# PUTTING AMERICA'S VETERANS BACK TO WORK

# **HEARING**

BEFORE THE

# COMMITTEE ON VETERANS' AFFAIRS U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

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## PUTTING AMERICA'S VETERANS BACK TO WORK

#### WEDNESDAY, JUNE 1, 2011

U.S. HOUSE OF REPRESENTATIVES, COMMITTEE ON VETERANS' AFFAIRS, WASHINGTON, DC.

The Committee met, pursuant to notice, at 10:02 a.m., in Room 334, Cannon House Office Building, Hon. Jeff Miller [Chairman of the Committee] presiding.

Present: Representatives Miller, Stutzman, Benishek, Huelskamp, Filner, Michaud, Braley, McNerney, Donnelly, and Barrow.

#### OPENING STATEMENT OF CHAIRMAN MILLER

The CHAIRMAN. Good morning, everybody. Welcome to our Committee meeting this morning: Putting America's Veterans Back to Work. I think we all can agree that this is one of the most important hearings that we will have in this Congress. That is why we have decided to proceed with this hearing even though many of the Members on the majority side are at a meeting at the invitation of the President at the White House.

Just last week, I and other Committee Members met with dozens of veteran organizations who were nearly unanimous in making jobs for veterans their number one priority. I couldn't agree more.

Lengthy unemployment can cause an unbelievable amount of strain. Bills don't get paid, savings can be exhausted, and family needs have to be put on hold. The financial strain of not having meaningful employment has a cascading effect for many: family problems, declining health, homelessness. We have just got to get the economy going again to put Americans back to work, especially those who have protected our freedom to work in the first place.

Growing the economy starts with the fundamentals of keeping taxes on small businesses low, which necessarily means holding Federal spending down, reducing burdensome and unnecessary regulations, and ensuring that we have a trained, skilled workforce ready for the 21st Century jobs.

It is this third area, ensuring a trained, skilled workforce, that the Veterans' Affairs Committee is primed to lead. There are a number of programs run by the U.S. Department of Veterans Affairs (VA) and the U.S. Department of Labor (DoL) that have the potential to help, but our task is to see if those programs, as designed, are doing the job as intended. Our responsibility is to modernize them to respond to the specific needs that exist for unemployed or under-employed veterans in our economy. So let me take

a moment to highlight a few areas where I think we need improvement.

First, the unemployment rate among all veterans of the Global War on Terror has been reported to be as high as 13.1 percent. This high rate exists despite the fact that Transition Assistance Programs (TAPs) for separating servicemembers looking for work are available, as are federally funded veterans employment specialists within every State. We need to look at these programs anew to see how they can be improved.

Second, training and the education benefits through the new Post-9/11 GI Bill and other programs are valuable tools, I think we will all agree, for our veterans. However, as currently designed, they do little good for middle-aged veterans far removed from military service who may need new skills to break out of unemploy-

ment.

To highlight the point I am making, on the 2nd of May the Conference Board released its data showing there are nearly 4.5 million jobs advertised on the Internet. The Board's data also show the top 10 career fields with a heavy presence of jobs requiring hard skills. To me, this shows that good jobs are out there. We just need to retool the programs we have to help our veterans compete for those very jobs.

Finally, there are legal protections for Guardsmen and Reservists who left work to fight for our country. By law, they are entitled to have or go back to their jobs when they come home; and we need

to be aggressive in enforcement of this law.

Just one more thing. We need to have a better understanding of the demographics of unemployed veterans, things like education levels, lengths of unemployment, skills learned in the military, to name a few; and we will hear some of that from our witness from the Bureau of Labor Statistics (BLS). But I believe it is time to expand the facts that we know about unemployed veterans.

As a beginning, I hope today's witnesses can provide some insight into what we can do to help veterans get the jobs they want and they deserve. I have some ideas of my own. So let's get the ball

rolling.

I will soon introduce a new jobs bill for veterans, and the principles of my bill are simple. We need to provide a meaningful retraining program for our older veterans, who make up two-thirds of all unemployed veterans. We need to ensure that the Transition Assistance Programs—TAP—for our younger veterans is effective and, just as important, utilized when they separate from the military. We need to add flexibility and accountability to federally-funded job training programs, and we need to ensure that we have updated legal protections for veterans who want their jobs back on their return from service active duty. And we must do a better job of enforcing these protections.

I know Members will have other ideas as we go forward, but, keeping in line with the theme of this hearing, I am anxious to roll up my sleeves and get to work. As with any work, we need to set goals; and let me tell you what my goal is. I believe that an unemployment rate between 4 and 5 percent is generally accepted to be full employment in this country. So I want to begin today's hearing by setting a goal to reduce unemployment among veterans from its

current level of 7.7 percent to about 4.5 percent. That means, using the Bureau of Labor Statistics April data, we need to reduce the number of unemployed veterans from April's number of 873,000 to 470,000, or a reduction of about 400,000 veterans. I think we can do that, and I invite every Member of this Committee to join me in achieving this goal—not just overnight—but over the next year or 2, at the outside.

I now recognize our Ranking Member, Mr. Filner, for his opening remarks.

[The prepared statement of Chairman Miller appears on p. 50.]

#### OPENING STATEMENT OF HON. BOB FILNER

Mr. FILNER. Thank you, Mr. Chairman. Thank you for having this hearing.

I ask that my opening statement be made part of the record.

The CHAIRMAN. Without objection.

Mr. FILNER. I would associate myself with your comments, except for one statement. You start off with the mantra that we have to reduce taxes on small business, which I would agree with, and cut spending. Then you go on to say how much we need more training. It seems to me we have to increase spending in these areas, and I am not afraid to come out and say it. We have to increase our spending in these areas. If we are going to put people back to work, it is going to take some investment; and maybe we can do another hearing on this, Mr. Chairman.

The VA has hired thousands and thousands of employees to deal with disability payments and other issues. I suspect that they need to meet some percentage goals in terms of hiring veterans. But this is the VA. It ought to go much further. We could use those jobs as a training vehicle for people. Why aren't we hiring all veterans for these jobs? Veterans in charge of the disability payment situation would probably bring a whole new level of concern for those who are applying. But the VA ought to not just hire thousands of veterans. If it doesn't find qualified veterans then it should train them.

Second, as you know, we have major construction projects in the VA and, of course, around this whole government. I would find it hard to believe—and I would like to have a hearing on it—that these construction projects meet some minimal guidelines for hiring veterans. It should be a requirement for our VA construction projects but also for construction projects across the government. We are spending billions and billions of dollars, not only in VA, but the DoD. If the agencies say they can't find qualified people, then let's train the veterans right on the job.

It seems to me we can meet your goal. I thank you for setting it, not just in the public sector, but we should also be encouraging and having everybody understand what they should do for our Nation's veterans.

I think we have to take what we have already and look at whether we are hiring and meeting goals in these areas. I don't know the statistics, but I bet we are not anywhere near what we ought to be if we are going to meet the goals that you properly set, Mr. Chairman. So I hope that we not only encourage the private sector by whatever we can do through the Congress and the White House

to encourage that amongst our citizens, but we ought to have a hearing on what the public sector is doing in terms of meeting

these goals.

Again, everybody says, well, I wish I could find qualified people. If you really mean that, then you are obligated to train them and not just say they are not qualified. I think we can meet these goals, but I think we have to make sure our own hiring practices and our own contracting regulations are also in furtherance of that goal.

I yield back, Mr. Chairman.

[The prepared statement of Congressman Filner appears on

The CHAIRMAN. I thank my colleague for his remarks.

I would remind him, although there is a little bit of difference in the way we think we need to raise the money, what I will propose will be within current spending levels. We will have an offset that I believe he will probably most readily agree with, that we can do that. So it is not a matter of spending more. It is definitely spending it more efficiently.

Mr. FILNER. We're going to cut your staff?
The CHAIRMAN. And title 38 of section 4212—I heard you—requires all Federal contractors to report jobs that are available and how many veterans that they employ. So I will be happy to help you get the information that is out there, and I appreciate your comments and your willingness to work together, as we have done so since the first of the year.

I would like to ask the first panel, if they would, to come forward. As you come forward, I will go ahead and make the introduc-

tions.

The first panel: Richard Hobbie, Executive Director of the National Association of State Workforce Agencies (NASWA); followed by Ms. Jolene Jefferies, Vice President of Strategic Initiatives of the DirectEmployers Association (DEA); and Kevin Schmiegel, who is the Vice President of Employment Programs for the United States Chamber of Commerce. And, finally, we have Henry Jackson, who is the Interim President and Chief Executive Officer of the Society for Human Resources Management (SHRM).

Thank you for being here today. We appreciate your willingness to testify. We apologize for having to have already postponed this hearing once. Thank you for making adjustments to your schedule.

We would like to begin with Mr. Hobbie. You are recognized.

STATEMENTS OF RICHARD A. HOBBIE, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES; JOLENE JEFFERIES, VICE PRESIDENT, STRATEGIC INITIA-DIRECTEMPLOYERS ASSOCIATION; KEVIN TIVES, SCHMIEGEL, VICE PRESIDENT, VETERANS EMPLOYMENT PROGRAMS, U.S. CHAMBER OF COMMERCE; AND HENRY JACKSON, INTERIM PRESIDENT AND CHIEF EXECUTIVE OF-FICER, SOCIETY FOR HUMAN RESOURCE MANAGEMENT

#### STATEMENT OF RICHARD A. HOBBIE

Mr. HOBBIE. Chairman Miller, Ranking Member Filner, and Members of the Committee, on behalf of the National Association of State Workforce Agencies, or NASWA, thank you for the opportunity to discuss employment of veterans.

I am Rich Hobbie, Executive Director of NASWA. The members of NASWA are State leaders of the publicly funded workforce system and are committed to providing the highest quality of service to our Nation's veterans, National Guard members, and Reservists.

As unemployment remains high, helping veterans transition from their military to civilian careers remains a significant challenge. The Bureau of Labor Statistics, or BLS, reported in March 2011, the jobless rate among the Nation's 22 million veterans ages 18 and older was 8.7 percent in 2010, compared to 9.4 percent for nonveterans. However, the 2.2 million veterans who served in the military since September, 2001, had an unemployment rate of 11.5 percent in 2010. For these same veterans ages 18 to 24, the unemployment rate was 21 percent, but this was not statistically different from nonveterans of the same age.

NASWA members administer veterans programs funded through the U.S. Department of Labor, or DoL. These programs are offered to veterans through the Nation's nearly 3,000 One-Stop Career Centers. State workforce agencies provide a wide range of services for veterans, including the Disabled Veterans' Outreach program, or DVOP, and Local Veterans' Employment Representatives, or LVERs. However, veterans receive many more services through programs such as unemployment compensation for ex-service-members, the UCX program; labor market information; labor exchange services; assessment of skill levels; and job search assistance. All of these services are offered to veterans under priority of service authorized by the Jobs for Veterans Act, or JVA, enacted in 2002. It requires the workforce system to make veterans a priority. States implemented JVA under guidance from DoL.

There are three fundamental challenges to employing veterans. First, the economy. There are not enough jobs available for all job seekers. Currently, the ratio of unemployed workers to job openings is about four to one.

Second, funding. Funding for employment services is barely half of what it was 30 years ago; and other workforce program funding, excluding unemployment benefits, has remained relatively constant

for the past 20 years.

Third, difficulty connecting veterans to the workforce system. Because of funding cuts and efforts to improve, the workforce system has automated many of its services. While this allows States to serve workers and employers, it has reduced in-person consultation. While nearly all claimants, including veterans, file for unemployment insurance via telephone or Internet, there is often limited in-person contacts with One-Stop Career Centers. NASWA is working with DoL to improve this connection. With about 36,000 veterans collecting UCX per week, this should be a high priority for veterans on UCX.

An additional way State workforce agencies have responded to these challenges was the creation of the National Labor Exchange, or NLX. The NLX aims to capture the greatest number of valid job openings. Some 49 States are participating in the NLX. Since 2007, the NLX has provided over 9 million jobs to State workforce agen-

cies and is operated in partnership with DirectEmployers Association, a trade association of over 600 Fortune 1,000 companies.

More specific challenges unique to veterans include, first, veterans are often unable to obtain civilian credentials despite gaining related experience or training while in the military. Second, many veterans have difficulty translating military skills and experiences into civilian jobs. Third, employers have difficulty identifying the location of veterans with certain skills. And, fourth, the Office of Federal Contract Compliance, or OFCCP, has proposed regulations that would needlessly burden Federal contractors and State workforce agencies by imposing unrealistic recordkeeping and reporting requirements.

Mr. Chairman, NASWA looks forward to working with you and

the Committee on these challenges. Thank you.

[The prepared statement of Mr. Hobbie appears on p. 52.]

The CHAIRMAN. Thank you.

Ms. Jefferies.

#### STATEMENT OF JOLENE JEFFERIES

Ms. JEFFERIES. Chairman Miller, Ranking Member Filner, and Members of the Committee, on behalf of DirectEmployers Association thank you for the opportunity to discuss our Association's vet-

eran outreach programs for employers.

My name is Jolene Jefferies, and I am Vice President of Strategic Initiatives for DirectEmployers. Founded in 2001 and headquartered in Indianapolis, DirectEmployers is a 501(c)(6) trade association owned and managed by over 600 Fortune 1,000 human resource or H.R. executives. Our mission is to provide employers an employment network that is cost-effective, improves labor market efficiency, and reaches an ethnically diverse national and international workforce.

Consistent with our mission, DirectEmployers partnered with the National Association of State Workforce Agencies, or NASWA, in 2007 to create the JobCentral National Labor Exchange, or the NLX. The NLX replaced the previously federally funded America's Job Bank and is a free job search engine to all employers, regardless of size, in all industries. The NLX relies on no Federal funds but instead this unique public/private partnership leverages non-profit-owned technology with existing State workforce agency re-

sources to enhance offerings to veterans.

Through VetCentral, a feature of the NLX, employers' job openings are automatically indexed or scraped directly from their corporate career sites. These job openings are then provided to the appropriate employment service delivery system nationwide via emails to the disabled veteran outreach program coordinators and local veteran employment representatives and in many cases are also electronically fed directly into the State job banks. DirectEmployers goes above and beyond minimum regulatory compliance mandates and also feeds members' job openings to many other related military related and government Web sites.

Announced in April, the .Jobs universe military network is also free to all employers and provides military personnel and their dependents access to more than 880,000 employment opportunities per month from over 90,000 employers nationwide. Over 5,800

.Jobs domains serve all branches of the Armed Forces and utilize the military occupational classification, or MOC, to link military occupations to matching civilian occupations such as www.42F.jobs. The .Jobs military family feature helps military families and caregivers search for employment at their assigned base, such as www.CampPendleton.jobs.

DirectEmployers also established a Recruitment Regulatory Compliance Committee, or RRCC, to provide consultation and guidance

to employers on issues related to veterans employment.

In a recent survey, employers identified five barriers in employ-

ing veterans.

One, just-in-time hiring process. Because employers utilize a just-in-time time hiring process, employers would benefit from Federal and State employment services that support this model. Turnover in H.R. departments is dynamic, and utilization of the Internet, social media platforms, and related technologies are commonplace. Companies seek to leverage cost- and time-effective resources that provide more immediate recruiting solutions.

Two, skills and education translation. The military workforce is challenged with the translation and transference of their education

and skills.

Three, military to civilian certification. Several professions require special licenses or accreditations. Transitioning military personnel are at a disadvantage without such credentials. All levels of government need to implement solutions that effectively balance current challenges with educational system gaps, the accreditation of job seekers, and the fiscal demands and resources of civilian employers.

Four, lack of data. There is no reliable data source that takes into account the available pool of the military workforce, making

it difficult for employers to find qualified veterans.

Five, OFCCP consistency. Federal contractors have experienced challenges from the OFCCP, especially during compliance evaluations that hampers collaboration. First, their knowledge and appreciation of how State workforce agencies operate is outdated; and, second, their standards and procedures across national, regional, and district offices is inconsistent.

To help all employers more effectively employ veterans, DirectEmployers continues to work with NASWA to offer an outstanding hiring and retaining veterans Webinar education and training series for both employers and State workforce agencies. This 16-module series and its resources help employers expedite the learning curve in developing, sharing, and implementing best practices and success strategies to attract military candidates.

Mr. Chairman, we appreciate the opportunity to discuss the employers' perspective and our initiatives to improve the employment outcomes of veterans. We are happy to provide you with any additional information. Thank you.

[The prepared statement of Ms. Jefferies appears on p. 61.]

The CHAIRMAN. Thank you, Ms. Jefferies.

Mr. Schmiegel.

#### STATEMENT OF KEVIN M. SCHMIEGEL

Mr. Schmiegel. Chairman Miller, Ranking Member Filner, and Members of the Committee, my name is Kevin Schmiegel; and I am the Vice President of Veterans Employment Programs at the U.S. Chamber of Commerce. Thank you for the opportunity to appear as a witness before the Committee and to speak to you about what the Chamber is doing to help our Nation's heroes find meaningful em-

ployment in the private sector.

The reason the Chamber is focused on this issue is simple. Many of our members want to hire veterans. Even with high unemployment, we have a huge skills gap in America that is hindering our recovery and undermining our global competitiveness. Veterans can help fill that gap. They have leadership experience and technical expertise. They are problem solvers. And they are extremely reliable. Ninety percent of military occupations are directly transferable to jobs in the private sector. The Chamber's veterans programs will help raise awareness across the business community of this great pool of talented workers.

As a veteran myself, it is an honor and privilege to be here. Two years ago today, I retired from the United States Marine Corps as a lieutenant colonel after 20 years of service. My own transition from the military was full of good fortune. I was lucky to have a mentor like former National Security Advisor Jim Jones. I was lucky to be at the right place at the right time. And I was lucky to be hired by an organization like the Chamber that understands

and appreciates the values of hiring a veteran.

Not every veteran is that lucky. Of the 12 million veterans in the civilian workforce last year, over 1 million of them were unemployed. While the jobless rate for veterans in 2010 was comparable to the national average, there are some alarming trends that may result in higher unemployment for veterans in the near term

For example, the average unemployment rate for Post-9/11-era veterans last year was 11.5 percent, and nearly 27 percent of veterans between the ages of 18 and 24 are currently without work. Members of the Guard and Reserve are experiencing significantly

higher unemployment rates at 14 percent.

With the potential drawdown of our Armed Forces and higher rates of unemployment for returning Iraq and Afghanistan veterans, the Chamber initiated several programs that will enhance

private-sector job opportunities.

In March, we started a year-long nationwide campaign called Hiring Our Heroes. This initiative was launched in partnership with Mr. Ray Jefferson, the Assistant Secretary for the Department of Labor VETS, and Mr. Ron Young, Executive Director of the Em-

ployer Support of the Guard and Reserve.

There are four pillars to Hiring Our Heroes. While our main focus is on conducting 100 hiring fairs in local communities across America, we have also created strategic partnerships in three other areas to deal with specific populations of veterans and their unique challenges. They include wounded warriors, student veterans, and women veterans and military spouses.

Our aggressive agenda focuses is on one measure of success: jobs for the 1 million unemployed veterans in America. In the posttraining year, we will host 100 hiring fairs with the help of local Chambers of Commerce in all 50 States. The first of 100 took place in Chicago on March 24, and it was a huge success, with 127 employers and 1,200 veterans and their spouses participating. Roughly 150 of them are likely to get jobs. Through this campaign we hope to connect 100,000 veterans and spouses with over 1,000 different employers over the next 12 months.

Our program for wounded warriors is tailored to meet their unique challenges and demands. In partnership with the USO and Hire Heroes USA, we are hosting quarterly transition workshops and career opportunity days in Fort Carson, Colorado, and Fort

Belvoir, Virginia.

The Chamber is working with student veterans of America on a jobs and internship program to help our Nation's youngest generation of veterans. It will be launched this month at over 350 colleges and universities and will be available to over 40,000 student veterans seeking internships and job opportunities across the

Finally, we are partnering with Business and Professional Women's Foundation and the Department of Defense to help women veterans and military spouses find private-sector jobs at home and abroad. The goal of the program is to significantly decrease women veteran and military spouse unemployment by establishing a network of 10,000 women mentors in the business community by the

There are four principles that are critical to success: First, local communities must be the cornerstone of any national program to reduce veterans' unemployment. Second, we must do a better job of coordinating public and private-sector efforts. Third, we must look for innovative ways to assist transitioning veterans. And, fourth, all programs, existing and new, should be measured against clear objectives and established metrics so we can focus on what is working and stop funding programs that are not producing results.

Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee, the Chamber is committed to helping veterans and their spouses find and keep good jobs. Thank you for this Committee's unwavering commitment and support of veterans and their families. I appreciate this opportunity.

[The prepared statement of Mr. Schmiegel appears on p. 67.]

The CHAIRMAN. Thank you very much.

Mr. Jackson, thank you for being with us today. You are recognized.

#### STATEMENT OF HENRY JACKSON

Mr. JACKSON. Thank you. Chairman Miller, Ranking Member Filner, Members of the Committee, I am Henry Jackson, Interim President and Chief Executive Officer of the Society for Human Resource Management, or SHRM, as we are known. I thank you for the opportunity to address an issue of great importance to the human resource profession. We consider this one of our major focuses: easing the transition of military veterans into the civilian workforce.

First, as the world's largest association dedicated to human resource management, our members appreciate that almost half of our Nation's military strength resides in the National Guard and

Reserve. For this reason, SHRM formed a partnership with the Department of Defense's Employer Support of the Guard and Reserve (ESGR) early last year. Through this partnership, SHRM is linking all 600 SHRM State councils and chapters with their local ESGR offices. As of today, more than 300 SHRM chapters and 31 SHRM State councils have signed a statement of support for this program.

Soon after forging our partnership with £SGR, we inaugurated a military hiring program as part of our 2010 annual conference. Building on the enthusiastic response we received for last year's program, we are holding another veterans workshop at our conference next month, offering it at no charge to more than 12,000 H.R. professionals.

SHRM has also developed a deeper relationship with the Department of Labor Veterans' Employment and Training Service, or VETS. The core of our work with VETS is in helping the agency to inform employers across the Nation about the resources that are available to them to hire and engage veterans.

In a related effort, the White House invited SHRM to participate in Joining Forces, an initiative focused on the needs of military families. SHRM is developing resources on effective practices for recruiting and retaining military spouses, maximizing workplace flexibility, and other policies to support military families.

Through these efforts we have identified opportunities to make these programs more effective for both the veterans and the employers alike.

First, 71 percent of H.R. professionals are unaware of or somewhat unsatisfied with the programs to help them find and assimilate veterans into their workforces. Part of this problem may lie in the number of Federal, as well as State, programs devoted to veterans employment as well as the coordination of those programs.

Second, it is clear that there are some misunderstandings about how to address the workplace needs of veterans with combat-related disabilities as well as the availability of assistance.

Third, retention of veterans is also an issue. Last year, Mymilitarytransition.com surveyed veterans and H.R. managers on why job retention beyond 18 months is often difficult. Veterans cited lack of cultural fit as the leading reason, while H.R. managers described it as an inability to let go of the military way of doing things.

Finally, many returning veterans face a unique challenge in translating their specialized skills into a civilian job. Last spring, a SHRM poll found that 60 percent of respondents said translating military skills was the biggest hurdle for veterans in the job search process.

At SHRM, we are committed to facing these challenges head on to successfully bring together employers and veterans in a manner that truly serves our heroes as well as the business community. Mr. Chairman and Members of the Committee, SHRM and its members will continue efforts to assist employers in finding, recruiting, and retaining military veterans.

As we work together to improve employment outcomes for transitioning servicemembers, we suggest the following to foster greater employment opportunities and more effective programs: First, encourage continued partnerships between the employer

community and the relevant agencies.

Second, clarify and educate employers about the role of the Federal agencies. Employers would greatly benefit from having a more streamlined set of resources that they can consult to find veteran talent, post their job openings, and find information about hiring veterans and other transitioning servicemembers.

Finally, improve and increase uniformity in transition assistance for servicemembers. As noted in our testimony, guidance provided to individuals leaving the military should prepare them for what employers need to hire, including translation of military skills, interviewing techniques, and job search advice. Having a more uniform system understood by both employers and transitioning servicemembers would greatly benefit both.

Thank you for this opportunity to come before you, and we look forward to partnering with you in achieving a smooth transition for

every returning veteran. I welcome your questions.

[The prepared statement of Mr. Jackson appears on p. 71.]

The CHAIRMAN. Thank you very much, Mr. Jackson.

Thanks to each of you for your testimony.

I think we have heard a common thread among a lot of what you have had to say. There are a lot of programs out there and a lot of information out there, a lot of ways that people can get to it, but nobody knows it is there. How do we do it? We already have the programs in place. The Web sites are out there. VA has it. SHRM has it.

Who wants to start? I would be glad to hear from any one of you on a simple way to fix the problem.

Mr. JACKSON. I will take that, simply because SHRM, as a human resource association, sort of takes this on as one of our responsibilities.

I truly believe that education is what is sorely lacking. When we go to our members—we surveyed our members last year—53 percent of our members indicated that they were actually attempting to hire veterans but were not sure about how to go about it, how to target veterans.

We believe that through the programs with the Department of Labor VETS that we are developing a toolkit for veterans and employers that we hope to roll out sometime before the end of the year in conjunction with the Department of Labor. We believe that our members are truly committed to this cause. It is a matter of giving them a succinct place to go to identify how to address this issue.

Mr. Hobbie. Mr. Chairman, I agree that partnerships with employers and Federal and State and local agencies is extremely important. Of course, we have made great progress on that the last 4 years with our partnership with DirectEmployers Association, and we continue to make progress.

Ms. Jefferies. I can just say I kicked off—we did a DirectEmployers Association hiring and retaining veterans Webinar education series, and it has been keeping me incredibly busy. There is definitely a strong interest in this.

To Mr. Jackson's point, there is a lot of turnover in these human resource departments, and it does require continuous education and communication. And we just can't stop that effort. It has to be

an ongoing initiative.

And so, in that spirit, we are providing this education series, recording it, and it is open to the public, does not cost anything. We have had State workforce agencies, DVOPs, LVERs, the VA, the OFCCP, employers, all demanding this training. And so there is a huge need for that.

The CHAIRMAN. Finally, Mr. Schmiegel.

Mr. Schmiegel. Thank you, sir.

I would like to make two points. The first point, which is one of the principles we talked about, is that the effort has to be focused on the local community.

In my last assignment as a Marine, I was the head of enlisted assignment monitors. I managed 60 human resource specialists in the Marine Corps that assigned 170,000 Marines worldwide. One of our other primary responsibilities was to retain Marines. We only retain about one out of every four first-term Marines. So when we were doing our interviews to talk to those Marines about their decision to leave, we often asked them what they were going to do next. They never talked about what they were going to do next. They always talked about where they were going. The fact is veterans and their families are returning to local communities every day.

So the second point, which talks to the local community, is efforts have to be better coordinated between the public and private sector in those local communities. Our approach is simple. We are going to do 100 events, 100 hiring fairs in those local communities, using the local Chambers of Commerce and the relationships that we have formed nationally with the Department of Labor VETS and with the Employer Support of the Guard and Reserve. And Ray Jefferson's State Directors and Ron Young's team of State Directors in the Guard and Reserve are going to get together in those local communities and execute events. If we focus on local communities and we better coordinate public and private-sector efforts, we will be more successful.

The CHAIRMAN. I salute the Chamber on the 100 job fairs that you are talking about holding, but I think you just hit on part of your problem. If they are all returning to their home communities, you have tens of thousands of communities, which we need to be penetrating and be able to communicate with them. So how do we solve that problem? They all want to go home. I certainly understand that. We have small cities of several thousands to large cities of millions.

Mr. Schmiegel. I think there has to be several different models, several different approaches to this. So we conducted what Ray and I refer to as mega hiring fairs in cities like Chicago, in cities like New York, in cities like Los Angeles. That model may have over 100, 150 employers and a couple thousand veterans and their spouses attend. We generally have high-level speakers. We have transitional workshops to offer in conjunction with that.

When we go to small areas—we will be in Great Falls, Montana, on August 13—the model is different. You have to focus on fewer number of employees, and you have to also take into account that neighboring States from Montana may have significantly lower

rates of unemployment than Great Falls. So you may ask a big employer like Halliburton, who has a significant number of jobs in the eastern portion of the State and in the neighboring State, to offer jobs to veterans and their families to relocate either in Montana or

to a neighboring State.

So I think the answer to the question is the model is different. You have to start somewhere. A hundred is a very aggressive number. The U.S. Chamber of Commerce has over 1,700 local Chambers of Commerce affiliated with us. Next year, if this campaign is successful, we hope that the 100 becomes 500; and the year after that we hope the 500 becomes 1,000.

Thank you.

The CHAIRMAN. Thank you.

Mr. Filner.

Mr. FILNER. Thank you, Mr. Chairman.

I thank you all for your testimony and for your efforts.

This is, obviously, a Congressional hearing and we have oversight of the VA. I haven't heard any suggestions on what we ought to be doing or what the VA ought to be doing. It looks like the only guy doing anything in government is Mr. Jefferson over here, from the testimony. I know you have false modesty.

What are we all doing here? This ought to be a top priority for everybody. I can imagine—and you guys are the experts—but if I just thought about it for a few seconds I could think of what the

VA could be doing.

Why isn't every regional office, for example, putting out a list of veterans and their specialties and what jobs they are seeking? You guys all said that we have trouble linking up with the veterans. Well, the VA knows every veteran. Let's just put out a list of everybody who is looking for a job. It just doesn't seem difficult.

We hear about the transition of skills in the military and how they are hard to translate. We could deem anybody who is in electronics or a medic or a truck driver and give them a certificate that says, for the purposes of hiring, this serves as qualifications for entry-level employment. People can then be trained further.

These servicemembers have incredible skills. We have been working on this civilian certification for decades. Nobody can seem to solve it. We have guys driving trucks all over Iraq and Afghanistan. They come home and find out they have to take a 6-month course to get a commercial driver's license. What do they need that for? They get discouraged because they know how to do it. They do it under the most difficult conditions you can imagine. Let them have a certificate that starts with a job. The same idea for our electronics people or medics.

I have watched these medics. They do things that no civilian would ever think of doing, and yet they have to go through some other certification, masters program and go to this college or that

college. They have the training. We could just do it.

I would like you to give us some suggestions either in law, or regulation, or Executive Order, that we can help you do the kind of things you are doing every day. You are out there. We ought to be helping you in every way we can. The VA's job is to do that. Give us one thing we can do, if each of you could do that?

Ms. Jefferies. I think, for starters, what would really help employers—and we don't need a list of names necessarily—but even just a simple heat map, for instance, that shows what the talent pools of the veterans are, what their skills are, and where in terms of geography where can we find certain veterans with specific skills. That way we can at least hone down our recruiting strategy.

Mr. FILNER. Done. Let's do it.

Anybody from the VA here? Where is Ms. Fanning?

Heat map? Whatever a heat map is, let's do it. I can imagine

what it is, but I am sure it is easy.

Mr. Jackson. I would just like to follow on what Mr. Schmiegel said, is that it is getting into the individual communities. Although we have just started this project last March, we have 600 chapters around the country. We are in small towns, big towns. We are in towns where the veterans are going back to. But what we are trying to do is make sure that we connect all of the agencies, including the Labor Department, including the Veterans Department, with the individuals. And our members are the individuals that actually do the hiring.

Mr. FILNER. Mr. Jackson, I understand what you are saying. You gave us three very general ideas. Give me something specific to do. You are talking about connections but what do you need the VA to do, or DoL to do, or this Committee to do, to provide you with that? Do you want a list of names of people coming back to those communities? If so, let's just do it. Give us something that apparently all our bureaucrats, hundreds of thousands of them, aren't thinking of. Because this stuff isn't difficult. We have all the information and resources as a VA to do this. Just give us something specific.

Mr. Jackson. I think the one specific thing that I think we are working on that I think will make a difference is bringing the agencies together and having a single portal for people to go through. Right now, it is up to an organization like SHRM to go to DoL, to go to VA, to go to ESGR. If we had some single point of contact—I think that is the biggest frustration with our members, is they do not have that single point of contact to go to. I think that would address 50 percent of it.

Mr. FILNER. Mr. Jefferson is going to turn around to Ms. Fanning, and we are going to do that tomorrow.

See, we got it done.

The CHAIRMAN. Mr. Schmiegel, real quickly.

Mr. Schmiegel. Firstly, I think we are doing it already. I think if you look at this initiative to do the hundred hiring fairs—it is

in its nascent stages—we will see progress over time.

If you could help in one area, it would be to measure. I don't think we do a very good job of measuring whether or not the programs are working. I think we need to look—the Chamber is trying to do this, and it is extremely frustrating. After the hiring fair for Chicago, we set up a survey for employers and veterans, and you get a 20 percent reply rate. So if there is a way for the government to figure out how to measure whether or not the programs that we have in place are working, i.e., when a veteran is placed we know that it was the result of a specific program, that would be of the greatest benefit. And that is how we will make a difference.

Mr. FILNER. Thank you very much.

Mr. Hobbie. Mr. Filner, one of the suggestions we have is to focus on the veterans that have recently left the military and are claiming unemployment compensation for ex-servicemembers. If we made a greater attempt to translate their military occupations into civilian occupations and then assessed their skills and determined whether they needed some additional training or certification, which the system could provide to them so that they can move from unemployment into a suitable job faster than they might otherwise, we think that would have a significant impact.

Now it is a small portion of the total program. We only have about 36,000 veterans on unemployment compensation for exservicemembers now. But it could have a significant impact for those individuals.

Mr. FILNER. Thank you.

The CHAIRMAN. Dr. Benishek. Mr. Benishek. Thank you, Mr. Chairman and Mr. Filner. I

thank the panel.

It seems interesting here to hear statements. Mr. Schmiegel said like 90 percent of military jobs are directly transferable to jobs in the private sector. Mr. Jackson didn't quite agree with that. There are some questions about how your military experience is translatable into a civilian job. That is something I noticed here in the tes-

The other thing I noticed is there seems to be a lack of a clearinghouse of veterans that are available for jobs. It seems to me to be something that the VA could provide, as Mr. Filner has suggested. Do you have any advice as to how we might do that or how that might work, Ms. Jefferies?

Ms. Jefferies. Yes. We have an MOC translator with the .Jobs network that I mentioned as well as with the National Labor Exchange site so that a candidate, a military job seeker, can type in their MOC and it renders back matches to civilian occupations. So it does do that work.

What we see, though, when we are reviewing resumes is the military candidates themselves are not doing a good job presenting their own skills and credentials. There is a big, big issue with this issue of accreditation and licenses. And that is an education issue in each of these States where there is variances in what qualifies an EMT to have a State license in State A versus State B. So there is inconsistencies across the States.

So if we could at least have a consistent standard of a military occupation and apply that to all the States, a huge problem would be solved where we have that consistent standard for, say, the top 10 occupations, top 25 occupations. And that would be a really big start for employers in just cutting through that barrier, and it would get these veterans back to work much more quickly because they wouldn't be required to go get reeducated in some areas that they already know very well.

Mr. Benishek. Well, it does seem surprising that the VA doesn't offer some sort of Web site to go to for veterans as sort of a clearinghouse so job seekers and potential employers could go to at least

get acquainted on the Internet.

Ms. Jefferies. There are several Web sites. You have VetSuccess, which primarily focuses through the VR&E, the vocational and rehabilitation needs of disabled veterans. And that is a very good service.

And then you have services with all the States, for example.

And to Mr. Schmiegel's point, doing this at the local level is really important because that is where the rubber hits the road. That is where the H.R. person is meeting with that candidate, is in that local area. So it is very important to establish partnerships locally, even when you have Web sites. Web sites are just one component of a recruiting strategy, but at some point you need that personal contact, and that comes through developing partnerships at the local level.

Mr. Benishek. I agree. I applaud the Chamber's effort. It seems like you are really doing something. But to try to coordinate what you are doing with the population as a whole, it seems maybe that is something that the VA could do better.

Is there any other advice you might want to give to me here?

Ms. Jefferies. I do think those job fairs are especially helpful. But, again, it is touching just a fraction of the communities out there. So if you are hiring in Rawlins, Wyoming, in the middle of Timbuktu, some of that is not going to reach those pockets where a lot of employment happens in smaller communities.

And so, again, that is one of the reasons why we have implemented veteran outreach education program for employers to bring them to those sources. There are some 8,000 Web sites alone that are used for veterans employment, and it is overwhelming for employers to sort through all of that. And so we are trying to provide resources to kind of cut through that and save them that research time. And that includes the NVTI directory of DVOPs and LVERs. It includes the VA directory of the regional managers, those kind of information.

Because to sit down and do a Google search, you get overwhelmed; and right away it is just daunting to try to figure that out on your own. So I think the education and communication and training of employers is especially critical and would definitely be very helpful.

Mr. Benishek. Mr. Schmiegel, did you have a comment?

Mr. Schmiegel. I would just like to add, I think as someone who separated from the military 2 years ago and saw the vast resources that were out there in the public and private sector for veterans, I think it is a little bit confusing for them. There are hundreds and hundreds of programs. So I am a huge advocate of a single national

portal that the public sector is working on right now.

If you ask me as a veteran leaving the service if you could do one thing, it would be to cut down on duplicative efforts, to cut down on conflicting efforts, and to make things less confusing for veterans and their families. So the notion of a single national portal that all veterans and families can go to look for jobs, to look at what is going on in local communities to see what they have to do when they are reassimilating into their hometowns after service, that makes the greatest sense.

We also have to focus on the issue of retention. I think that Mr. Jackson's comments were spot on. But the only way to keep veterans is for the business community to have more internship opportunities and more mentoring opportunities. So we have to build that network. Because, again—and it is not because I am a product of the military myself—it isn't a function of the inability of the servicemember to let go of the military way of doing things. It is clearly the lack of cultural fit that is affecting their transition. So the government and the private sector need to work together to improve internships, to improve apprenticeships, and to improve our mentoring network in the business community.

Mr. Benishek. Yes, sir.

Mr. HOBBIE. I would just like to add that States are also innovating in this area. And the Chairman's own State of Florida, for example, implemented a veterans portal similar to what you are suggesting. I know the Federal Government is working on that, too. So there is a good example at the State level.

And, in addition, the State of Texas has a College Credit for Heroes program which helps individuals who have left the military gain some credit for their military training and experience at the

college level.

Mr. Benishek. Thank you, gentlemen.

I vield back.

The CHAIRMAN. Thank you, Doctor.

Mr. Michaud.

Mr. MICHAUD. Thank you very much, Mr. Chairman, Mr. Ranking Member, for having this hearing. I just have a few questions.

I listened to some of the answers. I think everyone pretty much agrees that you have to have a central focus. With all the different training programs out there, it is extremely difficult, number one.

Number two, I think part of the problem, whether it is the Department of Labor VETS program, or the One-Stop Career Centers, they have been inadequately funded and the staff is not there to actually help out the veterans that need their jobs. So there is that issue that is problematic. Then it becomes a problem.

If you look at our servicemembers, I heard several discussions about large metropolitan areas doing these programs. However, 40 percent of the servicemembers coming back live in rural areas; and there is no way I can see where, regardless of what effort might be out there, for the Chamber to get the Chambers to focus in real

rural areas. It is just not going to happen.

So the question is: How are you going to be able to do this? I am just wondering, for any of the panels, have you focused on—and I will give you an example. For instance, when they closed the mills down in my hometown, both Senator Snowe and I knew the big issue was going to be health care. We also knew the drug companies offer different programs for either low- or no-cost prescription drugs. What we didn't know is there are over 375 different programs. You have to fill out about 14 pages of paperwork. And if you are unemployed, you are not going to do it. I see the same problem with veterans.

