Appropriation bill provides $79.68 million
  - The Senate mark provides $76.9 million
- The President requested $77.6 million for Local Veterans' Employment Reprentatives
  - The House Appropriation bill provides $73.8 million
  - The Senate mark provides $71.3 million
- The President requested $5 million for the Homeless Veterans' Reintegration Project - Congress rescinded $5 million for this program in FY 1995
  - Because of the rescission VETS will not offer Homeless Veterans assistance in the future

Program Impact

- House Appropriations bill: DVOP staffing reduced to 1,624 instead of the 1,999 provided by statutory formula. LVER staffing reduced to 1,371 instead of 1,600
  - President Clinton's request increased DVOPs to 1,705, LVERs to 1,441
  - VETS will be unable to help 20,000 veterans into jobs
- Senate mark: DVOP staffing further reduced to 1,598, LVER to 1,326
  - 31,000 fewer veterans will be helped into jobs

Unemployment of Veterans

- When President Clinton took office, the unemployment of rate of veterans was above 7.2%
- By the end of fiscal year 1995 the unemployment rate declined to 3.4%
- After shut-downs and cuts in veterans' employment and training programs - the unemployment rate for all veterans had climbed to 4.9% in January 1996

Unemployment Compensation for ex-service members (UCX)

- On decline since FY 1993 - to an estimated $292 million in FY 1995
  - FY93: $556 million, FY94 $371 million, estimates for FY95: $292 million
- TAP and SMOCTA have contributed to decline

Veterans' Employment and Training Service

- **FY 1995 Estimates - Performance Indicators**
  - Over 566,000 veterans were helped into jobs by the public employment system
    - VETS' funded staff accounted for over 348,000 of these veterans
  - Veterans' unemployment was down to 3.4% as of September 1995

DEPARTMENT OF LABOR
VETERANS' EMPLOYMENT AND TRAINING SERVICE
RECORD FOR AMERICA'S VETERANS
DURING CLINTON ADMINISTRATION

PROMOTING VETERANS' EMPLOYMENT. In recognizing veterans as one of America's greatest national resources, this Administration has worked hard to help these motivated, dependable men and women move into civilian jobs.

- Transition Assistance. Over 60 percent of the nearly 800,000 service members discharged from the military since 1993 have received job-search training prior to their release from active duty, reducing the time to get their first civilian job by three to seven weeks.

- Employment Assistance. Over one and a half million veterans have been helped into jobs by the Department of Labor's Veterans' Employment and Training Service (VETS), through state grants. Thirty-seven percent have been Vietnam-era veterans and seven percent, disabled veterans.

- Protection for Members of the National Guard and Reserve. In 1994, VETS implemented legislation that strengthen the protection of service members' employment and reemployment rights from employer discrimination because of a military obligation. Approximately two million men and women in today's Guard and Reserve are protected by this program.

- Special Placement Programs for Veterans. Last year VETS redesigned and strengthened its state-grants program of targeted training, employment, and special job placement for disabled, minority, and economically disadvantaged veterans. Since 1993, nearly 9,000 such veterans have become employed as a result of these programs. From 1993-1994, VETS, through competitive grants to 24 urban and six rural communities, found jobs for over 8,200 homeless veterans at the relatively small cost of $1,247 per placement. Funding for those Homeless Veterans Reintegration Projects was rescinded by Congress for fiscal year 1995.

- Advisory Committee. In 1994, the Secretary of Labor inaugurated an Advisory Committee on Veterans Employment and Training comprised of representatives of veterans' service organizations and recognized authorities in business, employment, training, rehabilitation, and labor, together with representatives of federal agencies with veterans' programs. The Secretary's Advisory Committee met quarterly through 1995 and provided constructive recommendations for program improvements.

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

OFFICE OF THE DIRECTOR

MAY 10 1996

MEMORANDUM FOR KITTY HIGGINS
ASSISTANT TO THE PRESIDENT
AND SECRETARY TO THE CABINET

FROM: JANICE LACHANCE Janice Lachance
CHIEF OF STAFF

SUBJECT: Veterans Preference Act

I want to alert you to an attack that may be made on the administration's record on hiring veterans under the Veterans Preference Act.

Our record is a very strong one, but at a recent House Civil Service Subcommittee hearing, chaired by Mr. Mica, a number of witnesses used anecdotal evidence to charge that we are "backing away" from veterans preference or making it secondary to the goals of diversity.

Here are the percentage of veterans among those hired for full-time, permanent federal civilian jobs in the past six years:

FY 1990 -- 17.3%
FY 1991 -- 17%
FY 1992 -- 23.6%
FY 1993 -- 30.8%
FY 1994 -- 33.3%
FY 1995 -- 31.3%

Thus, the average for the final three Bush years was 19.3% veterans hired, while the percentage for the first three Clinton years was 31.8% -- an increase of more than 50%.

It is true that the raw numbers of veterans hired has declined, because all hiring has declined, but in terms of percentages veterans have done extremely well during this administration.

It is also a fact that the percentage of veterans in the federal workforce is significantly higher than that in the private sector.

I attach material from our recent profile of veterans in government that gives more detail.

Jim King and the President have both stated, many times, that we consider our veterans a national resource and veterans preference to be an earned right. The record shows that we have delivered on our promise to give strong support to veterans preference.

Please let me know if you want more information on this.

Attachment

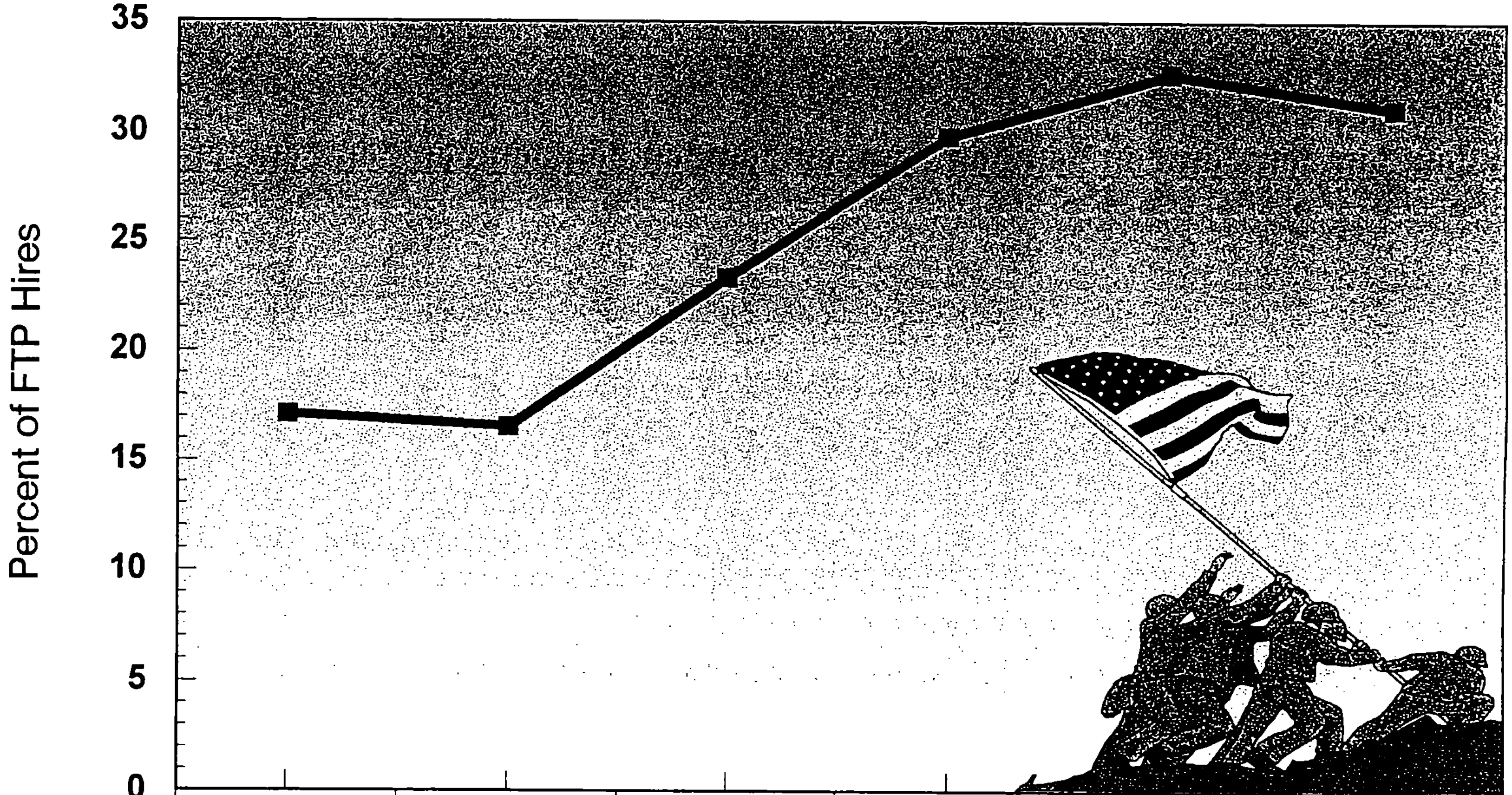
Veterans in the Federal Government

- A Statistical Profile -

Prepared by:
Office of Diversity
Employment Service
U.S. Office of Personnel Management
Washington, DC 20415
202-606-1059

May 1996

Veterans' Percentage of Federal Civilian FTP New Hires Has Increased Since 1990



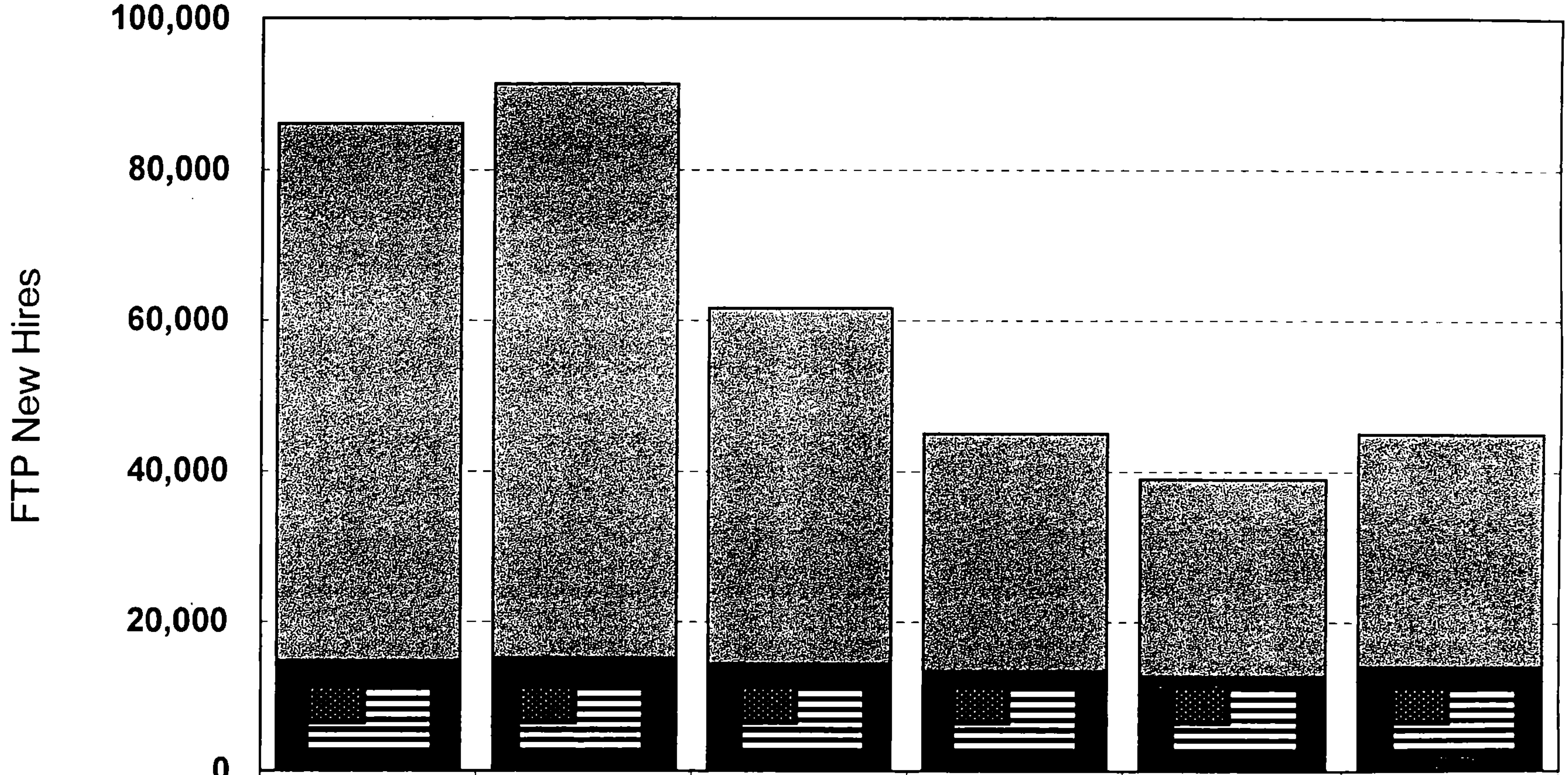
	1990	1991	1992	1993	1994	1995
% Veterans of FTP New Hires	17	17	23	30	33	31

Full-Time Permanent (FTP) employees are those working full-time work schedules and serving under career or career-conditional appointments

Source: U.S. OPM's Central Personnel Data File (excluding Army and Air Force National Guards which are exempt from reporting veteran status).

FTP Veteran Hires Reach Highest Level Since 1992

FY 1990 - FY 1995



	1990	1991	1992	1993	1994	1995
FTP Veterans	14,724	15,097	14,363	13,399	12,720	13,997
FTP Total	86,007	91,292	61,589	44,970	38,955	45,014

Full-Time Permanent (FTP) employees are those working full-time work schedules and serving under career or career-conditional appointments

Source: U.S. OPM's Central Personnel Data File (excluding Army and Air Force National Guards which are exempt from reporting veteran status).

PROFILE HIGHLIGHTS

The Federal Government places a high priority on the recruitment, hiring, and advancement of veterans, especially Vietnam-era and disabled veterans.

Veterans Preference -- The executive branch applies the veterans preference laws in competitive examinations and retention. Generally, veterans are entitled to preference in competitive examinations and retention if, when honorably discharged, they have received a campaign medal for serving in a combat situation or if they had suffered a service-connected disability. In addition, there are two special appointing authorities for veterans which may lead to conversion to permanent Civil Service appointments. Veterans preference is a lifetime entitlement.

Nation's Leader in Hiring -- Veterans and Vietnam-Era veterans have higher representation in the Federal civilian workforce (27.6 and 17.3 percent, respectively) than in the civilian labor force (13.1 and 5.7 percent, respectively). Disabled and 30 percent or more disabled veterans are also better represented in the Federal civilian workforce (4.4 and 1.5 percent, respectively) than in the civilian labor force (0.9 and 0.2 percent, respectively).

No Reductions for Veterans in Downsizing -- Despite Governmentwide downsizing and a decline in the overall veteran population (as Pre-Vietnam War veterans leave the civilian labor force), veterans have maintained their overall participation in the Federal workforce. The representation of veterans in Federal executive branch agencies changed slightly from 28.9 to 27.6 percent of the workforce, despite a decline of 9.9 percent in Federal civilian employment between September 1992 and September 1995.

