

A Fair Second Act: Supporting Employment and Equity for Veterans Aged 45 and Over

Executive Summary

Veterans aged 45 and over represent a highly experienced, yet often underused, part of the U.S. workforce. Despite earning benefits and strong professional credentials, many encounter underemployment, stagnant wages, and age-related structural barriers that threaten their economic security and dignity. This white paper examines the specific employment and benefit access challenges faced by midlife veterans. It reviews the limitations of current federal programs—including VR&E, SCSEP, Pathways, and ILP—and proposes five targeted policy recommendations to promote fairness, restore opportunities, and support second-act careers for these veterans.

Introduction

While younger veterans often receive concentrated attention in federal programs and corporate hiring initiatives, midlife veterans (ages 45 and older) face increasing underemployment, limited access to retraining opportunities, and structural disincentives to pursue new careers. Many separated long before modern TAP or the Post-9/11 GI Bill and thus missed out on career-building resources. Without midlife-focused supports, these veterans risk being overlooked despite their earned status and skills.

Key Findings

- Veterans aged 45 and older are more likely to be underemployed than unemployed, often remaining in roles that don't match their training or service.
- The 12-year limit on VR&E access effectively excludes many veterans who only seek assistance later in life.
- SCSEP serves veterans aged 55 and older but doesn't reach the critical 45–55 age group and pays only minimum wage for part-time positions.
- Pathways internships favor younger veterans because of school enrollment requirements; there is no equivalent program for mid-career entrants.
- Employers receive little structured support or incentive to hire veterans in this age range.

Program Gaps and Barriers

- **VR&E:** Inaccessible to many midlife veterans due to the 12-year limit; emphasizes long-term education over short-term retraining.
- **ILP:** Supports disabled veterans but lacks employment reintegration pathways.
- **SCSEP:** Serves 55+, excludes 45–54-year-olds, and doesn't build toward long-term, unsubsidized employment.
- **Pathways:** Designed for students and recent grads; unintentionally age-exclusionary.
- **General Workforce System:** Not veteran-focused; older workers face implicit age discrimination.

Policy Recommendations

1. Extend VR&E Eligibility and Create a Midlife Veteran Track

- Remove the 12-year use restriction.
- Develop short-term training and job placement programs tailored to those 45+.

2. Establish a Veterans 50+ Workforce Initiative (DOL)

- Expand SCSEP to include veterans 45–54.
- Fund pilot programs offering wage subsidies and placement for veterans 50+.

3. Create a Federal Mid-Career Fellowship for Veterans

- Model after PMF but targeted at seasoned professionals.
- Offer paid, full-time positions that convert into long-term federal employment.

4. Expand Support for Older Veteran-Owned Businesses

- Offer SBA-backed succession mentorship and capital access.
- Provide tax credits for veteran-to-veteran business transfers.

5. Promote Retirement and Financial Planning for Veterans 45+

- Offer catch-up contributions in TSP or 401(k) match programs.
- Integrate retirement counseling into veteran career support.

Conclusion

Veterans aged 45 and over have earned the right to opportunity, dignity, and financial stability. Policy solutions must reflect that employment and wealth building do not end at 45. It's time to build systems that recognize, not replace, the value of older veterans. They protected the American Dream; now it's our turn to defend theirs.

References

(See complete APA 7 reference list in accompanying report: Employment Challenges Facing Midlife U.S. Veterans.)