However, we were able to get them to actually narrow that down to four questions that they would answer and then that would actually let them know what was available as far as prescription drugs. And I don't see where this is any different, when you look at trying to find a program, if you can actually have a program that is very simplistic for them to answer that actually might pair them

up—I would like to have you comment on that.

The second issue I would like to have you comment on is, if you look at one of the problems with soldiers leaving the military, whether it is active duty or National Guard or Reserves, they are anxious to get home and they are not going to take time to look at a lot of different issues. Do you think it actually might be wise for the Department of Defense actually in preparing them while they are still in service to fill out these questionnaires as far as jobs so at least they will be able to have that ready so when they leave service they will actually have opportunities?

Because once they leave, they are going to get into other issues, whether it is back in the community, whether it is family problems, or what have you. So I think the time to really focus on the bulk

of it is while they are currently in the military.

So I don't know if anyone wants to comment on those two different areas.

Mr. Jackson. I would say that you have to have both. Our experience has been that it can't be a single contact, it can't be a 30-day contact, it has to be an ongoing contact with the veterans and with the Veterans Affairs and with the vets. And part of our program is to set up a facility for Veterans Affairs or the VETS program to have constant contact with the individuals, the 600 chapters that we have across the Nation in the U.S.

The challenge I still think is that, and with my colleague's comments, is that there has to be some guidance, some more guidance. And I think a single toolkit, which is what we are working on, a single toolkit to say—to essentially say these are the options that you have, this is the information you need, we think that is a first step. We think the bigger step is for the private sector and the government to come together and have that single toolkit. But, right now, we believe that, as SHRM, we are going to develop that single toolkit for the individuals.

Mr. Hobbie. The State workforce agencies are working closely with the Department of Labor on this particular issue in the area of attempting to help re-employ unemployment insurance claimants in particular. It is called the Connectivity Project, and one of the aspects of that project is to create an integrated application system that would be available on the Internet so that when an individual applies for programs the information would be entered once and then could be used for these other programs that might be available to the individual. Also in that effort are concerted attempts to try to assess the skills of the personnel leaving the military and to try to match them with jobs. And, also, we are looking at the various social media to try to facilitate communication among job seekers and also employers.

Ms. JEFFERIES. The Marines is the only service branch that requires TAP, and I think that if all of the branches could require that at a minimum at least veterans transitioning out of the military would be aware of the employment services offered through the public workforce system and would have a better opportunity

in establishing these linkages and learning what their local em-

ployment office can do to help them.

The other thing is that employers more and more utilize the Just-in-Time Hiring process. When I was human resources director of employment for Union Pacific we often had candidates contact us ahead of time and apply for jobs as they were transitioning out. They are coached through TAP to do that about 3 to 6 months before they actually completed their service. And what we ran into were conflicts that we wanted to offer them a job but we needed them to start now, and so that they almost started too early in the process.

So there is some education that is required with the veterans and job seekers coming out of the military regarding how employers hire and the fact that when we make that job offer it is immediate. And so we implemented a program that was a delayed entry program and extended job offers further out. But that is not always easy for employers to manage, either. But I really think that that education on the front end is very critical, and it is all about the timing

Mr. Schmiegel. Can I just add one comment?

I think you have to look at this in phases. I think the whole notion of hiring fairs in every community across America is not realistic. I understand that. But, again, I think in order to create a movement across the United States that you have to start with something.

When Ray Jefferson and I first started talking about this, we broke it down into phases. This is a high-touch approach. But as the high-tech approach comes online and you have a portal, the high touch does not go away. You still have to welcome veterans and their families home.

So if you look at this in phases and you focus on creating this national portal, you continue to create this movement across America with these hiring fairs in local communities, I think you will have the infrastructure in place, you will also have the spirit and the momentum in place to really make a difference in this space.

In regards to reaching out to rural areas, there is a focus on rural areas. It is just that when you look at 100 cities, you want to have the biggest impact in the first year so you can show other communities that you are having that impact.

In Iowa, there are 3,200 Guard and Reservists coming back in September. We have nine local chambers of commerce in nine separate cities in Iowa ready to do hiring fairs a month after those Guard and Reservists get back. That is how you create a movement Statewide. And those are all rural cities right in the heart of America.

Thanks.

The CHAIRMAN. Thank you.

Mr. Huelskamp.

Mr. Huelskamp. Thank you, Mr. Chairman. I appreciate the comments and the folks appearing here before the Committee.

I have a follow-up question for Mr. Schmiegel, if I might.

You had mentioned the single national portal. Can you describe that in a little more detail what you are envisioning and where it is at in the process? Is that something being put in place now? If you could describe it a little further, I would appreciate it.

Mr. Schmiegel. This is a public-sector initiative for all the government agencies. They are working together to create a national portal for veterans and their families to use as they are transitioning from the military to civilian workforce.

Mr. HUELSKAMP. Any other folks here, can they describe that a little bit more?

Mr. Jackson. We are participating in the development effort of that portal. And, again, it is mainly to have a one-stop shop for veterans and employers to come. And although every answer may not be at that portal, there will be links to other sites. For instance, there may be a job posting site at SHRM that links off of that portal that will help veterans find jobs as well as employers find veterans.

Mr. HUELSKAMP. Mr. Schmiegel, you think this works for the employers as well as—I mean, we have talked a lot about, obviously, the potential employer-employees. My question is on the employer side. And you think this works in that the employers actually would use this particular system in a manner that would be helpful to them?

Mr. Schmiegel. I have talked to several big companies in America. I think that Ray has also spoken to several big employers that are waiting for the portal to come online and they would use it.

I mean, right now we have band-aid fixes throughout the private sector to do this. You have private-sector companies that do this. The private sector will continue to adapt and continue to come up with its own means to hire veterans. The fact is, if you talk to employers across the country, they want to hire veterans. So I think a national portal will be widely used by small business, by medium-size business and by big business.

Mr. Huelskamp. I appreciate that.

In visiting with employers in my district they have never mentioned a portal. What they have mentioned is we would like to hire more veterans; we would like to hire more folks. If we could actually just improve the job climate, it would solve a lot of our problems. And I am sure you hear that at Chamber.

Would you have three top things you all would suggest broadly so we could just improve the job climate so there are actually jobs out there for veterans to apply for.

Mr. Schmiegel. I think a reasonable tax structure would be one thing that needs to be addressed. I think the regulatory environment in terms of businesses being able to hire in an environment where it makes sense to hire. And then there is an overriding issue of uncertainty.

So if you look at taxes and regulations, if business owners, small, medium, and large, have certainty in those two main areas, they will start to hire.

Mr. HUELSKAMP. Thank you. I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. Mr. McNerney.

Mr. McNerney. Thank you, Mr. Chairman.

We all want the same thing here. We want to figure out how to hook up the veterans that are out there with the jobs that are out

Ms. Jefferies, I would like to ask you a little bit more on the other side of this, rather than encouraging all these agencies and all these contractors, have there been any penalties assessed lately against contractors that have not met Federal regulations in terms of hiring veterans?

Ms. JEFFERIES. In our survey that we did, there were a handful of companies that did report they are under some conciliation agreements to improve the hiring of veterans in their organizations. So, yes, there have been some cases where employers could

do a better job.

And at the end of the day it boils down to those H.R. people being so new they are just not aware of many of the programs that exist and how to go about doing this. And so, again, this education is, to me, a number one priority. And employers are hungry for it. And I think if we can just keep in mind that companies have a lot of turnover, we can't just go once and be done, it is a constant effort that needs to be a constant initiative that will never, ever be done.

Mr. McNerney. But, I mean, as long as they just get their little wrists slapped they are going to say, well, we will get to it when we get to it. If there are assessments made, then they will be more

likely to think about that as a priority.

Ms. JEFFERIES. Absolutely. I mean, when you are audited by the OFCCP that is always a very challenging process to get through. But if you end up with a conciliation agreement, that can be serious. And so if they want to maintain their Federal contracts they will respond to that. And I still say at the end of the day it all ties back to communication and education.

Mr. McNerney. Thank you.

Mr. Hobbie, one of the things you said kind of struck me in your testimony, is that there is one-half the funding for local and State employment agencies as there was 30 years ago, I think you said.

Mr. Hobbie. Right.

Mr. McNerney. What is the source of that funding that has been

diminished by 50 percent?

Mr. Hobbie. The source for appropriations for Wagner-Peyser Act labor exchange services is the Federal unemployment tax paid by employers into the Federal-State unemployment insurance system.

Mr. McNerney. So what you are saying then is there is a 50 percent reduction in Federal contribution to these agencies that could make a difference in terms of hiring veterans?

Mr. Hobbie. That is right.

Mr. McNerney. Okay. All right. Thank you. Mr. Schmiegel—and I am going to follow up on a comment from Mr. Benishek—you said that there were 90 percent skills that are transferrable from veterans to civilian employees. In an ideal world where the veterans had qualifications and the employers knew what those qualifications meant and so on, do you think that we could employ 90 percent? Could you explain that number a little bit better?

Mr. Schmiegel. I don't think we could employ 90 percent. Maybe that is a little bit misleading, that figure, because some occupa-

tional specialties in the military have huge numbers.

So let's just take infantrymen. Some would argue that that is not a skill set that is directly transferrable to the civilian workforce. If you look at the Army and the Marine Corps, there are a large number of infantrymen serving. So that 90 percent does not directly translate into 90 percent of veterans being able to transition into the workforce.

I think you need programs to help other occupational specialties in the military transfer to the civilian workforce. I mean, we are firm proponents of that. You can easily do that with better certification and licensing. You can do that with apprenticeship programs. You can do that with mentoring.

I think some of these young men and women that don't have occupations in the military that are directly transferrable are good

leaders and can easily transfer to the civilian workforce.

Mr. McNerney. Does the VA have a Web site that veterans can go to and put their resumes on that are accessible? That sounds like something that is easy—would be easy to implement in the VA.

Okay, I guess that is all I have, and I am just about out of time.

I yield back.

The CHAIRMAN. I think one of the things we probably also need to—while we are focusing on trying to make sure that whatever skill set that they have while they are in the military is important to bring it forward, but the other thing that we need to focus on as well is I was speaking with a home builder the other day. He said, I can teach somebody to frame a house, I can teach somebody to put a roof on, but these men and women that are coming out of the service have skill sets that other people don't have, honesty, integrity, the ability to get up and work many, many hours at a time. So let's not lose that focus as well.

Mr. Schmiegel.

Mr. Schmiegel. Just a little anecdote for that. When we were in Chicago the day of the hiring fair, a small local builder hired six veterans on the spot because he has seen that in practice. It is as simple as that.

The CHAIRMAN. Mr. Barrow.

Now Mr. Braley.

Mr. Braley. Thank you, Mr. Chairman.

And, Mr. Schmiegel, I understand before I was able to arrive you spoke about the Iowa National Guard, specifically the fact that 3,200 of them will be demobilizing soon and that that will create an enormous challenge in our State, given the size of our State and the fact that, even though we have been fortunate our unemployment rate State-wide has been below the national average, it is still a tight job market.

When 60 Minutes featured Medal of Honor winner Sal Giunta Sunday night from Hiawatha, Iowa, you know, somebody like that has the type of notoriety that he is probably going to have a lot of potential job offers. But the sad reality for the 3,200 members of the Iowa National Guard is they went, they did their job, and now

they are coming home to a dramatically different workplace envi-

ronment than when they left a year ago.

One of the frustrating challenges often in dealing with the Guard and Reserve is they don't have some of the same institutional support that you get when you are on active-duty service and there are a lot of base-related assistance available to you. They go off into their home communities. Many of them are from smaller towns in rural areas, and the availability of assistance close at hand isn't what it is in a larger urban area.

So could you just talk a little bit about what the game plan is at these different—I can't remember what specifically you describe them as—these nine centers that are going to be set up and how

that is going to work.

Mr. Schmiegel. Yes, sir. One of the strengths of the program that the Chamber is implementing is, again, at the local community level. Local Chambers of Commerce generally don't have big companies as members. They have small companies. So the strength of a program in Iowa specifically that we address in those nine communities, the local Chambers of Commerce will reach out to their individual business communities and ask them to support this demobilization.

We are working with the employer support of the Guard and Reserve who also has a network of employers, medium—mostly me-

dium and large businesses.

So, again, if you look at the Chamber as a private-sector organization and the businesses affiliated with us, the 3 million across America through our local chambers, and you look at the employer support of the Guard and Reserve and our access to National Guard and Reserve units, we can easily look at the Yellow Ribbon events that they have going on throughout the country in small communities across America and coordinate our efforts. It is as simple as that.

If you have a unit coming back in September, you plan for a hiring fair with the local Chamber of Commerce in October or November. I guarantee you if you go back to some local communities, some cities across the country, you will see hiring fairs right now or events in August and you have a Guard and Reserve unit com-

ing back in September.

So the very essence of coordinating is looking at when you have those folks coming back and trying to do something that will help them find employment a month or two after they do get back.

Mr. Braley. One of the big challenges and frustrations is the obstacles that the DoD sometimes presents in terms of making sure that these demobilizing soldiers are getting the type of benefits that they are entitled to under the GI Bill. We ran into this when the Iowa Guard came home from Iraq after the longest combat deployment of any unit several years ago and were denied additional GI Bill benefits, which many of them use in order to increase their employability by getting further education or job skills.

So I would just encourage you to take that message back to the Chamber and encourage them to maintain open lines of communication at the DoD. Even though it is not directly related to what you are talking about, it can sometimes serve as an impediment to young people trying to restart their careers when they come home.

But I do want to thank you for the Chamber's efforts, and I yield back.

The CHAIRMAN. Mr. Filner. Mr. FILNER. Just briefly.

We have talked a lot about connections and communicating information. How about incentives? Have the tax credits worked? What if we paid a year's salary or 5 years' salary for businesses that hire veterans? We bailed out everybody in the country. Why don't we bail out our veterans? We talk about trying to hook up the veterans with employers. What if an employer knew that the salary was going to be paid? They would seek out the veterans. What is your sense of if that will work?

Mr. HOBBIE. Well, I am not an expert on the research evidence. But what I am aware of on employment tax credits is that they are not particularly effective. However, such programs, not only tax expenditures or tax credits or direct spending to subsidize employment, can work better if the programs are targeted on those who are unlikely to find jobs otherwise. Now, that is easy to say and hard to do.

Mr. FILNER. So like the 18- to 24-year-olds who came out of special—like infantry, you could target those, right?

Mr. Hobbie. Correct.

Mr. FILNER. Any other comment?

Yes, sir.

Mr. Schmiegel. I think that if the tax credits are focused on skills training for individuals, I think it will be much more successful. And I think it goes to Ms. Jefferies' points about educating em-

I think if you look at what we are trying to do with the Chamber, with DoL VETS, with ESGR, part of this is education. So we are working on, prior to the hiring fairs, to talk to employers about

why it makes sense for their business to hire a veteran.

I think you need to go one step further and really have an education campaign for employers on the tax credits that are out there. But, again, they must be targeted, and I think they should be focused on individuals that may be lacking specific skill sets to make the transition to the civilian workforce.

Mr. JACKSON. And I would agree that tax credits would add some incentive. But I would caution that what is available now is not being used because people just are not aware of many of the benefits that are available for engaging in hiring veterans. So I think a tax credit would require an information project along with it to make sure that everyone is aware of it as well.

The CHAIRMAN. Thank you very much for your comments today. If any other Members have comments, they can submit them for the record.

I also ask unanimous consent that all Members would have 5 legislative days to revise and extend their remarks.

Thank you very much for being here.

And while they are leaving the table I would ask the second

panel to come forward.

The panel consists of Mr. George Ondick, the Executive Director of AMVETS for the Department of Ohio; followed by Captain Marshall Hanson, the Director of Legislative and Military Policy at the Reserve Officers Association (ROA); and, finally, Ms. Heather Ansley, the Co-Chair, Veterans Task Force of the Consortium for Citizens with Disabilities (CCD).

Thank you all for being here, and we will begin with Mr. Ondick. You are recognized.

STATEMENTS OF GEORGE ONDICK, EXECUTIVE DIRECTOR, DEPARTMENT OF OHIO, AMERICAN VETERANS (AMVETS); CAPTAIN MARSHALL HANSON, USNR (RET.), DIRECTOR, LEG-ISLATIVE AND MILITARY POLICY, RESERVE OFFICERS ASSO-CIATION OF THE UNITED STATES, AND ALSO ON BEHALF OF RESERVE ENLISTED ASSOCIATION; AND HEATHER L. ANSLEY, ESQ., MSW, CO-CHAIR, VETERANS TASK FORCE, CONSORTIUM FOR CITIZENS WITH DISABILITIES

#### STATEMENT OF GEORGE ONDICK

Mr. Ondick. Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee, on behalf of the AMVETS Department of Ohio I would like to thank you for inviting me here today to share with you our views and recommendations regarding employment within the veterans community.

AMVETS was founded in order to enhance and safeguard the entitlements of all American veterans who have served honorably, as well as to improve their quality of life and that of their families and the communities in which they live in. We do this through

leadership, advocacy, and service.

Today, I will be discussing one of the services AMVETS has to offer, the AMVETS Career Center. The first AMVETS Career Center opened in 2000, and subsequently in 2003 AMVETS Career Centers became an IRS-approved 501(c)(3) nonprofit charitable corporation incorporated in Ohio to provide career training employment-related services to Ohio's veterans.

AMVETS Career Center was initially funded by a \$100,000 grant from the State of Ohio. The grant was used to establish the first AMVETS Career Center at Department of Ohio AMVETS headquarters in Columbus. Further funding for the Ohio AMVETS Career Center has been provided through the sale of Charitable Instant Bingo. These tickets under State law requires that a portion of the sales be donated to a 501(c)(3) organization, and in this instance the AMVETS Career Center. So far, we have been self-sustaining and have not yet received any Federal funding to run our program.

The initial concept for the AMVETS Career Center was to provide training and assistance to returning veterans as they applied for their license and/or certification for the training that they had received in the military. We soon discovered that our veterans also needed stopgap training, résumé development, interviewing skills, basic computer skills, and assistance in other vital areas of the

overall employment process.

Moreover, the AMVETS Career Center originally provided this training through the use of CD-based programs which quickly proved to be cumbersome and inefficient. We then entered into an agreement with Mindleaders, then the largest provider of online courses in the United States, to provide AMVETS Career Center

with the necessary courses to assist our veterans. The AMVETS Career Center paid Mindleaders for their online service platform, thus resulting in our veterans having offsite Internet access to their desired courses through a Web-based log-in and password to

receive their desired course of study.

Currently, the veterans utilizing the AMVETS Career Center have access to over 300 online Mindleaders courses. Once registered, students may study at a local career center or any other place that broadband Internet service is available, including the comfort of their own homes. Veterans pay no out-of-pocket expense for the courses we offer, since the AMVETS Career Centers feel that the veteran has already paid the price in service to his country.

The AMVETS Career Center not only provides career services to veterans but also provides free services to the spouses and children

of military personnel who are deployed outside of Ohio.

We also recognize a very high unemployment rate among the National Guard and Reserve. So, in response, the AMVETS Career Center chose to initiate the Ohio Veterans Career Assistance Network, or Vets CAN.

The Ohio Vets CAN is a partnership between the AMVETS Department of Ohio and the Ohio National Guard. Ohio Vets CAN was created as an online jobs bank where veterans and members of the National Guard and Reserve can link up with employers who

value and support military service to America.

The average cost to the State of Ohio to provide similar services through the DoL grant is about \$1,500 per veteran. This is a sharp contrast to the cost of services AMVETS Career Centers can deliver for only \$250. We believe this is due to the broad network of volunteers and the partnership and resources uniquely available to the veteran service community.

And although we have been successful, we do not advertise our program. If we did, our current funding stream would end very

quickly. It would be depleted.

With all of the recent discussion of fiscal responsibility and the large success rate of our participating veterans, the AMVETS Ca-

reer Center just makes sense.

Chairman Miller, distinguished Members of the Committee, this concludes my testimony. I would like to again thank you for inviting me to participate in this very important hearing, and I stand ready to answer any questions you may have. Thank you.

[The prepared statement of Mr. Ondick appears on p. 76.]

The CHAIRMAN. Thank you, Mr. Ondick.

Captain Hanson, you are next; and thank you very much for attending our roundtable discussion last week. We appreciate your comments.

#### STATEMENT OF CAPTAIN MARSHALL HANSON, USNR (RET.)

Captain Hanson. Mr. Chairman, Mr. Filner, Members of the Committee, thank you for the opportunity to testify on employment

challenges facing today's veterans.

While April brought improvement to veteran unemployment rates, the 18- to 24-year-old bracket remains high at 26.8 percent, which is about 10 percent higher than that population as a whole. This group is first-tour veterans returning from active duty. Many

remain in the Reserve components rather than leave the military. These are unique veterans who can be ordered back to active duty.

Three surveys show that between 60 and 70 percent of employers won't hire new employees who are affiliated with the Guard and Reserve, which is an upward trend. The risk of a future 1-year callup discourages many potential employers. This is a violation of the Uniformed Services Employment and Reemployment Rights Act, but it can be difficult to prove.

Unemployment rates are even higher for returning units in the Army National Guard, with the Guard Bureau reporting rates as high as 35 to 45 percent. Florida is a case study of corrections taken by proactive leadership.

The Guard numbers are high because many returning veterans don't want to go back to the type of work that they did prior to deployment. Newly acquired skills and combat experiences can change career ambitions. The Post-9/11 GI Bill provides an opportunity for veterans to seek new employment paths.

Even though the United States will be winding down its overseas contingency operations, the Reserve Officers Association sees a trend of veteran unemployment as an ongoing problem. With plans

to keep the Guard and Reserve as an operational force, employers will continue to be hesitant to lose key employees without positive

incentives.

Employers view USERRA as a negative incentive and would like to see positive encouragement to hire veterans. As employers look to the bottom line, tax credits or financial grants for hiring veterans are just examples of incentives. Small businesses are more likely to hire Guard and Reserve veterans if they can afford to hire temporary replacements during deployments.

The Reserve Officers Association established the Service Members Law Center with Navy Captain Sam Wright as its Director. This service is provided to all members of the uniformed services, including active, Reserve, and separated veterans. Sam receives 500 calls a month from veterans facing legal problems, 80 percent of which are about employment or reemployment rights. This cal-

culates to about 4,800 calls a year on USERRA issues.

There is no fee service charged to the veteran and demand is growing, but Captain Wright has reached his personal capacity. ROA would like to expand the law center, but ROA can only do so much because self-funding is what is maintaining this endeavor.

Even the Employer Support for the Guard and Reserve Committee and the Department of Labor can't handle the number of requests they receive as cases. So most reemployment cases are being handled by private lawsuit. ROA finds that many veteran employers do not know their rights of what the law is, as illustrated by the number of calls that ROA receives. Many veterans do not even know what resources are available through the ESGR or DoL. So they quietly surrender, simply seeking work elsewhere.

ROA would like to thank the Committee and its staff for its attention to this critical issue and looks forward to working with this Committee on improving USERRA and helping veterans with em-

ployment challenges.

I am ready for questions. Thank you.

The prepared statement of Captain Hanson appears on p. 79.

The CHAIRMAN. Thank you. Ms. Ansley.

#### STATEMENT OF HEATHER L. ANSLEY, ESQ., MSW

Ms. Ansley. Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee, thank you for inviting the Consortium for Citizens with Disabilities, or CCD, Veterans Task Force to share our views regarding ways to improve employment

opportunities for veterans who are severely disabled.

CCD is a coalition of over 100 national consumer service provider and professional organizations, which advocates on behalf of people with disabilities and chronic conditions and their families. The CCD Veterans Task Force works to bring together the disability and veterans' communities to address the issues that affect veterans with disabilities as people with disabilities.

Because of the intersection of the disability and veterans' communities that occurs when a veteran acquires a significant disability, the CCD Veterans Task Force is uniquely suited to bring both perspectives to issues that cut across programmatic and policy

lines.

The CCD Veterans Task Force believes that meaningful employment represents one of the best opportunities for veterans with significant disabilities to reintegrate successfully into their communities. In the most recent study by the U.S. Bureau of Labor Statistics on employment for veterans with service-connected disabilities, 114,000 veterans of the wars in Iraq and Afghanistan reported having a service-connected disability rated at 60 percent or higher. Unfortunately, 41,000 of these veterans are not participating in the labor force. Among veterans of all eras with a service-connected disability rated at least 60 percent, workforce participation was 27.9 percent.

Typically, discussions about veterans' employment center on veteran-specific programs operated by the Department of Veterans Affairs, Small Business Administration, or Department of Labor. Veterans with disabilities as people with disabilities who need employment assistance are also able to turn to programs authorized under the Workforce Investment Act or, in the case of veterans with significant disabilities, State vocational rehabilitation agencies and

Ticket to Work under Social Security.

Veterans with the highest service-connected disability ratings and veterans on VA disability pension will likely qualify for State vocational rehabilitation services. Strengthening the connection between VA's Vocational Rehabilitation and Employment (VR&E) program and State vocation rehabilitation services through the Department of Education's Rehabilitation Services Administration is critical to ensuring that veterans with disabilities receive the services that they need in order to remain in or return to the workforce.

Veterans with significant disabilities are often beneficiaries of Social Security disability insurance. As Social Security disability beneficiaries, veterans are able to participate in Social Security employment programs such as Ticket to Work, which allows beneficiaries to purchase vocational rehabilitation services from an array of providers. Some veterans are dually eligible for Social Se-

curity disability benefits and VA pensions. If these individuals attempt to use Social Security's work incentives to increase their income, however, not only will their Social Security disability benefits be terminated but their VA pension benefits are reduced dollar for dollar.

The CCD Veterans Task Force believes that work incentives for

the VA pension program should be reexamined.

The Workforce Investment Act covers most of the Nation's major employment and training programs operated through the Department of Labor. Several sections of the Workforce Investment Act incorporate veterans' employment into its overall mission. The Workforce Investment Act has been slated for reauthorization since 2003. While progress has been made, additional changes, as outlined in our written testimony, are needed to focus on the performance of the entire system.

Although many veterans with disabilities have the skills needed to qualify for employment opportunities and advance in their careers, barriers to employment continue to prevent these veterans from receiving opportunities. Veterans with disabilities, like other people with disabilities, face barriers to employment that include misinformation about disability and misperceptions about required accommodations. These barriers must addressed. Otherwise, training opportunities alone will not address the needs of those veterans who have the most significant disabilities to allow them to reintegrate into the workforce and contribute to their communities.

Again, thank you for the opportunity to share the CCD Veterans Task Force's views on improving employment opportunities for severely disabled veterans. This concludes my testimony, and I would be pleased to answer any questions you may have.

[The prepared statement of Ms. Ansley appears on p. 86.]

The CHAIRMAN. Thank you all for your testimony this morning. Mr. Hanson, you mentioned that the Reserve Officers Association established the Service Members Law Centers whose goals are generally to improve understanding of the law as it relates to veterans and USERRA and the Servicemembers Civil Relief Act. Would you agree that the need for a center is an indication of a shortage of attorneys qualified in veterans' law and the need for law schools to provide courses—more courses in veteran law?

Ĉaptain HANSON. Most definitely, sir. What we are finding out there is the community as a whole is very hungry to learn more about the USERRA law and the Servicemembers Civil Relief Act.

There is basically a lack of proper education out there.

According to Captain Sam Wright, who has helped write some of this legislation, the demand is growing. He is actually going to seminars, oftentimes being sponsored by the American or State Bar Associations, and teaching more about this to the lawyers directly. And this is one of the purposes of the Law Center, is to help educate, as well as provide information to the servicemembers themselves.

The CHAIRMAN. Mr. Ondick, you had said that the Career center system had expanded to several other States. I am interested in knowing what major impediments may be there to further expansion beyond those States that have already expanded.

Mr. Ondick. Mr. Chairman, the AMVETS Career Centers, as you mentioned, are in New York, Tennessee, and Illinois at this time. Some of the impediments are dollars. We provide courses at no cost to our veterans. However, we have to pay for those courses. We set up a program through Mindleaders, and it can be quite expensive. So some of the determinants are the cost that is involved with providing the courses.

The CHAIRMAN. Mr. Filner.

Mr. FILNER. Can I yield to Mr. McNerney?

The CHAIRMAN. Mr. McNerney.

Mr. McNerney. Thank you, Mr. Chairman.

You know, first, I just want to make a plug for a bill that we dropped last week, Hire a Hero Act. I think Mr. Filner is a co-author. And it has several provisions. One of them is that it is a pilot project to help between the Veterans Administration, the DoD, and the Department of Labor to identify the barriers to veterans' employment. It does several other things as well. So I would ask the Chairman to consider becoming co-sponsor of that.

Speaking of barriers to employment, Captain Hanson and Ms. Ansley, what do you think are the biggest barriers that our veterans are facing out there in terms of getting a job after they get

released?

Captain HANSON. Well, I think one thing that this hearing, Congressman, is demonstrating is the fact that there are a lot of people out there trying to help, which in the process I think is almost providing an overload of information. And I notice the Chamber of Commerce in the recommendation for job fairs said they wanted to do it 30 days after the individuals return from deployment. The challenge here is that a lot of Guard and Reserve members are not ready to think about future careers at 30 days after returning from overseas.

Mr. McNerney. So even 30 days is not enough? I mean, he was saying 30 days after, as opposed to 30 days before they get back?

Captain Hanson. Well, if you look at the Yellow Ribbon Reintegration Program that a lot of States have set up—and I give credit to the National Guard for starting the programs—they actually bring the people in on 30, 60, and 90-day schedules and also include the families to participate in these programs. And I think you can't afford the information overload.

So if an individual is coming back, as was pointed out earlier, they want to get home quickly. So, oftentimes, they are fatigued, they are not perceptive to a lot of the information that is being provided. In fact, that is one of the complaints about TAPS, is that there is almost too much information in too short a time that is there.

So I think partnering locally in groups is the advisable thing to do but to also do it at such a time when the member is more receptive to this information.

Mr. McNerney. Would veteran service organizations (VSOs) be qualified or the right contact, do you think, for that?

Captain HANSON. Well, I think you will find it varies from location to location. In Ohio, obviously, you see the advantage of AMVETS and what they are working on. If you go to California, you might find other groups that are the resources to go to. And

it varies depending on membership and who the spark plugs are in informal leadership within those groups. Many States have an informal military veteran coalition that meets Statewide, and that

is perhaps a level to work at.

But I think it is a partnership between the Department of Veterans Affairs, the VSOs, the military service organizations, the local offices for Department of Labor that should all get together and kind of coordinate and optimize rather than duplicate the efforts.

Ms. Ansley. Thank you for the question.

I think one of the biggest barriers that we see specifically looking at veterans with significant disabilities is not only do they have everything that all other veterans are dealing with when they come back, but they have now acquired perhaps a significant disability, which is quite a paradigm shift as now you are beginning to learn what it is like to live with a disability and to look at yourself possibly as a person with a disability.

People with disabilities in general have very low employment rates. And some of those barriers do relate to employers not knowing what type of accommodations they need to provide, would this person be gone a lot because of medical appointments. There is a

whole new layer of issues that have to be dealt with.

We also see the need for more connections between the programs within VA and making sure we are connecting to programs that are set up for people with disabilities to make those connections. Because a lot of people do want to reach out to the veteran who now has a disability, and we have to make that connection easy.

Mr. McNerney. So it is probably a matter of education and

training for the employers?

Ms. Ansley. Right. That is always something that comes up with employers, is that?

Mr. McNerney. That is the thing we are hearing a lot this

morning.

Ms. Ansley. Yes. Helping the veteran to know what his or her rights are now as a person with a disability. Because they also have the ADA, the Americans with Disabilities Act, they have other services that are available to them, and to making sure that they are able to benefit from all of those services and that people are working together.

Mr. McNerney. Thank you.

One more question. Captain Hanson, you mentioned that USERRA employers view USERRA as a negative incentive. How would we turn that around and make it into a positive incentive?

Captain Hanson. Well, from our discussions with employers, I think it is a balancing act. The structure of USERRA basically says, if you fail to do this, you will be penalized. And, unfortunately, one thing we are also seeing with USERRA is the fact that in industry the violation of USERRA is most oftentimes not overt but more subtle, which is one of the things that through the Law Center we are trying to teach some of the differences to the people out there and advise the veterans themselves on when appropriate action can be taken and when something is perhaps not documented well enough on their side.

But it should also be remembered that the employers have rights as well as the employee and that this can be one area you can work on and help educate. Because, as mentioned in our testimony, more times than not it is ignorance that we are facing on both the part of the employer and the employee, rather than intentional violation of it. But at the same time they would just like to see some type of incentives that can be put in place.

I saw last night in your activities, for example, a bill was passed to present an award to employers who hire veterans. And I think this is a good move because, like the employers, the part of the Guard and Reserve that have similar awards for employers that support the Guard and Reserve if you do the positive for the behavior that is improving it as well as having that negative incentive.

Mr. McNerney. Well, the bill that I was plugging earlier does that. So just thank you for the plug—additional plug on that.

I am going to yield back. The CHAIRMAN. Mr. Filner.

Mr. FILNER. Thank you very much for being here today. We appreciate your testimony.

Mr. Ondick, did you have a comment?

Mr. ONDICK. Yes, I do.

One of the problems that we have is with the United States Department of Labor Veterans' Employment and Training, the DVOPs/LVER program, where they are tasked for intensive services only. And in Ohio that meant they serviced about 5,000 veterans. Back in 2009—we have the figures from 2009—they serviced 5,000 veterans. What happened to the other 100,000 veterans that were unemployed? So that is where we step in as veterans' organizations.

And in an earlier comment by Ranking Member Filner when he talked about the truck driving, we can get an individual that comes out of the military, we can get him into—get a CD out and get him a job in 5 days. If we can do it, why can't others? Five days. We did it in 1 day for an individual, but Jupiter had to align with Mars for that to happen.

There are avenues out there, and we can make things happen with the veterans organizations that are grassroots. In Ohio, in the AMVETS alone, we have 140 veterans, AMVETS post in that State.

If you are looking for a network, I think that utilization of the veterans service organizations that are all over this country in every community, big and small, would probably be the best way to tackle something and to get to every part of a State across this country.

The CHAIRMAN. Thank you very much. We appreciate your testimony. You are excused. Thank you.

I want to welcome our third and final panel this morning to the table.

Major General James Tyre is the Assistant Adjutant General for the Army National Guard in my home State of Florida. General Tyre has a long, distinguished career in the National Guard and served 10 years as a noncommissioned officer. Next, we have Ms. Ruth Fanning, the Director of the Vocational Rehabilitation and Employment Service of the Department of Veterans Affairs; and, finally, the Honorable Raymond Jefferson, the Assistant Secretary of the Veterans' Employment and Training Service of the U.S. Department of Labor.

Thank you all for being here. Thank you for your patience. General Tyre, we will begin with you. You are recognized.

STATEMENTS OF MAJOR GENERAL JAMES D. TYRE, ARNG, AS-SISTANT ADJUTANT GENERAL, FLORIDA ARMY NATIONAL GUARD; RUTH A. FANNING, DIRECTOR, VOCATIONAL REHA-BILITATION AND EMPLOYMENT SERVICE, VETERANS BENE-FITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS; AND HON. RAYMOND M. JEFFERSON, ASSISTANT SEC-RETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR

# STATEMENT OF MAJOR GENERAL JAMES D. TYRE, ARNG

General Tyre. Good morning, sir.

Chairman Miller, Ranking Member Filner, distinguished Members of the Committee, I am honored to appear before you today on behalf of the Adjutant General of Florida, Major General Emmett Titshaw, and the 12,000 members of the Florida National Guard. I welcome the opportunity to illustrate through our story a picture that is common across most of our States and territories.

Our units are continuing to return home after some of the largest mobilizations since World War II. These Guardsmen have proudly answered the call but have returned home to face a different threat, unemployment. Closing businesses, fewer jobs, and an overall economic decline have contributed to the struggles associated with redeployment of our forces.

A number of great Federal, State, and private programs exist to assist Guardsmen transitioning back to civilian life. However, the challenge that remains is finding or creating a link that joins our unemployed Guardsmen with existing resources and programs that will result in a viable career.

Unemployment in the Florida National Guard ranges from roughly 14 to 38 percent across redeploying units. Our surveys have identified over 1,700 soldiers who are unemployed. This represents 17 percent of the Army National Guard force which largely redeployed since July of 2010.

One example is the 53rd Infantry Brigade Combat Team, our largest redeploying unit, with locations from Miami to Pensacola that redeployed from Iraq and from Kuwait this past December with more than 30 percent expressing civilian employment challenges.

We have also learned that the greatest challenges to employment emerge months or years after the servicemember returns home. Currently, there is no enduring program at the local level to address this need.

The Florida National Guard has partnered for many years with large corporations as well as public and private organizations and programs to address employment issues. In the fall of 2010, the Adjutant General established the Florida National Guard Family Career Connection, which joined with Employer Partnership for Armed Services and Florida's Agency for Workforce Innovation to

assist our soldiers and our airmen. Together, we have registered over 450 redeploying soldiers with these agencies and provided classes on job search, techniques, resume development, and interview preparation. However, despite these efforts, our Guardsmen continue to experience employment challenges, and we anticipate more to materialize as we move into the 6- to 24-month post-deployment window.

While we are proud of the progress that we have made in linking our soldiers and airmen to employers, there are still some measures that can be taken to improve our current programs. Developing incentives for employers to seek out and hire Guardsmen would be an effective enabler for business that currently support the National Guard as well as those that would like to support but cannot afford to during these tough economic times. Individual State programs in Texas and Washington State have demonstrated value but may be at risk for future funding and not available to all States, including Florida.

We are doing everything we can with other online sources which are available to assist with translating military experience into civilian skills in connecting our soldiers and airmen to employers. However, without sustained resourcing, simple centralized planning, decentralized delivery, and an individually tailored plan, servicemembers may miss opportunities just for the lack of know-

ing where to go.

In Florida, we believe a one-stop shop is needed for our soldiers and airmen, one that integrates these complementary systems and locally ties them to employers. This one-stop shop would offer transition services to Guardsmen in an environment that eases the navigation through the numerous resources that already exist. Our facilities are well suited to house this type of enterprise because of their local ties to the communities.

Now what I have described all requires resourcing but in the end will pay dividends through other matrixes. Reserve component servicemembers who are employed are easier to retain in their respective units and services. We are at the peak of our readiness, and the cost to replace and train even one servicemember is immeasurable, particularly because of the institutional knowledge

and the experience gained through a decade of conflict.

As servicemembers redeploy and transition back to civilian life, we want to embrace them and provide support for full simulation. Addressing the issues of unemployment is just one means to tackle what has become an issue of resiliency not just for the National Guard but also for other components and services. A locally embedded resource that is postured to integrate employers, Guardsmen, and available resources to eliminate unemployment amongst the servicemembers is critical.

Mr. Chairman, I appreciate the opportunity to be here today to tell our story; and I look forward to your questions.

[The prepared statement of General Tyre appears on p. 93.]

The CHAIRMAN. Thank you very much, General.

Ms. Fanning, you are recognized.

# STATEMENT OF RUTH A. FANNING

Ms. FANNING. Thank you, Mr. Chairman.

Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee, thank you for inviting me here today to discuss the Department of Veterans Affairs Vocational Rehabilitation and Employment, or VetSuccess, program. I am pleased to appear before you to discuss the vitally important topic of veterans' employment.