Grade Distributions -- The predominant white-collar pay plan in the Federal Government is the General Schedule (GS). The average General Schedule grade of a Federal employee is 9.3, while veterans have an average grade of 9.9.

Occupational Distributions -- Approximately 29 percent of veterans in the Federal workforce are employed in Blue-Collar positions, as compared to 15 percent for the overall Federal civilian workforce.

Age/Tenure -- Veterans are older (49 versus 44) and have more years of service (18.5 versus 15.5) than the average Federal employee.

VETERANS IN THE NATION

- According to Bureau of the Census data, the estimate of the veteran population living in the United States and Puerto Rico stood at 26.2 million as of July 1, 1995. Women veterans accounted for 1.2 million or 4.6 percent of the entire veteran population.

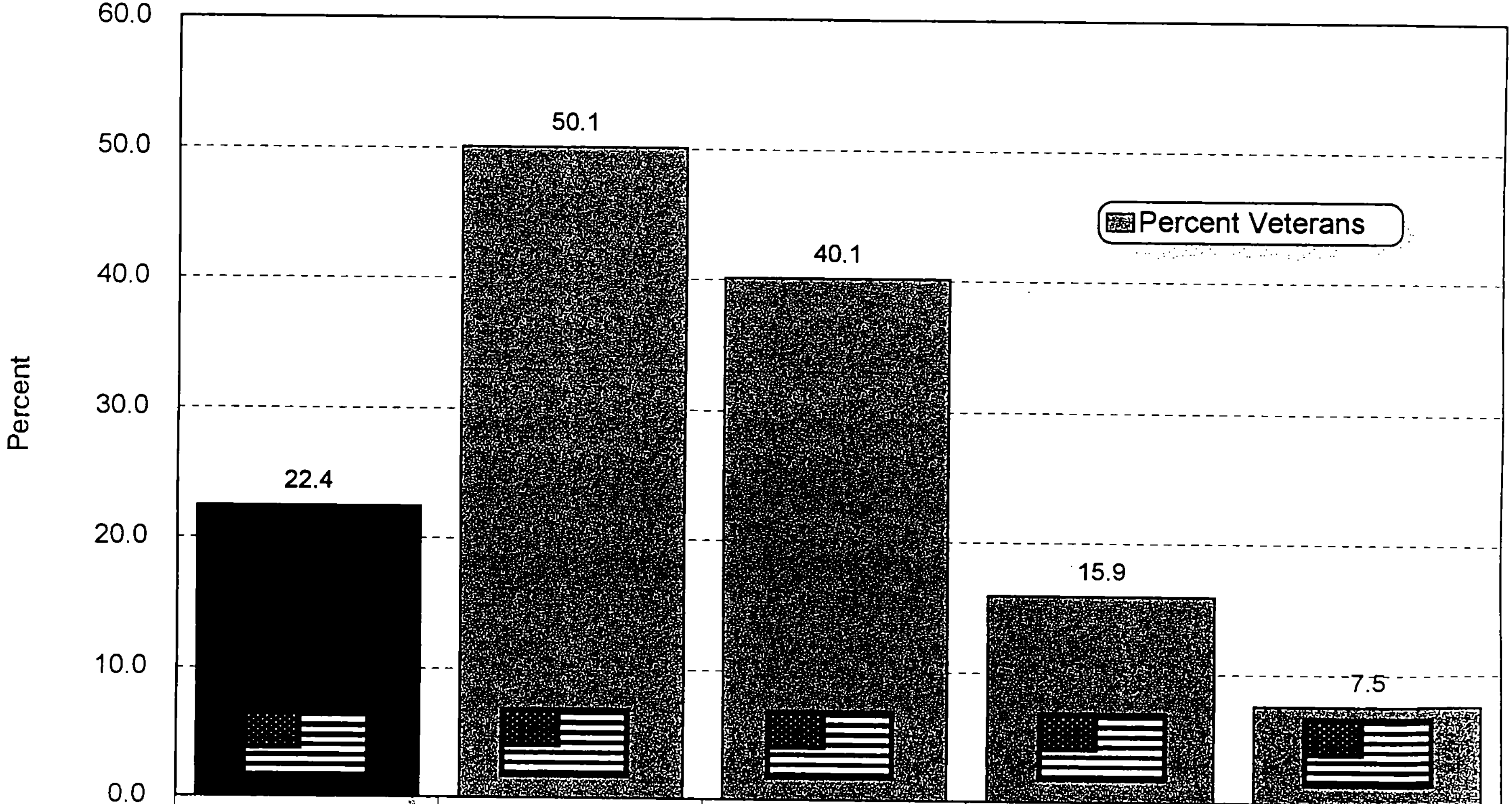
- As of July 1995, the median age for a male veteran was 57.4 years compared to 44.9 years for female veterans. Veterans 65 years and older accounted for 34 percent of the overall veteran population.

- According to the Department of Labor (March 1995 Current Population Survey), among full-time workers, average income of male veterans (age 20 years or more*) in 1994 was $34,541 compared to $27,896 for non-veteran workers

- The representation of veterans in the Civilian Labor Force is declining for younger age groups.

* Veterans aged less than 20 years are too few in number (no more than 1,000) to be statistically significant.
Source: U.S. Department of Veterans Affairs, Annual Report of the Secretary of Veterans Affairs, FY 1995.

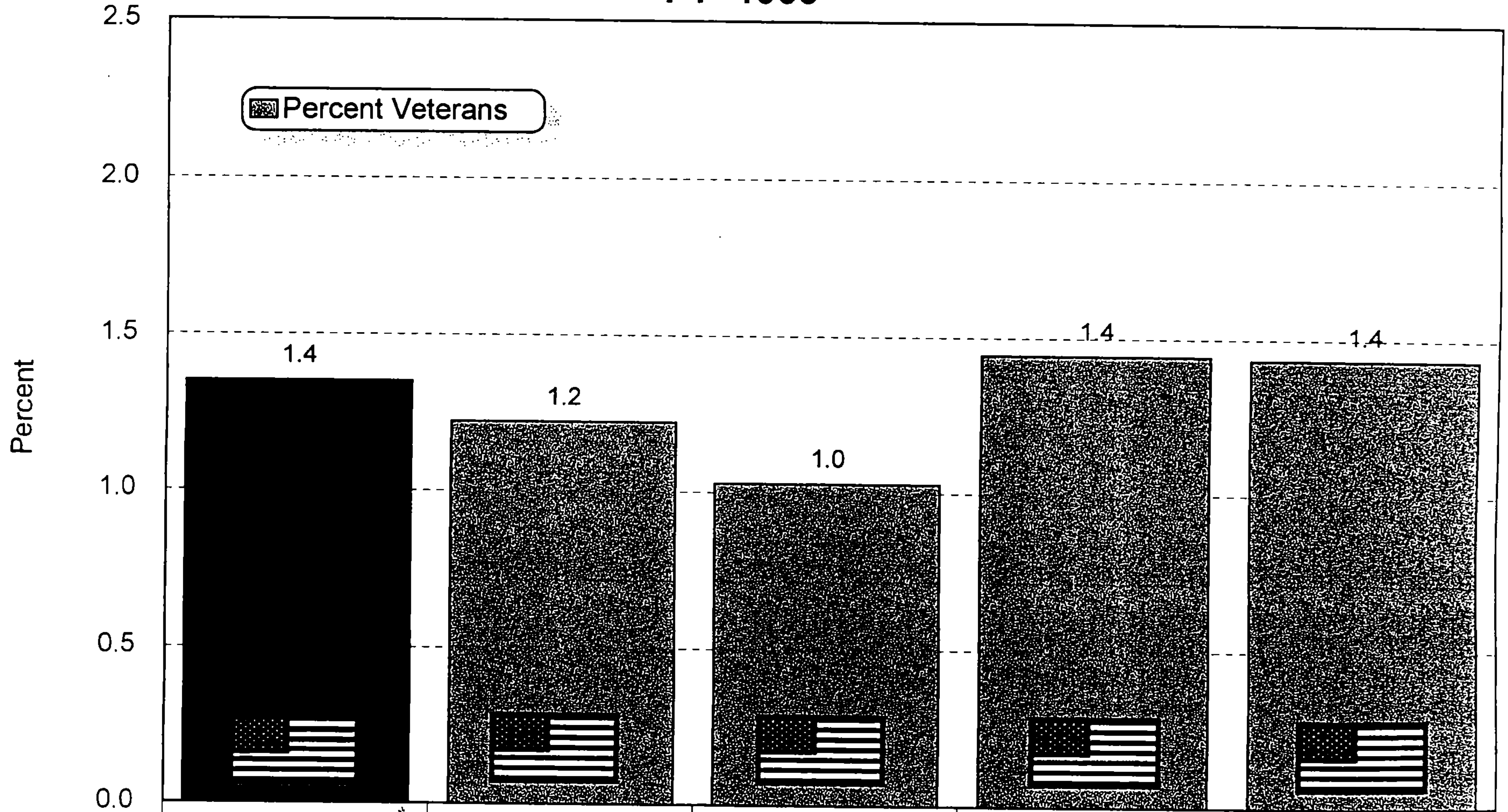
Percentage of Veterans in Labor Force
(Men by Age Group)
FY 1995



	Age 20 or older	Age 55 - 64	Age 45 - 54	Age 35 - 44	Age 20 - 34
Veterans (000s)	15,101	3,249	5,346	3,044	1,967
Total (000s)	67,316	6,487	13,322	19,152	26,185

Source: Current Population Survey, October 1994 through September 1995, U.S. Bureau of the Census.
Published in Department of Veterans Affairs - Annual Report (FY 1995)

Percentage of Veterans in Labor Force
(Women by Age Group)
FY 1995



	Age 20 or older	Age 55 - 64	Age 45 - 54	Age 35 - 44	Age 20 - 34
Veterans (000s)	770	65	120	238	314
Total (000s)	57,022	5,327	11,682	16,481	21,912

Source: Current Population Survey, October 1994 through September 1995, U.S. Bureau of the Census.
Published in Department of Veterans Affairs - Annual Report (FY 1995)

VETERANS IN THE FEDERAL WORKFORCE

1995

- The representation of veterans in Federal executive branch agencies changed slightly from 28.9 percent of the workforce in 1992 to 27.6 percent in 1995, despite a 9.9 percent decline in Federal civilian employment.

- Veterans declined from 37.7 percent of the Federal executive branch workforce in 1984 to 27.6 percent in 1995. Their representation since 1992 has stabilized at approximately 28 percent.

- Vietnam-Era veterans have increased from 41 percent of all veterans in the Federal executive branch workforce in 1984 to 63 percent in 1995.

- In September 1995, 15.9 percent (84,000) of all veterans employed in Federal executive branch agencies were disabled veterans compared to 14.8 percent (91,000) in September 1992.

Source: Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information

VETERANS IN THE FEDERAL WORKFORCE (Continued)

1995

- Veterans and Vietnam-Era veterans have higher representation in the Federal executive branch workforce (27.6 and 17.3 percent, respectively) than in the civilian labor force (13.1 and 5.7 percent, respectively).

- Disabled and 30 percent or more disabled veterans are also better represented in the Federal executive branch workforce (4.4 and 1.5 percent, respectively) than in the civilian labor force (0.9 and 0.2 percent, respectively).

- Minorities represent over 26 percent of all veterans employed in the Federal workforce.

Source: Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information

PROFILE OF VETERANS IN THE FEDERAL EXECUTIVE BRANCH WORKFORCE 1995

Demographic Indicator	All Federal Civilian Employees	Federal Veteran Employees	Federal Vietnam-Era Veteran Employees	Federal Disabled Veteran Employees	Federal 30% Disabled Veteran Employees
Average Age (Years)	44.3	48.8	48.8	49.4	49.7
Average years of Service	15.5	18.5	17.8	15.5	14.2
Education (percent Bachelor's Degree or higher)	39	31	27	28	27
Gender (percent)					
- Men	56	93	95	94	93
- Women	44	7	5	6	7
Veteran's Preference (percent)	26.2	96	98	100	100
Vietnam Era Veterans (percent)	16.8	63	100	72	74
Race & National Origin (percent)					
- White	71.1	73.6	73.2	70.3	69.7
- Black	16.7	14.9	15.1	18.4	19.6
- Hispanic	5.9	6.5	6.6	6.5	6.1
- Asian/Pac.Islander	4.2	3.2	3.6	3.1	2.9
- Native American	2	1.7	1.5	1.7	1.8

Source: U.S. OPM's Central Personnel Data File

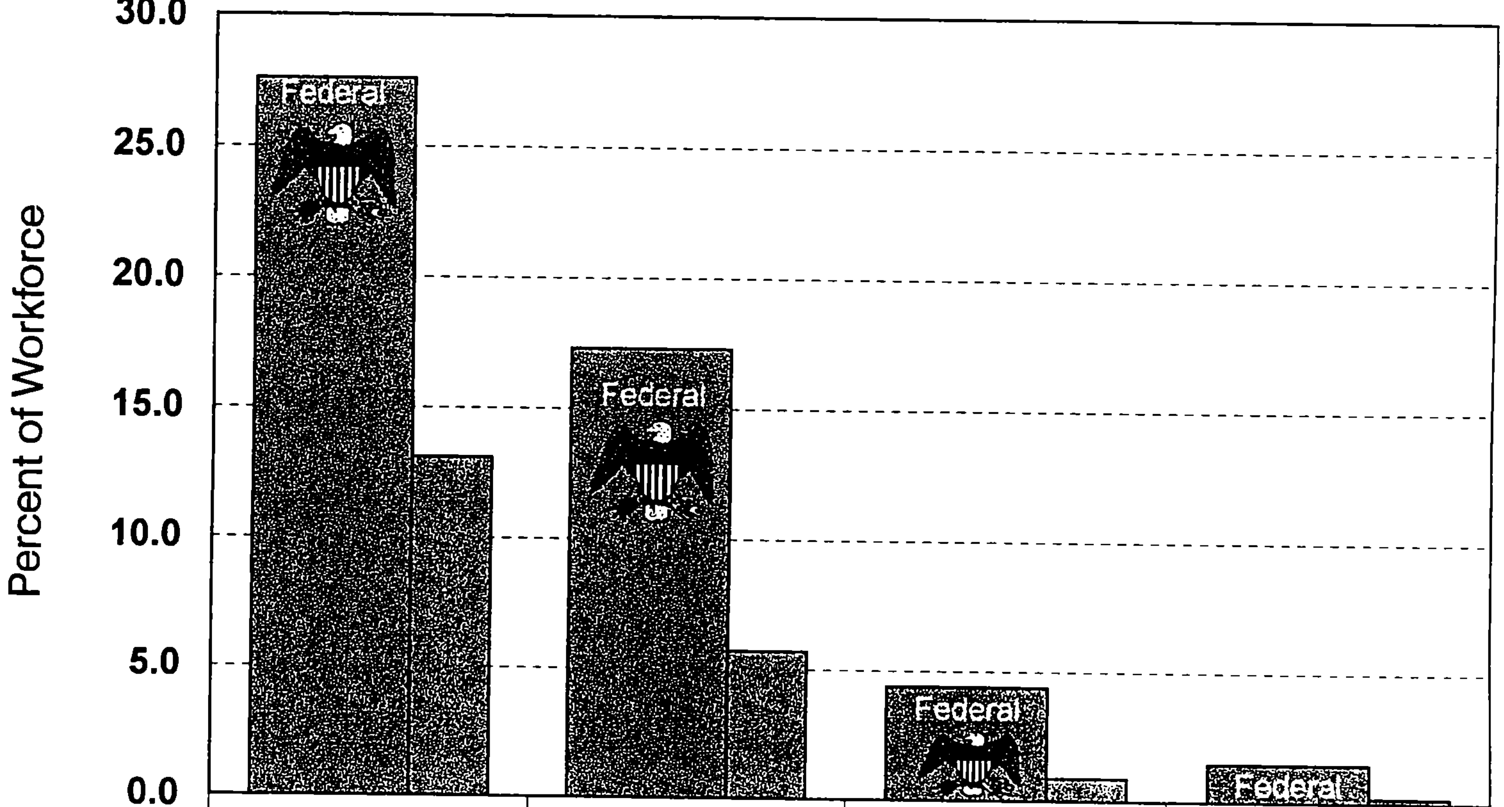
PROFILE OF VETERANS IN THE FEDERAL EXECUTIVE BRANCH WORKFORCE (Continued)

