

Agency: 305 Department of Veterans Affairs
Decision Package Code/Title: V1 Military Downsizing Impact/Outreach
Budget Period: 2015-17
Budget Level: PL - Performance Level

Program: Blank

Recommendation Summary Text:

The Department of Defense (DOD) is planning a nationwide downsizing of 40,000 military personnel. Based on the planned reduction of 40,000 nationwide, we can expect about 1,680 uniformed personnel separating to Washington.

Washington State, through the Military Transition Council, has been proactive in meeting the needs of service-members separating from active duty and entering the workforce, pursuing higher education or apprenticeships, or opening their own small businesses. This work has resulted in a separation planning process that begins a full 18 months prior to discharge for many military personnel. This has proven successful for those personnel whose separation from service follows the traditional, prescribed pathways.

However, the military downsizing announced this year is producing mostly un-planned separations from military service. The individuals being impacted by the downsizing are often lower enlisted personnel (E-5 and below) who have minimal work experience outside the military. Some of these families qualify for food assistance programs. As the military seeks to reduce its numbers, it is often service-members who have medical conditions that are separated through a medical board process, or individuals who were passed over for promotion that are separated from service through a retention board process. In most cases, these are unplanned separations from military service and neither the service-member nor the family have had the time or resources needed to make a smooth transition from active duty to civilian life.

This request will fund an additional Program Specialist 5 position which will increase statewide outreach and access of information and opportunities for veterans to connect to their earned benefits and employment opportunities available for veterans entering the civilian workforce due to the DOD downsizing. Serving as a representative of the WSMTTC Employment Track, this position is responsible for creating enduring partnerships and collaboration with "Workforce Training and Education Coordinating Board", the 12 "Workforce Development Councils", and the military service components to ensure each veteran and their family is on a pathway to "High Skills, High Wages" across WA State. The majority of the programs developed thus far have focused on the Joint Base Lewis McChord area. This position will focus efforts on the other large military installations in Washington State.

Fiscal Detail

Operating Expenditures

Total

Total Cost

Package Description:

This decision package addresses the potential major economic impact of our transitioning service members on the State of Washington. Those service members who have transitioned to veteran status will no longer have a steady income and many will most likely be at or below the Federal Poverty Level seeking financial and medical assistance from state programs until they can find steady employment. Those veterans and their families affected by the downsizing will most likely seek assistance through unemployment benefits from the Employment Security (ESD), Department of Social and Health Services Economic Services Administration (DSHS ESA) services, and/or health care assistance through the state Health Care Authority.

WDVA has the opportunity to provide social service support to those affected by the Department of Defense downsizing of our military bases statewide. The Program Specialist 5 position will be in place to assist in reducing the financial impact on Washington State's economy by providing a "seamless" transition or "soft-landing" for dislocated veterans and service members transitioning to veteran status by providing outreach and referral to VA benefits including, but not limited to: Medical care, Education benefits, Home Loans, Compensation and Pension, Vocational Rehabilitation, Employment and Apprenticeship services. Results of this outreach includes potential avoidance of state and Medicaid health care costs for veterans who enroll in VA health care and a boost to our state's economy by additional federal revenue generated by claims for disability compensation, educational benefits, and VA home loans.

On average, recently separated veterans are rated at 40% service connected disabled, which equates to nearly \$600/month per veteran. Taking the 1,680 service members transitioning to Washington 1,680 x \$400 = \$672,000 x 24 months = \$16,128,000 Million in potential additional federal VA revenue brought into Washington's economy over the next two years.

See attached "Methods for forecasting immediate impacts of downsizing of uniformed personnel" Page 2 Rate of impacted uniformed personnel who will be at or below 200 percent of the federal poverty level

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Increase in outreach, services and access of information in order to reach the increasing number of veterans and transitioning service members and connect them to their benefits, programs and services resulting in increased positive outcomes for veterans.

Performance Measure Detail

Activity:

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The WDVA has a comprehensive list of performance measures. Among them are performance measures associated with Goals: "Outreach and Access," "Education and Employment" and "Continuous Improvement." The goal of "Outreach and Access" is to provide information and opportunities for veterans to connect to their earned benefits. The goal of "Education and Employment" is to help veterans prepare for and achieve family wage jobs. The goal of "Continuous Improvement" is to serve more veterans by developing innovative and efficient approaches.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

These programs work in direct support of the following goals in relation to successfully transitioning veterans into employment, education, and training.

Goal 2 Prosperous Economy:

Outcome Measures: 2.1 "Increase the number of jobs in state by 150,000 by 2015."

Leading Indicators: 2.1.c "Increase employment rate for veterans from 67% in 2011 to 70% by 2015."

2.2.a. "Expand skilled workforce to match increase in high-demand industries by 11% by 2015."

2.2.b. "Increase number of workers in occupations who earn an average of at least \$35,000 from 1.63 million in 2012 to 1.84 million by 2015."

Goal 4 Healthy & Safe Communities:

Outcome Measures: 3.1 "Keep the percentage of residents above the poverty 1.7% higher than the national rate through 2030."