I also want to note that I appreciated the opportunity to hear the dialogue from the other panels with many of our partners. We are partnering with everyone who has spoken thus far, except for two associations; and I will be getting in touch with them right after

this hearing.

I wanted to give you an overview of the vocational rehabilitation and employment program. Over the past 2 years, we have worked to rebrand and market our services as VetSuccess and to stand up tools for veterans that lead to career success.

The primary mission of our program is to assist veterans with service-connected disabilities to prepare for and obtain suitable and sustainable careers through the provision of services that are individually tailored to each veteran's needs. But, as you will hear throughout my testimony, we have greatly expanded our services; and we are now providing benefits to veterans who are not disabled

who are utilizing Post-9/11 GI Bill benefits.

The services that we provide are broad in range and include a comprehensive Web site designed to connect veterans with employers and to provide that one-stop Web site that everyone has been talking about this morning. This is a model that can either become or lead to the national portal, and we are working collaboratively with the Department of Labor and a number of Federal organizations to look at VetSuccess.gov and its success, if you will. Also, what else would we need to translate this or form a national portal?

On the Web site is a military skills translator that assists servicemembers and veterans to translate their military occupational specialties to civilian careers so that they can build on their

transferrable skills for employment.

We provide direct job placement assistance, short-term training to augment their skills to increase employability, long-term training including on-the-job training, apprenticeships, college training, or services that support self-employment; and for those veterans unable to work because of the severity of their disabilities, independent living services to maximize their independence in their communities.

We provide ongoing case management assistance throughout the rehabilitation programs to assist with any needs that would interfere with retention and completion to the point of employment.

Our program begins with a comprehensive evaluation to help veterans identify and understand their interests, aptitudes, and transferrable skills. Next, we move to focusing veterans on potential career goals in line with labor market demands, and we also provide extensive outreach and early intervention services through our Coming Home to Work Program.

Recently, VR&E Service VetSuccess has launched a transformation project geared to make our program the premier 21st Century vocational rehabilitation program. This effort focuses on modernizing and streamlining services using a veteran-centric ap-

proach. Transformation changes include allowing veterans more choice in their appointment scheduling through automated scheduling, expediting a veteran's entry into a rehabilitation program by streamlining the front-end process, reducing paperwork for our counselors so they can spend more one-on-one time with veterans, and we are also releasing a knowledge management portal which will be a one-stop tool for our staff around the country so that they have all the resources at their ready to do their jobs effectively.

Working in collaboration with the VA Secretary's innovation initiative, called VAi2, Vet Success has engaged in innovative initiatives to build self-employment incubators and tools, leading to more veteran-owned businesses in a project of self-management that will allow the most seriously disabled veterans to work in the career of

their choosing and live as independently as possible.

We are also conducting a VA employee innovation competition to allow the staff working every day with our veterans to identify additional program enhancements. We have received 732 ideas from a staff of voc rehab around the country of around 1,100, and we are currently evaluating these to begin implementing the most promising in August.

In addition to the employment initiatives I have just mentioned, I would like to highlight other initiatives that we have ongoing.

Veteran employment is the fundamental mission of our program. In fiscal year 2010, we rehabilitated just over 8,000 veterans in suitable employment and an additional approximately 2,000 in independent living. Of these, 51 percent were hired in the private sector and 79 percent were hired in professional, managerial, and technical programs, earning, on average, \$42,000 a year to begin. Specific initiatives focused on assisting veterans who obtain and

maintain suitable employment consistent with their interests, including employer education, which has been mentioned and is so important to help the employment community understand this is a smart business decision; implementation of executive order 1351(a), which includes working with other government agencies to maximize veteran employment within government—and about a third of the veterans we place in jobs are in the Federal Government; and working with the public- and private-sector employers to assist them to have a better understanding of tax credits, special employer incentives, and on-the-job training programs available when hiring veterans.

Of course, with the VetSuccess program, which is not only a job board in coordination with NASWA and DirectEmployers, we have incorporated not only the Job Central job-board of over 8 million active jobs, but also a job board for employers who want to hire veterans. As of June, that will be linked with our e-portal, which means veterans, when they come into our program and are registered through e-portal, employers will know that they are hiring veterans. It will also allow veterans to have a lot more self-service

Recently, we have ventured into the world of virtual career fairs in addition to brick-and-mortar career fairs. A partner advertised an upcoming veteran career fair on the Jumbotron in Times Square. We were really glad to see that kind of marketing for our

program and for this very important career fair.

We have developed the Troops to Counselors initiative, and we plan by 2014 that 60 percent of our counselors will be veteran hires. And we are using the Student Career Experience Program to bring veterans in and train them while they are in college toward VA careers.

About 42 percent of our employees around the country are veterans. We are very committed to hiring veterans; and we are the largest employer of veterans, aside from DoD. So we are the largest nondefense organization employer of veterans, I should say.

The VetSuccess.gov Web site has been completely redesigned. It is a one-step resource for both disabled and able-bodied veterans and family members. The Web site includes a job board for employers desiring to hire veterans, resume builders, upload tools that allow veterans to utilize resumes already developed, complete resources for transition, employer families, success in college, and drill-down maps so that a veteran can go in and click on his or her city and find the resources they need in their area.

In conclusion, I would like to say that VA continues to seek new and innovative ways to assist veterans in achieving their goals for full, productive, and meaningful lives and careers. We will continue to work with all sectors of government and public and private employment communities to assist veterans in reaching their highest

potential during this challenging economy.

This concludes my remarks. I appreciate the opportunity to testify before you, and I thank you, Mr. Chairman. I would be happy to respond to any questions you may have.

[The prepared statement of Ms. Fanning appears on p. 96.]

The CHAIRMAN. Thank you very much.

Mr. Jefferson, good to see you.

# STATEMENT OF HON. RAYMOND M. JEFFERSON

Mr. Jefferson. Chairman Miller, Ranking Member Filner, thank you very much for giving me this opportunity to be a part of this hearing. I ask my full written testimony be included as part of the record.

The CHAIRMAN. Without objection.

Mr. Jefferson. Vets has the privilege of being the Congressionally mandated lead agency for veterans' employment. But we can only accomplish this mission by working with our partners, our partners in government, like VA and Ruth Fanning, Defense, Office of Personnel Management, and the U.S. Department of Housing and Urban Development, our partners in the nonprofit sectors, many of whom are here today, the veteran services organizations, NASWA, the Society for Human Resources Management, and our partners in the private sector, specifically, the U.S. Chamber of Commerce, the Business Executives for National Security, and the relationship that we are developing with the Business Roundtable.

We have three primary responsibilities: preparing servicemembers for meaningful and successful careers, providing access to

them, and protecting their employment rights.

We are going to have a major hearing on TAP tomorrow. Here is what I would like to leave the Committee with: We have identified the six major problems in TAP, developed solutions for those, and we are on track to implement the new, completely redesigned

and transformed Transition Assistance Program Employment

Workshop by Veterans Day of this year. That is my goal.

We are also working to link with the Military Spouse Employment Program at DoD so spouses for the first time will greatly increase their participation in TAP and their preparedness. There is also going to be a significant element in there on entrepreneurship.

Providing access, the second major responsibility to meaningful and successful careers. A lot is happening here. In partnership with the U.S. Chamber of Commerce and ESGR, we are rolling out

100 mega hiring fairs around the country.

What is a mega hiring fair? It is a hiring fair where there is generally over 100 employers and over 1,000 veterans. We have worked with ESGR to identify where are those major demobilizations occurring and then doing hiring fairs after the units have returned. We are also developing a replica model so not only can we have the hundred mega hiring fairs, but it also can be cascaded into rural America.

We are developing a partnership with SHRM, the Society for Human Resource Management, where for the first time we will be briefing rooms full of hundreds of H.R. executives on why to hire a veteran and how to hire a veteran. They have over 250,000 members who are doing hiring around the country, and we are going to be getting in front of them for the first time.

We have our State grants program. Let me acknowledge that we need to improve this program. So for the first time, I believe, in the last decade we have gone out to solicit feedback on how we can

improve, and we are processing that feedback right now.

This year, one of my goals is to implement a community of practice. This is one of the 10 leadership breakthrough ideas of 2006. Bottom line, it allows us to have best practices shared from Florida to California, all around the country. There is no way for us to do that right now.

The Federal Hiring Initiative. From fiscal year 2009 to 2010, Federal Government hiring went down by 11,000 people. In the same period of time, veterans hiring went up by 2,000, from 70,000 to over 72,000. So the Federal Hiring Initiative, which we are

working in partnership with VA, is working.

For those young veterans 20- to 24-years-old, we have the Job Corps pilot. We are getting very good feedback on that from the young veterans. We have 300 slots. Once we do proof of concept, we can have more slots allocated; and we are going to be sending out videos that the young veterans and Job Corps have made talking about how this is a life-changer. It provides residential, all-expense paid training, housing, leading to a credential, a job, and 21 months of post-deployment support.

We have our green jobs training through Veterans Workforce Investment Program where we serve 4,600 veterans; our Homeless Veterans Reintegration Program. We have over 14,000 veterans being served there, with over 8,000 being put into employment.

And there is much more.

In terms of protecting veterans' employment rights, I respectfully disagree with Captain Hanson. We actually feel that we have enough human capital resources on the ground to handle our load of investigations. We have also done a lean Six Sigma assessment

of what are the best practices relating to timeliness and quality, and we are implementing those best practices. Basically, a major one is to eliminate the paper-centric process and automate it, going

to electronic case management.

Finally, I will say that none of the great, important things that we are doing will have the impact that it should unless we engage the media as partners. So, last year, we worked with *Forbes* and *Fortune Magazine* and had articles out on the value of hiring a veteran. This year, we are working with the entertainment industry, with the Bob Woodruff Foundation. I was recently told that *Businessweek* this week has an article called, "Ready, Aim, Hire," talking about the value of hiring veterans and how to hire veterans.

We stand enthusiastic to work with this Committee and our other partners to make progress on this very important, noble errand in getting veterans and servicemembers back into meaningful and successful careers.

[The prepared statement of Mr. Jefferson appears on p. 100.] The CHAIRMAN. Thank you very much for your testimony.

Mr. Jefferson, you talked about requests for proposals to re-engineer TAP. You indicated that vendors—in your comments—must use certain books by certain authors; and if a vendor proposed to use an alternative, the explanation must be given as to why. What I would be interested in knowing is why or how did you select the books and did DoL's General Counsel approve of who implicitly, if not explicitly, endorses these books?

Mr. Jefferson. Yes, sir.

First, let me say the actual language I said is content-related to this—either these books or do a crosswalk to the content.

Prior to being confirmed as an Assistant Secretary here, I have spent the majority of my life in the leadership development domain. And so what I am asking in the Request for Proposal (RFP) is we have identified the best practices related to career transition. That is not just my opinion. That is from identifying who is the best in the Nation, working with Harvard Business School's Office of Career Transition, working with West Point's leadership department, working with other key leaders in this area.

So in the TAP RFP, we have identified what the best practices are, and we have made those the standard. For example, we have often heard in Congressional hearings that servicemembers don't know how to transition from the military to a civilian work environment. How are we going to solve that riddle once and for all? We have specified in very specific detail what are the elements of that cultural transition. And so that is an example of what is in

the new TAP.

Sir, we have made the standards high. We are hoping we will award that as soon as possible, and we are on track to have it done

by Veterans Day.

The CHAIRMAN. For you and VA both, DoD spends a tremendous amount of money in recruiting servicemembers. I would be interested in knowing how much money, if you know, VA and the Department of Labor spend on radio, TV ads to highlight the positive aspects of hiring veterans and the qualities that they bring to the Federal workforce or in the private sector.

Ms. FANNING. I don't have the dollar amounts for you today, but I can get those for you.

[The VA subsequently provided the following information:]

During Fiscal Year (FY) 2010, Vocational Rehabilitation and Employment Service (VR&E) spent \$533,672 on outreach, promotional materials, and to attend outreach events such as the Society of Human Resource Management Conference, American Legion Job Fair, and Congressional Black Caucus Foundation, Inc. In addition, VR&E Service spent \$103,828 on branded promotional items to provide to veterans and servicemembers during outreach events (total: \$637,500).

In addition, VRE expended \$495,000 for maintenance of, and enhancements to, the VetSuccess.gov Web site. VetSuccess.gov is an important marketing tool that VR&E uses to target veterans seeking employment and provides resource information for servicemembers throughout their transition,

preparation for employment, and post employment.

So far in FY 2011, approximately \$1.13 million has been expended for outreach materials, events, and the VetSuccess.gov Web site. These outreach and marketing tools assist veterans with entering programs or services leading to employment, developing employer relationships resulting in job opportunities for veterans, and assisting servicemembers and veterans with all services leading to career employment.

Also, in FY 2011, VA's Office of Human Resources and Administration expended funds for marketing, outreach, and advertising to veterans that totaled \$128,102 and included the following:

Promotional Materials for Regional Recruiters for distribution: \$22,774 Veterans Acquisition Intern Program (Joint program with OPM to recruit veterans in the acquisition career field): \$35,000

OPM/VA Veterans Symposium to provide a learning forum to discuss strategies and issues concerning veterans employment: \$50,000

Advertising Materials: \$1,015

Outreach (Career Fairs): \$19,313

Ms. Fanning. But I can say that we have invested in marketing the program—the Vocational Rehabilitation and Employment Program—as VetSuccess through a grassroots campaign at job fairs, at Yellow Ribbon events, at welcome home events anywhere where veterans and servicemembers are.

We have permanently stationed 13 full-time counselors at primary military treatment facilities. They are reaching out to these young men and women while they are still active duty on medical hold.

We are doing everything that we can to get the word out. In our budget request next year, we have a full marketing package that

we have requested to put into place.

First of all, we needed to get VetSuccess.gov up to the point that it was viable across the security hurdles, across the e-portal hurdles. And we are there. We went from having 66,000 hits in 2008 to 28 million hits last year and so far this year over 22 million hits to the site. So veterans recognize our brand. They are coming to the site.

And we are standing it up and enhancing it as rapidly as we can. I think if you go to the site today, you will see a different site than was up there 2 weeks ago. We have uploaded a huge amount of content just in the last 2 weeks.

Mr. JEFFERSON. Sir, I will take that question for the record.

But our strategy has been primarily not to pay for advertising. We have been going out doing major public speaking engagements, one, for example, with 10,000 H.R. executives at the Society for Human Resource Management. That led to a conversation personally with Steve Forbes where he said he would like to do something in *Forbes Magazine*. And he did.

We developed a relationship with the publisher of *Fortune Magazine*, who expressed their desire to promote veterans employment.

They went ahead and also did coverage there.

We did not pay for any of those coverages. But I will take it for the record so I can ensure that I am capturing anything else happening within the Department of Labor.

But I will say there is tremendous goodwill and interest in the media right now, and so we are working to leverage that with stories on the value that veterans bring to the workforce and how employers can access this source of talent.

[The DoL subsequently provided the following information:]

DoL continues to highlight the positive aspects of hiring VETS through departmental news releases, speeches, testimony, appearances and other outreach efforts at the local and national level. However, at this time the agency does not have any direct budget line item for advertising to promote the hiring of veterans.

The CHAIRMAN. How about national electronic media or the new social media that is available out there? Neither one of you even mentioned that.

Mr. Jefferson. Sir, I would love to comment on that.

We just brought in an expert for the summer who is working on how we can leverage new media and social media. We do have some constraints within the Department of Labor, but we are looking at how we can push this out as far as possible while staying within all appropriate guidelines.

Ms. Fanning. VA is on *Facebook*. We are blogging. We are tweeting. I think that is the correct term. We are looking at maxi-

mizing social media.

In addition, as we move forward with the e-portal and have the assurance of secure connections over the Internet, in Vocational Rehabilitation and Employment specifically, as well as in our work with the GI Bill through the VetSuccess on Campus program, we are looking at doing counseling over the Internet through secure methods using e-chat.

We already are in the process of implementing a program across the country where we are using technology so that we can provide counseling to veterans using technology rather than having a veteran drive 100 miles to our office or having a counselor drive 100 miles to their home when maybe that day they could have seen five veterans instead of one during that travel time. We are maximizing the use of technology as much as possible.

Mr. JEFFERSON. Mr. Chairman, I will also acknowledge we are getting tremendous assistance from NASWA's social media team and the Department of Defense's social media team. A specific example is we are pushing out videos we have created for young veterans on the value of our Job Corps pilot, and they are helping us to disseminate that as well.

The CHAIRMAN. Thank you.

Mr. Filner.

Mr. FILNER. Thank you.

Do we now have any mandates for Federal hiring or Federal contracting of veterans?

Mr. Jefferson. For Federal hiring, we have the Federal Hiring Initiative, where each agency has developed goals. As an initiative, it is succeeding, and we are achieving those goals, and we have hired more veterans than we have the previous year. So the Federal Hiring Initiative is very successful.

Because the contracting comes under OFCCP, I would like to take that for the record and involve that agency in answering that

question.

Ms. Fanning. And I would just like to say that with the Presidential Executive Order 13-518, each agency and department has

goals for increased veteran hiring.

In regard to the use of contracting with small disabled veteranowned businesses or veteran-owned businesses, I know that VA has goals. But I will take it for the record to determine what kind of laws are in place governing specific mandates.

[The VA subsequently provided the following information:]

There are no laws requiring the hiring of veterans for contracts. The existing laws (Veterans' Readjustment Assistance Act of 1972 (38 U.S.C. 4211 and 4212) and the Veterans Employment Opportunities Act of 1998, Public Law 105–339), as implemented by the Federal Acquisition Regulations in Subpart 22.13, encourage the hiring of veterans and require contractors who are subject to the reporting requirements to file annual reports on the number of veterans employed.

38 U.S.C. 8127(d) does require VA to set aside contracts for award to small businesses verified as owned and controlled by veterans if there is an expectation that at least two such offerors will submit offers and the award can be made at a reasonable price. However, those conditions must be met before a contract is required to be set-aside for a veteran-owned and controlled small business. See also 38 CFR 74.

Mr. FILNER. Everywhere I go—I go up to Camp Pendleton in San Diego, and they have a \$6 billion construction program. You go downtown, there is a \$250 million court project. You go down to the border, there is a \$600 million building.

I talk to the general contractors, and they don't seem to know about any of these goals to hire veterans. Oh, yes, we have outreach, but I don't see any number. I don't see any results. I don't see any tangible proof that they are doing anything. Yet here we have enormous power, the Federal Government, to do the hiring; and I am not sure we are doing what we can.

I would like some suggestions on what we should do. I would

mandate, rather than set goals.

You talk to the agency and they say, well, the general contractor has it, and we have goals in our RFPs. But they are never translated into the actual contract, and the general contractors don't seem to have any sense—well, I retract that. It depends on the individuals and their own sensitivities and their own sensibilities and their own senses. But nothing mandated that they feel they

have to respond to.

Ms. Fanning. Well, having just participated in a large acquisition for the Vocational Rehabilitation and Employment program, I can say that I was witness to the Office of Acquisition, Logistics, and Construction in VA during the pre-proposal conference for all interested bidders. And there were a number of set-aside regions throughout the country for veteran-owned and small veteran-owned businesses. They also very thoroughly reviewed with the group partnering and subcontracting arrangements that could be made and encouraged interested vendors to work with small veteranowned businesses.

Are we completely there? I don't know.

Mr. FILNER. But they are all voluntary, aren't they? Is anybody ever penalized for not meeting them and not giving the next contract? I mean, I don't hear?

Mr. Jefferson. First, there are two things which we are talking about.

The first is the Federal Government hiring. On that, we are tracking for the people who are being brought in as civil servants. So we are tracking that. That one is succeeding, and all that information is available very transparently. We have a new director at the Department of Labor at OFCCP, Office of Federal Contract Compliance Policy, and she is doing a lot to bring a lot more teeth into this effort.

So I would like to take that for the record, because I know she is taking a lot of actions to make this a much more effective and relevant policy.

Mr. FILNER. The last testimony I have seen said they haven't penalized anyone for the last 5 years.

Mr. JEFFERSON. Sir, I would like to make sure that we have a fact basis for that. Her name is Pat Shiu. I have met with her.

Mr. FILNER. If they haven't done anything in terms of penalties, then nobody takes them seriously.

Mr. JEFFERSON. I actually know that she is putting penalties out. But what I would like to do is give you the facts so-

Mr. FILNER. Again, penalties against—what are the laws that they are required to follow? Or what efforts? Again, it seems all voluntary. It seems it's just all goals to meet. There is a difference that's almost based on personality or the company itself in what they are really doing.

Mr. Jefferson. Yes, sir.

[The DoL subsequently provided the following information:]

# QUESTIONS FOR THE RECORD

#### Patricia A. Shiu, Director Office of Federal Contract Compliance Programs U.S. Department of Labor

Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee, thank you for the opportunity to present additional information on behalf of the Department of Labor (DoL or Department).

On June 1, 2011, U.S. Department of Labor, Veterans' Employment and Training Service (VETS) testified before the Committee on Veterans' Affairs. In the course of that hearing, Rep. Filner asked several questions about programs that were not within the purview of VETS, but of the Office of Federal Contract Compliance Programs (OFCCP), also in DoL. I am pleased to provide these responses to your ques-Rep. Filner: Do we now have any mandates for Federal hiring or Federal con-

tracting of veterans?

Response: Yes. Your question raises two issues: hiring by the Federal Government, and hiring by entities that have contracts with the Federal Government.

With regard to hiring by the Federal Government, 5 U.S.C. §2108 provides veterans who are disabled or who serve on active duty in the Armed Forces during certain specified time periods or in military campaigns a preference (10 points for disabled veterans, 5 points for non-disabled veterans) over non-veterans both in Federal hiring practices and in retention during reductions in force (RIF).

The requirements for hiring of veterans by Federal contractors 1 (as opposed to by the Federal Government) are set forth in the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), 38 U.S.C. 4212. OFCCP enforces Section 4212(a)(1) of VEVRAA, which prohibits Federal contractors and subcontractors (hereafter, "contractors") from discriminating against specified categories of veterans and requires contractors to take affirmative action to employ, and advance in employment, those veterans. Contractors must develop written programs detailing the actions that they are taking for this purpose and make the plans available when requested in a compliance evaluation or complaint investigation. OFCCP also enforces VEVRAA Section 4212(a)(2)(A), which requires that contractors list their job openings with the appropriate employment service. Additionally, while VEVRAA does not include a *hiring* preference for veterans as there is in Federal Government hiring, VEVRAA does require that covered veterans receive priority in referral from the employment services to Federal contractors for the openings they list.

Rep. Filner: But, they are all voluntary, aren't they?

Response: No, the VEVRAA requirements are not voluntary; they are required of covered Federal contractors.2

Rep. Filner: Is anybody ever penalized for not meeting them and not giving the next contract?

**Response:** Yes, contractors are penalized for not meeting VEVRAA requirements. VEVRAA provides a range of options for such situations, from remedying the violations all the way to debarring contractors from future contracts. At a minimum, when there is a finding of discrimination against a protected veteran, the contractor is required to provide back-pay and other make-whole remedies and to change its practices going forward. In the vast majority of cases, it is not necessary to take contractors to administrative enforcement proceedings; our efforts to conciliate the issues are generally sufficient.

Rep. Filner: The last testimony I have said [OFCCP] hadn't penalized anyone for the last 5 years.

Response: OFCCP conducts compliance evaluations of an average of approximately 4,000 neutrally selected contractors each year. Under the Obama administration so far, OFCCP has recovered \$25 million in back wages and nearly 4,200 job opportunities on behalf of more than 42,000 victims of discrimination. The agency has evaluated almost 12,000 businesses that, collectively, employ over 4.2 million workers. We review VEVRAA compliance in every evaluation in which a

contractor met the VEVRAA minimum coverage requirements.

I was delighted that these reviews did not uncover many VEVRAA violations. In FY 2009, after OFCCP conducted on-site reviews of their establishments, 54 contractors were cited for recruitment violations impacting veterans, including failure to comply with mandatory obligations to post job listings, conduct outreach, and fulfill other requirements. In FY 2010, that number rose to 92 contractors that were cited for recruitment violations pertaining to protected veterans. OFCCP negotiated conciliation agreements in all these cases to correct the violations. Many, if not most, of these settlement agreements included linkage provisions in which contractors commit to partner with specified local job training programs, veterans' organizations, and other community groups, in order to identify and recruit covered veterans and people with disabilities better.

OFCCP also investigates complaints of discrimination filed by veterans. In FY 2009 and FY 2010 (combined), OFCCP investigated 76 veterans' complaints, which accounted for 50 percent of the 179 complaints investigated in those years. VEVRAA

erans separated from the service within the previous 3 years.

<sup>2</sup> Other VEVRAA provisions (not enforced by OFCCP) establish certain priority job referrals for veterans seeking employment and require Federal contractors to report the number of employees who are covered veterans on annual VETS-100 and VETS-100A reports. In addition, the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) generally requires all covered employers, including Federal contractors and subcontractors, to reinstate veterans whose cumulative period of military service does not exceed 5 years, to the job state veterans whose cumulative period of military service does not exceed 5 years, to the job that they would have attained had they not been absent for military service.

¹Coverage of contractors and veterans varies according to when the contract was entered into. For contracts entered into before December 1, 2003, the contract dollar threshold is \$25,000, and the veterans covered are: (1) special disabled veterans; (2) veterans of the Vietnam era; (3) veterans who served on active duty in the Armed Forces during a war or in a campaign or expedition for which a campaign badge has been authorized; and (4) veterans separated from the service within the previous year. For contracts entered into on or after December 1, 2003, the contract dollar threshold is \$100,000, and the veterans covered are: (1) disabled veterans; (2) veterans who covered one cities duty in the Armed Forces during a very expense expense or expense. veterans who served on active duty in the Armed Forces during a war or in a campaign or expedition for which a campaign badge has been authorized; (3) veterans who, while serving on active duty in the Armed Forces, participated in a United States military operation for which an Armed Forces service medal was awarded pursuant to Executive Order No. 12985; and (4) vet-

violations were found in 14 percent of these investigations.<sup>3</sup> In all but one of those in which a violation was found, OFCCP reached a financial agreement with the contractor that resulted in compensation for the veterans involved. (The case in which no financial agreement was reached involved recordkeeping and recruitment violations).

tions that did not affect employees' compensation).

Rather than simply accepting contractors' self-reporting (as has been done too often in the past), we are now requiring our compliance officers, when conducting an on-site review, to verify how contractors are treating protected veterans and people with disabilities and whether they are providing reasonable accommodations to their workers as required by law, as well as to confirm the existence and implementation of required affirmative action programs. Our investigative procedures during on-site investigations also include verification that the contractor is listing job openings with the appropriate employment service delivery system(s) so that veterans may be given priority in referral. I have made it very clear to our compliance officers that they must verify compliance with these posting requirements during their evaluations of contracting establishments.

Rep. Filner: Again, penalties against—what are the laws that they are required followed, or what efforts? Again it seems all voluntary. It seems it's just all goals to meet. There is a difference that's almost based on personality or the company itself

in what they are really doing.

**Response:** This question appears directed at how contractors' efforts to employ more veterans are measured and enforced. As noted above, the primary OFCCP enforcement mechanisms are compliance evaluations and complaints. The framework articulating a contractor's responsibilities with respect to affirmative action, recruitment, and placement, and the measures by which its compliance will be assessed, are set forth in our regulations (41 CFR Parts 60–250 and 60–300).

OFCCP's VEVRAA regulations have remained unchanged since the implementing rules were first published in 1976. Meanwhile, increasing numbers of veterans are returning from tours of duty in Iraq, Afghanistan, and other places around the world, and many are faced with substantial obstacles in finding employment upon

leaving the service.

To make our VEVRAA program more effective in increasing employment opportunities for returning veterans, in April of this year we published proposed revisions to the regulations that go directly to your concerns about measurement and accountability. The proposed rule would increase the responsibilities of Federal contractors and subcontractors by, *inter alia*:

- Requiring contractors to establish linkage agreements with at least three veterans employment service organizations, to bolster contractors' recruitment efforts and increase the number of veterans who are aware of, and subsequently apply for, openings with Federal contractors.
- Requiring contractors to conduct more substantive analyses of recruitment and placement actions taken under VEVRAA.
- Revising recordkeeping requirements to help contractors evaluate and tailor their recruitment and outreach efforts, and establish the hiring benchmarks proposed in the NPRM.
- Requiring contractors, for the first time, to establish annual hiring benchmarks. These benchmarks are expressed as the percentage of total hires who are protected veterans that a contractor will seek to hire the following year. By using benchmarks, contractors have a quantifiable measure for gauging their success in recruiting and employing protected veterans.
  Requiring contractors to invite applicants to self-identify at both the pre-offer
- Requiring contractors to invite applicants to self-identify at both the pre-offer and post-offer stages of the hiring process. As proposed, prior to an offer of employment, the contractor is required to invite all applicants for employment to self-identify as a "protected veteran." This allows the contractor and OFCCP to identify and monitor the contractor's employment practices with respect to protected veterans.

The comment period for this proposed regulation closed on July 11, 2011, and we are in the process of reviewing the comments in preparation for issuing a final rule.

Mr. FILNER. It is very frustrating for a Marine base to have \$6 billion worth of contracts and my veterans community goes up

<sup>&</sup>lt;sup>3</sup>Violations were not found for a number of reasons, including untimeliness of the complaint, lack of a Federal contract or subcontract that would confer jurisdiction on OFCCP, the fact that the complainant did not fall within the classes of veterans protected under VEVRAA, and a (not uncommon) misapprehension among veterans that the Federal Government's "veterans' preference" guarantees veterans jobs in private companies.

there and they don't find any of their comrades working. That is very frustrating when it is your own government that is doing this.

Ms. FANNING. Mr. Filner, I will also take that back to our Office

of Acquisition, Logistics, and Contracting.

But I did want to mention, as I briefly did in my opening remarks, that Vocational Rehabilitation and Employment as well as the GI Bill, encourages entrepreneurship. And we are working to help more veterans start and own their own businesses. We know that small business is the backbone of our American economy. I was just in Chicago last week speaking to a group of small business owners, and I was inundated after my talk, which was about the benefits of hiring veterans and the incentives to hire veterans, with employers wanting to know more about how to advertise their jobs on VetSuccess.gov. One particular employer told me, give me 50 veterans with bachelors degrees, and I will train them to do the work that I need them to do.

So we are working aggressively to get the word out. And I think that is one of our biggest challenges, as many have mentioned this

morning—

Mr. FILNER. If I may ask the Adjutant General, we have heard testimony today—and, of course, we know about the reluctance of many employers to even follow the law in terms of your own men and women, so what do we do about that? It was suggested that we have some incentives there.

General Tyre. Number one, we utilize ESGR to follow through with those complaints. I will tell you in Florida over the last year, we have been able to resolve 77 of those issues, and we still have three remaining. But utilize that.

We also use other things to where we don't get into that issue. We will do boss lifts with these employers. We invite them to predeployment training right there at Camp Blanding or at one of the

other power projection platforms.

But just take a proactive approach with their employers and let them know right up front that our soldiers are going to be downrange for 12 months, 13 months before they get back to them. But, again, just taking a proactive approach seems to work for us.

The CHAIRMAN. Mr. Stutzman.

Mr. STUTZMAN. Thank you, Mr. Chairman.

Thank you for being here today. It is good to see you. I appreciate what you are doing and trying to accomplish, and I know we all have our veterans at heart here and want to make sure that especially those that are unemployed and are wanting to find work can. We can be as helpful as we can.

I guess my question would be to Secretary Jefferson. Are you happy with the level of performance for the Jobs for Veterans State Grant program? If you could comment about that and what you are

seeing as far as the success and where we can do better.

Mr. Jefferson. Sir, I think my staff would tell you I am rarely satisfied with the performance and always wanting to do better. Let me drill down specifically on the Jobs for Veterans State Grants (JVSG) program.

Since being confirmed, one of the first questions I had is how can this program be improved. As I looked around, there was no real data, there was no real feedback in recent years that we can use to make evidence-based decisions. So at the last HVAC hearing that we had, I initiated a structured dialogue with all the veterans employment coordinators around the Nation to get feedback on what is working, what is not, what are the employment opportunities. We are going ahead and analyzing that feedback right now.

Simultaneously, without waiting, we are implementing a best practice called the Community of Practice. This came out of Iraq and Afghanistan in the Army, something called *CompanyCommand.com*. We are using that model. Basically, it is for a community of practitioners to share best practices over large geographical areas. So we are working to implement that this year.

On the so-what factor, it will make sure that a DVOP or LVER who is highly performing in one State can share those practices and approaches that he or she has all throughout the Nation. And then, once we get the feedback from the veterans' coordinators, I

will be taking other actions to improve that program.

It is very valuable to have 2,000 employment representatives around the Nation, but I want to make sure we are continuing to up-skill them and ensure that they have the latest approaches and techniques to be as effective as possibly.

Mr. STUTZMAN. Could you share just some of the best practices that you are talking about, just to give us a better idea and a sense

of what—

Mr. Jefferson. I would say we take three major questions that you may ask a local veterans' employment representative: What are you doing to mobilize your local community of employers? What types of outreach are you engaging in? Or let's take a DVOP. You have a veteran who is very physically challenged, and you have some employers who are interested in giving that veteran an opportunity but he or she maybe has questions or concerns on traumatic brain injury (TBI), post-traumatic stress (PTS), post-traumatic stress disorder (PTSD). How do you deal with that?

Well, one solution that we have is the American Heroes at Work program that educates employers on the accommodations that veterans with PTS, PTSD, or TBI have. A very highly regarded program. Are all employment representatives using it? Are they all aware of it? Also, mentoring and coaching. So a new DVOP or LVER in one part of the country can work with someone who may be in a different locale but who is known as being a thought leader,

a very effective employment representative.

So we want to get that community of practice, of mentoring, coaching, and sharing techniques. And the questions actually come from the participants. So they put up what they need help with and their peers provide answers. It was one of the top 10 breakthrough ideas out of 2006 Harvard Business Review, came out of the Army and combat, and now they are using it for the four-star General officers. They are creating a community of practice for them, and that individual is going to be advising us on our community of practice—Nate Allen.

Mr. STUTZMAN. General Tyre, do you have any comments regard-

ing the programs?

General Tyre. We have talked about leveraging technology and all the programs that are out there. It is difficult for a soldier, airman to look at all those programs and figure out which one is going

to benefit him, which one is going to get him a job. They are all great programs, and they all add value to the issue. But unless we get someone to follow along with that soldier, to be there with him until he gets a job, that one-on-one personal contact until he gets a job, we are not following through with meeting the requirements of our soldiers. It takes that personal contact, that counseling, that is going to get a soldier to a job and to a career.

Mr. STUTZMAN. Go ahead.

Mr. JEFFERSON. So there is the high-touch approach for those veterans who are already out in the community. And then with the new transformed, redesigned TAP we have peer support techniques in there. We have entrepreneurship content in there. And we have connectivity to employer representatives in there as well. So we want to streamline that information flow.

I know when I was coming out it was frustrating and annoying, frankly. But we are taking action, and my goal is to have a lot of these initiatives done by Veterans' Day this year.

Mr. STUTZMAN. Thank you.

The CHAIRMAN. Thank you very much.

General, you had talked about a 30 percent unemployment rate among Guardsmen with the 53rd Infantry Brigade and 17 percent, I think it was, among all members of the Florida National Guard. In your conversation with other leaders of other Guards from other States, do you think Florida's rates are unique or are they consistent with those other States?

General TYRE. Sir, they are fairly consistent with other States. We will find some brigades like Iowa that are coming back and redeploying from downrange that might be a little bit higher. I know in Washington State when they brought the 81st back, they were a little bit higher than ours, but not much higher. The normal is somewhere between 30 and 35 percent from the BCTs, the brigade combat teams, that we have talked with.

The CHAIRMAN. For the record, because I don't think you are going to be able to answer the question—you may be able to—but it is my understanding the Midwestern Governors Association gave a proposal for the Employment and Training Administration for \$170,000 to work on the issue of licensing and credentialing that we have discussed here today, but Labor refused to fund it because they don't do sole source contracts. Are you aware of that? If not—

Mr. JEFFERSON. Sir, I will take it for the record.

Let me give the high-level overview. We have that unsolicited proposal. I know it is being reviewed. We care very deeply about making progress on the issue of credentialing and licensing. The American Legion is going to be having a summit later this year. We are going to be participating at that. I understand that that planning has just begun to get under way, and I am sure many partners who are in the room today will be associated with that. But I would take the actual details of your question for the record.

[The DoL subsequently provided the following information:]

U.S. Department of Labor Employment and Training Administration Washington, DC. March 21, 2011

Mr. Jesse Heier Midwestern Governors Association 2025 M Street, NW Suite 800 Washington, DC 20036

Dear Mr. Heier:

Thank you for your proposal to the Employment and Training Administration (ETA), entitled Veterans Credentialing Initiative, which was forwarded to the Office of Policy Development and Research for review. ETA appreciates the importance of the transferability of training standards and credentials, and how it affects service-members as they transfer out of the military into the civilian workforce. We have carefully reviewed your proposal to increase the number of States in the Midwest that have reciprocity agreements for endorsing occupational licensing among States and with the military branches.

The vast majority of grants for activities such as this one proposed by the Midwestern Governors Association, are awarded on a competitive basis in response to a solicitation for grant application. Since many aspects of the Midwestern Governors Association proposal are not unique and do not offer new and exceptional techniques, but rather propose to support discussions of interstate credentialing, there

Although ETA is not in a position to fund this proposal, we would invite you to closely monitor the ETA Web site (www.doleta.gov/grants) and www.grants.gov for

future grant funding opportunities.

While we receive many unsolicited proposals, very few obtain funding, Our budgetary resources are rather limited and are primarily used to support the competitive procurements mentioned above.

Thank you for your interest in the public workforce system.

Sincerely,

Michael S. Jones Acting Administrator Office of Policy Development and Research

The Chairman. Very well.

Any other comments?

We thank you very much for your testimony and, again, your pa-

Again, this Committee is fully committed to helping those veterans who want jobs, who need jobs, find jobs and have gainful employment. Because, after all, they have serviced and sacrificed for this country. Jobs is number one. This Committee is committed to working in that direction.

All Members will have 5 legislative days to revise and extend their remarks and submit questions for the record.

With no further comments, this hearing is adjourned.

[Whereupon, at 12:31 p.m., the Committee was adjourned.]

# APPENDIX

#### Prepared Statement of Hon. Jeff Miller, Chairman, Full Committee on Veterans' Affairs

Good morning everyone. Thank you for being here. Our hearing today, "Putting America's Veterans Back to Work," is one of the most important ones we'll have this Congress and that is why I have decided to proceed with this hearing even though many of the Members on our side of the aisle are meeting with President Obama this morning. Just last week I, and other Committee Members, met with dozens of veterans' organizations who were nearly unanimous in making jobs for veterans their number one priority. I couldn't agree more.

Lengthy unemployment can cause an unbelievable amount of strain. Bills don't get paid, savings can be exhausted, and family needs have to be put on hold. The financial strain of not having meaningful employment has a cascading effect for many—family problems, declining mental health, homelessness—we've got to get the economy going again to put Americans back to work, especially those who have protected our freedom to work in the first place.

Growing the economy starts with the fundamentals: keeping taxes on small businesses low, which necessarily means holding Federal spending down; reducing burdensome and unnecessary regulations that increase costs to small businesses; and ensuring we have a trained, skilled workforce ready for 21st Century jobs in a 21st Century economy.