1995

Employment Indicators	All Federal Civilian Employees	Federal Veteran Employees	Federal Vietnam-Era Veteran Employees	Federal Disabled Veteran Employees	Federal 30% Disabled Veteran Employees
Avg Adjusted Basic Pay ($)					
- Worldwide	40,160	41,406	39,795	36,936	35,043
- Washington, DC MSA	51,119	58,508	56,497	52,898	50,633
Average GS Grade	9.3	9.9	9.8	9.2	8.8
Pay Systems (percent)					
- General Schedule	75	66	62	68	69
- Wage	14	29	33	29	28
- Others	11	5	5	3	3
Work Schedule (percent)					
- Full-time	93	97	98	97	97
- Part-time	4	2	1	2	2
- Intermittent	3	1	1	1	1
Tenure (percent)					
- Permanent	90	94	95	94	93
- Temporary	10	6	5	6	7
Position Occupied (percent)					
- Competitive	80.5	88.2	90.6	89.4	89.7
- Excepted	19.1	11.4	9.2	10.4	10.2
- Senior Executive Service	0.4	0.4	0.3	0.1	0.1
Supervisory Status (percent)	11.6	15.4	15.3	13	11.5

Veterans Represention in the Federal Executive Branch Workforce is Higher Than in the Civilian Labor Force

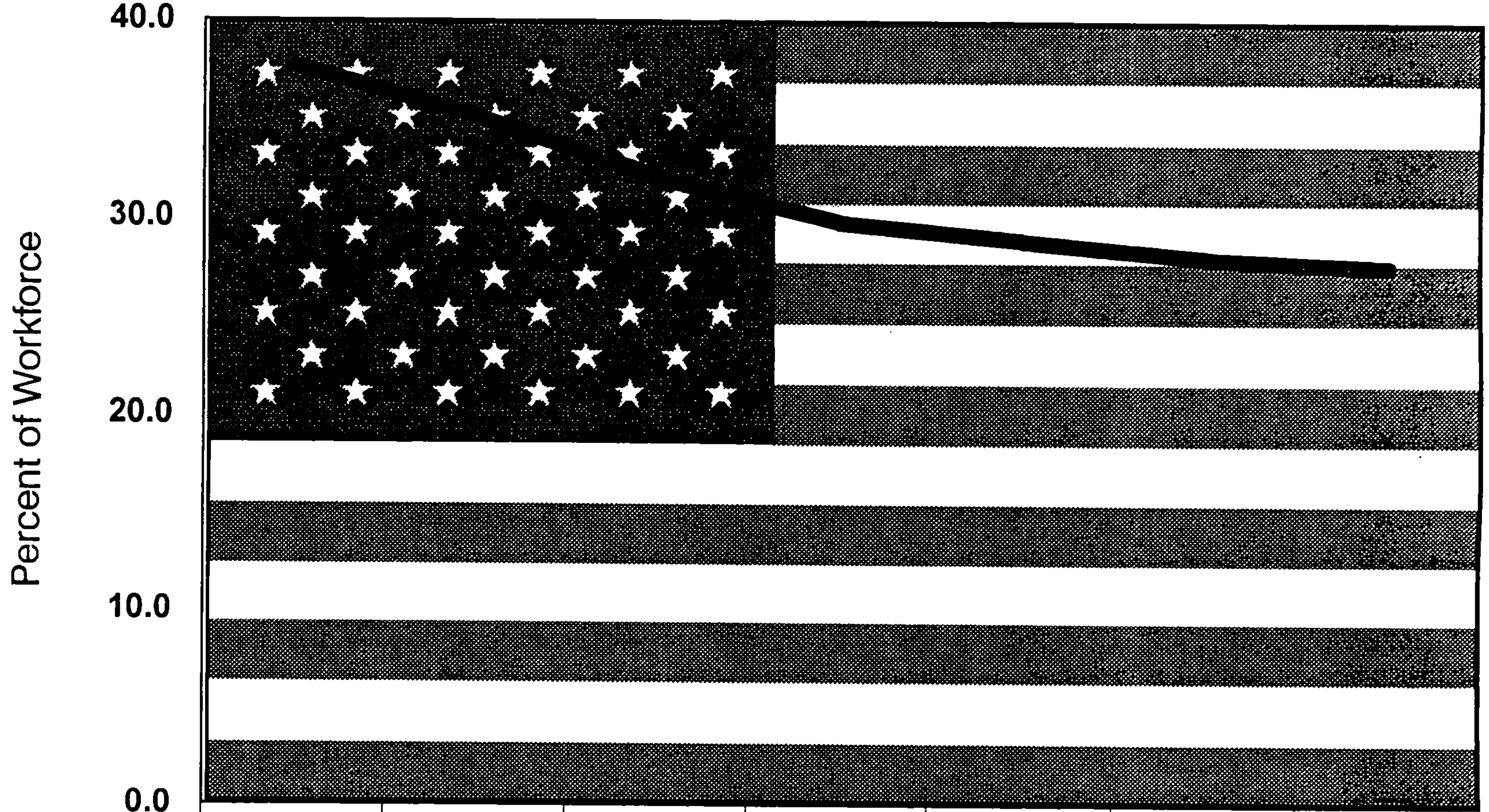
1995



	All Veterans	Vietnam-Era Veterans	Disabled Veterans	30% Disabled Veterans
Federal Workforce	27.6	17.3	4.4	1.5
Civilian Labor Force	13.1	5.7	0.9	0.2

NOTE: Civilian Labor Force is for men and women, ages 18 years and over.
Sources: Federal workforce data from Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information.
CLF data from Current Population Survey, September 1993, U.S. Dept. of Labor, Bureau of Labor Statistics.

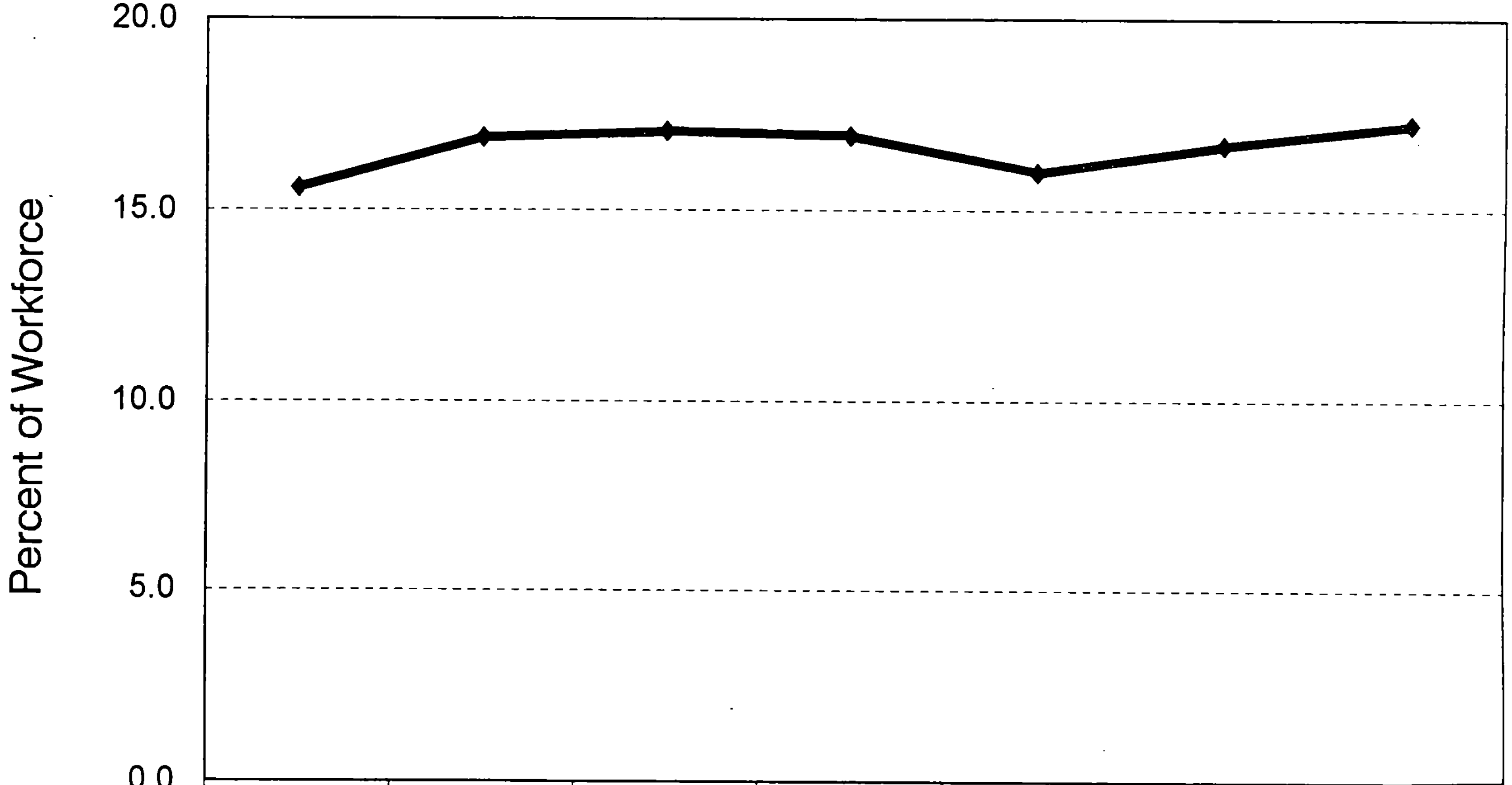
Veterans as a Percent of the Federal Executive Branch Workforce Stabilizes



	1984	1986	1988	1990	1992	1994	1995
Percent Veterans ■	37.7	35.1	32.1	29.8	28.9	28.0	27.6

Source: Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information

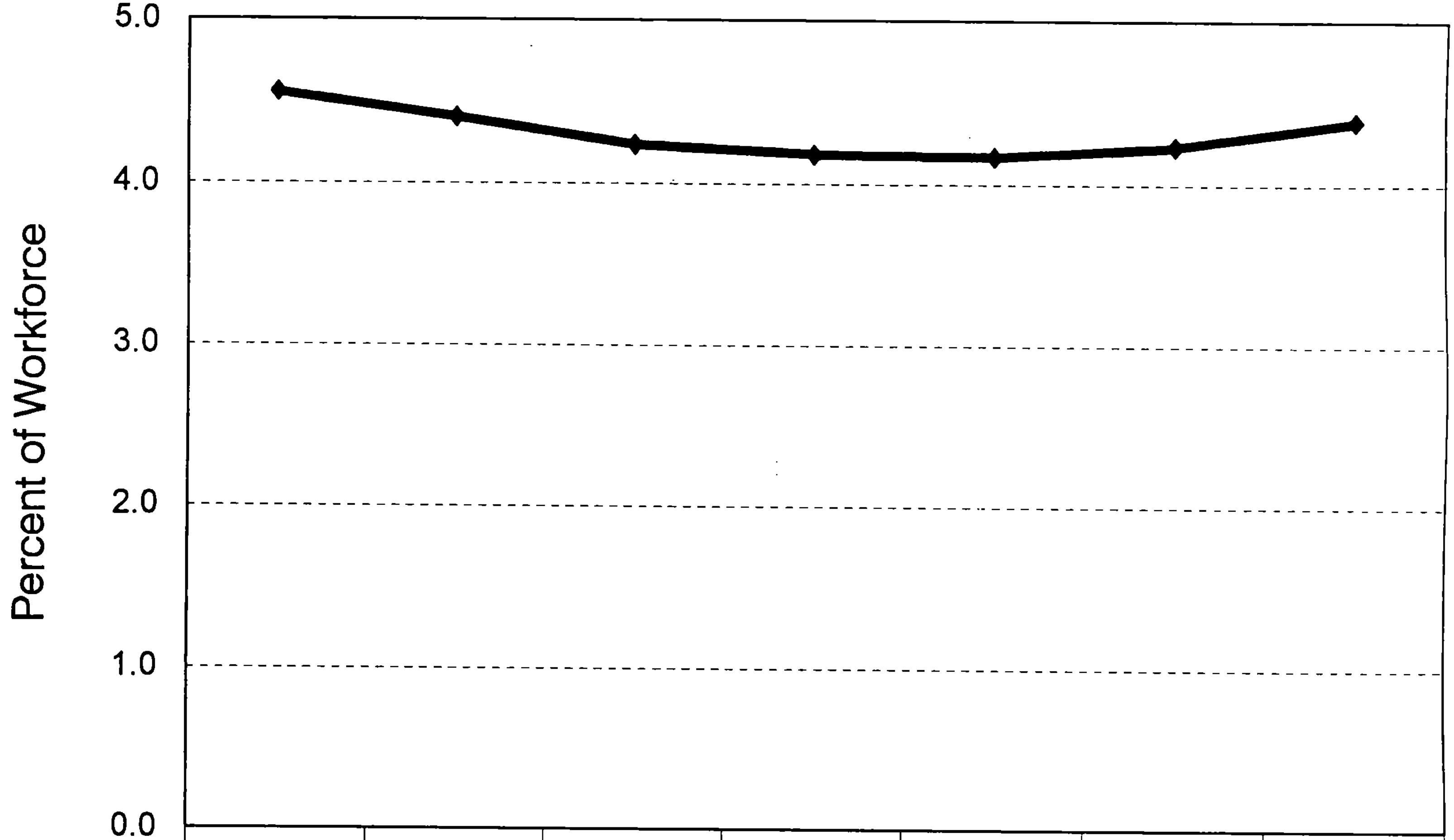
The Percentage of Vietnam-Era Veterans in the Federal Executive Branch Workforce Increased from 15.6 Percent in 1984 to 17.3 Percent in 1995



	1984	1986	1988	1990	1992	1994	1995
Vietnam Era Veterans % of Federal Workforce	15.6	16.9	17.1	16.9	16.0	16.7	17.3

