

## Report Highlights

### A Comprehensive Study and Review of Veteran Services in Pennsylvania

Senate Resolutions 124 and 131 called on the LB&FC to assess Pennsylvania's veteran services and to determine the advantages and disadvantages of creating a separate cabinet-level Department of Veterans Affairs. The LB&FC contracted with Defense Solutions, LLC to conduct this study.<sup>1</sup>

- **The manner in which veteran services have been provided in Pennsylvania has been a problem for decades.** The PA Dept. of Military and Veterans Affairs do a credible job serving PA veterans within the limited resources provided. However, the resource constraint is significant.
- **Pennsylvania lags behind most states in total U.S. Dept. of Veterans Affairs spending per veteran.** In FY 2005, the Dept. of Veterans Affairs spent (in total, not just on direct veteran benefits) an average of \$2,928 per veteran nationwide. In PA, the DVA spent an average of \$2,383 per veteran; only 6 states received a lower per veteran expenditure.
- **If total DVA spending in PA was brought up to the national average, it would result in \$610 million in additional direct federal funds.** These additional funds could be expected to result in an additional \$1.4 billion in economic activity annually.
- **PA's network of USDVA-accredited service officers is a patchwork of well-meaning helpers whose training and expertise vary.** By some estimates, two-thirds of the veterans who submit claims use service officers, and choosing the right one can determine whether they get the full payment they are due, a fraction of it, or nothing.
- **Creating a new Dept. of Veterans Affairs without providing the resources commensurate with the mission and responsibilities will not solve the problem.** All arguments for or against creation of a separate cabinet-level Dept. of Veterans Affairs are moot in the absence of additional State funding. In the absence of additional State funding, creating a new department will drain resources

away from veterans' programs and could do more harm than good.

#### Recommendations

Defense Solutions recommends:

**A separate, cabinet-level Department of Veterans Affairs be created.** The new Department would be created from assets belonging to the current Bureau of Veterans' Affairs within the Department of Military and Veterans Affairs. Estimated cost: \$13-15 million additional costs annually, plus \$7-9 million in one-time startup costs.

**The new Department establish and enforce standards for appointment as a State or County Veterans' Service Officer.** The new Department should also oversee the management and funding of the Governor's Veterans Outreach and Assistance Centers.

**The new Department be co-located with the Scotland School for Veterans' Children.**

**The facilities at the Scotland School should be restored to good working order.** Estimated cost: on the order of an additional \$2 million annually for at least the next 5 years.

**Increase the monthly benefits in the Educational Gratuity, Blind Veterans' Pension, and Paralyzed Veterans' Pension programs.** Current funding levels are adequate to support a benefit increase in each of these programs.

**Change state law to permit any honorably discharged veteran to serve on the State Veterans' Commission.** The current statutory composition works to exclude younger (under 60) veterans from the Commission.

**Transfer the Governor's Outreach Assistance Center to the new department.**

<sup>1</sup> As expressed in a cover letter to the report, the Committee notes disagreements between the contractor and DMVA over the methodologies and general approach used in this report, but has decided to release the report to stimulate a fuller discussion of this important matter. The Committee also notes that the report includes a DMVA response that directly addresses their concerns.