It is this third area—ensuring a trained, skilled workforce—that the Veterans' Affairs Committee is primed to lead. There are a number of programs run by VA and the Department of Labor that have the potential to help. Our task is to see if those programs, as designed, are effective.

Our responsibility is to modernize them to respond to the specific needs that exist

for unemployed or underemployed veterans in our economy.

Let me highlight a few areas where I think we need improvement.

First, the unemployment rate among all veterans of the Global War on Terror has been reported to be as high as 13.1 percent. This high rate exists despite the fact that Transition Assistance Programs for separating servicemembers looking for work are available, as are Federally-funded veterans employment specialists within every State. We need to look at these programs anew to see how they can be im-

Second, training and education benefits through the new Post-9/11 GI Bill and other programs are valuable tools for veterans. However, as currently designed, they do little good for middle-aged veterans far removed from military service who may need new skills to break out of unemployment. To highlight the point I'm making, on May 2, the Conference Board released its data showing there are nearly 4.5 million jobs advertised on the Internet. The Board's data also show the top 10 career fields with a heavy presence of jobs requiring hard skills.

To me, this shows that good jobs are out there, we just need to retool the pro-

grams we have to help our veterans compete for them.

Finally, there are legal protections for Guardsmen and Reservists who left work to fight for our country. By law, they are entitled to have or go back to their jobs when they come home. We need to be aggressive in enforcement of this law.

And just one more thing, we need to have a better understanding of the demographics of unemployed veterans. Things like education levels, lengths of unemployment, skills learned in the military, just to name a few. We will hear some of that from our witness from BLS but I believe it is time to expand the facts we know about unemployed veterans.

As a beginning, I hope that today's witnesses can provide some insight into what we can do to help veterans get the jobs they want and deserve.

I have some ideas of my own, so, to get the ball rolling, I will soon introduce a new jobs bill for veterans. The principles of my bill are simple:

1. We need to provide a meaningful retraining program for our older veterans

who make up two-thirds of all unemployed veterans;
2. We need to ensure Transition Assistance Programs for our younger veterans are effective and, just as important, utilized when they separate from the mili-

3. We need to add flexibility and accountability to Federally-funded job training

programs; and We need to ensure we have updated legal protections for veterans who want their jobs back on their return from active duty, and we must do better enforcing those protections.

I know Members will have other ideas as we go forward, but—keeping in line with the theme of this hearing—I'm anxious to roll up my sleeves and get to work. As with any work, we need to set goals and let me tell you what my goal is.

I believe that an unemployment rate of between four and 5 percent is generally accepted to be full employment. So, I want to begin today's hearing by setting a goal to reduce unemployment among veterans from its current level of 7.7 percent down to about 4.5 percent. That means, using the Bureau of Labor Statistics' April data, we need to reduce the number of unemployed veterans from April's 873,000 down to around 470,000 or a reduction of about 400,000 veterans. I think we can do that and I invite every Member of the Committee to join me in achieving that goal; not overnight, but over the next year or 2 at the outside.

I now recognize the Ranking Member for his opening remarks.

#### Prepared Statement of Hon. Bob Filner, Ranking Democratic Member, Committee on Veterans' Affairs

Thank you, Mr. Chairman. The need to increase opportunities for veterans is now more important than ever. A growing number of servicemembers are returning home to find that securing and retaining their employment has become difficult.

With their civilian counterparts facing the same struggles in today's economy, it can become difficult and frustrating for servicemembers who have been away for months to compete with their civilian counterparts.

I remain concerned for our returning servicemembers that economic problems they face may lead to depression and other problems.

For veterans 18-24 years old, this struggle is greater as many of them join the

military right out of high school with little to no work experience.

Since the 110th Congress we have reviewed barriers to employment, discussed hiring authorities, and learned about possible causes to high unemployment rates among younger veterans and female veterans.

However, the common feedback that we get is that veterans lack transferable skills, employers violate the *Uniformed Services Employment and Reemployment* Rights Act (USERRA), and employer's misperceptions that returning

members have mental health problems.

Our veterans are the most loyal and dedicated individuals. They have leadership experience, and a track record of working well under pressure and punctuality. Any

employer should be proud to have such hard working employees.

In May 2010 I held an employment roundtable that included employers from the civilian sector, private sector, Federal agencies, and veteran service organizations. The roundtable helped us understand why potential employers were not hiring veterans. Some highlighted simple problems such as résumé deficiencies, or in extreme cases—a lack of transferable skills. This was an invaluable roundtable in which I felt we made progress in better understanding the problem.

I look forward to the testimony from all of our witnesses here today.

Thank you Mr. Chairman, I yield back.

#### Prepared Statement of Hon. Gus M. Bilirakis

Chairman Miller, Ranking Member Filner, thank you for calling this timely hearing on putting our veterans back to work. Our Nation's veterans have made great sacrifices to keep us safe. During their service in the military they have been trained with important skills. In addition to dedication, hard work, and loyalty, many have gained technical and leadership skills that are transferrable and beneficial to the civilian workforce. I am particularly concerned that a stigma exists in the private sector that is contrary to the qualities these men and women have to offer to the civilian workforce.

The Federal Government has made significant investments in our service-members' training, and it is critical that these men and women have the resources they need to successfully transfer their skill sets and continue contributing to society. We must ensure that warriors are not discriminated upon because of the wounds they suffer—be they physical or psychological—as a result of our Nation's wars. I look forward to using this hearing as a building block to develop ways to break down barriers to veterans' employment and foster their opportunities.

#### Prepared Statement of Hon. John Barrow

Thank you Chairman Miller and Ranking Member Filner for holding this hearing. The employment challenges facing veterans are very real. The call to service does not always fit into a convenient schedule of job training. Often our servicemembers halt education and training opportunities to serve in combat. Today, they return as veterans to a daunting job market. This can be especially difficult for wounded warriors, who have additional challenges in every aspect of life.

riors, who have additional challenges in every aspect of life.

During the last district work week I had the opportunity to tour a facility in Vidalia, GA called the HARP Foundation. The HARP Foundation offers transitional housing and resources for homeless veterans. In particular, they help veterans find sustainable employment opportunities. Their goal is to provide mental health counseling and job training to the veterans in their own area. When veterans do find jobs, the HARP Foundation tries to help them find adequate transportation so they can keep their jobs in their local community.

I look forward to hearing about ways the Department of Veterans Affairs and the Department of Labor can work to make the systemic changes to lower unemployment for veterans across the country. But I also would like to hear practical ways the Federal Government can work with and help grass roots organizations, like the HARP Foundation, to help veterans find good jobs in our local communities.

# Prepared Statement of Hon. Russ Carnahan

Chairman Miller, Chairman Murray, Ranking Member Filner, thank you for hosting this hearing to discuss the important issue of putting America's veterans back to work.

The Bureau of Labor and Statistics reports that in March and April of this year about 27 percent of veterans between 20 to 24 years of age were unemployed. Other sources show it to even be higher. These are truly disheartening numbers. After fighting to protect our country, we must make certain that our brave veterans are able to obtain a livelihood after returning from service.

In this tough economy, jobs are hard to come by, particularly for newly returned veterans. Our young returning combat soldiers, and those severely injured during military service have the hardest time securing employment following military service.

It is vitally important to ensure that our returning veterans are able to secure and maintain employment after returning to civilian life. Not only does employment offer salary and benefits, employment also provides an important sense of purpose and aides in the transition from military to civilian life. We in Congress must work with relevant stakeholders to guarantee that opportunities exist for our veterans to obtain gainful and meaningful employment.

Today's hearing provides a dialogue between Congress and those with intimate knowledge of what needs to be done to get our veterans back to work upon their return from military service. Whether it is through job training or career counseling, we must allow access to services that prepare our veterans for careers outside of the military, and assist them as they transition to a world that is increasingly unfamiliar with the ways of the military. I look forward to hearing from our witnesses on ways we can begin to reduced unemployment and underemployment amongst our veterans.

#### Prepared Statement of Richard A. Hobbie, Executive Director, National Association of State Workforce Agencies

NASWA is pleased to respond to the request for comments by the House Committee on Veterans' Affairs on the issue of "Putting America's Veterans Back to Work." The members of our Association are State leaders of the publicly-funded workforce development system vital to meeting the employment needs of veterans.

This is accomplished through the Disabled Veterans' Outreach Program and the Local Veterans' Employment Representatives programs, and other programs and initiatives offered through the broader workforce development system. Our testimony includes the following points:

- The workforce development system provides services to all unemployed workers and jobseekers and maintains a substantial focus on serving the needs of veterans. The system, because of limited funding, serves as many individuals as possible by providing tools for customers to help themselves without significant staff assistance.
- A vital component of our member's service to veterans is to ensure a viable labor exchange exists and is readily available to veterans, employers and those who will help them in their efforts. NASWA does this in partnership with DirectEmployers Association (DE) through the National Labor Exchange (NLX).
- The NLX is an automated initiative operating on the Internet. It aims to collect all verifiable job openings in the country and share those job openings at no cost with State workforce agencies and job seekers. The jobs are verified to help job seekers avoid scams, such as identify theft schemes or false promises of high earnings for working at home.

 Providing sufficient services to veterans, while a priority of our system, is a challenge. Unemployment remains high, and nominal resources available to our members have been reduced recently and in the case of the Employment Service (ES) have been unchanged for almost 30 years.

• Beyond decreasing real funding as an obstacle in serving veterans, there are many other critical obstacles affecting veterans' employment opportunities including: (1) Credentialing—the inability for veterans to provide formal civilian credentials and certifications, even though they might have received equivalent training while in the military; (2) Inability to identify where veterans with certain skills are located—there is no reliable nationwide information source identifying where employers with specific needs should focus veteran recruitment efforts; (3) Identifying the right online resource for veterans hiring—Employers say there is confusion over the proliferation of Web sites and services aiming to facilitate veterans' employment; (4) Translating Military Occupational Classification to civilian jobs—many veterans have difficulty "translating" military skills and experiences into the civilian world; (5) UI Reemployment and Connectivity—The advent of remote claims taking technology has enabled States to offer UI claims services either online or via telephone, disrupting the connection of the UI claimant from the workforce system; and, (6) USDoL Regulations—OFFCP has proposed regulations that will make Federal contractors' connection and recruitment of veterans erode further.

Chairman Miller, Representative Filner and Members of the Committee, on behalf of the National Association of State Workforce Agencies (NASWA), I thank you for the opportunity to submit written testimony and to appear before you today to discuss the efforts of our members to promote and create jobs for veterans.

cuss the efforts of our members to promote and create jobs for veterans.

The members of our Association are State leaders of the publicly-funded workforce development system vital to meeting the employment needs of veterans. This is accomplished through the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representatives (LVER) programs, as well as other programs and initiatives offered through the publicly-funded workforce system.

NASWA serves as an advocate for State workforce programs and policies, a liaison to Federal workforce system partners, and a forum for the exchange of information and practices. Our organization was founded in 1937. Since 1973, it has been a private, non-profit corporation, financed primarily by annual dues from member State agencies.

Helping veterans make a successful transition from their service in the military to successful civilian careers remains a significant challenge. In March, the Bureau of Labor Statistics reported the jobless rate for veterans of all eras combined was 8.7 percent, compared with 9.4 percent for nonveterans. However, the unemployment rate for veterans who served in the military at any time since September 2001—a group referred to as Gulf War-era II veterans—was 11.5 percent in 2010. Further, about 25 percent of Gulf War-era II veterans reported having a service-connected disability in July 2010, compared with about 13 percent of all veterans.

I would like to emphasize NASWA and our members seek the same outcomes for

I would like to emphasize NASWA and our members seek the same outcomes for veterans that the Committee does, to help our servicemembers quickly find meaningful employment opportunities that lead to successful careers when they leave the service of our country.

# A Snapshot of Today's Workforce Development System

While the workforce development system provides services to all unemployed workers and jobseekers it maintains a substantial focus on serving the needs of veterans. Today's workforce system provides customers with assistance either to gain immediate entry to employment or to receive a range of services (including training) for successful entry into jobs and careers. The Unemployment Insurance (UI) program provides temporary wage replacement for individuals with a civilian or military work history. The Employment Service (ES) provides labor exchange services and information to help individuals find and compete for jobs, while services provided through the Workforce Investment Act (WIA) supports various activities through local One-Stop Career Centers including:

- 1. Core Services. These services include labor market information, initial assessment of skill levels, and job search and placement assistance. Most core services can be described as self-services and include: resource rooms, computers, internet access, job listings, resume writing, workshops on interviewing skills, etc. WIA core services are sometimes called labor exchange services.
- 2. Intensive Services. These services are for individuals needing more than core services to obtain or keep employment leading to self-sufficiency. These services are designed to prepare the individual for employment and include: comprehensive and specialized assessments of skill levels; development of individual employment plans; group counseling; individual counseling and career planning; case management; and, short-term prevocational services.
- 3. **Training Services**. Access to training programs may be available to individuals who have met the eligibility requirements for intensive services but are unable to obtain or retain employment. Through One-Stop Career Centers, individuals are evaluated to determine whether or not they are in need of training and if they possess the skills and qualifications needed to participate successfully in the training program in which they express an interest. Training services must be directly linked to occupations in demand.

The workforce system is designed to help individuals assess their skills and interests and receive vital information about current labor market demands for new and existing employees. The system, because of limited funding has focused on serving as many individuals as possible and providing the tools for customers to help themselves as much as possible without significant staff assistance.

The performance measures metrics for the system reflect this 'self-help' approach, and include: (1) entered employment, (2) employment retention, and (3) average earnings in subsequent employment. While "job placement" might be a desired activity, the realities of a high volume of customers and limited funding force States to rely substantially on self-help approaches and the myriad of ways workers find jobs on their own besides placement by an employment agency or one-stop career center.

The organizational structure of the workforce system varies across States. However, veterans may access all available workforce services under a Priority of Service (POS) mandate set forth by the U.S. Department of Labor (USDoL). So, while LVERs and DVOPs deal exclusively with job-seeking veterans, the entire workforce development system is geared to give priority of service to veterans.

While the majority of individuals receiving WIA services receive lower-cost core and intensive services, these services have been found to be beneficial as well as highly cost-effective. For example, it is estimated by Louis Jacobson in a Brookings Institution paper through the Hamilton Project that job search assistance-related services provide \$4.5 dollars of benefit for every \$1 spent. This type of return on investment, coupled with the dire state of the economy and the need to support returning veterans and other Americans striving to get a foothold in the workplace brings to focus the value of the workforce system's services

In terms of income support, veterans upon separation from the military are eligible for the Unemployment Compensation Program for Ex-Servicemembers (UCX) and are expected to be able to work, be available for work and to actively seek work with the help of reemployment services provided through the workforce system.

My testimony will review the activities our members have underway to assist veterans and provide some illustrative information from three States: Minnesota, Florida and Texas. You also requested data on eight identified variables concerning veterans. I will provide some information from our existing reporting systems (Table 1), but some of the data requested are not available. NASWA will follow-up with your Committee to see if there might be other ways to capture the information.

#### Special Workforce System Efforts to Serve Veterans: Examples from Three States

Mr. Chairman, first I would like to describe two activities currently underway in my own State of Minnesota.

- 1. Our Featured Employer Pipeline/Qualified Applicant List. Because many Minnesota employers call us looking to hire veterans, we started a pilot project directing job-ready, highly-skilled veterans to jobs in these companies. Our LVERS and Business Services Representatives have established working relationships with key H.R. personnel and hiring managers to create a direct "pipeline" of veteran referrals to actual hiring managers within these "featured employers." Short-term results are very positive, and we look forward to continued success
- 2. Our Statewide Veterans "Beyond the Yellow Ribbon" Career Fair. This event attracts about 1,000 of "Minnesota's Finest" veterans who are looking for career opportunities and educational options. Each year 80 to 90 of Minnesota's best employers register for this event aimed at putting job seeking veterans together with Minnesota business anxious to hire veterans. May 3, 2011 marked our 5th year for this event, which, according to businesses and veterans alike "just keeps getting better."

In Florida the State's Office of Workforce Services has:

- 1. Created a Veteran's Portal which serves as a gateway to information and resource links that assist veterans, their families and employers help veterans achieve their employment goals. The portal has been accessed from virtually every theater of deployment where U.S. veterans are stationed.
- 2. Aggressively sought additional resources to assist the Homeless Veterans Reintegration Program receiving grants totaling \$925,178, to assist Homeless Female Veteran and Veterans with Families grants receiving grants totaling \$437.974: and
- At the Regional workforce level has instituted a number of focused activities including
  - Providing direct employment services to local veterans;
  - Working closely with the local Chambers of Commerce;

  - Establishing direct contact with local employers; Working with related Federal programs administered by the Agency for Workforce Innovation (AWI), such as the Work Opportunity Tax Credit (WOTC) and Federal Bonding program; and Conducting a series of local Job fairs for veterans.

In Texas, the Texas Workforce Commission (TWC) has:

- 1. Created special features to serve veterans on its free public labor exchange system, WorkInTexas.com, including:
  - Flags to identify veterans to employers and staff;
  - A two-day hold on all newly created job postings, to ensure veterans get first review;
  - Ability for employers to designate job postings as "Veteran Applicants
  - Numerous job search options for veterans, including viewing "Veteran Applicant Only" and Federal Contractor job postings; and Notification of Priority of Service (and identification) to all veterans upon
  - entry into the system and at certain subsequent reentry points.
- 2. The TWC also is developing a statewide comprehensive veteran's initiative (College Credit for Heroes) to maximize the military experience of veterans for college credit and employment. Last April, the Commission agreed to move forward on this \$3 million statewide initiative that will award veterans college credit through testing and evaluation of prior learning. In addition, TWC will create a partnership between the State's community colleges and the Military Education Training Center (METC) in San Antonio to provide current active duty servicemembers with an accelerated degree plan to attain a associate's and bachelor's degrees in conjunction with military training.

# The National Labor Exchange

## Background

A vital component of the process to help our servicemembers find meaningful employment opportunities when they leave the service of our country is to ensure a viable labor exchange exists and is readily available to veterans and those who will help them in their quest. To this end, NASWA in partnership with DirectEmployers Association (DE) has created a National Labor Exchange (NLX).

The NLX allows NASWA and its State and business partners to have a direct in-

volvement in making job connections for our Nation's veterans. Beginning in 2007, NASWA began offering the NLX to its State workforce agency members as a free electronic labor exchange service. The NLX is an automated initiative aiming to collect all verifiable job openings in the country and share those job openings with

State workforce agencies and, ultimately, jobseekers.

The NLX differs from other major internet job aggregators in that: (1) job postings are unduplicated and current, helping jobseekers connect to real openings, (2) employers are verified to avoid risky scams, such as identify theft or false promises of high earnings working from home; and (3) it is a unique public-private initiative offered at no cost to the Federal Government, to State workforce agencies, and to their employer and jobseeker customers.

NLX's technical operations are led by DirectEmployers Association (DE). DE is a trade association of over 660 Fortune 1000 companies represented by their human resource directors. DE's mission is to provide a cost-effective national employment system that improves labor market efficiency and reflects our Nation's diverse workforce. Since 2000, its flagship service has been running a sophisticated job search and "spidering" engine that captures employer job openings and provides the content to many Web sites and aggregators.

In March 2007, NASWA endorsed JobCentral as the successor to America's Job Bank (AJB) that was funded by the U.S. Department of Labor (USDoL). AJB was a national public job-bank defunded and shut-down by the USDoL in June 2007. After an intensive evaluation process, NASWA and its members endorsed JobCentral as the means to create the NLX.

#### Status and Benefits

Since March 2007, the NLX has collected delivered over 9 million unique and verified job postings to State workforce agency staff and customers. Of the 9 million job postings, over 4 million came from Federal contractors—a group of employers that has special obligations to demonstrate it is recruiting and hiring veterans. Also, since 2007, over 150,000 employers of all sizes have used this system, entering the system either through the national site (www.jobcentral.org) or via State job banks. Today, 49 State workforce agencies, plus the District of Columbia, have signed participation agreements, sharing their own job posting content and transforming JobCentral into the NLX. Talks are underway with the remaining State and one

territory to join the alliance.

The NLX has allowed participating State job-banks to receive thousands of job postings via electronic download from: (1) employers typically not listing with the public workforce system, (2) the U.S. government (USAjobs.gov), and (3) from neighboring State workforce agencies. NLX job postings are updated daily, avoiding duplication and ensuring real job opportunities are made available, conditions key to of-

fering jobseekers a better experience and making real job connections.

In addition, the NLX has allowed State workforce agencies to transmit job postings-and links to other valuable services-to government sites such as the Employer Partnership of the Armed Forces involving all branches of the Reserves and the National Guard (www.employerpartnership.org), the Veterans Administration's (VA) www.Vetsuccess.org site (targeting disabled veterans), and DoL's

mySkillsmyFuture.org site.

The NLX also provides State workforce agencies and employers access to an online free tool called "Analytics." This allows workforce agencies and employers to view traffic information about jobsekers' click-throughs from State job banks to employers to the molecular of Analytics. State job ployers' corporate job application systems. Since the rollout of Analytics, State job banks have consistently ranked among the top ten sites providing employers with traffic to their corporate job application systems. In addition, the analytics platform demonstrates the types of jobs of interest to jobseekers within specific geographic areas. This information, in combination with the list of NLX jobs existing within an area, can be powerful in determining future labor demand, available supply, and needed training programs, all of which help States offer better services to veterans and all citizens

#### Creating and Leveraging a Compliance Service for Employers

The NLX offers a compliance mechanism for Federal contractors called VetCentral. The VetCentral service was designed to provide DE members compliance with the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) as amended by the Jobs for Veterans Act (JVA). Beyond simply meeting the letter of the law, VetCentral strives to meet the spirit of the law, by bringing job openings

directly to the hands of the State staff working with veterans.

Per current regulations, VetCentral sends daily emails of Federal Contractor Job Listing (FCJL) jobs to the "appropriate local employment service delivery system." The emails are directed to LVERs and DVOPs along with other staff as designated by the State workforce agencies. The user-friendly emails contain links to the FCJL job postings and a "how to apply" link. The NLX has received positive responses from field staff who use these emails every day in referring veterans. While State workforce agencies designate who receives emails, there is also a process to review and correct current email addresses used by VetCentral. All FCJL jobs, sent via email to produce a tangible audit trail, are also available for direct download into States' job banks through the broader NLX initiative.

We believe current regulations published in *Federal Register* 41 CFR Part 60–300 have been vital in encouraging the creation of the NLX. While they have prompted the creation of a VetCentral process that delivers FCJL job postings, they also have created the opportunity for the NLX to flourish, bringing in a large number of other job opportunities to State job banks. Since the workforce development system offers many core self-services via priority of service to veterans, enhanced job bank content helps benefit veterans' employment.

#### **Expanding NLX Jobs Content**

This year, in an effort to increase the number of verified and unduplicated job postings, NLX partners are focusing on expanding the use of the NLX's free indexing (an automated, daily service that "scrapes" job postings from individual employer Web sites and other resources). State workforce agency staff is invited to make connections with employers who currently do not list with the public workforce system and offer to collect job openings residing on corporate Web sites through an indexing process. The NLX would then function as the free technology collecting job postings from such corporate Web sites via indexing and adding them to this national job exchange system.

The successful continued operation of the NLX and improvements discussed above are extremely valuable in helping veterans navigate a diverse, complex labor market. NASWA asks for your support in raising awareness of this effort, which will increase the number of job postings and expand employers' awareness of the serv-

ices available through the workforce development system.

Providing sufficient services to veterans is a priority of our workforce system, yet presents several challenges. Unemployment remains high, the ratio of job seekers to available jobs is still much higher than we would like (reported in February of this year as 5.9 seekers for every job vacancy compared to a ratio of 1.7 in December 2007) and the skills required for the jobs that are available are different than those required even a few years ago. Nominal resources available to our members have been reduced recently, and in the case of the ES have been unchanged for almost 30 years.

Beyond the system's concerns with ever decreasing real funding as an obstacle in serving veterans, there are many other critical areas affecting veterans' employment

- 1. Credentialing. Through our NLX employer partners we learned one of the most critical obstacles to the employment of veterans is the inability to secure formal credentials and certifications, even though they have received equiva-lent training while in the military. Veterans must spend resources including valuable time to acquire formal civilian credentials when many already possess
- 2. Inability to identify where veterans with certain skills are located. Again through our NLX employer partners we learned there is no reliable nationwide information source identifying where employers with specific needs should be focusing their veteran recruitment efforts. The workforce system also has minimal access to this type of information.
- 3. Identifying the right online resources for veterans hiring: Employers have indicated there are many sites and services aiming to facilitate veterans' employment. Employers must dedicate resources and staff to wade through a great amount of well-meaning sites to identify qualified veteran talent. While this is a real concern, how today's jobseekers and younger veterans search for jobs will continue to be multi-faceted, from personal contacts to exploring and applying on many online sites.

One solution is to create "super" employment portals seeking to channel job-seekers and veterans' behavior, and influence employers' recruitment strategies. However, this often results in Web sites with frustrating multiple links to other sites, duplicate jobs, closed jobs, and difficult navigation in finding pertinent information (such as assessments, where to go for in-person help, etc.). We believe jobseekers and employers will continue to use multiple approaches in searching for jobs and the fluid nature of the online world will continue to be a reality. Our focus, as a public workforce system, is to continue nurturing the NLX as the resource providing verified job postings to relevant outlets involved in connecting job-seeking veterans with either the State workforce agency or the recruiting employer.

- 4. Inability to translate Military Occupational Classification (MOC) to civilian jobs: A common issue identified by employers is veterans' inability to "translate" their skills and experiences into the civilian world. An MOC crosswalk to the Occupational Network (O\*NET, the officially accepted "language" used to describe occupational skills) has been completed by USDoL and can be used quite successfully. Unfortunately, spreading the word of its existence and increasing its use are dependent on limited funding and an overburdened workforce development system staff. NASWA's NLX partner, DirectEmployers Association, has used this crosswalk, building the ability for veterans to enter MOCs online and receive back NLX jobs relevant to the entered MOC.
  5. UI Reemployment and Connectivity: The recent recession has brought a re-
- 5. UI Reemployment and Connectivity: The recent recession has brought a renewed focus on connecting UI claimants with reemployment services. As I noted earlier, veterans upon separation from the military are eligible for the Unemployment Compensation Program for Ex-Servicemembers (UCX). The advent of remote claims-taking technology has enabled States to take UI claims online or via telephone. This has disrupted the connection of veterans and other UI claimants to workforce system services to differing degrees in the States

NASWA through its Information Technology Support Center (ITSC) has undertaken a project to support States in developing new strategies to connect unemployment insurance claimants to the workforce system. In partnership with USDoL, ITSC has developed a national vision and implementation plan for better connecting unemployment insurance claimants to the workforce system both electronically and in person. Currently we are working on the development of systems to implement the plan which include integrated UI-workforce customer registration, transferability of skills analysis, and use of social networking.

6. Obstacles Created by USDoL Regulations: Recently the Office of Federal Contract Compliance Program (OFCCP), USDoL, has released a Notice for Proposed Rulemaking (NPRM) to govern the procedures Federal contractors must follow to demonstrate their efforts to recruit and hire qualified veterans. While OFCCP said it consulted with State officials, the proposed regulations appear to have been developed without formal input from State workforce agencies' leadership.

As a result, the proposed regulations make certain assumptions about the nature of the workforce development system activities which are inaccurate. For example, the proposed regulations assume the bulk of workforce system dollars are focused on out-dated referral or placement processes and reinterpret the system's mandate for "priority of service" to veterans as "priority referrals." The reality is, declining funding and increasing demand, and a requirement to be a universal system, has led most State activities to focus on the provision of core self-services, not referrals or placements. While States continue to provide intensive and training services, the extent to which these can be provided has been curtailed substantially.

Based on this unrealistic framework, OFCCP's new reporting requirements for Federal contractors asks employers to document job referrals of veterans that are received from State workforce agencies (outside the LVER and DVOP programs). The proposed regulations ask Federal contractors for a 5-year collection of data on direct "referrals" received from State workforce agencies (this does not include veterans applying for jobs on their own that they saw posted on the State job bank), applicant status (veteran and disability, and hires from "referrals" received from State workforce agencies.

By programmatic design and fiscal necessity, the workforce system functions as a provider of information and tools for jobseekers and employers. Focusing on "referrals" is an out-dated approach in a system expected to meet entered

employment, employment retention, and wage level goals. Some LVERs and DVOPs might still work on a limited number of referrals. However, the ES and WIA workforce development programs have the same three performance measures toward which ETA and VETS expects States to work. In fact, the notion of "referrals" has been abandoned by USDoL and the States consciously as it reflects an increasingly out-dated way of thinking about how jobseekers search for and find jobs.

While Federal contractors will comment on the virtue and burden of those new requirements to the employer community and the resulting further obsta-cles in hiring veterans, NASWA also is concerned about the unfunded reporting burden these regulations will create for States workforce agencies, who will be asked to confirm information employers offer during OFCCP audits, further

splintering dollars and resources meant to serve veterans.

Finally, there is a concern the proposed regulations will have the unintended effect of decreasing the number of job openings currently found within State job banks. This stems from language in the NPRM eliminating the ability of Federal contractors to list simultaneously within multiple State job banks. Instead, the NPRM appears to require Federal contractors to provide jobs to States by manually posting them within each State job bank for the purposes of tracking limited referrals. This is an excessive burden on employers. It will lead to some employers posting jobs in fewer States. State workforce agencies who receive thousands of job listings on a daily basis via direct downloads will ultimately see their offerings to veterans reduced.

NASWA and its members remain dedicated to improving the efficiency of the labor market and its labor exchange function, and improving the employment opportunities of our Nation's veterans. We are willing to assist the Committee and the U.S. Department of Labor in any way possible.

Thank you for the opportunity to address these important issues.

# SELECTED DATA

# Level of education of Veterans

Educational Attainment by Veteran Status Percent distribution					
Veteran status	Less than a high school diploma	High school graduate, no college	Some college or associate degree	College graduate	
Nonveterans	14.3	30.8	27.6	27.2	
Veterans	7.4	32.7	32.8	27.1	
Gulf War-era II veterans	1.5	29.2	45.9	23.4	
Gulf War-era I veterans	1.5	28.0	41.4	29.1	
WWII, Korean War and Viet- nam-era veterans	10.2	32.3	28.9	28.6	

Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009, at: www.bls.gov/spotlight/2010/veterans.

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Length of Unemployment after leaving Service

Labor Market Activity of Young Veterans Percent of veterans ages 18 to 24 in 1998–2008					
Number of months since separation from the Armed Forces	Employed	Unemployed	Not in the labor force		
1	42.2	23.8	34.0		
2	51.0	21.6	27.4		
3	58.4	18.6	23.0		
4	60.5	15.9	23.6		
5	65.4	14.9	19.7		
6	65.1	12.5	22.3		
7	69.9	11.2	18.9		
8	68.6	11.3	20.1		
9	69.5	11.9	18.6		
10	71.7	11.2	17.1		
11	74.8	10.0	15.2		
12	78.6	8.7	12.7		
13	79.4	7.5	13.0		
14	78.4	7.5	14.1		
15	75.8	7.2	17.0		
16	78.3	7.6	14.1		
17	75.5	8.1	16.3		
18	79.0	6.0	15.0		
19	76.6	9.9	13.5		
20	80.9	6.4	12.8		
21	82.0	7.1	10.9		
22	80.8	7.0	12.2		
23	82.5	4.9	12.5		
24	84.0	5.6	10.4		

Source: Bureau of Labor Statistics, National Longitudinal Survey of Youth 1998–2008 at: www.bls.gov/spotlight/2010/veterans.

Age of Veterans Served by the Workforce Investment System

Age of veterans served in WIA Age at Participation (# in 000's)					
	18 to 21	22 to 29	30-44	45-54	55 +
Veteran	3.9	8.2	6.3	9.2	5.7
Disabled	0.5	1.1	0.9	1.2	0.9
Campaign Vet	1.0	1.8	1.2	2.0	1.6
Recently separated veteran	0.8	0.9	0.7	1.0	1.1
Other eligible person	0.1	0.2	0.1	0.2	0.2

Source: DoL Employment and Training: PY 2009WIASRD Data Book.

## Entered Employment Rate and Salary: 3rd Quarter after exit

Veterans Programs					
Exite	ers from Oct 2 Sept 2009	2008 to	Exiters	s from April March 2009	2008 to
Number of Exiters	Entered Employ- ment Rate (%)	Credential Attainment Rate (%)	Number of Exiters	Retention 2nd and 3rd Quar- ters (%)	Average Earnings (\$)
26,469	54.7	42.8	24,434	76.4	14,932

Source: DoL Employment and Training: PY 2009WIASRD Data Book.

## Prepared Statement of Jolene Jefferies, Vice President, Strategic Initiatives, DirectEmployers Association EXECUTIVE SUMMARY

Founded in 2001 and headquartered in Indianapolis, Indiana, DirectEmployers Association (DirectEmployers.org) is owned and managed by over 600 leading U.S. corporations through a 501(c)(6) non-profit employer consortium. The Association's mission is to provide employers an employment network that is cost-effective, improves labor market efficiency and reaches an ethnically diverse national and international workforce.

Primary issues and obstacles our member employers say they face in recruiting veterans are:

- *Clarification*—While a majority of employers believe VEVRAA regulations are effective, it was noted that further clarifications are needed (e.g., the OFCCP's standards to evaluate Good Faith Efforts (GFE) by Federal contractors is inconsistent between 60–2(AA for Women and Minorities) and 60–250 (AA for Veterans).
- Skills/Education Translation—The military workforce is challenged with the translation and transference of their education and skills to demonstrate their possession of the minimum and preferred job qualifications and/or requirements for which civilian employers seek
- for which civilian employers seek.

  Military/Civilian Certification—Several professions require accredited specialization that involves learned knowledge, certification and/or testing by a job seeker. Transitioning military workforce may be at a disadvantage without such accreditations. All levels of government need to implement solutions that effective

tively balance current challenges with educational system gaps, the accreditation of job seekers, and the fiscal demands and resources of civilian employers.

- Lack of Data—There is no reliable data source that takes into account the
  available pool of the military workforce that demonstrates the correlation of
  standardized job, industry, and geographic classification codes that are consistent with other reported Federal labor, employment, economic, and census
  data
- OFCCP Consistency—Federal contractors have experienced challenges from the OFCCP, especially during compliance evaluations, two concurrent phenomena that hampers collaboration: 1) their knowledge and appreciation of how State workforce agencies operate, and 2) their dissemination of communications, staff training, and application of standards and procedures across and between their national, regional and district offices consistently.

Chairman Miller, Representative Filner, and Members of the Committee, on behalf of DirectEmployers Association, I thank you for the opportunity to submit written testimony addressing our Association's Veterans' education, employment, and job search programs for employers. DirectEmployers Association and its members are strong proponents of activities benefiting the employment of qualified veterans through programs such as those under the Committee's jurisdiction.

Founded in 2001 and headquartered in Indianapolis, Indiana, DirectEmployers Association (DirectEmployers.org) is owned and managed by over 600 leading U.S. corporation executives through a 501(c)(6) non-profit employer consortium. The Association's mission is to provide employers an employment network that is cost-effective, improves labor market efficiency and reaches an ethnically diverse national and international workforce.

Consistent with our mission, we partnered with The National Association of State Workforce Agencies (NASWA) in 2007 to create the JobCentral National Labor Exchange (NLX). The NLX replaced the previously federally-funded America's Job Bank and provides employers an OFCCP compliance vehicle for providing job listings to veterans as well as access to our Nation's State workforce system. It is available free-of-charge to all employers, regardless of size, in all industries.

For most employers, OFCCP compliance is not the driving force. We are seeing more and more companies establishing programs to pro-actively recruit veterans because they provide such an outstanding talent-pool resource. The Association assists employers' efforts in many ways. We provide an outstanding Hiring & Retaining Veterans webinar education and training series, job search programs, and job distribution services to help member companies recruit our Nation's servicemembers and their dependents. The focus of these programs is on helping transitioning servicemembers, veterans and their families find and maintain meaningful employment

In a recent in-house survey, some of the issues and obstacles our member employers say they face in recruiting veterans are:

- While a majority of employers believe VEVRAA regulations are effective, it was noted that further clarifications are needed (e.g., the OFCCP's standards to evaluate Good Faith Efforts (GFE) by Federal contractors is inconsistent between 60-2(AA for Women and Minorities) and 60-250 (AA for Veterans).
   Because employers utilize a "just-in-time" hirring process, employers would benefit from learning about DoL, DoD, and related Federal and State employment
- Because employers utilize a "just-in-time" hiring process, employers would benefit from learning about DoL, DoD, and related Federal and State employment services that support this model (e.g., recognizing that turnover in H.R./Recruiting departments is dynamic and sometimes involves knowledge transfer gaps; as well as utilizing the Internet, social media platforms and related technologies are becoming commonplace; the impact of this is that companies are seeking to leverage cost/time-effective resources that provide immediate recruiting solutions).
- The military workforce is challenged with the translation and transference of their education and skills to demonstrate their possession of the minimum and preferred job qualifications and/or requirements for which civilian employers seek.
- Several professions require accredited specialization that involves learned knowledge, certification and/or testing by a job seeker. Transitioning military workforce may be at a disadvantage without such accreditations. All levels of government need to implement solutions that effectively balance current challenges with educational system gaps, the accreditation of job seekers, and the fiscal demands and resources of civilian employers.

There is no reliable data source that takes into account the available pool of the military workforce that demonstrates the correlation of standardized job, industry, and geographic classification codes that are consistent with other re-

ported Federal labor, employment, economic, and census data. In order for civilian employers to improve the recruitment of the military workforce, such data sources are needed. To create a standardized data source/report will require data surveys, validation and analyses that may take several years to complete, akin to other Federal employment and labor-related data sets (e.g. census, EEO special file, et. al).

Federal contractors have experienced challenges from the OFCCP, especially during compliance evaluations, two concurrent phenomena that hampers collaboration: 1) their knowledge and appreciation of how State workforce agencies operate, and 2) their dissemination of communications, staff training, and application of standards and procedures across and between their national, regional and district offices consistently

OFCCP should engage in town hall meetings, open forums, and other bridge-building dialogue with private-sector Federal contractors to demonstrate that the agency values the contributions of this subset, especially with regard to key agency developments that impact these relationships (e.g., regulatory changes,

directives, and/or procedures).

- The pre-employment voluntary self-identification of disability status by job seekers (including disabled veterans) is prohibited by the ADA. Thus, there must exist between the OFCCP and EEOC mutually-agreed upon interagency standards, guidance, permission and employer indemnity permitting employers to collect, evaluate and make employment selection decisions based on these data.
- The letter and the spirit of key employment and Federal contractor regulations and laws require that employers make objective employment-related selection decisions. Enacting a mandatory procedure that mirrors the combination of the "priority of service" process and a "veterans preference" policy (akin to U.S. State One-Stop Centers) raises a regulatory tension with these laws, including rendering a result of unintentional adverse impact among other protected classes (i.e., E.O. 11246, Vietnam Era Veterans Readjustment and Assistance Act, Section 503 of the Rehabilitation Act as amended, Uniform Guidelines on Employment Selection Procedures, Title VII, et. al).