Source: Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information

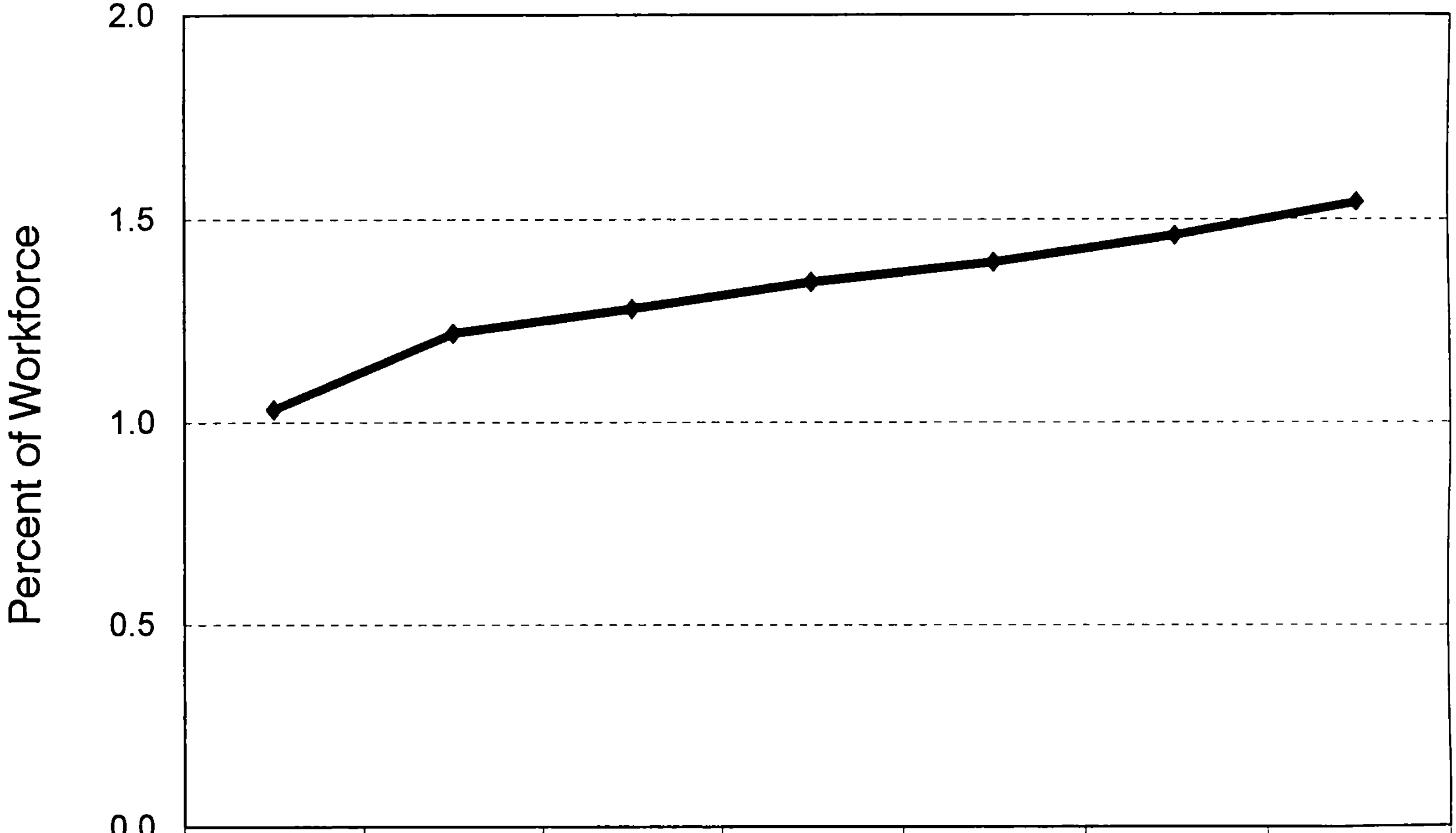
The Percentage of Disabled Veterans in the Federal Executive Branch Workforce Increased to 4.4 in 1995



	1984	1986	1988	1990	1992	1994	1995
Disabled Veterans % of Federal Workforce	4.6	4.4	4.2	4.2	4.2	4.2	4.4

Source: Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information

The Percentage of 30 Percent Disabled Veterans in the Federal Executive Branch Workforce Increased from 1.0 Percent in 1984 to 1.5 Percent in 1995



	1984	1986	1988	1990	1992	1994	1995
30% Disabled Veterans % of Federal Workforce	1.0	1.2	1.3	1.3	1.4	1.5	1.5

Source: Demographic Profile of the Federal Workforce, September 30, 1995, OPM - Office of Workforce Information

Hiring, Conversion, Promotion, and Loss Trends of Veterans in the Federal Civilian Workforce

- Full-time permanent veteran hires in 1995 reached the highest level since 1992.
- Although the number of veterans hired into the Full-Time Permanent (FTP) Federal civilian workforce has declined with downsizing (14,724 in 1990 versus 13,997 in 1995), the veterans' percentage of all FTP new hires has risen sharply from 17 percent in 1990 to 31 percent in 1995.
- Veterans' percentage of Federal civilian FTP conversions has increased steadily from approximately 28 percent in 1990 to 34 percent in 1995.
- Veterans' percentage of Federal civilian FTP promotions has remained stable.
- Separations of veterans from Federal service have changed less than overall Federal civilian FTP employees since 1990.
- Veterans accounted for over 50 percent of all the retirements from Federal Service in the last 6 Years.

Source: U.S. OPM's Central Personnel Data File (excluding Army and Air Force National Guards which are exempt from reporting veteran status).

Office of Public Affairs
News Service
Washington, D.C. 20420
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Department of Veterans Affairs

News Release

EMBARGOED FOR RELEASE AT 1 P.M. MAY 28

PRESIDENT CLINTON ANNOUNCES THAT VIETNAM VETERANS, THEIR CHILDREN TO BENEFIT FROM VA DECISIONS

Washington -- President Clinton announced today that Vietnam veterans afflicted with prostate cancer, and acute and subacute peripheral neuropathy are entitled to disability payments based on their exposure to Agent Orange. Clinton said that the Department of Veterans Affairs (VA) also will be proposing legislation that would provide an appropriate remedy for children of Vietnam veterans who suffer from spina bifida.

The decisions follow an in-depth VA review of a report issued in March by the National Academy of Sciences (NAS) on the health effects of exposure to Agent Orange and other herbicides. NAS, under contract with VA, found that there is new limited or suggestive evidence to show an association with prostate cancer, acute and subacute peripheral neuropathy (a neurological disorder) in Vietnam veterans, and spina bifida (a congenital abnormality) in their children.

Secretary of Veterans Affairs Jesse Brown said: "I am deeply concerned about the NAS findings, particularly the suggestion that the children of Vietnam veterans may be at higher risk for spina bifida, since VA does not have the authority to provide benefits based on birth defects in veterans' children. We will seek legislation that would provide an appropriate remedy."

Brown also said that he is directing that a regulation be developed as quickly as possible so that VA can begin compensating Vietnam veterans currently disabled from acute and subacute peripheral neuropathy, if manifested within one year of herbicide exposure, and those with prostate cancer. "These benefits represent the continuing cost of war," Brown added.

Brown noted that the VA decisions are based on statutory standards that are not ordinarily used for purposes of scientific inquiry, saying: "The evidence, pro and con, is quite evenly balanced regarding these conditions. But the President and I firmly believe that VA needs to be on the side of veterans and their children."

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VA estimates that potentially up to 3,000 children of Vietnam veterans may be afflicted with spina bifida.

Within 60 days, VA will publish in the Federal Register for public comment the proposed rule on prostate cancer and acute and subacute peripheral neuropathy, with a final rule published in October. Approximately 2.6 million veterans served within the borders of South Vietnam and in adjacent waters. Vietnam veterans are not required to prove exposure to Agent Orange; VA presumes that all military personnel who served in Vietnam were exposed to Agent Orange.

In response to the NAS report, VA also will be increasing funding for research to learn more about the possible relationship between herbicide exposure and the development of birth defects, including spina bifida, and other health problems in veterans' offspring. The department today is issuing requests for proposals for a new Environmental Hazards Research Center that will focus on reproductive health issues. VA already is conducting the Vietnam Women Veterans Reproductive Health Study and is supporting the NAS Developmental Toxicity project.

VA currently recognizes seven diseases as presumptively related to exposure to Agent Orange and other herbicides: chloracne, porphyria cutanea tarda, soft-tissue sarcoma, Hodgkin's disease, multiple myeloma, respiratory cancers (lung, bronchus, larynx, trachea) and non-Hodgkin's lymphoma.

Vietnam veterans who believe they have health problems that may be related to their exposure to Agent Orange while serving in Vietnam or their survivors should contact the nearest VA medical center or regional office. VA's nationwide toll-free number is 1-800-827-1000.

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Office of Public Affairs
News Service

Washington, D.C. 20420
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Department of Veterans Affairs

VA Fact Sheet

EMBARGOED FOR RELEASE AT 1 P.M. MAY 28

AGENT ORANGE AND RELATED ISSUES

THE VIETNAM CONFLICT

- 9.2 million military personnel served on active duty during the Vietnam Era (8/5/64 through 5/7/75); 8.3 million are alive today (median age, 48).
- An estimated 3.1 million veterans served in the Southeast Asia Theater (Vietnam, Laos, Cambodia, flight crews based in Thailand, and sailors in the South China Sea).
- An estimated 2.6 million personnel served within the borders of South Vietnam and in adjacent waters.

AGENT ORANGE

Agent Orange was a herbicide used in Vietnam to defoliate trees and remove cover for the enemy. Agent Orange spraying missions were conducted in Vietnam between January 1965 and April 1970. Shipped in orange-striped barrels, it was a reddish-brown liquid containing two herbicides: 2,4,5-trichlorophenoxyacetic acid (2,4,5-T) and 2,4-dichlorophenoxyacetic acid (2,4-D). The 2,4,5-T was contaminated in the manufacturing process with a type of dioxin -- 2,3,7,8-tetrachlorodibenzo-p-dioxin, also known as TCDD. Various chemical herbicides were sprayed in Vietnam at different times -- during different years as well as different seasons because of the variety of vegetation and environmental conditions.

The history of herbicides for military use dates to World War II. During the early part of the war, interest arose in chemicals that could be used for crop destruction. Two chemicals were developed as a result of those early efforts -- 2,4,D and 2,4,5-T. Although neither chemical was used in World War II, the value of their use in weed and brush control programs was recognized, and both chemicals have been used widely throughout the world since the 1940s by farmers, foresters and homeowners.

VA SERVICES FOR VIETNAM VETERANS

Free Medical Care: VA has been offering special access to care and conducting studies since 1978, when it initiated a medical surveillance program registering Vietnam veterans with health concerns, providing a physical examination.

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By 1981, VA had established a special eligibility program which provides free follow-on hospital care to Vietnam veterans with any health problems whose cause is unclear. The eligibility program continues today.

Special Compensation for Nine Diseases: As with veterans of any period, Vietnam veterans with disabilities arising during or aggravated by military service may receive monthly VA compensation. As knowledge has grown from studies of Agent Orange, some latent diseases that may not have become evident in service have been recognized presumptively. Based on clinical research, nine such diseases are now on the presumptive list or in regulatory development for inclusion: chloracne, Hodgkin's disease, multiple myeloma, non-Hodgkin's lymphoma, porphyria cutanea tarda, respiratory cancers (lung, bronchus, larynx and trachea), and soft-tissue sarcoma. Two recent additions VA has announced it will add to the list are acute and subacute peripheral neuropathy and prostate cancer. Vietnam veterans are not required to prove exposure to Agent Orange; VA presumes that all military personnel who served in Vietnam were exposed to Agent Orange.

VA RESPONSE TO CONCERNS ABOUT AGENT ORANGE

- Since VA developed the Agent Orange Registry Examination Program in 1978 to identify Vietnam veterans concerned about Agent Orange exposure, some 250,054 Vietnam veterans have been provided examinations under the Registry program as of May 1996. VA maintains a computerized registry of data from these examinations. Registrants receive periodic updates on studies and policy.
- VA's Advisory Committee on Health-Related Effects of Herbicides was established in 1979 to examine issues surrounding the possible health effects of herbicides on Vietnam veterans. VA also established the Advisory Committee on Environmental Hazards, consisting of non-VA experts in dioxin and radiation exposure as well as several lay members, to advise the Secretary on the results of Agent Orange-related research, and regulatory, administrative and legislative initiatives. With passage of P.L. 102-4, which mandated a National Academy of Sciences (NAS) study, the committee has not been reviewing dioxin-related studies.
- NAS is reviewing and evaluating available scientific literature on the subject. NAS reviewed more than 6,000 abstracts of scientific or medical articles and analyzed 230 epidemiologic studies before its initial July 1993 report, which led to the inclusion of additional diseases on the list for presumptive service-connection. The NAS review has been continuing, with acute and subacute peripheral neuropathy and prostate cancer proposed for addition to the VA presumptive list after the NAS issued an update report in March 1996. Also based on that report's findings of new "limited or suggestive evidence" of an association between herbicides and spina bifida in the children of Vietnam veterans, VA is establishing a reproductive outcomes research center to investigate potential environmental hazards of military service.
- As of April 1996, 75,084 claims had been received from Vietnam veterans or their survivors seeking disability compensation and death benefits they related to Agent Orange. While many may be receiving service-connection and compensation for conditions unrelated to exposure to Agent Orange, claims paid to veterans or survivors for at least one of the presumptive diseases totaled 3,678.

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RADIATION EXPOSURE

After the Department of Energy's disclosure of radiation experiments conducted on uninformed subjects, questions were raised whether VA patients were ever included in these tests.

DISCUSSION

- President established a Human Radiation Interagency Working Group.
- President formed an Advisory Committee on Human Radiation Experiments (ACHRE), which submitted its final report to the President on October 3, 1995.
- Secretary promised a full and open examination of the nature, extent, and effects of human radiation experiments involving intentional exposure to ionizing radiation.
- At this time we are unable to determine the number of patients who may have been involved.
- For the purposes of direct service connection under 38 CFR 3.311, VA recognizes 22 diseases as radiogenic. However, VA will consider under the provisions of the regulation any other disease for which a claimant cites or submits competent scientific or medical evidence that the condition is a radiogenic disease. VA obtains a radiation dose estimate as part of the evidence in considering eligibility.
- VA provides presumptive service connection for 15 radiogenic diseases in radiation-exposed veterans.

CURRENT ACTIVITIES

- September 1994, VA published a final rule to add tumors of the brain and central nervous system as radiogenic.
- In October 1995, VA published an amendment to add rectal cancer and lymphomas other than Hodgkin's disease as radiogenic.
- May 1994, VA published a final regulatory amendment defining cancer of the urinary tract, one of two presumptive conditions (other being salivary glands) added by law in 1992.
- VA has received 18,070 claims for service connection for claimed radiation-related illnesses and granted compensation to 1,793 veterans and survivors.
- VA surveyed VAMCs to assess whether human experiments relating to radiation, radioisotopes, and radiation therapy were conducted during 1947 to 1980. Summaries and other requested material were provided to ACHRE. The ACHRE final report was issued October 1995.
- VA has received over 1,700 inquiries from various hotlines, helplines, and other sources. Inquiries are distributed to appropriate VAMC and RO sites for response. VAMCs have provided status reports regarding inquiries assigned and responses are being monitored.
- VA is working with the Human Radiation Interagency Working Group to implement recommendations of the ACHRE.
- VA is establishing an interagency working group to consider updating of the radioepidemiological tables and to renew administration of the atomic veteran laws.

