

Increase Employment Prospects for Veterans with Disabilities

THE ISSUE

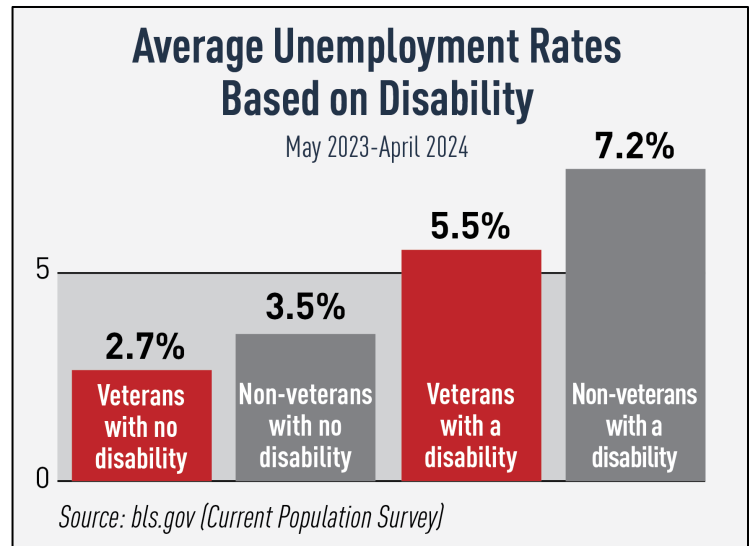
Veterans with disabilities have lower employment rates and higher poverty levels than other veterans, particularly those with non-service-connected disabilities. Barriers to meaningful employment for disabled veterans can lead to underemployment or prevent them from participating in the labor market. The workforce participation rate of people with significant disabilities is consistently below that of those without disabilities.

Many disabled veterans rely on employment programs and systems outside of the Department of Veterans Affairs (VA) that assist the broader disability community. These include Social

Security's Ticket to Work program, state vocational rehabilitation agencies, and Workforce Innovation and Opportunity Act (WIOA) programs and the Jobs for Veterans State Grants programs. However, year-to-year Department of Labor (DOL) program data reveals troubling inattention by many state workforce agencies to serve veterans and other people with disabilities. In 2002, the Jobs for Veterans Act (JVA) required priority of service be given to targeted veterans in workforce programs funded by DOL. Increased oversight is necessary to ensure that veterans with significant disabilities are receiving the necessary training needed to allow them to find meaningful employment.

Other improvements are also needed to help increase the participation of disabled veterans in the workforce. Tax incentives for employers to hire veterans and other people with disabilities must be enhanced. Work disincentives in Social Security disability programs, such as the "cash cliff" in Social Security Disability Insurance (SSDI) and overpayment penalties related to participation in the Ticket to Work program, must also be addressed.

Veterans with service-connected disabilities may also be eligible to receive employment training and education through VA's Veteran Readiness and Employment (VR&E) program. In fiscal year 2023, approximately 131,000 veterans received services through VR&E. This employment program provides critical support for service-connected veterans. However, veterans with catastrophic disabilities are too often told they are unemployable due to their disability and unjustly denied program access. Congress and VA must commit to effective oversight and guarantee VR&E the necessary resources needed to accomplish its mission, while maintaining an educated counselor population.





PVA POSITION

- ★ Congress must pass the **Disability Employment Incentive Act (S. 3076)**, which would enhance the current Work Opportunity Tax Credit available to employers that hire targeted populations with barriers to employment. In addition to applying the credit to SSDI beneficiaries, it would also double the maximum credit and allow use of the credit for the second year of employment. Furthermore, it would double the Disabled Access Credit for small businesses and the Architectural and Transportation Barrier Removal tax deduction.
- ★ Congress must modernize SSDI work incentives, such as replacing the SSDI “cash cliff” with a gradual reduction in benefits as earned income rises, and improvements to the Ticket to Work Program that facilitate beneficiaries’ participation in that program.
- ★ Congress must increase resources and exercise additional oversight of the VA’s VR&E program. VA must ensure consistent program delivery while ensuring veterans with spinal cord injuries and disorders do not encounter barriers to access when seeking employment and advancement opportunities that promote independent living.