DirectEmployers Association continues to work with NASWA in multiple ways, including veterans employment webinars for both employers and State workforce agencies, to help all employers effectively recruit veterans:

# JobCentral National Labor Exchange (NLX)

A key service of the NLX is a comprehensive suite of programs and services to assist employers (e.g., Federal Government contractors) in complying with the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) regulations, as amended by the Jobs for Veterans Act (JVA) and developing Affirmative Action Programs to attract veterans. Direct Compliance is the most comprehensive 4212 VEVRAA/
JVA compliance assistance program and is offered to employers who are members of DirectEmployers Association. Members can have their job openings automatically indexed (scraped) directly from their corporate career sites and made available to veterans through the NLX and VetCentral, which assists participating members in complying with JVA regulations.

VetCentral is a unique feature of the NLX which feeds job listings to State Employment Services offices nationwide. VetCentral is fully integrated into the NLX. Member's job openings are sent to the appropriate (Wagner-Peyser) employment service delivery system via email or, in many cases, entered into the State job bank and records are maintained for each transaction. In the event of an Office of Federal Contract Compliance Programs (OFCCP) audit, employers can easily show these

records to the auditor to demonstrate compliance requirements.

DirectEmployers Association surpasses the minimum requirements to distribute jobs to appropriate employment delivery systems in two ways:

• through the JobCentral National Labor Exchange (NLX) that provides an automated job listing feed to State job banks; and, through VetCentral—a unique service of the NLX which feeds jobs to State Em-

ployment Services offices nationwide.

The comprehensive NLX program includes an automated, efficient and very costeffective resource for employers to ensure their company's job openings are delivered accurately and reliably to the State workforce system—the appropriate (Wagner-

Peyser) local employment service office(s)—including the Disabled Veterans' Outreach Program (DVOP) coordinators and Local Veterans' Employment Representatives (LVER) program. The DVOP/LVER staff is trained to meet the specific needs of veterans and they can be very instrumental in referring veteran applicants to an organization, so it's helpful for employers to develop local relationships with DVOPs and LVERs. Employers can locate the DVOPs and LVERs in the States they operate in by visiting the National Veterans' Training Institute's (NVTI's) DVOP/LVER Locator. The DVOP/LVER staff is also very familiar with the complete range of employment services and training programs available for veterans at the State Workforce Agency CareerOneStop Centers and the Department of Veterans' Affairs Vocational Rehabilitation and Employment Program locations.

In addition to working with the CareerOneStops Centers and the Department of Veterans' Affairs, the DVOPs and LVERs also work closely with Veterans Service Organizations (VSOs). VSOs can also beln employers get the word out to veterans of veterans and they can be very instrumental in referring veteran applicants to an

Organizations (VSOs). VSOs can also help employers get the word out to veterans about an organization's job opportunities. Through the NLX and its partnership with NASWA, DirectEmployers Association offers assistance to its members in reaching out to these State and local partners to establish their employer's own di-

reacting out to these state and local partners to establish their employers own direct relationships and partnerships at the local level.

NLX also receives a download of jobs from USAJOBS and distributing them to State job banks. Sponsored by the Federal Office of Personnel Management, USAJOBS is a job bank containing Federal Government positions. This download

USAJÖBS is a job bank containing Federal Government positions. This download of Federal job openings is available to States for inclusion in their States job banks. To date, the following States have requested the USAJOBs be included in their State job bank: Alabama, Arkansas, Connecticut, Delaware, Delaware, Florida, Hawaii, Iowa, Kansas, Kentucky, Minnesota, Missouri, Nevada, New York, Oklahoma, South Carolina, Tennessee, Texas, Utah, Vermont, Washington, and Wisconsin. DirectEmployers Association is proud to be the provider of jobs data for "MySkillsMyFuture", a valuable U.S. Department of Labor's Employment and Training Administration Web site which was launched last September. It is designed to connect workers with high quality training and local employment opportunities. DirectEmployers Association's jobs, including job listings from State Workforce Agencies, are now included in the U.S. Department of Labor's MySkillsMyFuture, MyNextMove, and CareerOneStop employment sites.

#### Military-specific organizations receiving NLX job listings include:

JobCentral National Labor Exchange, or "NLX"
 Disabled Veterans Outreach Program Coordinators (DVOPs)
 Local Veterans Employment Representatives (LVERs)

The .Jobs Universe Military Network

- Armed Forces Employer Partnership (operated by the U.S. Army Reserve for all Reserve Components)
- HirePatriots.com
- Military Spouse Corporate Career Network (MSCCN)
- National Marine Corps Business Network (NMCBN)
- RecruitMilitary.com
- Save Our Veterans
- Veterans Enterprise
- VetSuccess.gov (operated by the Department of Veterans Affairs)

# The .Jobs Universe Military Network

Earlier this year, DirectEmployers Association announced an extensive online program to assist transitioning military personnel in all branches of our armed forces, their spouses, dependents, and caregivers in quickly and efficiently finding employment. The program is available free-of-charge to all employers and will provide military personnel and their dependents access to more than 880,000 employment opportunities from over 90,000 employers nationwide.

The Association announced that over 5,800 dot-jobs (.jobs) domains have been added to the Jobs Universe (www.universe.jobs) to create employment services for returning veterans (www.veterans.jobs) and their families. The domains use the Military Occupational Classification (MOC) Crosswalk to assist military personnel in transitioning from active duty to employment opportunities in the civilian work-force. Transitioning military personnel can enter their MOC plus jobs into their browser to locate civilian occupations requiring the same or similar skills as their previous military job (e.g. www. 42F. jobs, www. 25B. jobs, www. 2891. jobs).

The .Jobs Universe also provides a Military family (www.militaryfamily.jobs) feature. This is designed to help military spouses, dependents and caregivers quickly locate employment while their loved ones are serving our country. Military families can enter the name of their military installation plus the intuitive .jobs suffix into their browser and receive a list of employment opportunities on their assigned base or in surrounding cities (e.g. www.CampPendleton.jobs, www.NewportNewsShipyard. jobs, www.FtKnox.jobs).

This new effort to assist our veterans and their families is further demonstration of the value and benefit of the .jobs platform. It is free for employers, veterans, and their families and it is organized to fit the way people use the Internet to search for jobs and the way companies go about attracting specific skills and experience with no artificial barriers in between. With the extra steps taken to ensure that only legitimate job listings from real companies are included, veterans and their families can have confidence in using this service to submit their background information over the Internet..

"This is a great program for the entire human resource community as well as our transitioning military and their families. I am very proud to be a part of this exciting initiative in support of those who have unselfishly given so much for our Nation," states Rhonda Stickley, a 6-year U.S. Army veteran and current human resource executive at Seattle-based Providence Health & Services.

DirectEmployers' new military .jobs initiative expands the potential of an already established and robust partnership with the public sector, the National Labor Exchange (NLX). Offered in partnership with the National Association of State Workforce Agencies (NASWA), the NLX is a free, job-search engine feeding job openings into 50 publicly-funded State job banks. This has substantially increased offerings to all jobseekers, and especially veterans. Since March 2007, the NLX has provided over 9 million, unduplicated, current jobs to State workforce agency staff dedicated to serving veterans. The NLX uses no Federal funds for operations, research, or development. Rather, this unique public-private partnership leverages private, non-profit-owned technology with existing State workforce agency resources to enhance offerings to veterans.

The NLX partners are looking forward to continuing their work with the Obama Administration and the U.S. Department of Labor's Veterans Employment and Training Service (VETS) to offer comprehensive, coordinated services to returning servicemembers and military families. DirectEmployers shares VETS' vision and commitment to expand career opportunities for veterans, transitioning servicemembers, and their families.

members, and their families.

Alicia Wallace, EEO Program Consultant for WellPoint and a military veteran whose husband is a retired infantry officer says, "I salute all companies supporting these outstanding military programs. As a Nation, we should do all we can for the gallant men and women who serve in our armed forces. These individuals and their families have made great sacrifices for our country and deserve all the gratitude and support we can provide."

#### Recruitment Regulatory Compliance Committee

DirectEmployers Association has established a Recruitment Regulatory Compliance Committee (RRCC) to provide consultation and guidance for our Association and member companies on issues related to veterans' employment and all regulatory matters, especially those relating to the employment of veterans.

The RRCC is chaired by Jason Capili, PriceWaterhouseCoopers, co-chaired by Jolene Jefferies, DirectEmployers Association, and consists of two National Industry Liaison Group (NILG) members, a NASWA representative and an external consultant in addition to twenty DirectEmployers Association member company representatives.

The primary purpose of the RRCC is to assist the Board in overseeing DirectEmployers' recruitment compliance services and related programs as follows:

- The RRCC will help to educate, inform, and update employer members about government contracting compliance and employment-related laws and regulations affecting recruitment and sourcing practices.
- The RRCC will serve as the primary liaison to educate and communicate DirectEmployers' member companies' needs and perspectives to the various regulatory authorities.
- The RRCC will assist in tracking proposed changes in compliance legislation, and will alert and advise the Board concerning the possible effects of impending changes in government contract compliance laws and employment regulations and the potential impact on DirectEmployers' member companies to recruit and source effectively.

- The RRCC will make recommendations to the Board regarding the compliance services and related programs offered by DirectEmployers Association to help us remain on the cutting-edge as the leading provider of said services.
- The RRCC will research and share information about speaking opportunities at various conferences and events to further educate all employers, regulatory authorities, State workforce agencies, the military and other stakeholders about DirectEmployers' compliance services and related programs.

## Hiring & Retaining Veterans—a Webinar Education Series

The intent of the veteran employment webinar education series, *Hiring & Retaining Veterans*, developed by Jolene Jefferies, SPHR and VP Strategic Initiatives of DirectEmployers Association, is to offer employers comprehensive training and resources to expedite the learning curve in developing, sharing and implementing best practices and success strategies to attract, select, onboard and retain America's military candidates.

The *Hiring & Retaining Veterans* series was originally developed for employers so they could develop active, meaningful relationships with local referral sources that allowed regular communication and feedback. It was quickly determined that it could be utilized by a much broader community. Employers wanting to engage in a more robust veteran outreach effort were invited to join this series to:

- Map a strategy to expand your company's local veteran outreach activities.
- Learn how to leverage DirectEmployers Association's military partnerships as your own, at the local level.
- Receive tips, resources and contact information of various veteran organizations to target and identify local partnership opportunities.
- Discover ways to document veteran outreach and communications with veteran partners and referral sources.
- Use analytics to identify specific employment practices that are verifiably effective in the recruitment of veterans.
- Effectively demonstrate a history of compliant veteran outreach efforts.

Worthwhile to note, there has been a very strong interest in the resources, templates and toolkits provided with the Veteran Outreach webinar. These resources are estimated to save employers well over 250 hours of research and planning time.

- Veteran Outreach PowerPoint Slide Deck (includes step-by-step strategic implementation plan)
- Guide to Key Military Partnerships of DirectEmployers Association
- Labor Market Assessment Template
- Veteran Outreach and Partnership Sources for Employers
- State Veterans Program Coordinators
- Marines Wounded Warrior District Injured Support Cell (DISC) Coordinator Roster
- Veteran Partner Levels and Definitions
- Local Veteran Recruiting Action Plan (RAP) Template

Attendees have included anyone interested in learning how to develop partnerships at the local level and to advance outreach efforts to help employers find, attract, hire and retain more veterans, including employers, recruiters, H.R. Compliance Experts, Hiring Managers, Human Resource Professionals, Workforce Development Professionals, Economic Developers, Community Representatives and Regulatory Agency Representatives.

An outline of the webinar content is included as Table 1 to this testimony. DirectEmployers Association intends to continue offering these worthwhile sessions on a regular basis.

Mr. Chairman, thank you for the opportunity to discuss the employers' perspective and our activities in this area. We are dedicated to doing our utmost toward the employment of our Nation's deserving veterans. We would be glad to provide you with any additional information. DirectEmployers Association stands ready to work with this Committee on the issues of veterans' employment.

#### **Hiring & Retaining Veterans**

Webinar Education Series for Employers Developed and Delivered by: Jolene Jefferies, SPHR, VP Strategic Initiatives, DirectEmployers Association

The *Hiring & Retaining Veterans* webinar education series is designed to help employers explore how to create, develop and implement a successful award-winning military recruiting and retention program as part of their company's overall talent acquisition and employee retention strategy. The *Hiring & Retaining Veterans* series, consisting of 16 webinars, saves employers time and provides them with invaluable templates, tools and resources to target veteran and military candidates to the organization and retain them once they've been hired.

# Strategic Planning, Development and Implementation Making the Case for Hiring Veterans: A Win-Win Business Strategy **Hiring Veterans** Veteran Outreach: Partnering at the Local Level 3 Hiring Veterans: Important Laws & Military-Friendly H.R. Policies 4 Hiring Veterans: Creating Brand Awareness in the Military Community Hiring Veterans: Sourcing Strategies to Attract Military Talent—Part I 5 6 Hiring Veterans: Sourcing Strategies to Attract Military Talent—Part II 7 Hiring and Accommodating Disabled Veterans: Strategies for Success 8 Hiring Veterans: Training Your Recruiters & Hiring Managers 9 Hiring Veterans: The DD-214 & Background Investigations 10 Hiring Veterans: Understanding the Military to Improve Employment Practices & Outcomes Hiring Veterans: Recruitment Compliance Strategies 11 12 Onboarding New Veteran Employees: Strategies for Success 13 Hiring Veterans: Employer Best Practices Showcase **Retaining Veterans** Retaining Veterans and Disabled Veterans: Strategies for Success 14 Retaining Veterans: Training Your Recruiters, Hiring Managers and Key 15 Retaining Veterans: Employer Best Practices Showcase 16

# Prepared Statement of Kevin M. Schmiegel, Vice President, Veterans Employment Program, U.S. Chamber of Commerce

Chairman Miller, Ranking Member Filner, and Members of the Committee, my name is Kevin Schmiegel, and I am the vice president of veterans' employment programs at the United States Chamber of Commerce.

Thank you for the opportunity to appear as a witness before the Committee and speak to you about veterans' employment and what the U.S. Chamber of Commerce is doing to help our Nation's heroes find meaningful employment in the private sector.

As you know, the U.S. Chamber of Commerce is the world's largest business federation representing the interests of three million members and organizations of

every size, sector, and region.

The reason the Chamber is interested in our Nation's veterans is simply that many of our members, which include thousands of small, medium, and large businesses, want to hire veterans. Even with high unemployment, we have a huge skills gap in America that is hindering our recovery and undermining our global competitiveness. Veterans can help to fill that gap, because they have unique leadership experience and incredible technical expertise. They are excellent problem-solvers and they are extremely reliable, and let's not forget that 90 percent of military occupations are directly transferrable to jobs in the private sector. The Chamber's veterans programs will help raise awareness across the business community of this

great pool of potential workers who can help fill our Nation's skills gap.
As a veteran myself, it is an honor and a privilege to be here today. Two years ago, I retired from the United States Marine Corps as a lieutenant colonel after 20

years of active duty service.

My own transition from the military to the civilian workforce was full of good fortune. I was lucky to have a mentor like former National Security Advisor, General Jim Jones, who took a very special interest in my search for a second career. I was lucky to be at the right place at the right time. And I was lucky to be hired by an organization like the U.S. Chamber of Commerce whose President and CEO Tom Donohue understands and appreciates the value of hiring a veteran. Not every vet-

eran is that lucky.

The Bureau of Labor Statistics report on the "Employment Situation of Veterans in 2010" shows that on average there were over one million unemployed veterans in America during 2010. With an overall population of 22 million veterans and a total of just over 12 million veterans in the civilian workforce, veterans had a jobless rate of 8.7 percent last year. While this was comparable to the national average unemployment rate of 9.4 percent, there are some alarming trends that may result in higher unemployment for veterans in the short term. For example, the unemployment rate for post 9-11 era veterans was 11.5 percent with younger veterans (those ages 18 to 24) suffering from an average unemployment rate above 20 percent in 2010. For that age category, the unemployment rate among veterans currently stands at a staggering 26.9 percent. Additionally, current or past members of the Reserve or National Guard had an unemployment rate of 14.0 percent in July 2010.

Data for these cohorts are even more concerning given all additional 155,000 veterans will be leaving active duty and 100,000 guard and reservists will be demobi-

lized and returning to the workforce in 2011.

With the potential draw down of our armed forces and significantly higher rates of unemployment for Iraq and Afghanistan veterans and returning guard and re-servists on the horizon, the Chamber has started several initiatives that will enhance private sector job opportunities for veterans and their spouses.

# The U.S. Chamber's Hiring our Heroes Program

In March of 2011, the U.S. Chamber of Commerce launched its Hiring our Heroes program, a year-long nationwide effort to help veterans and their spouses find meaningful employment. The Chamber started the program in partnership with Mr. Ray Jefferson, the Assistant Secretary for the Department of Labor Veterans Employment and Training Service (DoL VETS) and Mr. Ron Young, Executive Director National Committee for Employer Support of the Guard and Reserve (ESGR), to improve public-private sector coordination in local communities, where veterans and their families are returning every day.

With our federation of business leaders, State and local chambers, and industry associations spanning nearly every State and city, the Chamber has the infrastructure to lead a nationwide campaign to connect veterans and military spouses with employers. Working with our extensive network of State and local chambers, DoL VETS, ESGR, veterans' services organizations, and businesses of all sizes representing all sectors, we are coordinating public and private sectors to better match veteran talent with career opportunities in local communities across the country

There are four pillars of the Chamber's Hiring our Heroes program. While the main focus of effort is on connecting all veterans and military spouses with second careers in the private sector, we have also created strategic partnerships in three other areas to deal with specific populations of veterans and their unique challenges. They include: a Wounded Warrior Transition Assistance Program, a Student Veterans Internship and Employment Program, and a Women Veteran and Military Spouse Employment Program. Our aggressive agenda focuses on one measure of success-jobs for the one million unemployed veterans in America.

# 100 Hiring Fairs for Veterans and Military Spouses

In the coming year, the Chamber will host 100 hiring fairs with local chambers of commerce-across the country. The first of these hiring fairs took place in Chicago on March 24, 2011 and was a huge success with 127 employers and 1,200 veterans and their spouses participating Initial feedback from the veterans and employers indicates that approximately 150 of the veterans and military spouses who attended

are likely to get jobs.

To make our hiring fairs more meaningful for veterans and military spouses and private we have eplisted high level public and private to gain traction in local communities, we have enlisted high level public and private sector speakers to keynote our hiring fair events and have employed an aggressive media and public relations campaign, which has earned the attention of news outlets across the country. The Chamber's *Hiring our Heroes* program was recently highlighted in several national media outlets as part of *Joining Forces*, a campaign backed by First Lady Michelle Obama, to educate, employ and mentor U.S. servicemembers and their families.

We are also offering transitional workshops in conjunction with many of our hiring fairs and have created an information technology system to track a number of important metrics to include job placements for veterans and their spouses-an area where our Nation has fallen woefully short in the past. By hosting these 100 hiring fairs, we hope to connect 100,000 veterans and spouses with over 1,000 different employers over a 12-month period.

# **Wounded Warrior Transition Assistance Program**

Our program for Wounded Warriors is tailored to meet the unique challenges and demands for wounded warriors, spouses and caregivers. In partnership with the USA, Hire Heroes USA, and wounded warrior transition units in Fort Carson, Colorado and Fort Belvoir, Virginia, we are hosting quarterly transition workshops and career opportunity days with the potential to scale to several additional locations in 2012. Our goal is to build a wounded warrior pipeline that directly connects these talented young men and women who have honorably served our country with companies that are dedicated to their successful transition to the private sector.

To prepare wounded warriors for career opportunities, wounded warrior transitional workshops teach participants necessary skills such as resume writing, interviewing, goal setting and basic financial planning for effective job searching. Career opportunity days provide wounded, ill, and injured troops and their spouses with an opportunity to conduct mock interviews and network with prospective employers in a more intimate environment than traditional career fairs. We have established this format because wounded, ill, and injured servicemembers are often overwhelmed by the magnitude of career fairs and choose not to participate, resulting in employers losing the opportunity to hire these high-potential employees.

Career opportunity days are limited to no more than 20 dedicated employers and 100 wounded warriors who are making the transition to a civilian career. Employers are connected directly with 10 prospective employees based on a mutual interest in either the employer's industry or the wounded warrior's military background.

We have also started discussions with Mr. John Campbell, the Deputy Assistant Secretary of Defense for Wounded Warrior Care and Transition Policy, to offer innovative private sector solutions to help wounded, ill, injured and transitioning servicemembers transition seamlessly to civilian life

# Student Veterans Internship and Employment Program

The U.S. Chamber is partnering with Student Veterans of America (SVA) on several new initiatives to enhance the ability of student veterans to find meaningful employment in the private sector upon graduation. Our jobs and internship program will be launched in early June 2011 at over 350 colleges and universities and will initially be available to over 40,000 student veterans seeking internships and job opportunities across the Nation. In addition to conducting tailored hiring fairs for student veterans at SVA's National Conference in December 2011 and their Annual Leadership Summit in 2012, we have elicited the support of several Fortune 100 companies to establish campus recruiting programs and to work with SVA chapters to develop a nationwide internship program for student veterans from campuses in all 50 States.

# Women Veteran and Military Spouse Employment Program

The Chamber is working with Business and Professional Women's (BPW) Foundation and have started discussions with Mr. Robert Gordon, Deputy Assistant Secretary of Defense for Military Community and Family Policy, in an effort to help women veterans and military spouses find meaningful employment in the private sector. In addition to collaborating with the White House on its *Joining Forces* initiative and connecting the business community with the Department of Defense on nationwide efforts to employ active duty spouses in the private sector, we will enlist the support of American Chambers of Commerce abroad and global companies to

help place military spouses in jobs overseas.

While women veterans and military spouses will be the beneficiaries of many of our other programs, we will also host tailored events and champion specific forums to address some of their unique challenges in finding employment. One of the primary goals of this program is to significantly decrease women veteran and military spouse unemployment by establishing a network of 10,000 women mentors in the business community to connect with women veterans and military wives by the end of 2012.

# **Principles for Success**

Before closing I'd like to outline five fundamental principles that we believe are critically important to the success of our programs.

First, local communities must be the cornerstone of any national program to reduce veterans' unemployment. I say this with confidence based on professional experience. In my final few years as a Marine, I served as the head of enlisted monitors managing 60 human resources specialists who were responsible for the assignment and retention of 170,000 Marines worldwide. Over a 2-year period, our department interviewed tens of thousands of Marines about their decision to stay or leave active duty. Of those who were leaving the service, an overwhelming majority were more concerned about where they were going rather than what they were going to do for a second career. Additionally, exit surveys from all service components reinforce that geographic preference is an important consideration when veterans are entering the civilian workforce. While the U.S. Chamber can have some effect talking to public and private sector leaders in Washington DC, it pales in comparison to the impact we can have with the help of chambers of commerce, business leaders and government officials in local communities where veterans are returning every day.

Second, we must do a better job of coordinating public and private sector efforts in local communities. While there are no shortages of hiring programs for veterans, it is clear those programs are not working well enough. The fact is there are hundreds and hundreds of private sector companies, non-profits, NGOs, veteran services organizations and government agencies that have individual programs to help veterans find jobs. However, most of these individual programs are not yielding results, and collectively, they are falling woefully short. Because they are duplicative, they compete with one another, they cause unnecessary confusion for veterans and their families, and they are not well coordinated. We believe that the U.S. and local chambers of commerce are uniquely positioned to better coordinate public and private sector efforts in hundreds of cities across America.

Third, we must look for other innovative ways to help transitioning veterans, including helping them start or grow a small business; improving certification, licensing, and vocational education for veterans and their spouses; and enhancing the availability of internships and mentoring programs within the business community. With our strong federation of business leaders, State and local chambers, and industry associations spanning nearly every State and city, the Chamber can play a massive role in establishing private sector programs that assist military families in their transition to civilian life.

Fourth, all programs-existing and new-should be measured against clear objectives and established metrics, so we can focus on what is working and stop funding programs that are not producing results. When the Chamber completes the last of our 100 hiring fairs we will host a summit with all of stakeholders to analyze outcomes and discuss best practices.

And finally, we need to build on the incredible momentum that has brought veterans issues to the forefront of America's psyche and take advantage of what the Chairman of the Joint Chiefs of Staff, Admiral Mullen, has called a "sea of goodwill." As Martin Luther King Jr. once said, "The time is always right to do what is right." It is clear that now is the time to positively affect veterans unemployment and to do it right.

## Conclusion

Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee on Veterans Affairs, the U.S. Chamber of Commerce is committed to helping better coordinate public and private sector efforts to find meaningful employment for veterans and their spouses in local communities where they are returning every day. Our success will be measured by the impact our programs have on helping our veterans find and keep good jobs in the private sector.

Thank you for this Committee's unwavering commitment and support of veterans and their families.

I appreciate the opportunity to testify before you today and look forward to answering your questions.

# Prepared Statement of Henry Jackson, Interim President and Chief Executive Officer, Society for Human Resource Management Executive Summary

The Society for Human Resource Management (SHRM), with 260,000 members, is the world's largest association devoted to serving the needs of human resource professionals and to advancing the H.R. profession.

SHRM and its members have adopted the transition of military veterans into the civilian workforce as a key issue. With successful transitions, our heroes receive the welcome they deserve; employers gain workers legendary for their commitment to mission; and our Nation's productivity and status in the global marketplace is enhanced.

Within the last 2 years, SHRM has forged partnerships with Employer Support for the Guard and Reserve (ESGR) and the Department of Labor's Veterans' Employment and Training Service (VETS). The organization is also about to enter a similar collaboration with the Department of Veterans Affairs. In all instances, the goal is to ensure that employers have what's needed to create a transition program, identify and hire veterans, and retain those veterans, including building a work-place supportive of our military forces.

Ultimately, SHRM wants every one of its members—plus other H.R. professionals—to know who to call to find veteran talent, and who to call to get assistance

in easing the transition of that veteran into the civilian workforce.

Many of the hurdles facing employers and veterans alike can be described as culture clashes. Veterans need help translating their specialized skills, along with their respect for discipline and chain of command, into civilian vocabulary, and a job. They are not accustomed to self-promotion. Nor, given their combat experience, are they accustomed to a business concept of a "life or death" situation; or to "seeking input" from a team; or a managerial style that is not centered on command and control.

On the employer side, more communication with H.R. professionals is needed. SHRM research (available to the Committee) found that most talent managers are unaware of the many resources available to them, from both government agencies and non-profit organizations, to assist them in finding, hiring, and retaining the right veterans for their jobs. SHRM pledges to help close that communication gap, and to help employers see veterans as loyal, dedicated, and highly trainable potential employees. Many local SHRM chapters and councils are already conducting employer-education programs focused on the benefits of hiring veterans, and on how to make their transition successful.

The Society has dedicated a section of its Web site to the transition issue, and another on disability employment. It offered a military program at its annual conference last year and will do so again this month, making the educational event available to more than 12,000 conference attendees. Similar programs are met by a receptive audience—SHRM describes its members as professionals who understand that it makes sense to hire veterans, and that it's a moral obligation to help those veterans after all they have sacrificed.

# Introduction

Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee, my name is Hank Jackson. I am the Interim President and Chief Executive Officer of the Society for Human Resource Management (SHRM). SHRM is the world's largest association devoted to human resource management. The Society serves the needs of H.R. professionals and advances the interests of the H.R. profession. Founded in 1948, SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China and India. On behalf of our approximately 260,000 members in over 140 countries, I thank you for this opportunity to appear before the Committee to discuss the transition of military veterans into the civilian workforce.

Our members strongly believe that helping military servicemen and women transition back to the workforce benefits every party involved: our heroes receive the

welcome they deserve through employment; employers gain employees who are committed to the mission; and our Nation's productivity and status in the global mar-

ketplace is enhanced.

In my testimony, I will share SHRM's efforts to promote the recruitment and re-tention of veterans in the workplace, provide SHRM survey research on the state of veterans' employment, describe our concerns about why the promise of employment to many veterans remains unfulfilled, and offer proposals for eliminating these hurdles to veterans' employment.

# SHRM's Efforts to Promote Veterans' Employment

The transition of veterans into the workplace has developed into a key concern for SHRM and for the H.R. profession. To assist employers in recruiting and retaining current and former members of the military, SHRM has collaborated with key Federal agencies

First, our members appreciate that almost half of our Nation's military strength resides in the National Guard and Reserve. They see men and women leave their workplaces to do their duty, and they see them return from combat, sometimes struggling to reintegrate into civilian life. In addition, some Guard and Reserve members joined the military as their first real "job," and now they need our members' help. After all those warriors have sacrificed for us, H.R. professionals embrace a responsibility to help our heroes reclaim their civilian lives and return to meaningful and productive work.

For this reason, SHRM formed a partnership with the Department of Defense's Employer Support of the Guard and Reserve (ESGR) by signing a Statement of Support in March 2010. As the principal advocate within the U.S. Department of Defense, ESGR's mission is to develop and promote employer support for Guard and Reserve service by recognizing employers that offer outstanding support, increasing awareness of applicable laws and resolving conflict between employers and service-

Through this partnership, SHRM is working with ESGR to link all SHRM State councils and chapters with their local ESGR office and encourage SHRM members to sign their own Statement of Support. More than 300 SHRM chapters and 31 SHRM State Councils have signed a Statement of Support to date.

SHRM also serves as a member of the Secretary of Defense Employer Support Freedom Award National Selection Board, which selects Freedom Award recipients on an annual basis. The Freedom Award is the Department of Defense's highest recognition given to employers for exceptional support of their employees serving in the Guard and Reserve. We are pleased that several employers of SHRM members have been presented with the Freedom Award.

Soon after forging our partnership with ESGR, we inaugurated a military hiring event as part of our 2010 annual conference and exposition in San Diego, California. That event, called "Military Veterans: Transitioning Skills to the New Economy," brought together H.R. professionals, business leaders, Federal agencies and hundred of members of the military. We change both construction of the military and better than the construction of the military was changed by the construction. dreds of members of the military. We showed both employers and veterans how they could benefit each other, focusing on the skills they each need to succeed as partners. During the full conference, participants also were addressed by Ray Jefferson, Assistant Secretary of the Department of Labor's Veterans' Employment and Training Service (VETS). His riveting remarks reminded us that there are other heroes who need and deserve our attention. They are the people who volunteered for active duty, many of them right out of school, and who now return in search of their first civilian job. Building on the enthusiastic response we received for last year's program, we're holding another veterans' employment event at our conference in Las Vegas later this month, offering it at no charge to more than 12,000 H.R. professionals. The 6-hour program will focus on everything needed to recruit and accommodate veterans, wounded warriors, and spouses. Just as important, we'll talk about creating an inclusive workplace that encourages veterans to stay with their new organization.

SHRM has also developed a deeper relationship with VETS, to complement our ongoing partnership with ESGR. The core of our work with VETS is in helping the agency to inform employers across the Nation about the resources that are available to them in finding, recruiting, and retaining military veterans. For instance, right now, we're identifying States that will be pilot sites for a more cooperative relationship between SHRM chapters and VETS. We want our members, at the State and regional levels, to get to know the VETS staff, and to rely on them for assistance. In addition, our two organizations are working together to create a toolkit for employers. It will be a collection of practical steps and tangible tools for creating a hiring program, identifying and hiring veterans, and doing what it takes to **retain**  those veterans, including building a workplace that's supportive of our military forces.

In a related effort, the White House invited SHRM to participate in "Joining Forces," an initiative focused on the needs of military families led by First Lady Michelle Obama and Dr. Jill Biden. Addressing the goals of this effort, SHRM's educational materials will include resources and tips on effective practices for recruiting and retaining military spouses, maximizing workplace flexibility and other policies to support military families, and creating high-performing work environments for all service-connected employees.

I'm also pleased to inform you that we're preparing to embark on a similar collaboration with the Department of Veterans Affairs.

These partnerships have proved to be invaluable to SHRM and our members and hopefully to the agencies as well, and we are deeply grateful for them. Ultimately it is our hope that through all these efforts, we can help every SHRM member to know where to find qualified veteran job candidates, and where to get assistance in easing the transition of that veteran into the civilian workforce.

# SHRM Research on Employment of Military Veterans

SHRM features a research department that has conducted several survey reports on employer recruitment, hiring and retention practices of military servicemembers. In June 2010, SHRM published its most recent report in this series, titled "Employing Military Personnel and Recruiting Veterans—Attitudes and Practices."

The survey examined two areas

1. Active Duty Service Employees. The poll looked at pay and benefits that organizations provide to employees who have been mobilized to serve on active duty for an extended period of time (more than 2 weeks), either as a reservist or as a member of the National Guard. The challenges organizations face when an employee has been mobilized to serve on active duty and the overall familiarity that H.R. professionals have with the Uniformed Services Employment and Reemployment Rights Act (USERRA) were also explored.

2. *Recruiting and Hiring Veterans*. The benefits and challenges of hiring mili-

tary veterans were examined, as were the resources that could assist organiza-

tions in recruiting and hiring veterans.

The survey's key findings include:

• The majority of employers are considering and hiring veterans. Fifty-three percent of respondents said that, within the previous 36 months, their organization had hired veterans as full-time, part-time or temporary/contract workers. Of those organizations that hired at least one veteran, 50 percent revealed that they had made a specific effort to recruit and hire veterans

 Organizations are going beyond what is required by law to help employees who are returning to work after active duty service. Sixty-six proyees who are returning to work after active duty service. Sixty-six percent provide returning employees an employee assistance program (EAP) to help with transitioning back to work, 58 percent provide catch-up skills training to help with transitioning back to work, and 48 percent provide flexible work arrangements during the transition.

Organizations find that veterans make extremely positive contributions to the workplace. Of those organizations that had hired at least one veteran during those 36 months, more than 85 percent said the henefits of hiring employees.

- during those 36 months, more than 85 percent said the benefits of hiring employees with military experience include:
  - Strong sense of responsibility'
- "Ability to work under pressure"
- "Ability to see a task through to completion"

"Strong leadership skills"

- "High degree of professionalism"
  "Strong problem-solving skills"
  "Ability to multi-task"

- "Ability to adapt to changing situations quickly"
- "Positive impact on the image and/or credibility of the organization"
- Employers are providing generous benefits support (i.e., non-direct compensation) to mobilized employees and their families. Sixty-three percent of respondents said their organizations provide an extension of health insurance for the employee's family and 47 percent provide an extension of health insurance for the employee.
- Employers are seeing fewer employees mobilize to serve on active duty. In 2004, 51 percent of employers said that in the previous 36 months they had

experienced employees being mobilized to serve on active duty, either as a reservist or as a member of the National Guard, for an extended period of time (more than 2 weeks). In 2010, that figure decreased to 34 percent of respondents.

• Importantly, H.R. professionals believe transition assistance programs can further facilitate the hiring of veterans. When asked "What programs would help your organization in efforts to recruit and hire military veterans," 72 percent responded programs to train veterans with additional skills for the civilian workplace; 71 percent said programs to help veterans transition their military skills to the civilian workplace; and 71 percent said assistance identifying and reaching out to qualified veterans. 1

# Challenges Facing Veterans and Employers Alike

There are a number of hurdles to be cleared in order for veterans and employers to achieve the goals they both seek—meaningful employment for the veteran and a highly skilled and engaged employee for the hiring organization. Some of the chalenges may be more structural in nature; others attributable to the differences between military and civilian workplaces; while still others are attributable to a lack of access to training and education for veterans and employers.

As noted above, 71 percent of H.R. professionals are unaware of, or unsatisfied with, programs to help them find and assimilate veterans into their workforces. In a separate poll, SHRM found that nearly seven out of 10 H.R. professionals were not at all aware of the U.S. Department of Labor's Local Veterans' Employment Representative Program, and the same numbers were completely unaware of DoL's Disabled Veterans' Outreach Program. As a result, SHRM sees their partnerships with agencies such as DoL-VETS and ESGR as extremely important in order to increase the awareness of available programs. Part of the confusion of many employers may lie in the number of Federal, as well as, State programs devoted to veterans' employment. While their missions may be distinct, it is not always clear to the employer the role each plays in the employment process.

It is also clear that more communication is needed to advise H.R. professionals and employers of the help available to them from both government and non-profit organizations, largely at no cost. A follow-up poll last fall by SHRM and the Cornell University School of Industrial and Labor Relations and released in January found that 87 percent of H.R. professionals were unaware of the Tip of the Arrow Foundation; 73 percent were unaware of the Department of Veterans Affairs' VetSuccess program; and 60 percent were not aware of such programs, services and organizations as Wounded Warrior, Job Opportunities for Disabled American Veterans, and the Paralyzed Veterans of America.

There are also some misunderstandings about what to expect from veterans with combat-related disabilities, or what must be done to accommodate disabilities. According to the Paralyzed Veterans of America, the unemployment rate for veterans with severe disabilities is a stunning 85 percent. For veterans with **any** disabilities, the hiring challenge is greater than for the rest of their military colleagues—but the problem is largely one of perception. Again, better communications are needed to correct faulty assumptions.

Some employers fear that making physical accommodations for a veteran with a disability will be expensive, but the average cost is \$600 or less, according to the Job Accommodation Network within the Department of Labor's Office of Disability Employment Policy. And even that cost can be covered by Federal work opportunity tax credits.

According to SHRM's own research of members, erroneous assumptions are also made about accommodating the nearly half of veterans who return to civilian life with post-traumatic stress disorder (PTSD) or traumatic brain injury (TBI). Lisa Rosser, author of *The Value of a Veteran: The Guide for Human Resources Professionals in Regarding, Recruiting and Retaining Military Veterans*, has told us that, despite employer fears that a veteran with PTSD will exhibit extreme behavior, by far the most common reaction of a PTSD sufferer to an intolerably stressful situation is to simply leave. And most accommodations for TBI are minor, plus veterans often recover completely from the injury. The benefit of hiring disabled veterans, she said, far outweighs the hassles.

Once hired, *retention* of veterans is also an issue. This challenge may be described as a culture clash. Not many employers—or H.R. professionals—can identify with the experience of war, or the unique culture of the military.

<sup>&</sup>lt;sup>1</sup>Society for Human Resource Management Poll (2010): "Employing Military Personnel and Recruiting Veterans—Attitudes and Practices."

Adjusting to civilian workplace protocol also drives away some newly hired veterans. Last year, MyMilitaryTransition.com surveyed veterans and H.R. managers on why job retention beyond 18 months is often difficult. Veterans cited "lack of cultural fit" as the leading reason; H.R. managers described it as "an inability to let go of the military way of doing things."

Finally, many returning veterans face a unique challenge in translating their specialized skills, along with their respect for discipline and chain of command, into a civilian vocabulary, and a civilian job. Last spring, a SHRM poll of its members found that 60 percent of respondents said translating military skills was the biggest hurdle to veterans in writing resumes, interviewing, and other job-hunt communica-tions. The systems used to identify specific job or job functions in the military—the Military Occupational Specialties (MOS) for the Army and Marine Corps or the Navy Enlisted Classification system for Navy personnel—does not easily translate veterans' skills to a potential civilian employer nor help the veteran clearly articulate what he or she did while in the service.

The main vehicle for addressing skills translation and preparing transitioning servicemembers to civilian life is the Transition Assistance Program or TAP. TAP servicemembers to civilian life is the Transition Assistance Program of TAP. TAP represents a partnership among the Departments of Defense, Veterans Affairs, and the U.S. Department of Transportation, plus VETS at Labor. As noted above, SHRM members have expressed a desire for improving the transition assistance provided to service-members, including translation of military skills, interviewing techniques, and job-search advice. It is our understanding that VETS is seeking to improve this transition assistance. SHRM believes this effort is a significant step in the right direction to achieve more uniformity and standardiscition in propaging transitioning rection to achieve more uniformity and standardization in preparing transitioning servicemembers for employment in the civilian sector.