CONTACTS

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March 7, 1996

DEPARTMENT OF VETERANS AFFAIRS

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TO: Dave Zavada

DATE: 7/24

FROM: Rita

PHONE:

NO. OF PAGES INCLUDING COVER: 2

COMMENTS: As of June 30

COMPENSATION AND PENSION WORKLOAD

Cumulative Totals

	Total Pending	Non-OBRA Pending	OBRA Pending
Claims pending, start	384,955	378,757	6,198
Claims received	2,028,540	1,837,277	191,263
Total C&P work in process	2,413,495	2,216,034	197,461
Claims completed	2,063,700	1,873,051	190,649
Claims pending, end	349,795	342,983	6,812

	As of 6/20/96 (FYTD)*
Avg. amount of time required to complete a veteran's initial claim for dis. compensation (EP 110)	149 days
Avg. amount of time required to complete all original claims	75 days
Avg. amount of time required to complete all supplemental claims	50 days
Avg. amount of time required to complete all CO review claims	7 days
Avg. amount of time required to complete all types of claims	50 days

* With the beginning of the fiscal year, these counts begin anew.
Source: COIN DOOR Reports 1003, 1006 & 1015

VETERANS AFFAIRS/PERSONNEL DIVISION
Office of Management and Budget

Facsimile Transmittal

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As Requested.

Date: 7/29

Time: ______________

Number of Pages (including this page) ______

PVA Executive Director Gordon H. Mansfield recently interviewed VA Under Secretary for Health Kenneth W. Kizer about the future of spinal-cord injury care in the Veterans Health Administration (VHA). As VHA's chief executive officer, Dr. Kizer oversees the nation's largest integrated healthcare system—a medical-care budget of more than $17 billion, approximately 200,000 staff and 172 hospitals, 376 ambulatory-care clinics, 131 nursing homes, 33 domiciliaries, 205 readjustment counseling centers, and various other facilities, including 22 spinal-cord-injury (SCI) centers. Since becoming under secretary in September 1994, Dr. Kizer has become the chief architect of re-engineering the veterans healthcare system.

* * * * *

MR. MANSFIELD: Your Department of Veterans Affairs (VA) reorganization plan, Vision for Change, calls for a major decentralization of the VA healthcare system, placing day-to-day decision-making in the hands of the 22 regionally based network directors. VA has many central national missions—such as SCI care—that need a coordinated direction to ensure standard provision of care throughout the system. How do you plan to safeguard special-emphasis programs like SCI medicine when management decisions are spread out over 22 decentralized Veterans Integrated Service Networks [VISNs]?

DR. KIZER: While we may decentralize the day-to-day decision-making, it in no way diminishes the fact that these are national programs. At the same time, as we are decentralizing decision-making, we are also for the first time establishing national policy and performance measures for these programs. These will be expectations our managers will have to meet. How managers achieve those outcomes will depend on the circumstances specific to their areas. What we have to focus on are the *outcomes*. Are we getting our people rehabilitated as quickly as possible? Are we returning them to independent living as quickly as possible? Are they getting the ongoing care that they need as efficiently as possible? These are the things we need to focus on, not necessarily whether it is administered centrally or at a local level.

MR. MANSFIELD: Not every geographic network has an SCI center. How

As CEO of the Veterans Health Administration, Dr. Kizer oversees the nation's largest integrated healthcare system.

TOP OF PAGE: PVA Executive Director Gordon Mansfield (right) and Dr. Kizer talked frankly about important veterans-healthcare issues.

do you plan to coordinate care for SCI veterans who do not live in a VA network with an SCI center?

DR. KIZER: Well, right now we are certainly not considering taking anything away, so many of the patient-referral patterns and sharing arrangements that have been in place in the past among facilities will continue. As the network structure is put into place and matures, then we will be looking at how we can make SCI services available as efficiently and as effectively as possible. Right now I am not sure how that is all going to play out. The bottom line is that we are going to provide those services, and we are going to do a better job of it in the future than we have in the past.

MR. MANSFIELD: For years, PVA has urged Congress to reform VA healthcare-eligibility criteria, to do away with the current hit-or-miss access most veterans now have. Eligibility reform would provide all eligible veterans with all necessary outpatient and inpatient care. It would streamline the current system and provide significant savings in doing so. Does the fact that Congress has not passed eligibility reform and other needed improvements make it more difficult for you to get your own reforms implemented?

DR. KIZER: We can get by, as we have for the past year, for perhaps another year before this becomes a major stumbling block. The current eligibility rules are just ludicrous. Possibly they made sense at a point in time, but that time has long since passed. We certainly can't deliver care in the most cost-efficient way that meets clinical needs with the current rules. So they have to be changed.

To give you a case in point, the folks up in Minneapolis have developed a plan (that the local veterans and elected officials think is great) for siting a number of primary-care clinics throughout their network. Well, guess what? This plan runs dead smack in conflict with the current rules, and the general counsel has just told us we can't go forward with it. We just absolutely can't do it because of the laws—and yet this is what the veterans in that area need. The plan would make those taxpayer dollars go farther. It's just a crime that we can't move forward.

MR. MANSFIELD: PVA has launched several initiatives to improve future care for SCI veterans. We provided the initial funding to launch the *SCI registry* project to track all SCI patients to determine their present and future healthcare needs. We have also brought together a consortium of 15 SCI provider groups to develop *clinical practice guidelines*. How can the VA better help advance these projects?

DR. KIZER: I have been disappointed that the SCI registry has not been taken to the point where it is actually generating useful numbers—that is, numbers we can use to help make management decisions. We have someone now looking at how we can add some resources to the SCI registry so we can start using the registry the way it was intended to be used.

I have a lot of experience with setting

Patricia McKlem, director of the Prescott (Ariz.) VA Medical Center, gives Dr. Kizer a guided tour of the facility.

"We are going to provide...services, and we are going to do a better job of it in the future than we have in the past."

up registries, and I believe in them. But they are only as good as what you do with them. They are tools to help you do something. In this case, the registry would help better manage our SCI patients and allocate resources. Unless we have the data and make the data work for us, the registry does no good. So we have to put some resources—some *additional* resources—into the registry so it will actually start working for us and working for *you*.

Likewise on the clinical guidelines. I am very anxious to get them in hand. Frankly, if they make sense and are what I hope they will be, that's the sort of thing I would like to endorse. I would like to be able to say, "*This* is how we will practice spinal-cord medicine in VA," and in so doing, perhaps that will become the standard for the country.

MR. MANSFIELD: One of the ways you have advocated streamlining VA healthcare is to have Congress give you better contracting and sharing authority with other federal agencies and the private sector. Do you foresee VA contracting out SCI care or other special-emphasis areas?

DR. KIZER: At this point, I don't see contracting-out SCI care or other special-emphasis programs. If anything, I see more opportunity to contract-*in* services. If we have the expertise and we are not being utilized 100%, perhaps the service could be used in some way that ultimately will benefit our veterans. But we should look at each case and see what makes the most sense given the particular condition, circumstance, location, and whatnot. But getting expanded contracting authority is certainly not, if you will, a precursor to saying we are going to start contracting-out SCI care. That's not the scenario I see.

MR. MANSFIELD: Does "managed care" endanger the provision of specialty services required by most people with catastrophic disabilities?

DR. KIZER: No. "Managed care," for all intents and purposes, has become a wastebasket term. It means many things to many different people. Fundamentally, "managed care" means that you case manage a patient so that he or she gets the care at the right time in the right place at the right cost, etc. So, if managed care is done correctly, it should be a real advantage to a person who has a catastrophic disability.

The problem is the way that managed care is being operationalized in some instances in the private sector so that providers take care of only healthy people and discard anybody who is sick or has a disability. But that really is not fundamentally what managed care is about. That just happens to be the way it is being practiced in some cases. Ultimately, this will come back to haunt the people who are doing it.

MR. MANSFIELD: How can VA achieve efficiencies by instituting managed care and case-management methods and still provide direct access to specialty care that veterans need and deserve?

DR. KIZER: Fundamentally, the most important thing we can do is look at how we can provide the care our patients need—in the least expensive settings. For a whole lot of people, that means delivering care to them *out* of the hospital. In some cases, they will receive care in ambulatory settings. In others, residential or long-term-care settings make the most sense. We just have to do a much better job of tailoring the care to the patient and delivering it in a way that provides just what is needed. Certainly for people with SCI or other chronic conditions, we have to make sure we have a continuum of services. We need to continually focus on making sure that our patients' needs are being met and that we are doing it in the most efficient way possible.

MR. MANSFIELD: This brings us right back to eligibility reform. The circle just keeps going around and around.

DR. KIZER: The big problem here is that we have all these laws that say you can't do it most efficiently. But we also have Congress saying you *have* to become more efficient. You have folks saying, "Yeah, the rules don't work, and they are outdated, but if we change them, we don't know what is going to happen, and therefore we are going to keep it the way it is."

MR. MANSFIELD: It's almost like Catch 22. We would rather keep the crazy system we know than get into something we don't know.

Congress has proposed major changes in Medicare and Medicaid, including cutbacks in projected funding over the next seven years and changes in benefit levels and access that could have a severe effect on people with disabilities. Do you see these changes as having a rebound effect on veterans coming into VA and looking to it as an alternative source of care?

DR. KIZER: If some of the Medicare and Medicaid scenarios that have been talked about happen, then I think there may well be a greater demand for VA services from some of the veterans now using the other systems. We have, on the other hand, not done a good job of showing our cost efficiency that should be attractive to Medicare. While there are some inefficiencies in the system, VA does today, and will even more so in the future, provide very good return on investment of taxpayer dollars.

A GAO [General Accounting Office] report says Medicare is paying up to 58 times as much per surgical dressing as VA, and two to three times what we pay for oxygen concentrators, and we are paying 25% less for pharmaceuticals than the cheapest plan out there. Suddenly, as a taxpayer, you realize VA is a pretty good deal.

If your technical quality is good, your patients are coming away satisfied, and VA care is costing much less, then why isn't Congress saying "Get as many veterans as possible into VA because they are doing it more efficiently?" And that's a case we haven't made. We will be making it much more strongly in the future because, frankly, it is a very good and compelling argument for why VA should be around.

MR. MANSFIELD: VA healthcare gets a bad rap more often than not from the press and Congress when people fail to realize how important the system is to millions of veterans. You have been a real advocate in pointing out what is good in the system and what ought to be done to make it better. What can the average veteran do to help overcome this negativism?

DR. KIZER: I have wrestled with that. I wish I had a good quick answer for you, but I don't. One thing that seems like it would go a long way in addressing a lot of our critics is the realization that VA is changing—we have embarked upon very *profound* change with a goal of both effectively and efficiently meeting our patients' needs. And if you look at the things we are doing, they are not cosmetic; the changes that are underway reflect state-of-the-art re-engineering of healthcare that will rival what anybody else in the country is doing. I have been out there, and I know exactly what other folks are doing. I feel absolutely confident that what we are doing is a model for other health plans to emulate. People don't know that yet. But they will. And one of the messages, a simple short and important message, is for people to understand that VA is changing—it is not sitting around and letting things pass it by. We are radically changing, and it's going to get better.

MR. MANSFIELD: We appreciate that. And we want to thank you and all the people in VHA for your hard work and dedication.

DR. KIZER: Thank you. I can tell you that I have worked with quite a number of other healthcare providers, and you just don't see the dedication that is present in VA—the feeling that the reason we are here is for a higher calling, that we're fulfilling a sacred obligation and doing something really special. It is not just for the paycheck or because people need jobs. Yes, our people need jobs, but they work for VA for more than that.

PORTRAIT OF A PROFESSIONAL

Dr. Kenneth Kizer's professional experience prior to joining VA includes positions in the private sector, philanthropy, academia, and state government. Among the corporate and philanthropic boards he has served on are Health Systems International, Inc., one of the nation's largest managed-care companies, and the California Wellness Foundation. He has held senior academic positions at the University of California–Davis and is an adjunct professor of public policy at the University of Southern California (USC), Los Angeles.

Among his state-government positions, Dr. Kizer was director of California's Department of Health Services for more than six years. He has served on the boards of a number of other foundations, companies, and professional societies and acted as consultant to several foreign countries.

Dr. Kizer is an honors graduate of Stanford University and the University of California–Los Angeles (UCLA). He is board-certified in five medical specialties and has authored more than 300 articles, book chapters, and other reports in medical literature. He is a fellow of the American College of Emergency Physicians, the American College of Occupational and Environmental Medicine, the American Academy of Clinical Toxicology, the American College of Preventive Medicine,

> ***"This is not just an exercise in moving organization boxes; it is a fundamentally new way of thinking about how we deliver patient care services."***
>
> *Kenneth W. Kizer, M.D., M.P.H.*
> *Internal Newsletter*
> *May 1995*

Action 3. Decrease waiting times for appointments.

VHA has issued policy directives on both excessive waiting times and customer service standards ("Reduction of Excessive Waiting Times," 10-95-067, July 12, 1995; and "Customer Service Standards," 10-94-102, October 14, 1994). These require the achievement of specific timeliness goals by 1998. Two national surveys have been conducted to determine waiting times in the VA healthcare system. Early results indicate that waiting times in some specialty clinics have been reduced, but much more work is needed.

Action 4. Improve continuity of care.

Preliminary data from a number of locations is showing much improved continuity of care as a result of implementing primary care.

Action 5. Establish criteria for use of VHA's mobile clinics.

Criteria for mobile clinics were established in Public Law 100-322, Section 113. The statutory criteria were also reviewed in VHA's March 1995 report to Congress, "Evaluation of the Department of Veterans Affairs' Mobile Clinics." The report recommends that mobile clinic use be determined by the network and medical center directors using locally developed criteria.

Objective 20. Improve access for targeted groups, including combat veterans with PTSD or service-connected conditions, women, ethnic minority veterans, Persian Gulf veterans, spinal cord injured veterans, blind veterans, amputees, homeless veterans, frail elderly and other "at risk" veteran groups.

Action 1. Seek additional opportunities to tailor the care environment to the particular needs of related groups of patients.

Special populations of patients are receiving targeted attention by program managers at headquarters and caregivers in the field. For example, VISN 1 is developing a special compensated work therapy program targeted for women veterans with PTSD. The Readjustment Counseling Service is working on the special needs of newly discharged service personnel.

Evaluations of the homeless chronically mentally ill, PTSD, substance abuse, and seriously mentally ill programs are emphasizing increased

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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

THE DIRECTOR

November 5, 1995

Honorable Bob Livingston
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on H.R. 2099, the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Bill, FY 1996, as passed by the House and by the Senate. As you develop the conference version of the bill, your consideration of the Administration's views would be appreciated.

The Administration is committed to balancing the Federal budget. The President's budget proposes to reduce discretionary spending for FY 1996 by $5 billion in outlays below the FY 1995 enacted level. The Administration does not support the level of funding assumed by the House or Senate Committee 602(b) allocations. The Committees' allocations raise serious concerns about the overall priorities reflected in the appropriations process. The Administration must evaluate each bill both in terms of funding levels provided and the share of total resources available for remaining priorities. The House bill is $10.1 billion below the President's request, and the Senate bill is $9.0 billion below the request.

While the Senate-passed bill makes many improvements to the version passed by the House, the Administration strongly opposes several aspects of both versions. The President would veto the bill if it were presented to him as passed by the House or by the Senate.

Corporation for National and Community Service

Both the House- and Senate-passed versions of the bill would terminate the Corporation for National and Community Service, one of this Administration's top priorities. The Administration strongly opposes the decision to eliminate this important initiative and urges the conferees to provide funding at the requested level of $819 million. If the program were to be eliminated, nearly 50,000 young Americans would lose the opportunity to help their communities, through AmeriCorps, to address vital local needs such as health care, crime prevention, and education while at the same time earning a monetary award to help them pursue additional education or training. In addition, some 580,000 children, adolescents, and college students would lose the chance to serve their communities through the Learn and Serve program.