Leading Indicators: 3.1.d: Decrease veteran homelessness from 1,475 to 737 (50%) by 2015.

What are the other important connections or impacts related to this proposal?

Current successful presence and partnerships with Joint Base Lewis McChord, Navy Region Northwest, and US Coast Guard in support of successful education and connection of transitioning service members to benefits, services, employment, training, and education. This position impacts the outreach and accessibility for program support services statewide as it also incorporates and includes Eastern WA and Fairchild AFB, which are often underrepresented in terms of solutions of support for veterans/families residing in rural WA locations.

What alternatives were explored by the agency, and why was this alternative chosen?

The only alternative would be to continue to decrease the outreach / services for veterans and their families and reduce resources needed to serve the influx of veterans created by the huge economic impact of military downsizing in the state .

What are the consequences of adopting or not adopting this package?

Not funding this proposal would only continue to limit WDVA's ability to maximize opportunities for veteran outreach and access, in turn, potentially denying veterans benefits and services entitled to them. Not funding this package would also reduce the potential of millions of dollars in federal money contributing to the state's economy in areas where this income could have a huge impact .

What is the relationship, if any, to the state's capital budget?

There is no relation to the state's capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

There would be no changes required to existing statutes, rules, or contracts in order to implement change .

Expenditure and revenue calculations and assumptions

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs associated with this funding request will be one-time for two years. Future budget impacts will depend on actual amount of military downsizing to the state of Washington.

Agency: 305 Department of Veterans Affairs
Decision Package Code/Title: V2 Veteran Service Officer Adjustment
Budget Period: 2015-17
Budget Level: PL - Performance Level

Program: Blank**Recommendation Summary Text:**

WDVA is requesting a 5% cost of living increase for our veteran services network of service officers for the next two years. This increase is a well-deserved additional allowance for a network of service providers who in FY 14-15 assisted veterans in filing nearly 11,500 claims, bringing in over \$233 million in federal VA dollars across our state in service connected disability compensation and pension benefits. Since 2004, our veteran service officer network has assisted in filing over 140,000 claims resulting in over \$2.6 Billion dollars in federal revenue brought into Washington's economy.

Fiscal Detail

Operating Expenditures

Total

Total Cost

Package Description:

This request is for a cost of living allowance of 5% per year or approximately \$166,000 (\$83,000/year) for WDVA's network of veteran service officers for FY 16 and FY 17. Our network of trained veteran service officers has not seen a raise in their contracted amounts since 2008.

With the expected Department of Defense military downsizing, our network of veteran service officers will be ready to assist with the expected influx of claims filing for benefits for those affected by the downsizing as well as for all veterans throughout the state.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The number of veterans currently receiving VA compensation and pension benefits in Washington is 20% which is above the nationwide average of 18.9%. With the additional cost of living, we hope to continue to raise the percentage of veterans in

Washington receiving VA disability and compensation benefits over the next two years.

Performance Measure Detail

Activity:

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The WDVA has a comprehensive list of performance measures. Among them are performance measures associated with Goals: "Outreach and Access." The goal of "Outreach and Access" is to provide information and opportunities for veterans to connect to their earned benefits.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

These programs work in direct support of the following goals in relation to successfully transitioning veterans into employment, education, and training.

Goal 4 Healthy & Safe Communities:

Outcome Measures: 3.1 "Keep the percentage of residents above the poverty 1.7% higher than the national rate through 2030."

What are the other important connections or impacts related to this proposal?

With the current military downsizing, WDVA is represented on the Governor's Subcommittee on Military Downsizing and our agency director, Alfie Alvarado-Ramos is Co-Chair of the Community Partners & Social Services working group which created the following Guiding Principles:

- o Create a customer-centered approach focusing on veterans, civil service employees, and contractors
- o Work upstream before individuals and families reach crisis in transition
- o Use existing touch points
- o Use data to make informed decisions
- o Develop strong partnerships with a common goal

WDVA's role within the subcabinet is to help connect veterans and their family members to the benefits and services they earned through their military service. Our cadre of trained veteran service officers are ready to assist in filing claims for those affected by the Department of Defense military downsizing.

What alternatives were explored by the agency, and why was this alternative chosen?

The only alternative would be to continue to maintain or decrease our contracts for our veteran service officer network.

What are the consequences of adopting or not adopting this package?

Not funding this proposal would only continue to limit WDVA's ability to maximize opportunities for veteran to receive their earned benefits. Not having a cost of living increase in over seven years makes it difficult to maintain enough qualified and trained service officers needed for the over 588,000 veterans in our state. Not funding this package would also reduce the potential of millions of dollars in federal money being generated into the state's economy in areas where this income could have a huge impact.

What is the relationship, if any, to the state's capital budget?

There is no relation to the state's capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

There would be no changes required to existing statutes, rules, or contracts in order to implement change .

Expenditure and revenue calculations and assumptions

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs associated with this funding request will be ongoing costs .