#### Challenges Can Be Overcome

There are challenges in bringing together employers and veterans successfully, but those challenges are not insurmountable. Success demands the best tools of H.R., a community of understanding, and a utilization of what, thankfully, is becoming a broad network of resources being made available to those who have served our Nation so selflessly and bravely.

With success comes benefit to both the veteran and the employer. As Members of this Committee know, veterans make loyal, dedicated, and highly trainable em-

When I talk of challenges faced in this hiring equation, I must admit that one lies squarely on my own doorstep—the need to make H.R. professionals more aware of the many resources available to them in assisting the work transition of returning veterans. It's something that we recognize at SHRM, and we're doing something about it.

Having said that, however, I want to assure the members of this Committee that the target audience for those efforts—HR professionals—is an eager and willing audience. They do not have to be sold on our national obligation to veterans, or the

dence. They do not have to be sold on our national obligation to veterans, or the practical advantages of adding veterans to their workforces.

These H.R. professionals are people who *understand* that it makes sense to hire veterans, and that it's a moral *obligation* to help those veterans after all they have sacrificed. Our members, and other professionals like them, just need assistance in finding the applicants, and in building a long-term relationship with them.

In that same vein, I can assure you that members of our chapters and State councils, just like those of us on staff, are fully engaged and supportive of this effort. Many are educating local employers about existing laws and regulations, and giving them tips on how to find and hire the right veterans for their needs. Others are them tips on how to find and hire the right veterans for their needs. Others are working directly with veterans, helping them find jobs and transition into the civilian workforce.

Here are just two examples. When 1,500 Vermont National Guard and Reserve members were deployed to Afghanistan, one of our Vermont chapters hosted a community town hall meeting for employers from businesses of any size. In partnership with ESGR, our H.R. professionals taught those employers about the Uniformed Services Employment and Reemployment Rights Act, as well as the Family and Medical Leave Act. They also brought in experts to guide employers though the

steps they should follow in reintegrating employees when they return from combat. Another example comes from Texas. As Representatives Bill Flores (R-TX) and Silvestre Reyes (D-TX) may be aware, our SHRM Texas State Council and some of our local chapters have hosted several full-day events focusing on veterans' employment. The most recent was May 20, in Austin. Business leaders and staffing and recruiting professionals gathered to learn best practices from an array of experts on how to build a strategy for recruiting a veteran, military spouse, wounded warrior or reservist.

They showed employers how to build recruitment and retention strategies for veterans, for military spouses, and for wounded warriors. Essentially, they talked about effective practices to attract these skilled workers and keep them onboard.

Afterward, here's what one of the employers said about the program: "Although I've never hesitated to hire a veteran, I came away with a new understanding of how to proactively recruit veterans and fully integrate them into the workforce. I couldn't have found a better venue for honest and direct information on the struggles U.S. veterans face when entering the private sector."

#### Conclusion

Mr. Chairman and Members of the Committee, SHRM and its members will continue our efforts to assist employers in finding, recruiting and retaining military veterans

We will keep reaching out to all H.R. professionals, whether members of SHRM or not, and make them aware of the programs and services available to employers.

We will continue our ongoing programs with both ESGR and VETS, and we will hold another military employment program for H.R. professionals at our annual conference in Las Vegas later this month.

Finally, we will continue working with our councils and chapters, engaging them on the military transition issue, and assisting them with their own community-based educational programs.

As we work together to improve employment outcomes for transitioning servicemembers, we suggest the following to foster greater employment opportunities for transitioning servicemembers:

- Encourage continued partnerships between the employer community and the relevant agencies.
- Clarify and educate employers about the role of the Federal agencies. Employers would greatly benefit from having a more streamlined set of resources that they can consult to find veteran talent, post their open positions, and find information about hiring veterans and other transitioning servicemembers.
- Improve and increase uniformity in transition assistance for service-members.
   As noted in our testimony, guidance provided to individuals leaving the military should prepare them for what employers need to hire, including translation of military skills, interviewing techniques, and job-search advice. Having a more uniform system understood by both employers and transitioning service-members would benefit them both.

Thank you for this opportunity to come before you and assure you that the human resource profession *does* appreciate the importance of the challenge before us, and we look forward to partnering with you in achieving a smooth transition for every returning veteran.

I welcome your questions.

# Prepared Statement of George Ondick, Executive Director, Department of Ohio, American Veterans (AMVETS)

Chairman Miller, Ranking Member Filner and distinguished Members of the Committee, on behalf of the Department of Ohio AMVETS, I would like to extend our gratitude for being given the opportunity to share with you our views and recommendations regarding employment among the veteran population.

AMVETS feels privileged in having been a leader, since 1944, in helping to preserve the freedoms secured by America's Armed Forces. Today our organization prides itself on the continuation of this tradition, as well as our undaunted dedication to ensuring that every past and present member of the Armed Forces receives all of their due entitlements. These individuals, who have devoted their entire lives to upholding our values and freedoms, deserve only the highest quality of care and programs we as a Nation can offer them.

AMVETS was founded in order to enhance and safeguard the entitlements of all American veterans who have served honorably, as well as to improve their quality of life and that of their families and the communities where they live through leadership, advocacy and service. Today I will be discussing one of the services AMVETS has to offer, the AMVETS Career Center.

The first AMVETS Career Center opened in December of 2000 and subsequently in 2003, AMVETS Career Centers became an IRS-approved 501(c)(3) nonprofit charitable corporation, incorporated in Ohio to provide career, training and employment related services to Ohio's armed forces veterans.

The AMVETS Career Center was initially funded through a \$100,000 grant from the State of Ohio. The grant was supported by the late Ohio State Senator Eugene Watts, a highly-decorated Vietnam veteran who saw the need for the program and was eager to provide this employment resource to Ohio veterans. The grant was used to establish the first AMVETS Career Center at the Department of Ohio AMVETS headquarters in Columbus. Further funding of the Ohio AMVETS Career Center has been provided through the sale of "Charitable Instant Bingo" tickets, which under State law specifies that a portion of the sales profit be donated to a 501(c)(3) organization, in this instance the AMVETS Career Center.

The AMVETS Career Center provides free career services to men and women who have served their country honorably. This includes honorably discharged veterans, active duty military personnel and members of the National Guard and Reserve. No

services can be provided without evidence of honorable military service.

The initial concept for the AMVETS Career Center was to provide training and assistance to returning veterans, as they applied for their licenses and/or certifications for the training they had received in the military. We soon discovered that our veterans also needed stop gap training, resume development, interviewing skills, basic computer skills and assistance in other vital areas of the overall employment

The AMVETS Career Center originally provided this training through the use of CD-based programs, which quickly proved to be cumbersome and inefficient. We then entered into an agreement with Mindleaders, then the largest provider of online courses in the United States, to provide the AMVETS Career Center with the necessary courses to assist our veterans. The AMVETS Career Center paid Mindleaders for their online services platform, thus resulting in our veterans having off site Internet access to their desired courses through the use of a Web log in and password to receive their desired course of study.

Currently, the veterans utilizing the AMVETS Career Center have access to over 300 online Mindleaders courses. Once registered, students may study at a local career center or any other place that has broadband Internet service—including the comfort of their own homes. The veteran has no out-of-pocket expense for the courses we offer, since the AMVETS Career Center feels the veteran has already

paid the price through service to our Nation.

The AMVETS Career Center not only provides career services to veterans, but also provides free career services to the spouses and children of military personnel who are deployed outside of Ohio. These services may continue as long as the servicemember is stationed outside of Ohio, but must end when the servicemember returns to Ohio. Family members must provide evidence that the military member is currently on active duty outside of Ohio, which can be done through a number

However, the AMVETS Career Center does not provide free career services to anyone who is not a veteran or is otherwise ineligible for services. Although some non-AMVETS, local career centers provide fee-based services to non-veterans and the general public, veterans and other eligible personnel always have priority of

service at all career center locations.

The AMVETS Career center locations.

The AMVETS Career Center is not a government program. Local career centers are located in AMVETS posts. There currently are 60 local career centers, which can be found in AMVETS posts, VA facilities, Ohio Department Job and Family Services (ODJFS), One Stops and in the Summit County Veteran Service Commission. Originally piloted by AMVETS Department of Ohio, AMVETS Career Centers are now located throughout Ohio, Illinois, New York and Tennessee.

Since receiving the 501(a)(3) tox competion status from the IRS, the AMVETS Career Centers are now located throughout Ohio.

Since receiving the 501(c)(3) tax exemption status from the IRS, the AMVETS Career Center has been prohibited, by current tax law, from doing any sort of job placement. We had initially provided job search and placement assistance through the ODJFS prior to our tax status. ODJFS has a U.S. Department of Labor (USDoL) grant to employ Veterans' Representatives (Vet Reps) in order to provide employment assistance. However, the grant mandates that Vet Reps are to only offer their services to veterans who have significant barriers to employment. In 2009, ODJFS Vet Reps provided services to approximately 5,000 of Ohio's 100,000 unemployed veterans. Veterans who do not qualify for intensive services may request assistance from non-veteran representatives, but they often are referred to the State's online job search site and for the most part, are on their own.

Unfortunately, AMVETS Career Center record keeping for job placement is not available since we are not permitted to do any job placement. However, AMVETS Career Center has served over 5,500 veterans in Ohio alone since our inception in 2000 and has further provided veterans with over 25,000 hours of online employment training. After getting "job ready" at a Career Center, many of our veterans have found employment on their own by doing job searches at an AMVETS Career Center.

The continued constraints and problems regarding job placement, combined with the Ohio National Guard having a large number of unemployed servicemembers, gave cause for the AMVETS Career Center to initiate the "Ohio Veterans Career Assistance Network." or "Vets CAN."

Assistance Network," or "Vets CAN."

Ohio "Vets CAN" is a partnership between the AMVETS Department of Ohio and the Ohio National Guard. Ohio "Vets CAN" was created as an online meeting place where veterans and members of the National Guard and Reserve can link up with employers who value and support military service to America. The Web address is www.ohiovetscan.com.

Questions I am often asked are, "So why was another Web site created, and why do we need AMVETS, and why don't we use something that already exists?" The answers to these questions are quite easy. First, Major General Wayt (at that time the Adjutant General for the State of Ohio) asked AMVETS to create a program that would address the employment needs of the Ohio National Guard. Second, AMVETS Career Centers already provide no cost training to veterans and members of the National Guard and Reserve, therefore making a perfect match of meeting these needs. Finally, there are no employment sites that exclusively address the needs of veterans and members of the National Guard and Reserve.

At www.ohiovetscan.com, Ohio Guard members can identify resources and organizations that can help improve their civilian career opportunities or find employment.

Ohio "Vets CAN" is similar to a mini "Monster.com" without the fees. Employers can register and post for free. In doing so they can access the cream of the crop, potential employees who are well trained, accustomed to long hours, show up on time, are loyal, and are patriotic. Guard members and our veterans know the meaning of 'an honest day's work' and have a track record of integrity, sincerity, accountability, responsibility and trustworthiness.

There are some limitations as to who we will allow to post on this site. We are limiting our services to veterans and members of the National Guard and Reserve

and the active duty component.

On the employer side, we limit services to military-friendly employers. Military friendly employers are defined as employers who understand the commitment to military service, practice flexibility, and unconditionally support Guard members in the performance of Federal, State and community missions. Military-friendly employers recognize in veterans a high level of personal maturity, and understand veterans are men and women who often have tested their mettle in mission-critical situations that demand endurance, stamina and flexibility.

In October 2010, the Ohio unemployment rate was 9.6 percent. The unemployment rate for veterans was 11.1 percent, with the rate for women veterans even higher at 11.9 percent. This means nearly 100,000 of Ohio's 900,000 veterans are unemployed. For recently-separated veterans, even after 2 years, their unemployment rate was 16 percent, far higher than the overall rate. For young (18–24-year-old) veterans, the news is particularly grim. The Bureau of Labor Statistics (BLS) reported in April 2010 that the unemployment rate for young veterans was 30.7 percent. This presents a large number of young unemployed veterans in Ohio, given that over 17,000 of Ohio's National Guard and Reserve troops, plus 15,000 active military troops from Ohio are 24 or younger.

military troops from Ohio, are 24 or younger.

For the National Guard, large numbers of unemployed troops present operational readiness and troop safety issues. Commanders speak of unemployment leading to housing problems, an inability to pay bills and stressed relationships—all impacting a soldier's mental health and ability to stay focused on military tasks. Since 2001, the Ohio National Guard has lost more troops to suicide than to combat. National statistics reflect this, with the American Association of Suicidiology reporting that the suicide rate for the unemployed is two to three times higher than the rate for

the general population.

To help us address the needs of our unemployed and underemployed veterans, we applied for and won a State AmeriCorps grant. The manpower provider in the grant will assist us in reducing unemployment for veterans, includes helping veterans better market themselves to employers and eliminating what employers see as barriers to hiring veterans. Assisted by AMVETS Career Center (ACC) staff, AmeriCorps members conduct outreach and recruitment activities to help veterans become aware of available services. This includes outreach to ODJFS one-stop centers, county veterans' service commissions, Department of Veterans Affairs Medical Centers and homeless veteran programs.

Recruitment is followed by pre-enrollment assessments that enable AmeriCorps members to evaluate veterans' skills and barriers to employment and assess their

employability needs. Results of the assessment allow members to enroll veterans in ACC services or refer them to supportive services from other organizations.

For veterans receiving ACC services, the assessment is followed by the creation of a Career Development Plan (CDP). The CDP documents the skills and interests of the veteran, identifies skill deficiencies and other barriers that prevent them from achieving desired employment and income needs and describes activities and followup needed to ensure the veteran achieves his/her career goal. The AmeriCorps member may refer the veteran directly to job development and placement services, where the goal is to place the veteran into employment that allows him/her to become selfreliant. The services may involve job search assistance or individual job development that matches a veteran with a specific employer and/or job.

The member also may encourage the veteran to participate in ACC core program

services, such as:

Formal career assessment and exploration assistance.

- Training that addresses vocational skills deficiencies, including classroom training, employer provided on the job training, vocational education services or apprenticeships.
- Credentialing assistance that helps a veteran obtain licenses or certifications that document work-related skills and abilities.

Developing tools such as resumes, cover letters, job search techniques and interviewing skills that help veterans better market themselves to employers.

To help overcome employer resistance to hiring veterans, AmeriCorps members participate in employer outreach such as workshops, career fairs and presentations to business groups. Information is provided about hiring incentives and tax credits, on-the-job training funding and veterans' training programs. Efforts are made to match veterans with specific employer needs, with particular attention paid to businesses that are legally required to show veterans' preference.

Furthermore, during the first 6 months of the grant, the AMVETS Career Center achieved the following

Target of 250 veterans helped; actually helped 553

- Target of 85 veterans in case management; actually have 115 veterans in case management
- Target of 25 veterans placed into employment; actually have placed 32 veterans Target of 50 veteran-friendly employers identified; actually have recruited 70 employers

Moreover, in order to continue the work of the AMVETS Career Center, we have applied for a National AmeriCorps Grant that will provide us with additional manpower to further expand our program to veterans in need of our services. The grant is critical to the program, as this economy has caused a significant reduction in our primary source of funding, Charitable Instant Bingo. Also, recent changes to State regulations of Charitable Instant Bingo have caused a reduction in the available charitable dollars.

The average cost to the State of Ohio to provide similar services through the USDoL grant is about \$1,500 per veteran. This is in sharp contrast to the cost of services AMVETS Career Centers can deliver for only \$250. We believe this is due to the broad network of volunteers and the partnerships and resources uniquely available to the veterans' service community. With all the recent discussion of fiscal responsibility, AMVETS Career Centers just make sense. With just a minimal investment, we can expand and advertise our program to help more veterans reenter the workforce and start to pay taxes again, rather than relying on government serv-

Chairman Miller and distinguished Members of the Committee, this concludes my testimony. I would like to again thank you for inviting me to participate in this very important hearing and I stand ready to answer any questions you may have for me.

Prepared Statement of Captain Marshall Hanson, USNR (Ret.), Legislative Director, Reserve Officers Association of the United States, and also on behalf of Reserve Enlisted Association

# EXECUTIVE SUMMARY

Improvements to increase employment supported by ROA and REA follow: Education:

• Include Title 14 duty in eligibility for the Post-9/11 GI Bill.

- Exempt earned benefit from GI Bill from being consider income in need based aid calculations
- Develop a standard nationwide payment system for private schools.
- Re-examine qualification basis for Yellow Ribbon program, rather than first come first served.
- Increase MGIB-Selected Reserve (MGIB-SR) to 47 percent of MGIB-Active. Enact Uniformed Services Employment and Reemployment Rights Act (USERRA) and Servicemembers Civil Relief Act (SCRA) protections for mobilized Guard-Reserve students to adjust interest rates on Federal student loans of mobilized Reservists when the market rate drops below 6 percent.

# Employer Support:

- Continue to enact tax credits for health care and differential pay expenses for deployed Reserve Component employees.

  Provide tax credits to offset costs for temporary replacements of deployed Re-
- serve Component employees.
- Support tax credits to employers who hire servicemembers who supported contingency operations.

# Employee Support:

- · Permit delays or exemptions while mobilized of regularly scheduled mandatory continuing education and licensing/certification/promotion exams.
- Continue to support a law center dedicated to USERRA/SCRA problems of deployed Active and Reserve servicemembers.

## Uniformed Services Employment and Reemployment Rights Act (USERRA)/Servicemembers Civil Relief Act (SCRA):

- Improve SCRA to protect deployed members from creditors that willfully violate
- Fix USERRA/SCRA to protect health care coverage of returning servicemembers and family for pre-existing conditions, and continuation of prior group or indi-
- Enact USERRA protections for employees who require regularly scheduled mandatory continuing education and licensing/certification and make necessary changes to USERRA to strengthen employment and reemployment protections.
- Exempt Reserve Component members from Federal law enforcement retirement application age restrictions when deployment interferes in completing the application to buy back retirement eligibility.
- Amend SCRA to prohibit courts from modifying previous judgments that change the custody arrangements for a child of a deployed servicemember.

  Encourage Federal agencies to abide by USERRA/SCRA standards.

  Ensure USERRA isn't superseded by binding arbitration agreements between
- employers and Reserve Component members.

  Make the States' employers waive 11th Amendment immunity with respect to
- USERRA claims, as a condition of receipt of Federal assistance.

   Make the award of attorney fees mandatory rather than discretionary.

# Veterans Affairs:

- Extend veterans preference to those Reserve Component members who have completed 20 years in good standing, or
- Permit any member who has served under honorable conditions and has received a DD-214 to qualify for veteran status.

# INTRODUCTION

On behalf of our members, the Reserve Officers and the Reserve Enlisted Associations thank the Committee for the opportunity to submit testimony on veteran and National Guard and Reserve employment issues. ROA and REA applaud the ongoing efforts by Congress to address employment problems faced by so many veterans and servicemembers.

As contingency operations continue with increased mobilizations and deployments, many of these outstanding citizen soldiers, sailors, airmen, Marines, and Coast Guardsmen have put their civilian careers on hold while they serve their country in harm's way. As we have learned, they share the same risks as their counterparts in the Active Components on the battlefield, but don't have a guarantee of a job when they return home. Just recently we passed the 800,000 mark for the number of Reserve and Guard servicemembers who have been activated since post-9/11. More than 275,000 have been mobilized two or more times. The United States is creating a new generation of combat veterans that come from its Reserve Components (RC). It is important, therefore, that we don't squander this valuable resource of experience, nor ignore the benefits that they are entitled to because of their self-less service to their country.

less service to their country.

The unemployment rates of veterans and Guard and Reserve have been increasing despite the national rate slightly declining. The Bureau of Labor Statistics reports that in March and April of this year about 27 percent of veterans between 20 to 24 years of age were unemployed. Other sources show it to even be higher. The National Guard Bureau has reported numbers of unemployed returning Army National Guard units with unemployment rates as high as 45 percent. The significance of these numbers cannot go unnoticed or unanswered.

cance of these numbers cannot go unnoticed or unanswered.

ROA and REA would like to thank the Committee and staff for making improvements to the Post-9/11 GI Bill, enhancing benefits for caregivers, and much more.

### **EDUCATION**

# Post-9/11 GI Bill

ROA and REA are grateful for passage of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010.

Education improves a veteran's chance for employment, and many returning combat veterans seek a change in the life paths. There is still room for more improvement in the Post-9/11 GI Bill that in the long run can make the program more effective and increase utilization. For example, while Title 32 AGR was included for eligibility while Title 14 Coast Guard Reserve was left out.

Other issues that student veterans have raised to ROA in which we recommend include the following:

- Require timely application and submission of documentation by the institution to the Department of Veterans Affairs (VA) and vice versa.
- Establish dedicated and well-trained officers for student veterans to speak with via the call center.
- Better define the Yellow Ribbon Program to determine what 'first come, first served' means in context of institutions (such as registration time, enrollment, and official enrollment).
- Allow institutions to give more funds to students with stronger merit and needbase under the Yellow Ribbon Program.
- Align the VA's work-study program for students to work as guidance officers at their institutions to aid other student veterans, to be matched up with institution's academic calendar.
- Safeguard and implement a long term plan for sustaining the Post-9/11 GI Bill.
  - Ensure transferability benefits are protected.
  - Guarantee that any future changes to the program that could have negative effects on benefits will grandfather in current beneficiaries.
- Pass legislation to disallow institutions including benefits in need-based aid formulations.
  - Remove the requirement to have a parental signature.
  - Establish parity between FAFSA disclosure exclusion over veterans' educational and non-educational benefits to CSS and all institutions of higher learning.

Institutions of higher learning across the Nation that provide need-based aid often require students to file a Free Application for Federal Student Aid (FAFSA) form and a College Scholarship Service/Financial Aid Profile (CSS) form administered by the College Board.

If an institution abides by the Federal methodology of determining aid levels it uses the FAFSA form and guidelines, but an institution may use an institution methodology (IM) formulated by CSS. By law under the Higher Education Opportunity Act of 1965 (HEA), FAFSA's current need analysis formula, while including some sources of untaxed income, excludes veterans' educational benefits and welfare benefits.

On the other hand, CSS requires military servicemembers to disclose their earned educational benefits for the formulation of their need-based aid levels. That disclosure of veterans' educational benefits on the CSS is then often weighed by those institutions that use an IM in the same manner of other traditional untaxed income items such as child support or a contribution from a relative, in the formulation of their aid package.

Disclosing these earned-benefits on the CSS profile serves to bring down service-members' financial need level, thus increasing the cost out of pocket, by improperly treating earned benefits as equivalent in nature and function as untaxed income items. Since CSS is not restricted from asking for disclosure of the benefits, institutions use the CSS to add these earned benefits into the aid formulation, shirking FAFSA's and the HEA's intentions.

ROA and REA urge Congress to bar institutions of higher learning from considering veterans' educational benefits in need-based aid calculations and apply the Higher Education Opportunity Act to all financial aid practices of institutions of higher learning.

Also ROA and REA support Chairman Jeff Miller's bill H.R. 1383 The Restoring the GI Bill Fairness Act of 2011 which would grandfather in current students who applied for benefits of the Post-9/11 GI Bill under a different set of rules. While many may gain advantages under the changes in law, others are actually negatively affected. For example ROA has received concerning calls and emails from members that feel forsaken, as such members signed commitments based on the benefits which they now feel are reduced.

One of the most significant problems that link all issues pertaining to the Post-9/11 GI Bill is the lack of effectively trained customer service representatives. One of the many examples came from two of our members that are married, both serving in a Reserve Component. They wanted to transfer their benefits to their children, but were told that only one parent can register the children in the DEERS system and therefore only one of the parents could transfer the benefits. After going through a couple back channels ROA found out that the couple needed to go to a DEERS office and request an 'administrative' account for the purposes of transferring benefits.

There are many stories similar to this one which cause unnecessary stress on the families, some of whom give in to the system and give up the benefit because either they are given incorrect and/or incomplete information or the hassles involved are not deemed worthwhile.

It is absolutely necessary that our servicemembers, veterans and families have the ability to access accurate and timely information. ROA and REA urge Congress to enforce the VA to properly and effectively train their personnel.

## Montgomery GI Bill

To assist in recruiting efforts for the Marine Corps Reserve and the other uniformed services, ROA and REA urge Congress to reduce the obligation period to qualify for Montgomery "GI" Bill-Selected Reserve (MGIB-SR) (Section 1606) from 6 years in the Selected Reserve to 4 years in the Selected Reserve plus 4 years in the Individual Ready Reserve, thereby remaining a mobilization asset for 8 years.

the Individual Ready Reserve, thereby remaining a mobilization asset for 8 years. Because of funding constraints, no Reserve Component member will be guaranteed a full career without some period in a non-pay status. BRAC realignments are also restructuring the RC force and reducing available paid billets. Whether attached to a volunteer unit or as an individual mobilization augmentee, this status represents periods of drilling without pay. MGIB—SR eligibility should extend for 10 years beyond separation or transfer from a paid billet.

# **EMPLOYMENT**

# **Employment Protections**

Veterans and servicemembers are provided protections through the National Committee for Employer Support of the Guard and Reserve (ESGR), the Uniformed Services Employment and Reemployment Rights Act (USERRA), and the Servicemembers Civil Relief Act (SCRA).

Notwithstanding the protections afforded veterans and servicemembers, and antidiscrimination laws, it is not unusual for members to lose their jobs due to time spent away while deployed. Sometimes this is by employers who go out of business, but more because it costs employers money, time, and effort to reintroduce the employee to the company.

The most recent national example is the case of *Straub vs. Proctor Hospital* in which Army Reservist Vincent Straub was fired by Proctor Hospital of Peoria due to his service requirements. The Supreme Court upheld Straub's rights under USERRA.

## **Employer Incentives**

**Partnerships:** The Army Reserve under Lieutenant General Jack Stultz initiated the Employer Partnership Program with civilian employers that is an initiative designed to formalize the relationship between the Reserve and the private sector,

sharing common goals of strengthening the community, supporting RC service-members and families, and maintaining a strong economy. Over 1,000 companies are currently in various preliminary stages of implementing partnership programs. This sets a model for businesses to hire veterans. The program has its own Web site, <a href="http://www.employerpartnership.org/">http://www.employerpartnership.org/</a> and provides job search, a résumé builder, professional staff support. a list of employer partners and career resources.

professional staff support, a list of employer partners and career resources.

Periodic and Predictable: Employers need increased notification time in order to better support their personnel. The military services and components should provide greater notice of deployments to RC members, so that they, as well as their families and their employers, can better prepare. Collaboration between industry and the military needs to occur as the military considers deployment cycle models so that the Nation's defense needs are met but its industrial base is not compromised.

Employer care plans should be developed that will assist with mitigation strategies for dealing with the civilian workload during the absence of the servicemember employee and lay out how the employer and employee would remain in contact

throughout the deployment.

CNGR: The Commission on the National Guard and Reserve suggested key recommendations included expansion of the Employer Support of the Guard and Reserve (ESGR) committee to be able to work new employment as well as reemployment opportunities, the creation of an employer advisory council, and regular surveys to determine employer interests and concerns over reemployment of Guard and Reserve members. Unfortunately, the budget recommendation is to reduce ESGR's budget.

TRICARE as an employee/employer benefit: An employer incentive is when an employee brings importable health care such as TRICARE, reducing the costs for the employer. Guard and Reserve members as well as military retirees should be permitted to tout the availability of TRICARE as an employee asset, and permit em-

ployers to provide alternative benefits in lieu of health care.

Another option is to fully or partially offset employer costs for health care payments for Guard and Reserve members who are employed, especially when companies continue civilian health insurance for servicemembers and/or their families during a deployment. DoD should provide employers—especially small businesses—with incentives such as cash stipends to help offset the cost of health care for Reservists up to the amount DoD is paying for TRICARE, with the understanding that the stipend is tied to reemployment guarantees upon the serving member's return.

Other incentives: Incentives of various types would serve to mitigate burdens and encourage business to both hire and retain Reservists and veterans. A variety of tax credits could be enacted providing such credit at the beginning of a period of mobilization or perhaps even a direct subsidy for costs related to a mobilization such as the hiring and training of new employees. Employers felt strongly that, especially for small businesses, incentives that arrive at the end of the tax year do not mitigate the costs incurred during the deployment period. Also, cross-licensing/credentialing would ease the burden of having to acquire new licenses/credentials in the private sector after having gained them during their military service, and vice versa.

While not under this Committee's jurisdiction, we hope that the House Veterans' Affairs Committee can support specific tax incentives to hire returning veterans and Guard and Reserve members.

ROA and REA support H.R. 743 *Hire a Hero Act of 2011* introduced by Rep. Lynn Jenkins which would allow the work opportunity credit to small businesses which hire individuals who are members of the Ready Reserve or National Guard. ROA and REA support H.R. 865 *Veterans Employment Transition Act of 2011* in-

ROA and REA support H.R. 865 Veterans Employment Transition Act of 2011 introduced by Rep. Tim Walz that would extend work opportunity credit to certain recently discharged veterans.

ROA and REA support the concept of H.R. 802 introduced by Ranking Member Bob Filner because it would recognize employers of veterans, but strongly believe that it should be amended to include employers of Guardsmen and Reservists.

ROA and REA further recommend the following:

ROA and REA encourage the implementation of certifications or a form that would inform employers of skills potential veteran and servicemember employees

gained through their military service.

ROA and REA support initiatives to provide small business owners with protections for their businesses to be sustained while on deployment, for example a potential program in which a trained substitute is made available to run the business while the member is out of country. Further SCRA protection on equipment leases should be included in the law.

#### **Draft Legislation**

ROA has submitted draft legislation entitled "Equitable Justice for Terminated Veterans Act of 2011" which would direct courts to award reasonable litigation expenses of USERRA cases to prevailing veterans.

penses of USERRA cases to prevailing veterans.

ROA also submitted draft legislation called "Veterans Personnel Protection Enhancement Act of 2011" that would amend Title 5, section 2303 U.S.C., to include willful violation of USERRA as a prohibited personnel practice.

Note: the draft legislative pieces are attached to the end of this testimony, and can be found on our Web site at <a href="http://www.roa.org/draft\_legislation">http://www.roa.org/draft\_legislation</a>.

Captain Sam Wright, JAGC, USN (Ret.), director for ROA's Service Members Law Center, has drafted 23 additional pages of legislative improvements to USERRA which will be posted in the near future. ROA is also available to work with individual offices

# SERVICE MEMBERS LAW CENTER

In the summer of 2009 ROA established the Service Members Law Center (SMLC) as a source of excellence in the areas of employment and consumer law for active, Guard and reserve personnel.

The Law Center's goals include the following:

- Advise Active and Reserve members who have been subject to legal problems that relate to their military service.
- Develop a network of legal scholars, law school clinics and private practitioners interested in legal issues of direct importance to servicemembers.
- Advance world-class continuing legal education on issues relating to the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Servicemembers Civil Relief Act (SCRA).
- Broaden the existing database of USERRA and SCRA research.
- In conjunction with bar associations, develop standards that will help to ensure that lawyers to whom servicemembers are referred for legal services have the requisite expertise to represent them effectively.

Recruiting and retaining members of the armed services, especially those in the National Guard and Reserves, depends in part on assuring current and future Citizen Warriors that laws and regulations are in place to protect them effectively from discriminatory practices.

The Law Center is functioning at a modest but effective level. ROA is pursuing efforts to obtain private or public funding and to identify public and private entities willing to sustain this effort in order to expand this service to fuller capacity. This is especially needed following potential cuts to ESGR.

As part of the SMLC and under director Captain Sam Wright, JAGC, USN (Ret.) the Law Center maintains the "Law Review" data base and indices which contain over 700 articles on USERRA and SCRA issues (available at <a href="https://www.roa.org/law\_review\_archive">www.roa.org/law\_review\_archive</a>). On a monthly basis Captain Wright receives about 500 calls from concerned servicemembers, families and attorneys. In March 2011 about 80 percent of the calls were about USERRA.

The Law Center's services include:

- Counseling: Review cases, and advise individuals and their lawyers as to lawfulness of actions taken against deployed active and reserve component memhers
- Referral: Provide names of attorneys within a region that have successfully taken up USERRA, SCRA and other military-related issues.
- Promote: Publish articles encouraging law firms and lawyers to represent servicemembers in USERRA, SCRA and other military-related cases.
- Advise: File amicus curiae, "friend of the court" briefs on servicemember protection cases.
- Educate: Quarterly seminars to provide attorneys a better understanding of USERRA, SCRA and other military-related issues.

The Servicemembers Law Center is available at  $www.roa.org/ServiceMembers\_Law$  Center.

# DEFENSE EDUCATION FORUM

ROA also maintains the Defense Education Forum (DEF). DEF produces and sponsors a wide variety of educational events that number more than 30 per year. Some past programs comprise employment and transition issues. The DEF director is Lieutenant Colonel Bob Feidler, USAR (Ret.).

In fact in 2008 ROA published a report on continuum of service entitled "A New Employer-Reservist Compact: Initiatives for the Future" that is available upon request.

Others events have included continuing education on USERRA, a joint issue event on mental health care and the Army Reserve Employer Partnership Program, Commission on the National Guard and Reserve and others. The Defense Education Forum is available at <a href="https://www.roa.org/Educate">www.roa.org/Educate</a>.

# CONCLUSION

ROA and REA appreciate the opportunity to submit testimony, and we reiterate our profound gratitude for the progress achieved by this committee such as providing a GI Bill for the 21st Century and advanced funding for the VA.

ROA and REA look forward to working with the House Veterans' Affairs Committee, where we can present solutions to these and other issues, and offer our support, and hope in the future of an opportunity to discuss these issues in person.

ROA and REA encourage this Committee to utilize the Service Members Law Center and the Defense Education Forum and reports, both valuable assets, and to share it with your constituents and other Congressional Members.

## 112th Congress First Session A (House/Senate) Bill

To amend Title 38, section 4323(h)(2) United States Code, to direct courts to award reasonable litigation expenses in USERRA cases to prevailing veterans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: This Act may be cited as "Equitable Justice for Terminated Veterans Act of 2011."

# **SECTION 2. FINDINGS**

# Congress makes the following findings:

- (1) Under USERRA, a person who leaves a civilian job for voluntary or involuntary service, in the Regular military or the National Guard or Reserve, is entitled to reemployment in the civilian job upon release from service.
- tled to reemployment in the civilian job upon release from service.

  (2) Currently under this section of U.S.C., a Federal court *may* award to a veteran who prevails reasonable attorney fees, expert witness fees, and other litigation expenses
- gation expenses.
  (3) U.S. Code 38 Sect. 4323(h)(2) applies to actions in Federal court against State and local governments, and private employers.
- (4) Too often a veteran or reserve component member has to seek private sector litigation because the Department of Labor is too slow at processing cases and the Department of Justice can't handle all of the USERRA complaints that are received.
- (5) By making the award of litigation expenses mandatory rather than discretionary, private sector attorneys will have increased incentive to undertake such cases.

# SECTION 3. AMEND THE LIST OF PROHIBITED PERSONNEL PRACTICES TO MAKE SPECIFIC REFERENCE TO USERRA.

(a) AUTHORITY—Section 4323(h)(2) of title 38, United States Code, is amended by striking "may" and inserting "shall."

# SECTION 4. EFFECTIVE DATE AND APPLICABILITY.

(a) The amendments made by this section shall take effect on the date of enactment of this Act.

112th Congress First Session A House/Senate Bill

To amend Title 5, section 2303 United States Code, to include willful violation of USERRA as a prohibited personnel practice.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

**SECTION 1. SHORT TITLE:** This Act may be cited as "Veterans Personnel Protection Enhancement Act of 2011."

### SECTION 2. FINDINGS.

# Congress makes the following findings:

- (1) There are 12 enumerated "Prohibited Personnel Practices" included in Title 5, section 2303 of U.S. Code.
- (2) A Federal employee can be disciplined by the Merit System Protection Board (MSPB) by committing a prohibited personnel practice.
- (3) Number 11 on the prohibited personnel practices list is action that would violate a veterans' preference requirement. 5 U.S.C. 2303(b)(11).
- (4) The Department of Labor does not include a violation of the Uniform Services Employment Reemployment Rights Act (USERRA) as a veterans' preference issue.
- (5) Violation of USERRA would include discharge of a veteran, National Guard or Reserve member because of prior or pending service. A denial of a promotion, bonus, or merit pay could be another violation.

# SECTION 3. AMEND THE LIST OF PROHIBITED PERSONNEL PRACTICES TO MAKE SPECIFIC REFERENCE TO USERRA.

- (a) AUTHORITY—Section 2303(b)(11) of title 10, United States Code, is amended by inserting after "a veterans' preference requirement" the following:
- "or the Uniformed Services Employment and Reemployment Act" to the end of this subsection.

### SECTION 4. EFFECTIVE DATE AND APPLICABILITY.

The amendments made by this section shall—

(1) take effect on the date of enactment of this Act.

On behalf of: Brain Injury Association of America; Easter Seals; Goodwill Industries International, Inc.; Inter-National Association of Business, Industry and Rehabilitation;
Lutheran Services in America Disability Network;
Mental Health America; National Association of County Behavioral Health and Developmental Disability Directors; National Disability Rights Network; National Industries for the Blind; National Rehabilitation Association; NISH; Paralyzed Veterans of America; VetsFirst, a Program of United Spinal Association; Vietnam Veterans of America

Prepared Statement of Heather L. Ansley, Esq., MSW, Co-Chair, Veterans Task Force, Consortium for Citizens with Disabilities

## **Executive Summary**

The Consortium for Citizens with Disabilities Veterans Task Force believes that meaningful employment represents one of the best opportunities for veterans with significant disabilities to reintegrate successfully into their communities. In the most recent survey by the U.S. Bureau of Labor Statistics on employment for veterans with service-connected disabilities, 114,000 veterans of the wars in Iraq and Afghanistan reported having a service-connected disability rated at 60 percent or higher. Unfortunately, 41,000 of these veterans are not participating in the labor force. Among veterans of all eras with a service-connected disability rated at least 60 percent, workforce participation was 27.9 percent.

Typically, discussions about veterans' employment center on veteran-specific programs operated by the Department of Veterans Affairs (VA), Small Business Administration, or Department of Labor (DoL). Veterans with disabilities, as people with disabilities, who need employment assistance, are also able to turn to programs authorized under the Workforce Investment Act (WIA), or, in the case of veterans with significant disabilities, State vocational rehabilitation agencies (VRAs) and Ticket to Work Employment Networks (ENs) under Social Security.

Veterans with the highest service-connected ratings and veterans on VA disability pension will likely qualify for State vocational rehabilitation services. Strengthening the connection between VR&E and State VRAs through the Department of Education's Rehabilitation Services Administration is critical to ensuring that veterans

with disabilities receive the services they need to help them return to or remain in the workforce.

Veterans with significant disabilities are often beneficiaries of Social Security disability insurance (SSDI). As SSDI beneficiaries, veterans are able to participate in Social Security employment programs such as Ticket to Work, which allows beneficiaries to purchase vocational rehabilitation services from an array of providers called ENs. Some veterans are dually eligible for SSDI and VA pension. If these individuals attempt to use SSA's work incentives to increase their income, however, not only will their SSDI benefit be terminated but their VA pension benefits are re-

duced dollar for dollar.

WIA covers most of the Nation's major employment and training programs operated through DoL. Several sections of WIA incorporate veterans' employment into its overall mission. WIA has been slated for reauthorization since 2003. While progress has been made, additional changes are needed to focus on the performance

of the entire workforce system.