Housing and Urban Development (HUD)

In general, the Administration prefers the Senate-passed bill to the version passed by the House. The Senate bill would provide higher overall funding for HUD and would make progress in consolidating HUD's functions. The Senate-passed bill also contains provisions critical to the ability of the housing community, particularly public housing agencies, to carry out their missions given significantly reduced funding. The Senate bill also is more oriented toward making work pay and helping families become self-sufficient.

The Administration objects to excessive reductions in HUD funding. The House bill would reduce the President's request for HUD by over $4.7 billion, and the Senate bill by nearly $4 billion. Moreover, these reductions follow rescissions that cut $6.5 billion in FY 1995. After accounting for contract renewals, the Senate version of the bill would impose an additional $1.3 billion post-rescission reduction. The House-passed bill would go even farther, cutting $2.6 billion, or 14.6 percent, from HUD's FY 1995 post-rescission funding.

Most of the cuts and program reforms contained in both versions of the bill are aimed at the most vulnerable populations. Both versions of the bill would also impose deep cuts on programs to develop and preserve affordable housing. The Administration's most important priorities for the conference are to ensure adequate funds to operate public housing, support innovative job creation projects in communities, transform distressed public housing, support multi-family property disposition and preservation programs, and provide for the homeless.

The Administration also strongly objects to the provisions in the House bill that would prohibit HUD from spending funds to enforce fair housing laws against property insurance discrimination, and provisions in the Senate bill that would transfer HUD's responsibilities for enforcing the Fair Housing Act to the Department of Justice and transfer the powers and responsibilities of the Director of OFHEO to the Secretary of the Treasury.

Environmental Protection Agency (EPA)

While the Senate-passed bill represents a significant improvement over the crippling reductions and environmental roll-backs included in the House-passed bill, the Administration strongly opposes both the 34-percent reduction from the President's request for EPA in the House version of the bill and the 23-percent reduction in the Senate. These reductions would significantly hamper the Federal Government's ability to protect public health and the environment.

Particularly objectionable are reductions to EPA's operating programs. The House-passed bill would cut enforcement by 50 percent, decimating EPA's ability to enforce environmental laws, due to a $300 million reduction in salary funding. The Senate level is preferable but not completely satisfactory. Like the House, the Senate version of the bill would virtually eliminate the Environmental Technology Initiative, which helps protect public health and create new jobs. Funds should be restored for this important initiative.

Just as objectionable is the 36-percent reduction in the Superfund program included in both versions of the bill. This reduction could result in continued risk of exposure to dangerous chemicals for hundreds of thousands of citizens living near hazardous waste sites. A House provision, which would prohibit funding after December 31, 1995, if the statute is not reauthorized, could recklessly shut down the program. We urge the conferees to support the President's request.

The Administration strongly objects to the House's proposed elimination of funding for Drinking Water State Revolving Funds. These funds are needed to help municipalities provide safe drinking water as well as prevent incidents such as the 1993 cryptosporidium outbreak in Milwaukee that killed 100 people. Although the Administration commends the Senate for providing the requested level of funding for drinking water funding, we remain concerned about the 37-percent reduction in funding for Clean Water State Revolving Funds included in the Senate-passed bill, particularly in light of a $137 billion backlog of wastewater funding needs.

The Administration supports the Senate language allowing performance partnerships and shifting of funds between the Clean Water and Drinking Water State Revolving Funds once the Drinking Water State Revolving Funds are authorized. The Administration appreciates the recent progress that has been made in the Senate on the authorizing legislation.

Finally, the Administration strongly objects to the numerous legislative riders affecting the environment and public health included in both the House- and Senate-passed versions of the bill. The Administration continues to oppose the riders contained in both the House- and Senate-passed versions of the bill. These riders, which overturn existing law, have not had adequate public deliberation or any hearings on their potential national environmental impact.

Community Development Financial Institutions (CDFIs)

The Administration strongly opposes the funding levels assumed by both the House and Senate for this important program. Both the House and Senate would terminate the Community Development Financial Institutions Fund. The Administration strongly urges the conferees to reconsider and to provide full funding for one of the most promising initiatives to aid distressed communities. The requested $144 million appropriation for CDFIs would leverage an estimated $600 million in investments, loans, and financial services.

Veterans Affairs (VA)

The Administration objects to both the House and Senate versions of the bill with respect to the Department of Veterans Affairs. The House would provide $1 billion less than the President's request for VA, while the Senate would provide $1.3 billion less. Both the House and Senate have recommended large cuts in the Medical Care appropriation, which would impede VA's ability to provide quality medical care to thousands of veterans. In addition, large cuts in the Major and Minor Construction appropriations would prevent VA from making necessary improvements to older facilities that no longer meet VA's patient care standards.

Further, both the House and Senate versions of the bill would preclude VA from constructing two new hospitals that are needed to serve veterans, one at Travis Air Force Base in Fairfield, California, and one in Brevard County, Florida. The Administration also objects to the large reductions in the administration of benefits processing in the House version of the bill, that could impede VA's efforts to improve the processing of benefits claims for millions of veterans.

Finally, the Administration strongly objects to the provision in both House and Senate versions of the bill that would eliminate compensation to incompetent veterans with no dependents and estates over $25,000. This provision would unfairly single out a group of severely disabled veterans for diminished benefits based on their lack of close family and modest accumulation of assets. The Administration opposes the use of appropriations bills in this manner and urges conferees not to include this provision in the conference report.

National Aeronautics and Space Administration (NASA)

The House-passed bill would reduce the President's request for NASA by $588 million, the Senate-passed bill $461 million. The Administration prefers the proposed level of funding for NASA contained in the Senate-passed bill over the level provided by the House, and appreciates the Senate's decision to drop the House provision that would require the Administrator to close NASA centers by FY 1998. In particular, the Administration is pleased with the level of support that the Senate has shown for NASA's Mission to Planet Earth program.

The Administration appreciates the House and Senate's continued support for the space station program. However, the Administration is concerned about the impact that cuts would have on the shuttle program and the effect of delayed obligations -- provided by both the House and Senate -- on the space station. The Congress must realize that the delay of obligations means a delay in the overall space station program. The Administration objects to this delay, not only because of international agreements, but also because of the adverse cost and schedule impacts. By introducing artificial and avoidable delay, the Congress' approach would also run counter to the Administration's policy to streamline this program.

Council on Environmental Quality (CEQ)

The House-passed bill would terminate CEQ. The Administration supports the Senate position that CEQ should not be terminated but strongly opposes the Senate's more than 50-percent reduction to the President's request. A 50-percent reduction would severely hamper CEQ's ability to provide the President with advice on environmental policy issues and carry out its responsibilities under the National Environmental Policy Act, while termination would deprive the President of environmental policy counsel and would represent an inappropriate interference in the organization of the President's policy offices. The Administration urges the conferees to fund CEQ at the President's request.

Additional concerns with the bill as passed by the House and by the Senate are contained in the enclosure. We look forward to working closely with the conferees to address our mutual concerns.

Sincerely,

Alice M. Rivlin
Director

Enclosure

Identical Letters Sent to Honorable Bob Livingston,
Honorable David R. Obey, Honorable Jerry Lewis,
Honorable Louis Stokes, Honorable Mark O. Hatfield,
Honorable Robert C. Byrd, Honorable Christopher S. Bond,
and Honorable Barbara Mikulski

Enclosure
(Conference)

ADDITIONAL CONCERNS
H.R. 2099 -- DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES
APPROPRIATIONS BILL, FY 1996
(AS PASSED BY THE HOUSE AND BY THE SENATE)

The Administration looks forward to working with the conferees to address the following concerns.

Department of Housing and Urban Development

- Public Housing Operating Subsidies. The House-passed bill would dramatically impair the ability of public housing agencies (PHAs) to maintain the Nation's 1.4 million public housing units. The bill would cut public housing operating subsidies and anti-drug funding by almost $700 million, from $3.2 billion in FY 1995 to $2.5 billion in FY 1996. The Senate-passed bill, by contrast, would provide approximately $3.1 billion for these accounts.

  These proposed reductions would curtail maintenance, security, social services, and anti-crime efforts. The inevitable deterioration would prevent PHAs from attracting higher income residents -- a goal shared both by the Administration and Congress. The Administration urges the conferees to provide public housing operating funding at the level of the Senate bill.

- Economic Development. The House-passed bill would provide no funds for the Economic Development Initiative (EDI), while the Senate-passed version of the bill would reduce EDI by $270 million, or 77 percent. EDI is one of the key tools for generating jobs in distressed communities. The Administration urges the conferees to fund this important job creation program at $200 million.

- FHA Multifamily Programs. The House bill would eliminate funding for the FHA multi-family property disposition program, while the Senate version of the bill would provide $261 million for a revised program. The House action would ignore the cost of HUD's mandate to hold and maintain apartment buildings that are not disposed of pursuant to current law and exacerbate the plight of tenants. The Administration urges the conferees to fund the FHA multi-family property disposition program at the levels included in the Senate bill.

- Preservation. The House and Senate versions of the bill would both be deficient in their preservation of the older FHA inventory. Both versions of the bill would offer a new, costly project-based solution for a few properties -- without sufficient protections against displacement. The Administration urges the conferees to appropriate preservation funding levels sufficient to protect eligible tenants from displacement upon pre-payment.

- Distressed Public Housing. The Administration supports efforts by both the House and Senate that would facilitate the demolition of obsolete public housing and reform section 8 project-based housing. The Senate bill's requirements for removal of vacant and obsolete public housing and replacement with tenant-based assistance would be a step in the right direction. The Administration urges the conferees to support the House's proposed funding level of $862 million, and an appropriate public housing transformation as embodied in the Senate's approach.

- Homeless Assistance Program. The House-passed bill would cut homeless assistance by 40 percent from the current funding level of $1.12 billion. The Senate-passed bill would cut homeless assistance by 32 percent, while allowing funding to be distributed to States by formula. These cuts would fall heaviest on the poorest Americans. The Administration urges the conferees to restore funding for homeless assistance to prior-year levels.

Especially in light of the reductions in homeless funding, the Administration is concerned about the effects on poor families of the failure to continue a 20-year bipartisan commitment to expand the number of people receiving rental assistance. In the face of growing needs, the House would provide no funding for new assistance except to replace obsolete public housing and higher-cost project-based subsidies. The Senate would provide less than one-half of the requested funding and would restrict most funds to those families already receiving some form of housing assistance. At a minimum, conferees are urged to adopt the Senate level, without restrictions.

o **Objectionable Riders**. The House- and Senate-passed versions of the bill contain several authorization riders that would fundamentally alter the profile of who is served in the Federal public housing and section 8 rental assistance programs. Both would impose a disproportionate burden on those least able to pay.

The Administration is strongly opposed to provisions of the House bill that would raise rents on tenants receiving section 8 assistance. The House bill would increase the rents paid by residents receiving section 8 tenant-based assistance from 30 percent to 32 percent of adjusted income and impose a minimum rent of $50 per month. This would cause great hardship for low-income families. The Administration would advocate maintaining deep income targeting in the event that Federal preferences are lifted for the section 8 tenant-based program.

Both the House- and Senate-passed versions of the bill would gut Title VIII of the Civil Rights Act of 1964, as amended, by the Fair Housing Act. First, the Senate bill would transfer all Fair Housing Act administration and enforcement activities under HUD to the Department of Justice. The Administration strongly opposes this rider and urges the conferees to remove it.

Second, the House bill would ban the Department from enforcing the Fair Housing Act's prohibition on property insurance redlining and eliminate funds for the Fair Housing Initiatives program. The Administration is pleased that the Senate struck the objectionable House language from its bill, and would therefore permit continued enforcement of fair housing laws against any discriminatory redlining by property insurers. The Administration urges the conferees to adopt the Senate's approach to this matter.

The Senate bill would transfer all powers and authorities from the Director of the Office of Federal Housing and Enterprise Oversight (OFHEO) to the Secretary of the Treasury. The Administration believes that there is no basis for changing OFHEO's structure.

Both the House- and Senate-passed versions of the bill both would grapple with the growing cost of section 8 contract renewals. The Senate would continue the Federal government's provision of costly, project-based housing subsidies to private rental housing owners, regardless of high rent levels. The Administration's mark-to-market proposal would reduce costs to the Federal government, enable properties to operate at market levels, and provide tenants with maximum choice and protections.

Environmental Protection Agency

- Superfund. The Administration opposes the House and Senate's proposed $560 million, or 36-percent, reduction to the President's request for Superfund cleanups. This action could eliminate planned funding for about 120 new, long-term cleanup projects and jeopardize 160 actions to address more immediate public health threats. These drastic cuts would mean continued exposure to dangerous chemicals for the hundreds of thousands of citizens living near these cleanup sites.

  Further, particularly in light of the drastic reductions in proposed funding, the Administration opposes the allocation of funds to specific Superfund activities. With the limited level of funding included in both versions of the bill, EPA would need maximum flexibility to allocate its resources to ensure as efficient and effective a program as possible. The Administration objects to the proposal included in the House-passed bill that would have the taxpaying public pay for all cleanups, rather than the polluters who created the problem.

- Wastewater Funding. The Administration objects to the House and Senate's $362 million and $587 million reductions, respectively, to the President's request for Clean Water State Revolving Funds. Municipalities still have needs for water quality protection that will require $137 billion in funding. Further, the House-passed bill might bar any FY 1996 spending because of bill language prohibiting obligations until reauthorization of the Clean Water Act. Such a funding bar would detrimentally affect construction industry jobs, harm water quality, and could require layoffs in State water programs, which would also be affected by the prohibition. The Administration supports the funding provided in the House-passed version of the bill for communities with special wastewater needs, including those in the Needy Cities program, New Orleans, and Bristol County, Massachusetts. The Administration urges the conferees to include this funding in the final bill.

- o **Funding Restrictions**. The Administration strongly opposes -- and urges the conferees to delete -- the numerous legislative "riders" included in both the House- and Senate-passed versions of the bill. These riders would essentially overturn existing law to cater to special interests without any hearings on their national environmental impact, and would jeopardize public health by blocking implementation or enforcement of rules needed to ensure safe water, food, and air. Included among these provisions are riders that would:

  -- virtually shut down the EPA Water Quality Program by prohibiting most Clean Water Act spending, even when required by court order. These prohibitions would jeopardize the significant progress towards cleaner water that has been achieved over the past 23 years;

  -- jeopardize the safety of the Nation's food supply through a "backdoor" elimination of the Delaney Clause of the Federal Food, Drug, and Cosmetic Act, without replacing it with a health-based standard to protect consumers;

  -- prevent EPA from effectively implementing Clean Air Act programs essential for protecting the public from air pollutants that cause respiratory problems and cancer; and

  -- mandate Toxic Release Inventory (TRI) restrictions that would prevent EPA from collecting information, for public use, on toxic chemical releases.

- o Environmental Technology Initiative. The House-passed version of the bill would eliminate the Environmental Technology Initiative, which is spurring development of new technologies to protect public health, reduce costs, and create new American jobs and export markets.

- o GLOBE. The Administration urges the conferees to restore funding for the GLOBE program, an innovative environmental education project that involves students from around the world in collecting environmental data.

Federal Emergency Management Agency (FEMA)

- o Disaster Relief. The Administration regrets the decision of the Senate to eliminate funding for FEMA Disaster Relief. While there are unobligated balances as a result of the recent Northridge Earthquake supplemental, the Administration continues to believe that it is necessary and appropriate to set aside funds each year in anticipation of future disasters.

Office of Consumer Affairs

- The Administration opposes the Senate's decision to terminate the Office of Consumer Affairs. This agency represents consumer needs and viewpoints across the Federal Government by coordinating Federal consumer policy and providing information to consumers through a help line and a consumer's handbook. The Administration urges the conferees to adopt the level of funding provided in the House-passed bill.

SEC. 706. LIMITATIONS.

Title III of the Goals 2000: Educate America Act (20 U.S.C. 5881 et seq.) is further amended by adding at the end the following new section:

"SEC. 320. LIMITATIONS.

"(a) PROHIBITED CONDITIONS.—Nothing in this Act shall be construed to require a State, a local educational agency, or a school, as a condition of receiving assistance under this title—

"(1) to provide outcomes-based education; or

"(2) to provide school-based health clinics or any other health or social service.

"(b) LIMITATION ON GOVERNMENT OFFICIALS.—Nothing in this Act shall be construed to require or permit any Federal or State official to inspect a home, judge how parents raise their children, or remove children from their parents, as a result of the participation of a State, local educational agency, or school in any program or activity carried out under this Act.".

This Act may be cited as the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1996".

(e) For programs, projects or activities in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

AN ACT

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes

TITLE I

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198); $18,331,561,000, to remain available until expended: Provided, That not to exceed $25,180,000 of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: Provided further, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized by the Veterans' Benefits Act of 1992 (38 U.S.C. chapter 55): Provided further, That $12,000,000 previously transferred from "Compensation and pensions" to "Medical facilities revolving fund" shall be transferred to this heading.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61); $1,345,300,000, to remain available until expended: Provided, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by law (38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487), $24,890,000, to remain available until expended.

GUARANTY AND INDEMNITY PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the purpose of the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $66,226,000, which may be transferred to and merged with the appropriation for "General operating expenses".

LOAN GUARANTY PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the purpose of the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $52,138,000, which may be trans-

ferred to and merged with the appropriation for "General operating expenses".

DIRECT LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, such sums as may be necessary to carry out the purpose of the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That during 1996, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans (38 U.S.C. chapter 37).

In addition, for administrative expenses to carry out the direct loan program, $459,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $4,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $195,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $54,000, as authorized by 38 U.S.C. chapter 31, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $1,964,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $377,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $205,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the Department of Veterans Affairs, and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in Department of Veterans Affairs facilities; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Department of Veterans Affairs, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); aid to State homes as authorized by law (38 U.S.C. 1741); and not to exceed $8,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 8110(a)(5); $16,564,000,000, plus reimbursements: Provided, That of the funds made available under this heading, $789,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 1996, and shall remain available for obligation until September 30, 1997.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by law (38 U.S.C. chapter 73), to remain available until September 30, 1997, $257,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; $63,602,000, plus reimbursements.

TRANSITIONAL HOUSING LOAN PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $7,000, as authorized by Public Law 102–54, section 8, which shall be transferred from the "General *post fund": Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $70,000. In addition, for administrative expenses to carry out the direct loan program, $54,000, which shall be transferred from the "General post fund", as authorized by Public Law 102–54, section 8.*

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor, as authorized by law; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; $848,143,000: Provided, That of the amount appropriated and any other funds made available from any other source for activities funded under this heading, except reimbursements, not to exceed $214,109,000 shall be available for General Administration; including not to exceed (1) $3,206,000 for personnel compensation and benefits and $50,000 for travel in the Office of the Secretary, (2) $75,000 for travel in the Office of the Assistant Secretary for Policy and Planning, (3) $33,000 for travel in the Office of the Assistant Secretary for Congressional Affairs, and (4) $100,000 for travel in the Office of Assistant Secretary for Public and Intergovernmental Affairs: Provided further, That during fiscal year 1996, notwithstanding any other provision of law, the number of individuals employed by the Department of Veterans Affairs (1) in other than "career appointee" positions in the Senior Executive Service shall not exceed 6, and (2) in schedule C positions shall not exceed 11: Provided further, That not to exceed $6,000,000 of the amount appropriated shall be available for administrative expenses to carry out the direct and guaranteed loan programs under the Loan Guaranty Program Account: Provided further, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act: Provided further, That none of the funds under this heading may be obligated or expended for the acquisition of automated data processing equipment and services for Department of Veterans Affairs regional offices to support Stage III of the automated data equipment modernization program of the Veterans Benefits Administration.

NATIONAL CEMETERY SYSTEM

For necessary expenses for the maintenance and operation of the National Cemetery System not otherwise provided for, including uniforms or allowances therefor, as authorized by law; cemeterial expenses as authorized by law; purchase of three passenger motor vehicles, for use in cemeterial operations; and hire of passenger motor vehicles, $72,604,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $30,900,000.

CONSTRUCTION, MAJOR PROJECTS

(INCLUDING TRANSFER OF FUNDS)

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $3,000,000 or more or where funds for a project were made available in a previous major project appropriation, $136,155,000, to remain available until expended: Provided, That except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: Provided further, That funds provided in this appropriation for fiscal year 1996, for each approved project shall be obligated (1) by the awarding of a construction documents contract by September 30, 1996, and (2) by the awarding of a construction contract by September 30, 1997: Provided further, That the Secretary shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93–344): Provided further, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only: Provided further, That of the funds made available under this heading in Public Law 103–327, $7,000,000 shall be transferred to the "Parking revolving fund".

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysis, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, where the estimated cost of a project is less than $3,000,000, $190,000,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $3,000,000: Provided, That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department of Veterans Affairs which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by law (38 U.S.C. 8109), income from fees collected, to remain available until expended. Resources of this fund shall be available for all expenses authorized by 38 U.S.C. 8109 except operations and maintenance costs which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist the several States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by law (38 U.S.C. 8131–8137), $47,397,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by law (38 U.S.C. 2408), $1,000,000, to remain available until September 30, 1998.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for 1996 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for 1996 for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 103. No part of the appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 1996 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1995.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1996 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, the Secretary of Veterans Affairs is authorized to transfer, without compensation or reimbursement, the jurisdiction and control of a parcel of land consisting of approximately 6.3 acres, located on the south edge of the Department of Veterans Affairs Medical and Regional Office Center, Wichita, Kansas, including buildings Nos. 8 and 30 and other improvements thereon, to the Secretary of Transportation for the purpose of expanding and modernizing United States Highway 54: Provided, That if necessary, the exact acreage and legal description of the real property transferred shall be determined by a survey satisfactory to the Secretary of Veterans Affairs and the Secretary of Transportation shall bear the cost of such survey: Provided further, That the Secretary of Transportation shall be responsible for all costs associated with the transferred land and improvements thereon, and compliance with all existing statutes and regulations: Provided further, That the Secretary of Veterans Affairs and the Secretary of Transportation may require such additional terms and conditions as each Secretary considers appropriate to effectuate this transfer of land.

SEC. 108. CONSTRUCTION AUTHORIZATION.—Authorization of major medical facility projects and major medical facility leases for the Department of Veterans Affairs for fiscal year 1996.

(a) AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS.—The Secretary of Veterans Affairs may carry out the following major medical facility projects, with each project to be carried out in the amount authorized for that project:

(1) Construction of an outpatient clinic in Brevard County, Florida, in the amount of $25,000,000.

(2) Construction of an outpatient clinic at Travis Air Force Base in Fairfield, California, in the amount of $25,000,000.

(3) Construction of an ambulatory care addition at the Department of Veterans Affairs medical center in Boston, Massachusetts in the amount of $28,000,000.

(4) Construction of a medical research addition at the Department of Veterans Affairs medical center in Portland, Oregon, an additional authorization in the amount of $16,000,000, for a total amount of $32,100,000.

(b) AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES.—The Secretary of Veterans Affairs may enter into leases for medical facilities as follows:

(1) Lease of a satellite outpatient clinic in Fort Myers, Florida, in the amount of $1,736,000.

(2) Lease of a National Footwear Center in New York, New York, in the amount of $1,054,000.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 1996—

(1) $94,000,000 for the major medical facility projects authorized in subsection (a); and

(2) $2,790,000 for the major medical facility leases authorized in subsection (b).

(d) LIMITATION.—The projects authorized in subsection (a) may only be carried out using—

(1) funds appropriated for fiscal year 1996 and subsequent fiscal years pursuant to the authorization of appropriations in subsection (c);

(2) funds appropriated for Construction, Major Projects for a fiscal year before fiscal year 1996 that remain available for obligation; and

(3) funds appropriated for Construction, Major Projects for fiscal year 1996 for a category of activity not specific to a project.

(e) LIMITATION CONCERNING OUTPATIENT CLINIC PROJECTS.—In the case of either of the projects for a new outpatient clinic authorized in paragraphs (1) and (2) of subsection (a)—

(1) the Secretary of Veterans Affairs may not obligate any funds for that project until the Secretary determines, and certifies to the Committees on Veterans' Affairs of the Senate and House of Representatives, the amount required for the project; and

(2) the amount obligated for the project may not exceed the amount certified under paragraph (1) with respect to that project.

SEC. 109. (a) DESIGNATION.—The Walla Walla Veterans Medical Center located at 77 Wainwright Drive, Walla Walla, Washington, shall be known and designated as the "Jonathan M. Wainwright Memorial VA Medical Center".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Walla Walla Veterans Medical Center referred to in subsection (a) shall be deemed to be a reference to the "Jonathan M. Wainwright Memorial VA Medical Center".

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $9,818,795,000, to remain available until expended: Provided, That of the total amount provided under this head, $160,000,000

shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb): Provided further, That of the total amount provided under this head, $2,500,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), including up to $20,000,000 for the inspection of public housing units, contract expertise, and training and technical assistance, directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public and Indian housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public and Indian housing program, or for carrying out activities under section 6(j) of the Act: Provided further, That of the total amount provided under this head, $400,000,000 shall be for rental subsidy contracts under the section 8 existing housing certificate program and the housing voucher program under section 8 of the Act, except that such amounts shall be used only for units necessary to provide housing assistance for residents to be relocated from existing federally subsidized or assisted housing, for replacement housing for units demolished or disposed of (including units to be disposed of pursuant to a homeownership program under section 5(h) or title III of the United States Housing Act of 1937) from the public housing inventory, for funds related to litigation settlements, for the conversion of section 23 projects to assistance under section 8, for public housing agencies to implement allocation plans approved by the Secretary for designated housing, for funds to carry out the family unification program, and for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency: Provided further, That of the total amount provided under this head, $4,007,862,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts, such amounts shall be merged with all remaining obligated and unobligated balances heretofore appropriated under the heading "Renewal of expiring section 8 subsidy contracts": Provided further, That notwithstanding any other provision of law, assistance reserved under the two preceding provisos may be used in connection with any provision of Federal law enacted in this Act or after the enactment of this Act that authorizes the use of rental assistance amounts in connection with such terminated or expired contracts: Provided further, That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to housing vouchers during fiscal year 1996: Provided further, That of the total amount provided under this head, $610,575,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended; and $192,000,000 shall be for section 8 assistance and rehabilitation grants for property disposition: Provided further, That 50 per centum of the amounts of budget author-

ity, or in lieu thereof 60 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section: Provided further, That of the total amount provided under this head, $171,000,000 shall be for housing opportunities for persons with AIDS under title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act; and $65,000,000 shall be for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992: Provided further, That the Secretary may make up to $5,000,000 of any amount recaptured in this account available for the development of performance and financial systems.

Of the total amount provided under this head, $624,000,000, plus amounts recaptured from interest reduction payment contracts for section 236 projects whose owners prepay their mortgages during fiscal year 1996 (which amounts shall be transferred and merged with this account), shall be for use in conjunction with properties that are eligible for assistance under the Low Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) or the Emergency Low-Income Housing Preservation Act of 1987 (ELIHPA): Provided, That prior to August 15, 1996, funding to carry out plans of action shall be limited to sales of projects to nonprofit organizations, tenant-sponsored organizations, and other priority purchasers: Provided further, That of the amount made available by this paragraph, up to $10,000,000 shall be available for preservation technical assistance grants pursuant to section 253 of the Housing and Community Development Act of 1987, as amended: Provided further, That with respect to amounts made available by this paragraph, after August 15, 1996, if the Secretary determines that the demand for funding may exceed amounts available for such funding, the Secretary (1) may determine priorities for distributing available funds, including giving priority funding to tenants displaced due to mortgage prepayment and to projects that have not yet been funded but which have approved plans of action; and (2) may impose a temporary moratorium on applications by potential recipients of such funding: Provided further, That an owner of eligible low-income housing mcy prepay the mortgage or request voluntary termination of a mortgage insurance contract, so long as said owner agrees not to raise rents for sixty days after such prepayment: Provided further, That an owner of eligible low-income housing who has not timely filed a second notice under section 216(d) prior to the effective date of this Act may file such notice by April 15, 1996: Provided further, That such developments have been determined to have preservation equity at least equal to the lesser of $5,000 per unit or $500,000 per project or the equivalent of eight times the most recently published fair market rent for the area in which the project

is located as the appropriate unit size for all of the units in the eligible project: Provided further, That the Secretary may modify the regulatory agreement to permit owners and priority purchasers to retain rental income in excess of the basic rental charge in projects assisted under section 236 of the National Housing Act, for the purpose of preserving the low and moderate income character of the housing: Provided further, That the Secretary may give priority to funding and processing the following projects provided that the funding is obligated not later than September 15, 1996: (1) projects with approved plans of action to retain the housing that file a modified plan of action no later than August 15, 1996 to transfer the housing; (2) projects with approved plans of action that are subject to a repayment or settlement agreement that was executed between the owner and the Secretary prior to September 1, 1995; (3) projects for which submissions were delayed as a result of their location in areas that were designated as a Federal disaster area in a Presidential Disaster Declaration; and (4) projects whose processing was, in fact, or in practical effect, suspended, deferred, or interrupted for a period of nine months or more because of differing interpretations, by the Secretary and an owner concerning the time of the ability of an uninsured section 236 property to prepay or by the Secretary and a State or local rent regulatory agency, concerning the effect of a presumptively applicable State or local rent control law or regulation on the determination of preservation value under section 213 of LIHPRHA, as amended, if the owner of such project filed notice of intent to extend the low-income affordability restrictions of the housing, or transfer to a qualified purchaser who would extend such restrictions, on or before November 1, 1993: Provided further, That eligible low-income housing shall include properties meeting the requirements of this paragraph with mortgages that are held by a State agency as a result of a sale by the Secretary without insurance, which immediately before the sale would have been eligible low-income housing under LIHPRHA: Provided further, That notwithstanding any other provision of law, subject to the availability of appropriated funds, each unassisted low-income family residing in the housing on the date of prepayment or voluntary termination, and whose rent, as a result of a rent increase occurring no later than one year after the date of the prepayment, exceeds 30 percent of adjusted income, shall be offered tenant-based assistance in accordance with section 8 or any successor program, under which the family shall pay no less for rent than it paid on such date: Provided further, That any family receiving tenant-based assistance under the preceding proviso may elect (1) to remain in the unit of the housing and if the rent exceeds the fair market rent or payment standard, as applicable, the rent shall be deemed to be the applicable standard, so long as the administering public housing agency finds that the rent is reasonable in comparison with rents charged for comparable unassisted housing units in the market or (2) to move from the housing and the rent will be subject to the fair market rent of the payment standard, as applicable, under existing program rules and procedures: Provided further, That rents and rent increases for tenants of projects for which plans of action are funded under section 220(d)(3)(B) of LIHPRHA shall be governed in accordance with the requirements of the program under which the first

VA Congressional Budget - FY 97

MEASURING TIMELINESS, QUALITY AND PRODUCTIVITY

Compensation and Pension Timeliness

COMPENSATION AND PENSION TIMELINESS (Average Days to Complete Claim)	1993	1994	1995	1996	1997	Goal
Original comp. (EP 110)	189	213	161	130	117	106
Original pension (EP 180)	119	123	98	89	82	77
Original death pension (EP 190)	67	65	50	53	47	44
Original DIC (EP 140)	102	111	92	78	70	68

There are 13 standards used to measure Compensation and Pension timeliness. These standards measure the average number of days to process 13 key types of claims as classified by end products (EPs). Several factors contributed towards an improvement in timeliness in 1995, including full implementation of the Service Medical Records Center project, an increase in the number and experience level of rating specialists, and the use of large amounts of overtime money targeted at reducing the number of pending original claims. As the backlog is further reduced and as the initiatives discussed in the "Planned Actions" section reach full maturity, there will be continued improvement in timeliness during 1996 and 1997, given adequate staffing levels.