Although many veterans with disabilities have the skills needed to qualify for employment opportunities and advance in their careers, barriers to employment continue to prevent these veterans from receiving opportunities. These barriers must be addressed. Otherwise, training opportunities alone will not address the needs of those veterans who have the most significant disabilities to allow them to reintegrate into the workforce and contribute to their communities.

Chairman Miller, Ranking Member Filner, and other distinguished Members of the Committee, thank you for the opportunity to testify regarding how to improve employment opportunities for veterans who are severely disabled.

I am Heather Ansley, Director of Veterans Policy for VetsFirst, a program of United Spinal Association. Today, I am here in my capacity as a Co-Chair of the Consortium for Citizens with Disabilities (CCD) Veterans Task Force.

CCD is a coalition of over 100 national consumer, service provider, and professional organizations which advocates on behalf of people with disabilities and chronic conditions and their families. The CCD Veterans Task Force works to bring the disability and veterans communities together to address issues that affect veterans with disabilities as people with disabilities. Veterans Task Force members include veterans service organizations and broad based disability organizations, including organizations that represent consumers and service providers.

Over the years, we have reached out to both veterans and military service organizations to allow for cross collaboration and the application of lessons learned to new populations of people with disabilities. Because of the intersection of the disability and veterans communities that occurs when a veteran acquires a significant disability, the CCD Veterans Task Force is uniquely suited to bring both perspectives

to issues that cut across programmatic and policy lines.

The CCD Veterans Task Force believes that meaningful employment represents one of the best opportunities for veterans with significant disabilities to reintegrate successfully into their communities. Unfortunately, for veterans with disabilities, like their civilian brothers and sisters with disabilities, the employment picture is not very positive.

The most recent statistics available from the U.S. Bureau of Labor Statistics addressing the cross section of veterans with service-connected disabilities illustrate the connection between disability and veteran status on employment. In July 2010, approximately 13 percent of veterans reported having a service-connected disability. of those veterans, 729,000 reported having a service-connected disability rating of 60 percent or greater. Workforce participation for these veterans was 27.9 percent compared to 53.2 percent for veterans with no disability.

Among veterans of the wars in Iraq and Afghanistan, nearly 25 percent reported having a disability related to their service. Of those veterans, 114,000 reported having a disability rated at 60 percent or greater. The workforce participation rate was 63.7 percent compared to 86.2 percent for veterans without a service-connected disability. Thus, 41,000 veterans of the current conflicts reporting a service-connected disability rated at 60 percent or higher are not even in the labor force.

# Veterans with Disabilities and Federal Employment Programs

Typically, discussions about veterans' employment center on veteran-specific programs operated by the Department of Veterans Affairs (VA), Small Business Admin-

<sup>&</sup>lt;sup>1</sup>News Release, U.S. Bureau of Labor Statistics, Employment Situation of Veterans—2010 (Mar. 11, 2011) www.bls.gov/news.release/vet.nr0.htm.

istration (SBA), or Department of Labor (DoL). The VA's Vocational Rehabilitation and Employment (VR&E) program is generally available to veterans with service-connected disabilities who have an employment handicap. DoL offers programs and services through its Veterans' Employment and Training Service (VETS) and SBA hosts a number of programs tailored to veteran small business owners and service-disabled veteran small business owners.

Veterans with disabilities, as people with disabilities, who need employment assistance, are also able to turn to programs authorized under the Workforce Investment Act (WIA), or, in the case of veterans with significant disabilities, State vocational rehabilitation agencies (VRAs) and Ticket to Work Employment Networks (ENs) under Social Security. These programs are particularly critical for veterans who do not qualify for VA's VR&E program.

State Vocational Rehabilitation Agencies and Veterans

VRAs operate under the Rehabilitation Act to assist individuals with significant disabilities in obtaining or regaining employment. Data from the Department of Education's Rehabilitation Services Administration (RSA) indicate that State VRAs served over 63,000 veterans from FY 2006 through FY 2010 with overall successful

employment rates of approximately 50 percent.

Many VRAs have memoranda of understanding with their State department of veterans affairs to coordinate services to veterans with disabilities. Some State agencies have identified counselors with military backgrounds to serve as liaisons with VA and veterans groups. In addition, VA is increasingly engaged with State VRAs in outreach to the business community to promote veterans with disabilities as a valuable talent pool. Indeed, VA's own Strategic Plan for FY 2006—2011 indicated plans to use non-VA providers to supplement and complement services provided by VR&E staff.

There are many more State vocational rehabilitation counselors than there are VR&E counselors around the Nation. These numbers of vocational experts can amplify the assistance available to veterans with disabilities if appropriate outreach and partnerships are established and training is provided to improve cross-agency

coordination.

Most veterans with ratings at 40 percent and below are unlikely to qualify for State vocational rehabilitation services. However, those with the highest service-connected ratings and veterans on VA disability pension will likely qualify for State vocational rehabilitation services. Veterans rated between 50 percent and 70 percent might qualify depending on an appropriate evaluation of the veteran's functional canacity.

Participants at a May 2008 Department of Education symposium on vocational rehabilitation and returning veterans suggested that the potential exists for veterans in some States to be bounced between State VRAs & VR&E. One way to address this concern would be for VA to work with RSA to ensure accuracy in VRAs' acceptance of veterans with service-connected disability ratings. It is our understanding that VR&E is finalizing a Memorandum of Understanding (MOU) with RSA. Formalizing the connection between VR&E and State VRAs through RSA is critical to ensuring that veterans with disabilities receive the services they need to help them return to or remain in the workforce.

# Veterans and AbilityOne®

The AbilityOne® Program is a Federal initiative to help people who are blind or have significant disabilities, including wounded veterans, find employment by working for nonprofit agencies (NPAs) that provide products and/or services to the U.S. government. With a national network of 600 NPAs, which work through NISH and the National Industries for the Blind, and AbilityOne® projects in every State of the Nation, the AbilityOne® Program is the largest single source of employment for people who are blind or have other significant disabilities in the United States. The Committee for Purchase From People Who Are Blind or Severely Disabled is the Federal agency authorized to administer the AbilityOne® Program.

In 2010, the AbilityOne® Program employed nearly 48,000 people who were blind or had significant disabilities, of which 1,700 were veterans with disabilities. National Industries for the Blind, NISH, and AbilityOne® participating NPAs also employed thousands of veterans outside of their AbilityOne® workforce. Through research and development activities, specific programs are in development to address veterans with traumatic brain injury, post-traumatic stress disorder, and major depression, as well as long-term employment support models. The AbilityOne® Pro-

<sup>&</sup>lt;sup>2</sup> Proceedings of the 34th Institute on Rehabilitation Issues, U.S. Department of Education Rehabilitation Services Administration, May 5–6, 2008.

gram offers career transition support, exploration, and development for veterans in transition along with grants to prepare these veterans for management opportunities. Additionally, the revenue raised through AbilityOne® contracts and sales is reinvested in rehabilitation programs across the country, which help thousands more

of individuals (including veterans) with disabilities find employment.

The AbilityOne® Program has partnered with the National Organization on Disability, which has extensive experience and access to wounded servicemembers in the Army Wounded Warrior Program to conduct employment based research with veterans with disabilities. This project includes collaboration with the Department of Defense to match employment requirements to the research-identified career interests and abilities of Operation Iraqi Freedom/Operation Enduring Freedom veterans with disabilities.

In 2003, VA's Compensated Work Therapy Program (CWT) signed an MOU within the AbilityOne®Program as the referral conduit between VA CWT and the AbilityOne®NPAs to collaborate with VA beneficiaries who have a disability. Approximately 2,100 veterans with disabilities have been employed since the partnership's inception. The partnership agreement promotes local relationships between NPAs and VA CWT offices. This allows VA to pre-screen veterans to match AbilityOne® job requirements and to refer qualified veterans with significant disabilities to participate in AbilityOne® job coaching programs.

The Ability One Program represents one of many programs supporting veterans and is just one example of how the members of the CCD Veterans Task Force help to increase employment opportunities for veterans with significant disabilities.

Veterans and Social Security Work Incentives Programs

Veterans with significant disabilities are very often beneficiaries of Social Security disability insurance (SSDI). Veterans have earned the right to Social Security retirement, disability, and survivor's benefits since 1957 when military service was covered under Social Security.

According to the March 2010 Current Population Survey, there were 649,000 veterans under age 61 receiving Social Security benefits. Roughly 3 percent—about 19,000—of disabled veteran Social Security beneficiaries are younger than age 40 and 15.4 percent are younger than age 50. Older data from Social Security Administration's (SSA) 2007 Annual Statistical Supplement indicated there were 434,000 Social Security beneficiaries who were service-connected disabled veterans rated 70–100 percent under age 65. Another 153,000 beneficiaries of Social Security were non-service-connected disabled veterans under age 65.

As SSDI beneficiaries, veterans are able to participate in Social Security employment programs such as Ticket to Work. Ticket to Work was created in 1999 by the Ticket to Work and Work Incentives Improvement Act. Under the Ticket program, SSDI recipients are able to purchase vocational rehabilitation services from an array of providers called Employment Networks (ENs). In return for assisting a beneficiary in going to work and off of SSDI benefits, ENs receive payment from Social Security for up to 60 months.

Three years ago, the vocational rehabilitation program created by Paralyzed Veterans of America (PVA) became an employment network under the Social Security Ticket to Work program in recognition of the fact that most of the veterans PVA was serving are on SSDI. PVA's vocational rehabilitation program is predicated on assertive outreach to veterans with disabilities early in their medical rehabilitation process, rapid deployment of counseling and job search assistance, lengthy follow up services, and leveraging of existing public programs and private resources to support its efforts. Since starting its vocational rehabilitation program, PVA has served over 800 veterans, with over 126 veterans returning to work at an average salary of \$39,200.

Among the veterans PVA has served as an EN is "JM", a 34-year old Gulf War I veteran who acquired a non-service-connected spinal cord injury after his discharge from the Army. On SSDI, he had been living with his father and had not worked in 2 years when a PVA vocational rehabilitation counselor met him at the San Diego VA Spinal Cord Injury Center during hospital rounds. Within 8 months of entering the program, "JM" was working for a technology company as a repair technician II at a salary of \$41,600. Fifty veterans have been helped thus far using Ticket to Work and PVA has received \$40,737 in outcome payments from Social Security.

Social Security Work Incentives and VA Pension "Cash Cliff"

Some veterans and their spouses are dually eligible for SSDI and VA pension. These individuals may have had low paying jobs during their work life or not have had an extensive earnings history. As a result, they have a small SSDI benefit

based on that work record. These benefits will offset any VA pension payments up to the allowed pension level. This dual eligibility can have ramifications for those who want to work.

VA pension is often likened to Social Security's Supplemental Security Income (SSI) program, a means-tested income support program. SSI work incentives allow beneficiaries to work while gradually phasing out their benefits as their earnings rise. Unlike SSI, though, VA pensioners face a "cash cliff" similar to that experienced by beneficiaries on SSDI in which benefits are terminated once an individual crosses an established earnings limit. If these individuals attempt to use SSA's work incentives to increase their income, not only will their SSDI benefit be terminated but their VA pension benefits are reduced dollar for dollar by their earnings.

Over 20 years ago, under P.L. 98–543, Congress authorized VA to undertake a 4 year pilot program of vocational training for veterans awarded VA pension. Modeled on SSA's trial work period, veterans in the pilot were allowed to retain eligibility for pension up to 12 months after obtaining employment. In addition, they remained eligible for VA health care up to 3 years after their pension terminated because of employment. Running from 1985 to 1989, this pilot program achieved some modest success. However, it was discontinued because, prior to VA eligibility reform, most catastrophically disabled veterans were reluctant to risk their access to VA health care by working.

health care by working.

The VA Office of Policy, Planning and Preparedness examined the VA pension program in 2002 and, though small in number, 7 percent of unemployed veterans on pension and 9 percent of veteran spouses on pension cited the dollar-for-dollar reduction in VA pension benefits as a disincentive to work. Now that veterans with catastrophic non-service-connected disabilities retain access to VA health care, work incentives for the VA pension program should be re-examined and policies toward earnings should be changed to parallel those in the SSI program.

### Workforce Investment Act

The Workforce Investment Act (WIA) covers most of the Nation's major employment and training programs operated through DoL. DoL's VETS is known as the primary veterans program within the workforce system. Several sections of WIA seek to incorporate veterans' employment concerns into its overall mission as the engine for this Nation's workforce development system. VETS is a mandatory partner in State workforce systems under the Act and Section 168 of WIA established the Veterans' Workforce Investment Program (VWIP) which was intended to amplify workforce activities to veterans that were not adequately provided through public providers. Subtitle B—Linkages to Other Programs, Section 322, requires the Secretary of Veterans Affairs to coordinate with DoL in implementing various provisions of WIA. Numerous references to veterans throughout WIA indicate Congressional intent that the workforce system account for the employment success of veterans and veterans with disabilities.

An MOU signed in 2005 by VA and DoL aimed to foster better coordination of services between the two agencies in serving veterans. At a hearing before the Economic Opportunity Subcommittee in 2009, John McWilliam, Deputy Assistant Secretary for VETS, outlined the work of a Joint Workgroup established after the 2005 MOU with VA. The objective of this workgroup was to develop performance measures for the VETS and VA partnership and to engage in joint data collection, analysis, and reports of progress. Statistics from 2008 highlighted in his testimony indicated that there were over 7,000 veterans referred from VR&E to State workforce agencies, a little over 6,000 were registered by the State workforce agency and some 3.500 entered employment at an average entry wage of \$16 an hour.

3,500 entered employment at an average entry wage of \$16 an hour.

Such coordination between VA and DoL in addressing the employment needs of veterans with disabilities is commendable. However, further analysis should have been carried out to determine what happened to the 1,000 veterans who dropped out somewhere between the VA and the State workforce system or why only a little over half of the veterans referred by VA to a State agency entered employment. Moreover, these figures only relate to veterans deemed eligible for VR&E. How many veterans with non-service-connected disabilities or those with service-connected disabilities ineligible for VR&E have been served by State workforce systems and placed into employment? These veterans have served their Nation honorably but their employment successes and challenges do not always receive as much attention.

 $<sup>^3</sup>$  ORC Macro, Economic Systems Inc., and Hay Group, Evaluation of VA Pension and Parents' DIC Programs: VA Pension Program Final Report (2004), http://www.va.gov/op3/docs/ProgramEvaluations/Pension.pdf.

Another example of increased collaboration between DoL workforce programs for people with disabilities and those serving veterans involved the Disability Program Navigators (DPN) and local VETS staff in Idaho. This project was highlighted in a Promising Practices series published in 2009 by DoL's DPN initiative. DPNs are staff located in WIA One Stop Career Centers tasked with helping customers with disabilities traverse the array of job training and placement services available, evaluate Social Security benefits and work incentives programs, obtain assistive technology and workplace accommodations, and connect with private disability provider and advocacy groups.

Effective January 19, 2009, VETS issued a final rule on priority of service for veterans in DoL job training programs. Priority of service was established in the 2002 Jobs for Veterans Act (JVA) and provides that veterans and eligible spouses are entitled to priority over non-covered persons for receipt of employment, training and placement services under new or existing qualified job training programs funded by

DoL.

To fully implement priority of service, DPNs in the Idaho One Stop Career Centers worked with their partner Disabled Veteran Outreach Program (DVOP) and Local Veterans Employment Representative (LVER) staff to meet with disabled veterans and their families to identify the array of benefits and services available to them and to support job seekers' employment goals. As a result of this partnership, DVOPs and LVERs added to their knowledge of public and private agency services for people with disabilities and the DPNs obtained valuable information about veterans' resources that could be used to assist future clients.

Unfortunately, this example of a positive working relationship between components of the workforce system is at risk due to current budget dynamics. Because States have considerable flexibility in the implementation of DVOP and LVER services, these staff are often diverted to other duties unrelated to serving veterans and veterans with disabilities or may only be available at One Stops on certain days of the week. If veterans with disabilities are to be served by the workforce system as intended by law, then resources will be needed to make sure appropriate employ-

ment personnel are available whenever needed.

Furthermore, according to figures compiled from the DoL participant reporting system, the numbers of veterans served under priority of service has actually declined since JVA passed. Statistics for individual States indicate low rates of exit from WIA intensive training services for veterans with service-connected disabilities. We are particularly concerned over what this decline may represent in numbers of non-service-connected disabled veterans going unserved by the workforce system. Veterans whose disabilities occurred outside of military service are among those who must rely on the WIA workforce system for assistance. Veterans priority of service appropriately applied would go a long way in assuring these veterans receive the help they deserve.

WIA has been slated for reauthorization since 2003. Many proposals for improving workforce system services for people with disabilities have been made over the years. Relevant to this hearing is a document that explores some of the connections between VA's VR&E and State vocational rehabilitation systems.<sup>4</sup> In its summary, the report outlines suggestions for improvements that could apply to all facets of the workforce development system including veterans, their family members, and

businesses that recruit and hire veterans. Among their recommendations:

- Enhance outreach efforts to veterans with disabilities so that they are more aware of needed services and how to access them.
- Begin to retool existing Federal, State, and nonprofit systems or programs to better address the needs of veterans. Build and maintain a comprehensive national and State directory of these programs and identify their purpose, the service they offer, and how to find them.
- Create "crosswalks" for transferable skills from military occupational specialties
  to civilian jobs and create certifications of skills acquired in the military that
  can be transferred for college credit/certification.
- Recognize the important role families play in assisting veterans in activities such as accessing needed services for their disability, identifying symptoms of undiagnosed disabilities and coordinating needed services.
- Assist businesses with education about veterans, their disabilities, available resources, and points of contact when assistance is needed.

<sup>&</sup>lt;sup>4</sup>34th Institute on Rehabilitation Issues, When Johnny (or Jeannie) Comes Marching Home ... and Back to Work: Linking Veterans Affairs and State Vocational Rehabilitation Services for Servicemen and Women (2009), <a href="http://irriforum.org/download/34IRI.pdf">http://irriforum.org/download/34IRI.pdf</a>.

· Streamline services to veterans, reducing redundancy in areas such as plan development, implementation of planned services, contacts with potential employ-ers, and linkages to needed resources and contacts while providing a more "rapid response" based on the needs of the veteran and minimizing the number of people and programs the veteran must deal with.

Press service providers to become more knowledgeable about other programs and their services and points of contact at the local level to ensure more com-

prehensive access to needed services by veterans and their family members. Improve post-employment outreach to businesses that employ veterans or assist them in returning to work after becoming disabled, realizing that it is the business that may first notice undiagnosed conditions.

For those who have not served in the military, expand an understanding of

military culture.

Create "top-down" support among State vocational rehabilitation programs, VA VR&E, and DoL VETS programs through collaborative meetings and more formal initiatives such as: national and State workgroups, national and State MOUs, interagency training and education, and ongoing program evaluation and improvement.

### An Example of a Disability Organization Expanding Its Mission To Serve Veterans

Many general disability organizations have historically reached out to and served veterans with disabilities. For example, Easter Seals, a national service provider and advocate for people with disabilities, expanded its mission following World War II to include adults with disabilities specifically to assist servicemembers returning home with disabilities. Recently, Easter Seals was selected by VA to administer its new National Veteran Caregiver Training Program that provides training for family caregivers of seriously-injured Post 9/11 veterans who choose to receive care in their homes.

Today, Easter Seals works with employers to help increase employment opportunities for veterans. Easter Seals developed an online, interactive training program for human resources and hiring personnel called Operation Employ Veterans that highlights the benefit of hiring veterans and strategies for successful integration.

Easter Seals also works directly with veterans to provide them with the tools, resources and information they need to help find and maintain employment in their communities. Easter Seals' headquarters in Chicago helps veterans and their families connect to services and reintegration resources through its *Community OneSource* program. At the local level, Easter Seals affiliates provide job training, assistive technology assessment, job placement and follow-up employment supports to veterans and wounded warriors.

The CCD Veterans Task Force commends VA's Non-Governmental Organization (NGO) Gateway Initiative aimed at helping qualified non-profits who are interested in assisting VA in employment and other service areas. Despite this NGO outreach effort, however, VA excludes NGOs and non-profits from competing for certain service opportunities and makes it difficult for other NGOs to serve veterans due to its overly bureaucratic National Acquisition Strategy. For example, several regional services areas within the recent VR&E VetSuccess Program competition were not open to non-profits. In order to benefit from the knowledge of other communities that serve veterans, VA should expand opportunities to NGOs as appropriate.

# Veterans With Disabilities as People With Disabilities

Many veterans with disabilities have the skills needed to qualify for employment opportunities and advance in their careers. However, barriers continue to prevent these veterans from receiving employment opportunities. Unless these barriers are eliminated, training opportunities alone will not address the needs of those veterans who have the most significant disabilities to allow them to reintegrate into the workforce and contribute to their communities.

Although veterans with disabilities are like their non-veteran counterparts in their employment disadvantages, there are differences as well. Barriers that prevent people with significant disabilities from being able to work include lack of access to Medicaid funded health care and long-term services and supports and loss of Social Security benefits. Although there are programs that allow people with disabilities to transition to employment, many are fearful of participating in these programs due to concerns about the loss of critical benefits or the inability to find employment providing sufficient resources to replace those provided under Medicaid.

Veterans who have disabilities that allow them to receive health care and serviceconnected disability benefits through VA retain these benefits even if they return to work because eligibility is not income dependent. VA disability compensation is

intended to do more than offset the economic loss created by a veteran's inability to obtain gainful employment. It also takes into consideration a lifetime of living with a disability and the everyday challenges associated with that disability. It reflects the fact that even if a veteran is employed, when he or she goes home at the end of the day, that veteran does not leave the disability at the office.

Although ability to retain VA benefits may lessen the barriers to employment for some veterans who have significant disabilities, it is important to remember that many of these veterans may also be eligible for Social Security disability benefits. These benefits, which may include their own cash assistance plus family benefits, are lost if the veteran returns to work. Other veterans who acquire severe disabilities outside of military service may not be eligible for VA benefits and are thus subject to work disincentives in other Endered programs. ject to work disincentives in other Federal programs.

Veterans with disabilities, like other people with disabilities, face other barriers to employment that include misinformation about disability and misperceptions about required accommodations. The Department of Labor's Office of Disability Employment Policy (ODEP) has developed a list of myths and facts that addresses some of the concerns that employers may have regarding hiring a person with a disability. Some of the most prominent myths include concerns that the Americans with Disabilities Act (ADA) requires employers to hire unqualified applicants with disabilities and prevents employers from firing employees with disabilities even if the reason for termination is not related to the disability. Both of these myths are false.

Other myths that cause concern for employers relate to the provision of accommodation for employees with disabilities. Employers may believe that providing accommodations is costly and that this burden is particularly heavy for small businesses. However, many people with disabilities do not require accommodations to perform their jobs. The Job Accommodation Network, which is a program of ODEP, reports that of those individuals who require accommodations, two-thirds can be successfully accommodated at a cost of less than \$500.

Consequently, programs that assist veterans and people with disabilities must work together to ensure that all facets of the individual's disability are adequately addressed to allow the veteran to return to employment. Veterans not only need programs that provide them with the skills that allow them to succeed but they also need placement specialists who can help potential employers to overcome concerns

about hiring a person with a disability.

Thank you for the opportunity to testify regarding the views of the CCD Veterans Task Force concerning employment opportunities for severely disabled veterans. There are many other veterans employment programs and initiatives being undertaken by the public sector, private companies, and nonprofit organizations that we could have highlighted. Our aim today is to convey to the Committee a sense of the many employment programs that can assist veterans with disabilities beyond the traditional VA avenues.

We encourage the Committee to continue its exploration of this topic and salute your leadership on behalf of our Nation's veterans with disabilities. The CCD Veterans Task Force is ready to work in partnership to ensure that all veterans are able to reintegrate into their communities and remain valued, contributing members of society.

# Prepared Statement of Major General James D. Tyre, ARNG Assistant Adjutant General, Florida Army National Guard, United States Army National Guard

## **Executive Summary**

Overview: The Florida National Guard (FLNG) remains challenged with unemployment among its 12,000 servicemembers. Through the support of legislators, a number of programs have been made available to assist transitioning service-members find employment. While the FLNG has experienced some improvements, the need exists to explore options to enhance and expand current processes, with an emphasis on follow-up in the 6–24 months after separation.

- FLNG Employment. The 53rd Infantry Brigade Combat Team redeployed in December 2010 and reported a 30 percent unemployment rate among its members. A FLNG survey conducted in January 2011 indicated a 17 percent rate among soldiers of the Florida Army National Guard. A decline in available jobs and a steadily growing population of veterans contributes to the unemployment
- What We Are Doing Now. FLNG has long-standing partnerships with several State and Federal agencies, as well as a number of private and non-profit orga-

nizations. The FLNG Adjutant General established the Florida Guard Family Career Connection (FGFCC) in the fall of 2010 to link servicemembers with the Employer Partnership for Armed Services and Florida's Agency for Workforce Innovation. This program also assisted servicemembers with employment-seek-

ing skills and job placement.

• What Else Can Be Done. Several agencies focus on assisting servicemembers with employment challenges, and most military installations provide transition services to separating servicemembers. Guardsmen lack the facility-based programs that are traditionally provided to the active component. The FLNG vision, properly resourced, is to establish a local, accessible source in our communities that integrates services and programs, and links Guardsmen to employers.

- Importance of Employing National Guard Soldiers. Employers who hire National Guard servicemembers enjoy economic and other intangible advantages. A Guardsman is a worker that is already trained at the journeymanlevel, and who has access to medical benefits outside of the workplace. Further, a Guardsman is a disciplined, drug-free, physically-fit leader and role model for other employees.
- Building Resiliency. Service and family member well-being remains a top priority for the FLNG. Unemployment is just one factor of several that contributes to an elevated rate of divorce, suicide and other challenges for members of all military services and components. The FLNG is committed to mitigating these issues in order to maintain a ready and reliable force for the Nation.

### 1. Opening Remarks

Chairman Miller, Ranking Member Filner, distinguished Members of the Committee; I am honored to appear before you today, on behalf of the Adjutant General of Florida, Major General Emmett Titshaw and the 12,000 members of the Florida National Guard.

I welcome the opportunity to illustrate, through our story, a picture that is likely common across all of our States and territories. Over the last 6 months, our units have returned home after the largest mobilization of the Florida National Guard since World War II. We have served our Nation in Afghanistan, Iraq, Kuwait, Qatar, Saudi Arabia, and the Horn of Africa, as well as here in the National Capital Region and other regions of the globe. Guardsmen have proudly answered the call when needed but have returned home to face a different threat; unemployment. Closing businesses, fewer jobs and an overall economic decline have contributed to the struggle associated with redeployment of our forces. A number of great Federal, State and private programs exist to assist Guardsmen transitioning back to civilian life. The challenge that remains is finding or creating a link that joins our unemployed Guardsmen with existing resources or programs that result in a viable career. Through various testimonies over the past several months, the National Guard has presented evidence of our enduring value to the Nation, through our contributions to the Nation's defense at home and abroad, and by way of a ready and an accessible force. To maintain this cost-efficient resource, we must ensure our National Guard members are able to sustain and support their families with reliable, quality employment.

# 2. FLNG Employment Circumstances

Historically, unemployment ranges from roughly 14–38 percent across redeploying units of the Florida National Guard. In January 2011, the Florida National Guard initiated a statewide assessment of the unemployment rate among our units. To date, our surveys identified over 1,700 soldiers who responded that they are unemployed. This represents 17 percent of our Army National Guard force. The majority of these Guardsmen have been redeployed since July 2010. The 533rd Infantry Brigade Combat Team has been our largest redeploying unit with locations from Miami to Panama City. This unit returned this past December with more than 30 percent expressing civilian employment challenges.

Though our detailed assessment of causes continues, the reasons are varied and include business closures, downsizing, and other economic factors that have impacted the entire Nation. Further, we have identified the greatest challenges to employment emerge months or years after the servicemember returns home. Currently there is no enduring program at the local level to address this need. During this economic downturn Florida has lost more than 900,000 nonagricultural jobs. According to the Office of Actuary, Department of the Veterans Administration, Florida has the fastest growing veterans' population in the Nation, with almost 1.7 million veterans. There are more than 139,000 active, reserve and National Guard services.

members who claim Florida as their home State of residence. The combination of decreasing jobs and a growing population of veterans contributes to the unemployment issue.

# 3. What We Are Doing Now

The Florida National Guard has successfully partnered on employment issues for many years with corporations such as Home Depot, CSX, and Lowes. Employer Support of the Guard and Reserve, Troops to Teachers, Helmets to Hard Hats and the Agency for Workforce Innovation, are some public and private organizations and programs that have also partnered with the Florida National Guard through our re-

integration events which evolved into the Yellow Ribbon Program.

In the fall of 2010, with the return of a large number of Florida National Guard units, the Adjutant General of Florida established the Florida Guard Family Career Connection (FGFCC), which joined with the Employer Partnership for Armed Services and Florida's Agency for Workforce Innovation, to assist our soldiers and Airmen. These organizations registered approximately 450 returning Infantry Brigade soldiers with their respective employment agencies and also provided resume and cover letter writing classes so soldiers could immediately post their resumes for any open position they found. The soldiers also had access to a consolidated employment Web site and were able to add their resumes to well known employment search engines. Despite these efforts, our Guardsmen continue to experience employment challenges, and we have discovered that many of these actually begin to materialize 6-24 months after redeployment.

The Florida National Guard is authorized one uniformed and two contract employees working in the capacity of Transition Assistance Advisors (TAA). These individuals have the responsibility to ensure the 12,000 servicemembers are aware of Viduals have the responsibility to ensure the 12,000 servicementers are aware of the different benefits available after a deployment, and are challenged by these large numbers. In addition to the TAA, the Florida Employer Support of the Guard and Reserve Committee is responsible for gaining and maintaining employer support for Guard and Reserve. Through their Ombudsman, they work on the Uniformed Services Employment and Reemployment Rights Act (USERRA) issue resolution with Florida employers. Since October 2010 the ESGR has successfully resolved. tion with Florida employers. Since October 2010 the ESGR has successfully resolved 77 USERRA cases. We currently have 3 cases pending resolution.

# 4. What Else Can Be Done

We're proud of the progress we have made in engaging our servicemembers and linking them to employers through the resources that I just highlighted. We believe, however, that there are still some measures that can be taken to enhance our ability to foster these relationships.

Developing incentives for employers to seek out and hire National Guardsmen would begin to address the needs of the businesses that do support the National Guard, and encourage those that would like to support, but cannot afford to during these tough economic times. While a servicemember is deployed many businesses must hire a temporary employee to take the servicemember's civilian job. This creates a dilemma for the employer who must compensate for the loss of this highly skilled employee. Perhaps something can be done for these employers to reduce this

burden. Due to recurring deployments this incentive should be perpetual.

We are watching with interest several individual State programs that have al-ready demonstrated value, but may be at risk of future funding. Identifying and adequately resourcing the successful ones is vital. One program, the Job Connection Education Program (JCEP) is funded through the Army National Guard, and piloted in the State of Texas. Since its establishment in March 2010, over 350 soldiers have been placed in jobs directly through the services of JCEP, and on average, are earning twice the wages of other veterans placed by the Texas Workforce Commission. Focusing on identifying and translating military experience into civilian job skills, many beneficiaries of this program have transitioned to careers as journeymen, rather than low-wage jobs as entry-level employees. This program is an adaptive process, continuously analyzing and discarding those activities that are ineffective, and enhancing those that work. It has progressed from placing just 4 veterans per month, to most recently over 50 per month into valuable careers.

The Washington State National Guard instituted a similar full-time employment

transition initiative to help link various programs for transitioning servicemembers. In 6 months, this program helped to employ 583 Guardsmen. Other examples of employment resources such as Direct Employers, the Employer Partnership of the Armed Forces and Save Our Veterans are available online and are tailored to assist veterans with translating military experience into civilian skill sets and connecting

servicemembers to employers.

However; without sustained resourcing, centralized planning, decentralized delivery and an individually-tailored plan, servicemembers may miss opportunities just

for lack of knowing "where to go."

For Florida National Guardsmen, we envision a one-stop shop that integrates complementary systems and locally ties them to employers. This program would provide an attractive menu of available skill sets to employers and convey the benefits of hiring Guardsmen. It would enable them to fill vacant positions and potentially create growth by presenting options to expand with more affordable costs. Additionally, this program would provide transition services to Guardsmen in an environment that eases the navigation through the numerous resources that are already available. Our armories and facilities, if properly resourced, are well-suited to house this type of enterprise because of their local ties to communities.

# 5. Importance of Employing National Guard Soldiers

The programs I've highlighted are just a few, and obviously require appropriate

resourcing, but in the end, will pay dividends through other metrics.

Reserve Component servicemembers who are employed are easier to retain in their respective services. We are at our peak of readiness, and the cost to replace and train even one servicemember is immeasurable. The institutional knowledge and experience that these combat-tested leaders possess cannot be learned overnight or even over several years. We cannot afford to lose this generation of soldiers and Airmen, as the negative consequences will impact the readiness that we've worked over a decade to achieve.

Employers of National Guardsmen enjoy several economic benefits. Guardsmen arrive with trained skill sets, ranging from administrative, logistical, organizational, and maintenance to engineering, health services, and information technology. Often, their military-acquired skills exceed those of their civilian counterparts. Additionally, many transition with the Veterans' Administration or other military health entitlements that may reduce the cost of employer provided health insurance.

titlements that may reduce the cost of employer provided health insurance. In addition to the financial advantages of hiring Guardsmen, employers profit from the intangible qualities these employees bring to the workforce. They are disciplined, motivated, physically fit, and drug-free leaders. They are viewed as trusted role-models in their communities, and help bring credibility to any organization.

Employed National Guardsmen are active in both their unit and their community. In this dual role they contribute to the economic growth of society. In Florida, more than \$472 million is injected annually into the local communities by the presence of the National Guard.

# 6. Building Resiliency

Addressing issues of unemployment is just one means to tackle what has become an issue of resiliency, not just for the National Guard, but also for other components and services. Throughout the National Guard we have experienced elevated numbers of suicide, divorce and other issues associated with physical and mental health. Sadly, these problems have multiple components, become "migratory," and ultimately affect whole families, schools, and communities. As servicemembers redeploy and transition to civilian life, hometown communities want to embrace them and provide a support network for full assimilation. A locally embedded resource that is postured to integrate employers, Guardsmen and other available resources to eliminate unemployment among our servicemembers is critical.

## 7. Closing Remarks

On behalf of Major General Emmett Titshaw and the 12,000 soldiers and Airmen of the Florida National Guard, the civilian workforce, and their families, I would like to thank you for your service to this great Nation. It has been an honor to be with you today and I am grateful that I have had the opportunity to speak on this important issue. I look forward to your questions.

# Prepared Statement of Ruth A. Fanning, Director, Vocational Rehabilitation and Employment Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs

Chairman Miller, Ranking Member Filner, and Members of the Committee, thank you for inviting me to appear before you today to discuss the Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) program. I am pleased to appear before you to discuss the vitally important topic of veterans' employment. We look forward to continuing our strong collaboration with this Committee and the entire Congress as we work together to enhance the delivery of serv-

ices and benefits for veterans with disabilities seeking to live independent and productive lives through successful careers.

# Overview of the VR&E Program

The VR&E program is designed to assist disabled servicemembers in their transition to civilian life and suitable employment and careers. Our primary mission is to assist veterans with service-connected disabilities through our VetSuccess program to prepare for and obtain suitable and sustainable employment through the

provision of services individually tailored to each veteran's needs.

VetSuccess Program: VR&E VetSuccess services begin with a comprehensive evaluation to help veterans identify and understand their interests, aptitudes, and transferable skills. Next, vocational exploration focuses veterans' potential career goals in line with labor-market demands. This allows veterans to participate as partners with their counselors in the development of a rehabilitation plan that builds on their transferable skills and ultimately assists them in achieving their career goals. To help veterans accomplish their rehabilitation goals, VR&E provides a broad range of employment services including:

Translation of military experience to civilian skill sets;

Direct job-placement services;

Short-term training to augment existing skills to increase employability (e.g., certification preparation tests and sponsorship of certification);

Long-term training including on-the-job training, apprenticeships, college train-

ing, or services that support self-employment;

 Independent living services for those veterans so severely disabled they may not currently be able to work, with the goal of exploring vocational options when each individual is ready; and

On-going case-management assistance throughout their rehabilitation programs to assist with any needs that would interfere with retention and completion to the point of employment.

Coming Home to Work (CHTW) Program: To maximize early intervention to assist transitioning servicemembers to achieve suitable careers, prevent underemployment, and mitigate risks of homelessness, VR&E provides extensive outreach and early intervention services through our CHTW program. Under this program, fulltime VR&E rehabilitation counselors are assigned to 13 military treatment facilities to assist disabled servicemembers in planning for their next careers. We also have CHTW coordinators in every regional office working with Department of Defense (DoD) Warrior Transition Units and programs, coming home events, Guard and Reserve Yellow Ribbon events, and Post Deployment Health Reassessments, with the goal of encouraging members and new veterans to enter programs of services that will assist them in achieving their individual career goals.

The FY 2012 budget request includes an increase of 132 direct FTE to support additional outreach and early intervention programs, including:

• 110 employees are requested to increase VR&E's early intervention and outreach program in the joint VA/DoD Integrated Disability Evaluation System (IDES). VR&E rehabilitation counselors at the selected IDES sites will provide separating servicemembers with a mandatory initial counseling session, followed by continued vocational services for eligible servicemembers who elect to participate in the VR&E program. Initial meetings will inform servicemembers of the availability of benefits and services through VR&E and other VA education programs. In many cases, this will allow training and preparatory services to begin while the servicemember is still in the IDES process.

Nine additional FTE are requested to expand VA's VetSuccess on Campus ini-

tiative. This program, already in place at eight campuses, supports veteran-students in completing college educational benefits, such as the Post-9/11 GI Bill, to assist them to complete college and enter fulfilling careers. VR&E rehabilitation counselors and Vet Center counselors provide strong on-campus support systems that include counseling services, assistance in accessing VA benefits, help in overcoming barriers that may include physical or mental health issues, assistance in connecting with other veteran-students, and assistance with em-

ployment.

In addition, VR&E is in the process of modernizing the Disabled Transition Assistance Program (DTAP). Program content will be specifically tailored to service-member and veteran audiences, and DTAP will be deployed in multiple channels, including the traditional on-location base sessions, the web, and portable media. This new multi-media-channel approach will make DTAP available to veterans and family members on a "just-in-time" basis. In addition, enhanced content will make information comprehensive and more easily understood.

# Transforming VR&E to a 21st Century Program

VR&E Service recently launched a transformation project geared to make our program the premier 21st century vocational rehabilitation and employment program. VR&E's transformation effort focuses on modernizing and streamlining services

using a veteran-centric approach.

VR&E's transformative changes include allowing veterans more choice in their appointment scheduling through automated scheduling, and expediting veterans' entry into a rehabilitation program by streamlining and expediting the evaluation and planning process through reduction of required processes and paperwork performed by VR&E counselors. The VR&E program plans to release a knowledge management portal to simplify counselors' access to regulations, guidance, and other policy information needed to perform their jobs. VR&E is also developing methods and business rules to move to a paperless processing model that incorporates self-service. All of these initiatives focus on simplifying processes and streamlining the program so that veterans may more quickly and easily access services resulting in employment. Working in collaboration with VA's Innovation Initiative (VAi2), VR&E Service is

engaged in innovative initiatives to build self-employment incubators and tools, leading to more veteran-owned businesses and self-management that will allow the most seriously disabled veterans to work in the career of their choosing and live as independently as possible. We are also conducting a VA employee innovation competition to allow the staff working every day with our veterans to identify additional program enhancements. Important partners in the self-employment innovation have included the Small Business Administration and VA's Office of Small and Disadvan-

taged Business Utilization.