Timeliness is measured from a claimant's view, that is, the elapsed time from the date on which a claim is filed to the date on which a final decision regarding that claim is made. From the C&P viewpoint, this "overall" timeliness has three distinct components: the amount of time adjudication personnel spend actually working on the claim (task time); the amount of time spent waiting for requested records or evidence to be received or for a medical examination to be conducted; and waiting in the queue to be worked by a VA decision-maker, etc. The Compensation and Pension Service periodically conducts time studies at representative adjudication divisions to collect data regarding task times for various types of C&P claims (end products). These task times, expressed in terms of the average number of direct labor hours expended, are called "work rate standards." The 1991 - 1995 work rate standards for five key types of initial claims are shown in the chart below. Work rate standards increase slightly as reengineering redefines direct labor tasks, but, after a short-term adjustment period, we anticipate improvement as adjudication personnel become more experienced in the new business environment.

COMPENSATION AND PENSION WORK RATE STANDARDS (Average Direct Labor Hours to Complete Claim)	1991	1992	1993	1994	1995
Original Compensation 1-7 dis. (EP 110)	4.44*	5.10*	5.10	5.10	5.64
Orig. Compensation 8 or more dis. (EP 010)	N/A	N/A	6.42	6.42	7.70
Original Pension (EP 180)	2.74	2.74	2.77	2.52	3.06
Original Death Pension (EP 190)	1.72	1.80	1.62	1.62	1.82
Original DIC (EP 140)	3.30	3.51	3.75	3.78	3.67

*1991 and 1992 figures include *all* original compensation work rate standards.

Assessment of Services to Veterans

PENDING WORKLOAD: COMPENSATION & PENSION

	1995	1996	1997
Claims pending, start	474,132	384,955	352,418
New claims received	2,423,681	2,330,370	2,279,664
Total C&P workload to process	2,897,813	2,715,325	2,632,082
Claims completed	2,512,858	2,362,907	2,354,897
Claims pending, end	384,955	352,418	277,185
OBRA Pending (-)	6,198	4,754	163
Net C&P pending workload	378,757	347,664	277,022

General

The 1996 President's Budget projected that the level of pending compensation and pension claims would be reduced to 390,000 by the end of 1995 and to 303,000 by the end of 1996. We surpassed our 1995 goal ending the year with 385,000 pending claims. Our 1996 goal, however, has been revised. We now expect to end 1996 with 352,000 pending claims. This increase is due to government furloughs at the beginning of the fiscal year. We project advances in reducing our pending workload to continue bringing our 1997 pending claims to 277,000.

Remarkable progress was made in 1994 and 1995 in bringing the C&P backlog under control. The volume of pending claims has been reduced by 189,000, from a high of 574,000 in December 1993 to 385,000 at the end of 1995. Our goal is to reach 250,000, which we believe is the level at which all incoming correspondence or evidence could be processed promptly and the only "pending" time would be for awaiting arrival of evidence from a source outside VA.

Because these backlog figures represent a relatively small residual of the much larger volume of accomplished workload (about 2.4 million cases per year) and are affected by many factors including working conditions, legislative and judicial changes and organizational changes over a period of almost two years, the 1997 estimated pending claims represent our best estimate of a future situation subject to adjustment as circumstances change.

In addition to reducing the backlog, significant progress has been made over the last year in improving the processing timeliness of original claims. In 1994, the average processing time for an original disability compensation claim from date of claim to decision notification was 213 days. In 1995, the average was 161 days.

These improvements have been the result of multiple factors. Regional offices have balanced station workload by temporarily transferring work from, and/or sending trained rating specialists to those stations with processing problems. There has been a concerted effort to shift staffing to the adjudication divisions, especially the rating boards. It takes almost two years to fully train a new rating specialist. These personnel shifts first began late in 1994. The positive effect on workload should continue to grow as the new rating specialists gain additional experience. Other recent changes in the rating board area include the adoption of word processing technology to prepare rating decision documents and statements of the case,

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Department of Veterans Affairs

News Release

FOR IMMEDIATE RELEASE

VA APPROVES HOMELESS ASSISTANCE GRANT AWARDS

The Department of Veterans Affairs (VA) is making awards under its Homeless Providers Grant and Per Diem Program to 28 public and private nonprofit groups to develop new programs to assist homeless veterans.

VA Secretary Jesse Brown said, "We have seen a keen interest from America's communities in joining our fight against homelessness. The grants we have awarded over the past two years are establishing strong community partnerships necessary to deliver the lifeline these veterans need."

how much last year? 5.5

The 28 grantees will receive awards totaling more than $6.37 million and ranging from $14,300 to more than $575,000. The grants will supplement up to 65 percent of the cost of acquiring or renovating facilities that will be used for supportive housing or service centers. One grant will help supply a van for a mobile service unit. The grantees are from 27 cities in 19 states and the District of Columbia.

VA proposes to direct approximately $6.4 million to its grants and per diem program in fiscal year 1996 and soon will announce an application period for grants under that program.

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The Homeless Providers Grant and Per Diem Program was authorized in 1992. The legislation also authorizes VA to provide per diem payments, or in-kind assistance, to eligible groups or organizations that established supportive housing or service programs for homeless veterans after Nov. 10, 1992.

VA sought input from 250 public and nonprofit organizations in developing criteria and requirements for the program. To notify as many interested groups as possible, VA notified veterans service organizations, other nonprofit organizations, state and local governments, congressional offices and those who attended VA's National Summit on Homelessness among Veterans in February 1994.

VA is the only federal agency that provides substantial hands-on assistance directly to homeless veterans. In addition to the grant and per diem program, VA has directed more than $75 million in fiscal year 1995 to its specialized homeless assistance programs, including establishing four new programs for homeless mentally ill veterans. VA proposes to spend nearly $77 million on its specialized homeless assistance programs in fiscal year 1996.

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Department of Veterans Affairs

VA Fact Sheet

VA PROGRAMS FOR HOMELESS VETERANS

Sept. 1995

VA is the only federal agency that provides substantial hands-on assistance directly to homeless persons. VA's two major homeless programs constitute the largest integrated network of homeless assistance programs in the country, offering a wide array of services and initiatives to help veterans recover from homelessness. Using conservative estimates, VA currently directs several billion dollars from its regular or mainstream programs to assist hundreds of thousands of homeless and at-risk veterans. To increase this assistance, VA initiated outreach efforts to connect more homeless veterans to both mainstream and homeless-specific VA programs and benefits.

VA directed more than $75 million to its specialized homeless assistance programs in fiscal year '95, including grants and per diem payments to public and nonprofit groups that provide assistance to homeless veterans. VA plans to spend more than $77 million on its specialized homeless programs in fiscal year '96. One new Comprehensive Homeless Center was established in fiscal year '95, as were four new programs for homeless mentally ill veterans. In fiscal year '95, VA launched Project CHALENG (Community Homelessness Assessment, Local Education and Networking Groups) for Veterans. Each of the then 171 VA medical centers hosted a local summit to raise awareness of the needs of homeless veterans, create new partnerships in the fight against homelessness and develop new strategies for future action. More than 2,000 staff from other federal agencies, state and local governments, and representatives from community-based organizations participated in Project CHALENG for Veterans.

HOMELESS-SPECIFIC PROGRAMS

The Homeless Chronically Mentally Ill (HCMI) Veterans Program targets homeless veterans with psychiatric difficulties. Sixty-one HCMI program sites in 32 states provide extensive outreach, physical and psychiatric health exams, treatment, referrals, ongoing case management and community-based residential rehabilitation for homeless veterans needing longer term treatment.

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First established in 1987, the HCMI program annually serves more than 19,000 veterans, with more than 3,000 receiving residential treatment in the program's 125 community-based treatment facilities.

The Domiciliary Care for Homeless Veterans (DCHV) Program provides medical care and rehabilitation in a residential setting on VA medical center grounds. Programs operating at 33 VA medical centers conduct outreach and referral; admission screening and assessment; medical and psychiatric evaluation; treatment, vocational counseling and rehabilitation; and post-discharge community support. Some 3,000 veterans have been served annually since 1987.

Special Outreach and Benefits Assistance is provided through funding from VA's Veterans Health Administration to support 12 veterans benefits counselors from the Veterans Benefits Administration (VBA) as members of HCMI and DCHV programs. VBA regional offices at 58 locations have designated staff who serve as coordinators and points of contact for homeless veterans. They annually make more than 4,000 visits to homeless facilities and more than 4,500 contacts with non-VA agencies working with homeless veterans, and provide more than 20,000 homeless veterans with benefits counseling and referrals to other VA programs. The Homeless Eligibility Clarification Act enables eligible veterans without a fixed address to receive VA benefits checks at VA regional offices.

Readjustment Counseling Service's Vet Centers have homeless coordinators who provide outreach, psychological counseling, supportive social services and referrals to other VA and community programs. Some 140,000 veterans make more than 600,000 visits to VA's 205 Vet Centers each year, and during the winter months as many as 10 percent are homeless.

Drop-In Centers provide homeless veterans who sleep in shelters or on the streets at night with safe, day-time environments. Eleven centers offer therapeutic activities and programs to improve daily living skills, meals, and a place to shower and wash clothes. At these centers, veterans also participate in other VA programs that provide more extensive assistance, including a variety of therapeutic and rehabilitative activities.

Compensated Work-Therapy Transitional Residence Program provides structured and supervised therapeutic housing for at-risk and homeless veterans who are suffering from substance abuse problems or mental illness. VA contracts with private industry and the public sector for work to be done by these veterans.

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The veterans are paid for their work and, in turn, make a monthly payment toward maintenance and upkeep of the residence. The program operates at 46 community-based group homes, 13 of which are specifically for homeless veterans.

HUD-VA Supported Housing Program, a joint pilot initiative, provides permanent housing and ongoing treatment services to the harder-to-serve homeless mentally ill veterans and those suffering from substance abuse disorders. HUD's Section 8 Voucher Program has designated 1,753 vouchers for homeless chronically mentally ill veterans, and VA staff at 35 sites provide outreach, clinical care and case management services.

Joint Social Security Administration (SSA)/VA Pilot Project provides benefits and services to homeless mentally ill veterans at 11 sites. HCMI and DCHV staff coordinate outreach and benefits certification with SSA staff to locate and assist homeless veterans in obtaining SSA benefits.

Comprehensive Homeless Centers place all of VA's homeless programs in that area into a single organizational framework to promote integration within VA and coordination with non-VA homeless programs. VA currently has six comprehensive homeless centers at medical centers in Brooklyn, Cleveland, Dallas, Little Rock, Pittsburgh, San Francisco, and West Los Angeles. Another is expected to open in Anchorage.

Stand Downs are 2-3 day safe havens for homeless veterans, providing them with a temporary place of safety and security where they can obtain food, shelter, clothing and a range of other assistance, including VA-provided health care, benefits certification, ID cards and linkage with other programs. VA staff have participated in more than 50 stand downs for homeless veterans run by local coalitions in various cities.

VA Excess Property for Homeless Veterans Initiative provides for the distribution of Federal Excess Personal Property, such as hats, parkas, footwear, socks, sleeping bags and other items, to homess veterans and homeless veteran programs. In less than two years, this initiative has been responsible for the distribution of more than $10 million worth of materiel and has more than $2 million in inventory. A Compensated Work Therapy program employing formerly homeless veterans has been established at the VA Medical Center in Lyons, N.J., to receive, warehouse and ship these goods to VA homeless programs across the country.

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VBA's Acquired Property Sales for Homeless Providers Program makes available all the properties VA obtains through foreclosures on VA-insured mortgages available for sale to homeless provider organizations at a discount of 20 to 50 percent. To date, 47 properties have been sold, and 52 have been leased to nonprofit organizations to provide housing for the homeless.

The Homeless Providers Grant and Per Diem Program assists nonprofit and local government agencies in providing outreach, supportive services, and transitional housing for homeless veterans. This program helps eligible organizations meet a majority of the costs of construction, acquisition and renovation of supportive housing or service centers, or with the purchase of vans for mobile service units to provide outreach. Additionally, VA may provide grant recipients, or those eligible to receive a grant, per diem payments to supplement operational costs. In fiscal year '94, the program's first year, VA awarded $5.6 million in grants to establish 33 projects and purchase 14 vans in 29 cities in 16 states. In fiscal year '95, VA is awarding $6.37 million to 28 grantees to establish service centers, rehabilitate or build transitional housing, or purchase a mobile service unit in 27 cities in 19 states and the District of Columbia.

GENERAL VA BENEFITS AND SERVICES TO ASSIST HOMELESS VETERANS

• VA administers a number of compensation and pension programs: disability compensation, dependency and indemnity compensation, death compensation, death pension and disability pension. Vocational rehabilitation and counseling assist veterans with service-connected disabilities to achieve independence in daily living and, to the extent possible, become employable and maintain employment.

• In the Fiduciary or Guardianship Program, the benefits of veterans determined to be incapable of managing their funds are managed by a fiduciary.

• 39 VA domiciliaries provide treatment to eligible ambulatory veterans disabled by medical or psychiatric disorders, injury or age who do not need hospitalization or nursing home care.

• Inpatient psychiatric services are provided in 17,000 psychiatric beds. Outpatient services are offered in mental health clinics, day-treatment centers, day hospital programs, and alcohol- and drug-dependence treatment programs. VA also supports contract care in community-based facilities for veterans with substance-abuse disorders.

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• Community Residential Care in private homes is provided to eligible veterans unable to live independently.

• Veterans receive social work services for discharge planning from VA inpatient care and are assisted with health maintenance planning.

VA LEADERSHIP IN FEDERAL HOMELESS EFFORTS

• Secretary of Veterans Affairs Jesse Brown is co-vice chairman of the Interagency Council on the Homeless, a working group of the White House Domestic Policy Council charged with coordinating homeless assistance efforts and carrying out the Federal Plan to Break the Cycle of Homelessness. The plan calls for the development of community-based comprehensive programs that provide a continuum of care for homeless veterans much like VA has established for homeless veterans in the past.

• Marsha Martin, Ph.D., has been appointed by Secretary Brown to coordinate VA's homeless veterans treatment and assistance efforts nationwide and increase collaboration with federal, state and local government agencies, veterans groups and nonprofit homeless organizations. Before joining VA, Dr. Martin served as the executive director of the Interagency Council on the Homeless.

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