# **Employment Initiatives**

As illustrated in my testimony thus far, veteran employment is the fundamental mission of the VR&E VetSuccess program. Success relies on early intervention, smart processes, productive partnerships, good rehabilitation planning, and retention to the point that each veteran is job-ready. Although all of these areas are vitally important, the most important are those services that assist job-ready veterans to cross the finish line and land the career that they have prepared for throughout

their civilian and military experiences.

In FY 2010, out of the 10,038 veterans that were successfully rehabilitated from the program, 51 percent were hired in the private sector, 33 percent were hired with the Federal Government, 12 percent were hired with State and local government, and 4 percent were hired with faith-based and community organizations. Of note, 79 percent of veterans were employed in professional, technical, or managerial careers, earning an average starting salary of \$38,734 annually.

I would like to highlight some specific VetSuccess initiatives focused on assisting

veterans to obtain and maintain suitable employment consistent with their potential and interests

Employer Education: VR&E staff work with all employment sectors to help them understand the smart business decision that hiring a veteran represents. Veterans bring with them a high degree of discipline, an understanding of both leadership and teamwork, a drive to achieve the mission, and a work ethic and

maturity that are difficult to rival. Executive Order 13518: VR&E is working aggressively with government agencies and departments to implement the Executive Order to hire veterans. VR&E is assisting these government employers in understanding special veteran and VR&E program hiring authorities and promoting their utilization of the VR&E Non-paid Work Experience (NPWE) Program—an internship program that allows a government entity to "try out" a veteran for a job at no cost. We are also encouraging them to take advantage of recruitment opportunities through VetSuccess.gov, a Web site designed by VR&E for veterans seeking employment and employers seeking veteran-employees.

Private-Sector Employers: VR&E works with the private sector to understand tax credits, special employer incentives, and on-the-job training programs avail-

able when hiring veterans, as well as the VetSuccess.gov program. Career Fairs: VR&E participates in live and virtual career fairs. These fairs allow veterans to meet large numbers of employers in one location, whether in their community or via the internet; view and apply for jobs; chat live with recruiters; and participate in job interviews on the spot or via internet chat. VR&E is actively marketing these job fairs through multiple venues. VR&E partners are also linking to the VetSuccess Web site. Recently, on a Jumbo Tron in Times Square, New York, a partner advertised VetSuccess in conjunction

- with an upcoming career fair.

  Troops to Counselors: VR&E developed the Troops to Counselors Initiative to increase the number of veterans hired as Vocational Rehabilitation Counselors within VBA. This initiative introduces veterans with bachelors degrees in human services, and those interested in the human services field, to the field of rehabilitation counseling, one of the top 10 growth industries. It will also fast track employment since students may be hired as administrative staff using the Student Career Experience Program (SCEP) at any point during their bachelors and graduate programs, and hired as counselor interns once they enter the internship portion of their graduate programs. Participation in SCEP allows VBA to hire graduates noncompetitively. VR&E has set a goal that 60 percent of new vocational rehabilitation counselor hires in 2014 and beyond will be veterans. VetSuccess.gov: The VetSuccess.gov Web site has been enhanced to provide a
- one-stop resource for both disabled and able-bodied veterans and family members to access services during transition, campus life, job search, and career attainment. The program also assists veterans with disabilities to maximize independence in their homes and communities. The Web site includes a job board for employers desiring to hire veterans; resume builders and upload tools that allow veterans to utilize resumes already developed; a military-to-civilian jobs translator; aggregator tools for employers seeking certain skill sets and for veterans seeking specific jobs; and a feedback mechanism to self-report employ-ment gained through the site. The job-board feature of VetSuccess.gov currently connects over 68,000 veterans with over 1,500 employers. Veterans also have access through the Direct Employers Job Central career board to over 4 million jobs, with additional links to other popular and highly populated job boards. Other enhancements to the site include self-assessment tools and interactive maps that drill down to resources in the veteran's community. Future enhancements will include self-assessment tools, an enhanced military-to-civilian-jobs translator, and linkage to E-Benefits effective next month, allowing self-service features such as checking the status of a specific employment application

Stakeholder Relationships: Relationships with stakeholders including DoD, the Department of Labor (DoL), the Department of Education's Rehabilitation Services Administration (RSA), private and public sector employers, and non-profit organizations are vital to the success of the VR&E program. Key stakeholders such as RSA and DoL play significant roles in working with VR&E toward the ultimate goal of suitable employment of veterans.

• Rehabilitation Services Administration (RSA): VR&E has several MOAs in place with local State Vocational Rehabilitation programs and is in the process of finalizing a national MOA with RSA. Our Employment Coordinators join the Council of State Administrators of Vocational Rehabilitation "NET", or national employment team, opening up a larger number of employer contacts and employment opportunities for veterans. In addition, shared training has helped to build skill sets, share best practices, and build networks important to success in job placement.

Department of Labor (DoL): DoL is a key partner in the placement of veterans with disabilities. DoL's grant-funded Disabled Veterans' Outreach Program (DVOP) specialists, and Local Veterans' Employment Representatives' (LVERs') primary roles are to assist job-ready veterans with disabilities to obtain and sustain employment. In addition, these staff members assist able-bodied veterans in their job searches. VA and DoL have an ongoing joint work group, along with State Workforce Agencies, which developed and rolled out a best-practice model and standard operating procedures, and provided training to staff from all organizations. In addition DoL worked with VR&E and the State Workforce Agencies to co-locate a DVOP specialist or LVER at each of the 57 VR&E regional office locations. The joint work group monitors and measures progress and successes and provides assistance to offices as needed.

# Conclusion

VA continues to seek new and innovative ways to assist veterans in achieving their goals for full, productive, and meaningful lives and careers. Our focus is on helping veterans build upon the excellent skills gained through their military service, providing streamlined services resulting in career employment. VA will continue to work with all sectors of Government and private and public employment communities to assist veterans in reaching their highest potential in this challenging economy.

Chairman Miller, Ranking Member Filner, and Members of the Committee, this concludes my statement. Thank you again for the opportunity to testify. I will be happy to respond to any questions.

# Prepared Statement of Hon. Raymond M. Jefferson, Assistant Secretary, Veterans' Employment and Training Service, U.S. Department of Labor

Chairman Miller, Ranking Member Filner, and Members of the Committee:

Thank you for the opportunity to appear as a witness before the Committee and speak to you on Putting America's Veterans Back to Work.

The Veterans' Employment and Training Service (VETS) proudly serves veterans

and transitioning servicemembers by providing resources and expertise to assist and prepare them to obtain meaningful careers, maximize their employment opportunities and protect their employment rights. We do that through programs that are an integral part of Secretary Solis's vision of "Good Jobs for Everyone."

For the purposes of this hearing today, I would like to elaborate on our programs and initiatives that assist America's Veterans in getting to or back to work.

### Putting Veterans Back to Work—the Jobs for Veterans State Grants Program

The first program that I would like to highlight for you is the Department's Jobs for Veterans State Grants (JVSG) Program. Under this grant program, the Department offers employment and training services to eligible veterans by allocating funds to State Workforce Agencies in direct proportion to the number of veterans seeking employment within their State. The grants support two distinct JVSG programs: (1) the Disabled Veterans' Outreach Program (DVOP) and (2) the Local Veterans' Employment Representatives (LVER) program.

I am pleased to see that the National Association of State Workforce Agencies is testifying today. Their members are core partners in the public workforce system that operates the One-Stop Career Centers where the DVOPs and LVERs provide services to veterans

In the Department's first JVSG program, DVOP specialists provide intensive employment services and assistance to meet the employment needs of eligible veterans. DVOPs do this primarily at the Nation's One-Stop Career Centers funded through the Workforce Investment Act. Our specialists also provide recovery and employment assistance to wounded and injured servicemembers receiving care at Department of Defense military treatment facilities, the Army's Warrior Transition Units, the Navy Safe Harbor Program, the Air Force Wounded Warrior Program and the Marine Corps Wounded Warrior Regiments through the Recovery & Employment

Assistance Lifelines (REALifelines) program.

In the Department's second JVSG program, LVER staff reach out to employers and engage in advocacy efforts with hiring executives to increase employment opportunities for veterans, encourage the hiring of disabled veterans, and generally assist veterans to gain and retain employment. They are often members of One-Stop Career Center business development teams. LVERs also conduct seminars for employers and job search workshops for veterans seeking employment, and facilitate the provision of employment, training, and placement services to veterans by all staff of the employment service delivery system.

Last year, the JVSG provided services to nearly 589,000 veterans, and 201,000 veterans found jobs.

# Putting Disabled Veterans to Work—Vocational Rehabilitation

VETS also collaborates with the Department of Veterans Affairs to support disabled veterans in the Vocational Rehabilitation and Employment (VR&E) program. DVOPs are outstationed at VR&E offices to provide employment information to VR&E participants during their rehabilitation program, and refer them at the end of the program to DVOPs at One-Stop Career Centers. The DVOPs at One-Stop Career Centers then provide intensive services to referred participants to assist them in obtaining employment.

Besides working with job-ready veterans, the outstationed DVOP is involved at the front end of the VR&E process to help veterans determine local labor market information. This interaction facilitates the rehabilitation planning process by providing the veteran and the VR&E counselor with current data on salary and job outlook as well as increasing understanding of working conditions for specific occupaThere is currently either a DVOP specialist or LVER outstationed at least half-time in 48 of the VA Regional Offices and in 19 satellite offices. In FY 2010, 4,989 disabled veterans who completed VR&E were referred to the State Workforce Agencies for intensive employment services. Of these, 1,764 were placed into employment.

# Putting Homeless Veterans Back to Work—the Homeless Veterans' Reintegration Program

The Homeless Veterans' Reintegration Program (HVRP) is another initiative to assist America's veterans in getting back to work. Through HVRP, the Department provides competitive grants to State and local workforce investment boards, State agencies, local public agencies, and private non-profit organizations, including faith-based organizations and neighborhood partnerships. HVRP grantees provide an array of services utilizing a holistic case management approach that directly assists homeless veterans and provides training services to help them to successfully transition into the labor force.

In Program Year (PY) 2009, over 14,000 homeless veterans participated in this

In Program Year (PY) 2009, over 14,000 homeless veterans participated in this program through 96 grants, and 8,470 were placed into employment.

# Putting Veterans Back to Work—Training with the Job Corps

In June of 2010, VETS and the Employment and Training Administration's (ETA's) Job Corps program developed a demonstration project to help younger veterans get back to work. Through this demonstration project, VETS and Job Corps offer additional educational and career technical training at one of three specific Job Corps centers to eligible veterans and transitioning servicemembers who are 24 years old or younger. Participants will receive free transportation to and from the Job Corps center, housing, meals, basic medical services, and academic and career technical training. When veterans are ready to start looking for a job, staff will work with them to find job openings and submit resumes. Job Corps will help graduates for up to 21 months after graduation to connect with housing, transportation, and other support services.

We have worked with Job Corps to streamline the program so that it recognizes the maturity and life experience that our veterans have gained from their military experience. Job Corps employs a comprehensive career development training approach that teaches academic, career technical, employability skills, and social competencies in an integrated manner through a combination of classroom, practical and work-based learning experiences to prepare participants for stable, long-term employment in high-demand jobs. Job Corps graduates have the opportunity to earn an industry-recognized certification or credential that supports the skills and knowledge gained through career training.

# Putting Veterans Back to Work—the Veterans' Workforce Investment Program

Yet another way the Department is working to help veterans get back to work is through the Veterans' Workforce Investment Program (VWIP). Through VWIP, the Department awards competitive grants geared toward focused training, re-training and employment opportunities for recently separated veterans, veterans with service-connected disabilities, veterans with significant barriers to employment and veterans who served on active duty during expeditions or campaigns for which specific badges were awarded. These grants are awarded to meet the needs of employers for qualified workers in high demand industries, particularly those occupations requiring a license or certification

requiring a license or certification.

In FY 2009, VWIP was refocused to provide training and employment services in green energy occupations as envisioned in the Green Jobs Act of 2007. There are currently 22 grants serving 4,600 veterans.

### Putting Transitioning Servicemembers to Work—the Transition Assistance Program

Our primary program for assisting individuals with their transition from the military to the civilian workforce is the Transition Assistance Program (TAP). TAP is an interagency program delivered via a partnership involving the Department of Defense, DoL VETS, the Department of Veterans Affairs, and the Department of Homeland Security. VETS provides an employment workshop that is a comprehensive two-and-a-half-day program during which participants are provided relevant skills and information, such as job search techniques, career decision-making processes, and current labor market conditions.

Currently, VETS uses a mix of contractors, VETS Federal staff, Disabled Veterans' Outreach Program specialists, and Local Veterans' Employment Representatives as TAP facilitators. In the future, however, VETS will transition to all skilled

contract facilitators with DVOPs continuing their involvement in the workshops as

subject matter advisors.

VETS is taking the unprecedented step of completely redesigning and transforming the TAP employment workshop. We are creating experiential, effective, and enduring solutions for a successful transition from military to civilian life and emenduring solutions for a successful transition from initiary w civinan me and employment. The new TAP will be based on established best practices in career transition. The request for proposals was issued on April 15, 2011. Our goal is to have the new workshop implemented by Veterans' Day 2011.

Last year, nearly 130,000 transitioning servicemembers and spouses attended a TAP employment workshop given at one of 272 locations world-wide.

# Putting Veterans Back to Work—Employer Partnerships

I am pleased to see that the U.S. Chamber of Commerce and the Society for Human Resource Management (SHRM) are testifying today. VETS created, and is implementing, a new approach to employer outreach that involves pilot programs and partnerships with both these organizations. These partnerships are giving us much broader access to employers so that we can communicate the value of hiring a veteran and how to access this extraordinary source of talent. It also allows us to educate employers about the unique skills veterans bring with them based on their military experience. Connecting the talent pool with the many companies looking to hire veterans allows for a more efficient hiring process for many veterans and employers.

The Chamber is working to identify 100 hiring fairs exclusively for veterans, transitioning servicemembers and their spouses. In the partnership, the U.S. Chamber and its affiliates focus primarily on securing the participation of employers while the VETS team focuses on obtaining participation by veterans, transitioning servicemembers and their spouses. The larger hiring fairs are titled "Mega-Hiring Fairs." An example was the hiring fair in Chicago on March 24, 2011 that connected over 100 employers with over 1,000 veterans, transitioning servicemembers, and

spouses.

VETS is working with SHRM to identify opportunities for VETS State managers to meet with local SHRM chapters to connect veterans seeking employment with companies who are hiring. For VETS this is an effective and efficient way to connect employers and veterans. We are also working with SHRM in the development of an IND Months of the complexity with the methods and procedures to establish the complexity with the methods and procedures to establish the methods are procedured to the control of the contro H.R. Toolkit that will provide employers with the methods and procedures to establish a veteran hiring program and to hire veterans.

# Demographics of Veterans Placed into Employment by VETS Programs

In your letter of invitation, you requested specific demographic information. Unfortunately, our reporting systems do not provide much of the information that you requested. However, I am able to provide the following:

In FY 2010, for the VETS' JVSG program, 13 percent of all participants were recently separated veterans, meaning they had left the service within 3 years.

In PY2009 in the HVRP program, 6.1 percent of the veterans had been out of the service 3 years or less, 6.0 percent had been out 4-7 years, 4.9 percent were out of the service 8-11 years, 5.6 percent had been out of the service 12-15 years, 11.3 percent were out 16-19 years, and 66.1 percent were out 20 or

In PY2009 under the VWIP program, 22.4 percent of the participants had been out of the service 3 years or less, 9.4 percent had been out 4-7 years, 5.6 percent were out of the service 8-11 years, 6.0 percent had been out of the service 8-11 years, 6.0 percent had been out of the service 8-11 years, 6.0 percent had been out of the service 8-11 years, 6.0 percent had been out of the service 8-11 years, 6.0 percent had been out of the service 8-11 years, 6.0 percent had been out 6-11 years, 6-11 ice 12–15 years, 9.3 percent were out 16–19 years, and 47.3 percent were out 20 or more years.

The average salary 6 months after placement for veterans in the JVSG program (FY 2010) was \$30,804. We do not collect information at other periods of time in the JVSG program.

In the HVRP and VWIP programs we collect salary data at three intervals. All salaries provided are for PY2009.

The average initial salary for veterans in the HVRP program was \$21,133 and the average initial salary for veterans in the VWIP program was \$31,533.

The average salary between 6 months and a year after placement for those veterans in the HVRP program was \$22,818 and in the VWIP program it was \$33,446.

You also asked for the status of the contract for the National Veterans' Training Institute (NVTI). The request for proposals closed on April 21, 2011, and we are currently evaluating the submitted proposals. We plan to make an award by mid-June 2011.

This concludes my statement and I would be happy to respond to any questions.

### MATERIAL SUBMITTED FOR THE RECORD

Committee on Veterans' Affairs Washington, DC. June 22, 2011

Richard A. Hobbie Executive Director National Association of State Workforce Agencies 444 North Capitol Street, NW, Suite 142 Washington, DC 20001

Dear Richard:

In reference to our Full Committee hearing entitled "Putting America's Veterans Back to Work," that took place on June 1, 2011, I would appreciate it if you could answer the enclosed hearing questions by the close of business on August 5, 2011.

answer the enclosed hearing questions by the close of business on August 5, 2011. In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Debbie Smith by fax your responses to Debbie at 202–225–2034. If you have any questions, please call 202–225–9756.

Sincerely,

BOB FILNER Ranking Democratic Member

JL:ds

National Association of State Workforce Agencies Washington, DC.  $August \ 3, \ 2011$ 

Honorable Bob Filner Ranking Democratic Member Committee on Veterans' Affairs U.S. House of Representatives 335 Cannon House Office Building Washington, DC 20515

Attention Debbie Smith:

I am pleased to submit responses to questions raised as a result of my testimony before the Committee at the hearing entitled, "Putting America's Veterans Back to Work" which took place on June 1, 2011.

Please let me know if you would like further information.

Sincerely,

Richard Hobbie  $Executive\ Director$ 

Attachment

**Question 1:** How can we help employers understand the qualifications veterans and servicemembers have to offer?

**Answer:** With limited resources, State Workforce Agencies (SWA) attempt to make labor exchange services as efficient as possible. SWAs and local one-stop career centers work closely with unemployed veterans to gain a sense of their skills, and they assist them either to apply directly for available jobs, or if needed, they offer intensive services up to and including training.

offer intensive services up to and including training.

The SWAs have used web services, such as the National Labor Exchange (NLX) and the MOS crosswalk page at O\*Net, where employers and veterans can relate the Military Occupational Classification with the private sector Occupations. Today much of the interaction between job seekers and employers occur thru Web sites.

The Transition Assistance Program (TAP) can help veterans learn how to communicate with employers in ways employers understand, and make connections for potential employment. Requiring all of the armed services to mandate transitioning members to attend TAP would help prepare them for connecting with employers.

Promotional efforts to demonstrate the value of hiring a veteran and to better define the qualifications of a veteran or servicemember need to be increased. Congres-

sional support for such efforts would help to maintain this as a priority.

The employer tool kit developed by the U.S. Department of Labor Veterans Employment and Training Service (VETS) is an excellent start, but may need to be marketed better to employers. The link is in a prominent spot on the VETS Web site, but could be identified better with an icon or something to attract attention. VETS could promote the tool kit more directly with employer groups and associations. The tool kit is available at: (http://www.americasheroesatwork.gov/ for Employers/Hiring Toolkit). Many other groups and agencies also have developed employer tool kits.

Question 2: Do you think that employers are looking for a labor pool of applicants with marketable and transferable job skill that veteran's lack?

Question 2(a): What types of jobs are most veterans likely to qualify for and do those jobs exist or are there enough of those jobs?

Answer: To answer this question with any specificity we would need to discuss the skills of specific categories of veterans. For example, if we look at the education levels of veterans, we find veterans have a wide range of educational backgrounds. In the four categories shown in Appendix A, veterans have an education distribution equal to or better than the general population.

We do not have data on unsuccessful matches between the veteran job seeker and available jobs; real-time labor market information and analysis may help, but the

ability to do this is just now emerging among States.

We have information on veterans who get training under the Workforce Investment Act. The data show more than 28,000 veterans received services in program year 2010, including training, to help them gain skills needed to obtain new jobs.

Question 3: What grade would you give employers for understanding the Uniformed Services Employment and Reemployment Rights Act (USERRA)?

Question 3(a): What grade would you give to employers for USERRA compliance?

Answer: NASWA and the SWAs are not involved directly with USERRA. VETS, especially the State Directors for Veterans Employment and Training (DVETs), have the primary responsibility for the USERRA program. Also, representatives for the Employer Support for the Guard and Reserve (ESGR) assist in processing initial USERRA questions and complaints. Workforce system staff members, especially DVOPs and LVERs, are knowledgeable about the basic criteria under USERRA, and refer veterans to the DVET in their State, or to ESGR representatives.

NASWA does not have specific data on program understanding by employers; anecdotal evidence would indicate a good deal of understanding. The Society of Human Resource Managers (SHRM) conducted a survey in 2010; the results are shown in

Appendix B.

Although the SHRM survey is based on a relatively small sample of employers, it demonstrates a need to improve education of employers about their responsibilities under USERRA. There is heavy employer involvement in membership in DirectEmployers, which partners with NASWA to run the National Labor Exchange and VetCentral.

There is evidence from VETS that the number of official complaints filed against employers has remained relatively constant for the last 5 years, which may indicate at least there is not a growing problem. In 2010, there were 1,438 new USERRA cases, plus 244 carry over cases. This compares with the following caseloads:

2005-1,252 cases

2006—1,434 cases 2007—1,365 cases 2008—1,426 cases

2009—1,431 cases

According to VETS, approximately one third of the meritorious cases each year are resolved, one third of the cases are not supported by evidence, and one third of the cases are withdrawn or were not eligible under USERRA.

Appendix A

#### **Educational Attainment by Veteran Status**

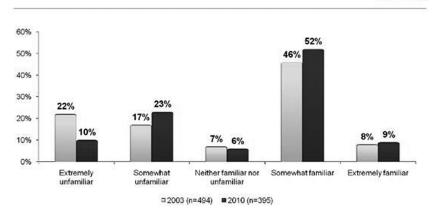
Percent distribution						
Veteran status	Less than a high school diploma	High school graduate, no college	Some college or associate degree	College graduate		
Nonveterans	14.3	30.8	27.6	27.2		
Veterans	7.4	32.7	32.8	27.1		
Gulf War-era II veterans	1.5	29.2	45.9	23.4		
Gulf War-era I veterans	1.5	28.0	41.4	29.1		
WWII, Korean War and Vietnam- era veterans	10.2	32.3	28.9	28.6		

Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009, at: www.bls.gov/spotlight/2010/veterans

Appendix B

# How familiar are you with the Uniformed Services Employment and Reemployment Rights Act (USERRA)?





Committee on Veterans' Affairs Washington, DC. June 22, 2011

Jolene Jefferies Vice President, Strategic Initiatives DirectEmployers Association 9002 North Purdue Road Quad III; Suite 100 Indianapolis, IN 46268

Dear Jolene:

In reference to our Full Committee hearing entitled "Putting America's Veterans Back to Work," that took place on June 1, 2011, I would appreciate it if you could answer the enclosed hearing questions by the close of business on August 5, 2011.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Debbie Smith by fax your responses to Debbie at 202–225–2034. If you have any questions, please call 202–225–9756.

Sincerely,

BOB FILNER Ranking Democratic Member

JL:ds

#### June 29, 2011

To: The Honorable Bob Filner, Ranking Democratic Member House Committee on Veterans' Affairs

From: Jolene Jefferies, VP Strategic Initiatives DirectEmployers Associa-

Re: Response to Your Letter of June 22, 2011

Mr. Filner, my answers to your questions are noted below:

#### Committee on Veterans' Affairs U.S. House of Representatives Post-Hearing Questions for Ms. Jolene Jefferies From the Honorable Bob Filner Putting America's Veterans Back to Work June 1, 2011

Question 1: Are contractors aware of Federal Contractor Job Listings?

Response: Yes, employers who are Federal contractors are aware of Federal Contractor Job Listings requirements. The affirmative action provisions of VEVRAA require covered contractors and subcontractors to take affirmative action to employ and advance in employment qualified covered veterans (38 U.S.C. 4212(a)). To implement the affirmative action requirement, VEVRAA and its implementing regulations found at 41 CFR Parts 60–250 and 60–300, require contractors and subcontractors to list most employment openings with an appropriate employment service delivery system and each such employment service delivery system is to provide protected veterans priority referrals to such openings.

Positions that will be filled from within the contractor's organization and positions lasting 3 days or less are exempt from this mandatory job-listing requirement. Listing employment openings with the State workforce agency job bank or with the local employment service delivery system where the opening occurs will satisfy the requirement to list jobs with the local employment service delivery system. The Office of Federal Contract Compliance Programs (OFCCP) is responsible for ensuring compliance with requirements in VEVRAA that contractors list their employment openings with the appropriate employment service delivery system. Employers know they can find additional information regarding compliance with the job listing requirement on the OFCCP Web site in the form of FAQs <a href="http://www.dol.gov/ofccp/regs/compliance/faqs/jvafaqs.htm">http://www.dol.gov/ofccp/regs/compliance/faqs/jvafaqs.htm</a>.

DirectEmployers Association, in partnership with the National Association of State Workforce Agencies (NASWA), operates the JobCentral National Labor Exchange (NLX) (http://www.jobcentral.com/). The NLX (http://www.directemployers.org/about/national-labor-exchange/) was selected by NASWA in March, 2007, to provide job seekers, employers and State workforce agencies a cost-effective transition from America's Job Bank (AJB) when it was discontinued by the U.S. Department of Labor in June, 2007.

The NLX provides a wide range of employment services to participating State workforce agencies, from job listing distribution to and from State employment Web sites, web traffic and search engine optimization (SEO) services and much more—all at no cost. The comprehensive NLX network of 50 individual State sites is powered by DirectEmployers' Employment Search Engine. The site uses advanced search technology to index ("spider") jobs from thousands of individual employer sites. When job seekers click on a job title on the search results page they are linked directly to the job on the company's Web site or a State job bank's site, depending on the origin of the job posting.

As a parallel service of the NLX, DirectEmployers also created VetCentral (www.jobcentral.com/vetcentral/). VetCentral is designed to assist our member companies, most of whom are Federal Government contractors, to comply with the mandatory job listing requirements of VEVRAA, amended by the Jobs for Veterans Act (JVA).

VetCentral distributes the new job openings each day to some 3,000 One-Stop Career Centers putting these jobs directly into the hands of staff (e.g., the Local Veteran Employment Representatives and the Disabled Veteran Outreach Program Coordinators) dedicated to helping veterans find jobs. The job listings are sent directly to the Center nearest the job location.

While the member companies of DirectEmployers Association are large and often distribute hundreds of jobs each week, we have created a tool within VetCentral to allow small companies to post jobs one at a time and have them distributed directly to the nearest One Stop Center and veteran employment staff at the Center. The cost of this service is underwritten by our members so it is free to the small companies and costs the taxpayers nothing.

For a more detailed description about the JobCentral National Labor Exchange (NLX) (http://www.directemployers.org/about/national-labor-exchange/) and the accomplishments of the NLX, please see  $Attachment\ 1$ .

**Question 2:** Why is there no official list of Federal Contractors?

Response: The OFCCP does not appear to have an effective way within their own organization to track Federal contractors and the contact names and information of each contractor's CEO, the company's chief hiring official, the company's Equal Employment/Affirmative Action compliance officer, and each State workforce agency's contact person for affirmative action compliance. The OFCCP needs this information for assessing contractor compliance with Section 4212 and their employment of veterans. To reduce administrative burden, employers prefer providing the OFCCP with the chief hiring official's contact information rather than each local hiring manager's name and/or a company contact name on each individual job posting. Similarly, State workforce agencies prefer that the OFCCP work through a single point of contact from each State agency, such as an administrator or State manager, rather than working with a local DVOP or LVER when a question about a Federal contractor's compliance audit regarding Federal contractor job listings may arise.

tractor's compliance audit regarding Federal contractor job listings may arise. The Office of Management and Budget (OMB) has a Web site to track and publish the names of Federal contractors (see Attachment 2 about USASpending.gov), but it doesn't appear that this Web site or database is adequately and appropriately utilized across Federal agencies, such as the OFCCP. Rather than creating their own separate system to track much of the same information that the OMB is currently tracking on Federal contractors, the OFCCP should leverage the use of OMB's database to track and access the contact names and contact information for each Federal contractor and each State workforce agency to ensure the right individuals from these organizations receive data and information from Federal agencies when communications deal with, or are about, the employment and retention of veterans or a compliance audit.

Thank you for the opportunity to respond to these additional questions. Please let me know if I may be of further assistance.

Respectfully submitted,

Jolene Jefferies VP Strategic Initiatives

#### Attachments:

1—Description of the NLX and its Accomplishments

2—OMB Tracks Federal Contractors

### Attachment 1: Description of the NLX and its Accomplishments

#### JOBCENTRAL NATIONAL LABOR EXCHANGE (NLX)

#### What is the NLX?

The JobCentral National Labor Exchange (NLX) is a sophisticated electronic labor exchange solution. This online network connects businesses and State workforce agencies in their mission to create a cost-effective system that improves labor market efficiency and reflects our Nation's diverse workforce.

The NLX network connects over 5,000 large employers and their job opportunities with the publicly operated State job banks—vastly expanding the number of searchable job opportunities for jobseekers and providing employers the ability to meet hiring goals. Further, NLX allows State operated job banks to seamlessly exchange job opportunity content collected through the activities of State workforce agencies business representatives.

#### How does it work?

In an automated and cost effective fashion, the NLX gathers currently available and unduplicated job opportunities from verified employers and pushes that content into State workforce agency sites to reach a maximum number of jobseekers. The NLX is not a destination point where you apply for a position, but rather a jobs content provider directing jobseekers back to the where the job opportunity originated (e.g., the job may have been originally posted on a State job bank or an employer's corporate Web site).



#### Who are the NLX Principals?

This unique public-private venture is the result of an alliance between NASWA, an association representing State workforce agencies, and DirectEmployers Association, an organization representing primarily Fortune 500 companies. NLX leverages private, non-profit-owned technology with existing State workforce agency resources and combines the agility and innovation of the private sector with the public sector's ability to offer information and services in a trusted environment.

#### How does the NLX help employers?

The NLX plays an important role in helping employers build their workforce and comply with State and Federal regulations by serving as our Nation's only online cross-state labor exchange and distributing job listings to the State and local level. It also helps employers meet Federal job posting requirements for Affirmative Action Plans, Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA), and Jobs for Veterans Act (JVA) compliance.

By making their jobs available on the NLX, employers increase their recruiting reach and extend diversity initiatives with a consistent and aggressive program to make employment opportunities available to individuals from all cultures and population segments.

#### **NLX Accomplishments to Date**

Created in March 2007, the NLX has brought substantive value to jobseekers, employers and participating State workforce agencies.

**Jobseekers** have access to a quick and easy platform that gives them *free* access to *more*, *currently available* jobs, from *verified* employers.

Employers can reduce hiring and resource costs, meet and exceed affirmative action objectives, achieve JVA compliance, get free nationwide exposure, and have ac-

cess to a much larger pool of job applicants.

State Workforce Agencies have embraced the NLX with a total of forty-eight (48) States, plus the District of Columbia signing participation agreements. Under the oversight of the Operations Committee—a group comprised of State and employer representatives, the NLX partnership has embraced the principles of transparency and flexibility.

Over the last 3 years the NLX has:

- Delivered 8 million job openings into State job banks. State officials can access a Job Counter and view how many jobs the NLX contains in their State at any given day at <a href="http://stateadmin.jobcentral.org/statistics.aspx">http://stateadmin.jobcentral.org/statistics.aspx</a>
  - This number reflects unduplicated and available jobs (not expired job orders).
  - This number does not include job orders originating from State workforce agency job banks.
  - This number includes 3 million Federal contractor jobs reportable under the Federal Contractor Job Listing (FCJL) program requirements.

· These job orders are free of advertising of any kind.

- Provided an electronic bridge for State job banks to share job orders with one another. State workforce agencies can take a feed of job orders from neighboring States and State workforce agencies' job banks.
- Offered State job banks downloads of job orders coded by O\*NET.
   This affords State workforce agencies greater ease in pursing future job-matching reemployment efforts.
- 4. Offered State job banks free job order indexing as a service States can offer to their business customers. As a true national labor exchange, the NLX indexes a total of 5,000 employers who are not DE members. State workforce agencies do not need to purchase costly spidering packages, but can identify "indexable" business, notify the NLX, and download that file.
- 5. Completed development of an Analytics dashboard tool enabling State workforce agencies to view transactional data about jobseeker searches. The tool captures: (1) the flow of jobseeker traffic into State job banks from the NLX, and the (2) flow of jobseekers from State job banks to jobs originating from employers' Web sites. O\*NET coding of job orders allows for in-depth use of data and the production of different reports.

Of critical importance is the ability for State workforce agencies to demonstrate to specific employers that a State job bank is sending traffic to an employers' Web site. Because DE can now show an employer the jobseeker traffic coming from a specific State job bank, the employer is able to better track applicant referral source information. This offers both employers and State workforce agencies tangible information about the value of the National Labor Exchange and its online self-services.

The dashboard is now available to State workforce agencies at no cost.

- 6. Provided free hosting of State Job Banks. The NLX provides a free labor exchange solution, skinned to the preferences of a State workforce agency. The job bank available offers flexibility in look and feel and can be easily administered by State workforce agency staff. In addition to cost savings, this option offers hosted States the full breadth of JobCentral services, such as free integrated extended searches\*. Currently, Connecticut, New Jersey, New York and Nevada are being fully hosted by the NLX.
  - \*Extended search—a jobseeker's search criteria on the NLX are run invisibly to him/her against other search engines. Results from those searches are offered in a sidebar option to the jobseeker and not comingled with the NLX results
- 7. **Built and Administered VetCentral Services:** Under Federal law, contractors receiving over \$100K of Federal funds, must list their positions with either the State workforce agency job bank or with the appropriate local employment service delivery office. Since not all States are in the position of taking an NLX electronic download *and* since even those that do download cannot keep an electronic copy of all job postings, the VetCentral service was designed to facilitate the situation.

VetCentral is that part of the NLX that emails all Federal Contractor Job Listings (FCJL) jobs to the appropriate State staff at the appropriate local employment centers (where Wagner-Peyser funding exists). This functionality allows employers to generate a report they may provide to the Office of Federal Contractor Compliance. Most importantly, it allows States to put more jobs in the hands of local staff and provide greater opportunities to veterans, while at the same time helping the workforce system meets its own priority of service requirements.

The NLX has maintained a robust list of the appropriate local One-Stop employment center addresses and contact information. In addition, the NLX partners provided countless educational discussions with interested stakeholders, many times conducting research on behalf of Federal employers and State workforce agencies engaged in an OFCCP audit. Finally, the NLX has provided thousands of copies of VetCentral materials to field staff.

8. Partnered with the U.S. Army Reserve and Army National Guard. Since October 2008, JobCentral, the job search platform powering the NLX, has also served as the job search engine powering the Armed Forces Employer Partnership initiative created and directed by Lieutenant General Jack C. Stultz of the U.S Army Reserve. The initiative, which is in the process of expanding to include all branches of the Guard and Reserve, aims at outreaching to employers and bringing employment opportunities to service members before they separate from service. NLX has become the primary employment search engine for this initiative and is provided to at no cost to the Department of Defense or the U.S. Army Reserve.

You may view the site at: http://www.employerpartnership.org.

This partnership has allowed servicemembers to connect with the workforce system before separation, which can bring a potential applicant pool of over one million servicemembers to State job banks.

- 9. USAJOBs.gov: Since late September 2008, the JobCentral NLX is also receiving a download of jobs from USAJOBs. Sponsored by the Federal Office of Personnel Management, USAJOBs is a job bank containing Federal Government positions. This download of Federal job openings is available to States for inclusion in their own States job-banks. To date, the following States have requested the USAJOBs be fed into their own job bank: Alabama, Arkansas, Connecticut, Delaware, Delaware, Florida, Hawaii, Iowa, Kansas, Kentucky, Minnesota, Missouri, Nevada, New York, Oklahoma, South Carolina, Tennessee, Texas, Utah, Vermont, Washington, and Wisconsin. States interested in receiving this download may request it from NASWA.
- 10. MySkillsMyFuture.org DoL ETA Partnership. On September 7, 2010, in a press release (http://www.dol.gov/opa/media/press/eta/eta20101216.htm) the Department of Labor announced the launch of a web portal to help job seekers called "mySkills myFuture." DirectEmployers Association is proud to be the provider of jobs data to this valuable tool from the U.S. Department of Labor's Employment and Training Administration. The new tool, www.MySkillsMyFuture.org, is designed to connect workers with high quality training and local employment opportunities. DirectEmployers Association's jobs are now in both the U.S. Department of Labor's www.MySkillsMyFuture.org and www.CareerOneStop.org career sites.

### **Attachment 2: OMB Tracks Federal Contractors**

## Obama Administration begins publishing names of Federal subcontractors on Web

By Carol D. Leonnig

Washington Post Staff Writer

Wednesday, December 1, 2010; 10:41 PM

The U.S. government is giving the public new details about how it is spending

taxpayer money on government business.

Starting Wednesday, the Obama administration began publicizing the names of subcontractors—the companies that get the majority of Federal contracts—along with the dollar amounts they receive. For years, the government reported only the companies that won major, or prime, government contracts—even if those companies then hired subcontractors to do most of the job. Now taxpayers can follow more accurately where their dollars are going, tracing public money to the specific companies that we have a subcontractors to do most of the job. Now taxpayers can follow more accurately where their dollars are going, tracing public money to the specific companies that we have a subcontractors to do most of the job.

nies and communities that share in multimillion-and billion-dollar Federal work. The previous dearth of information about government subcontracts led to incomplete and sometimes misleading conclusions about Uncle Sam's impact on communities.

For example, an agency may have boasted of awarding a \$100 million prime contract for debris removal after Hurricane Katrina to a homegrown Louisiana company. But that company may have lacked the equipment to tackle the work, and then hired two hauling companies based in Virginia and Texas to do most of the job.

The new subcontractor details are available on the Office of Management and Budget's Web site, *USASpending.gov*. Recipients of all Federal contracts and grants larger than \$25,000 will be required to report the names of companies they hire.

The subcontractors' names are being made public as required by the Federal Funding Accountability and Transparency Act, which became law in 2006 under President George W. Bush. The information's' release is 2 years behind schedule. A smaller portion of subcontractor information—for contracts larger than \$20 million—was made public in October. Both the Bush and Obama administrations faulted technical obstacles for preventing accurate reporting and Web site publication of subcontractor information. After the Obama administration spent tens of millions of dollars in 2009 to create a public Web site, FederalReporting.gov, to track money spent on stimulus projects—including subcontractor details—it cleared the way for the same information to be published on standard government contracts.

Moira Mack, an OMB spokeswoman, said resources also factored into the delay. Contracting spending dramatically increased under the Bush administration but the

number of contracting employees remained stagnant, Mack said.

Because of the law, the public will now learn if a huge contract won by a fledgling minority-or female-owned company helped that firm or instead flowed to a well-heeled contracting firm founded and run by a white man. The records also would reveal whether defense work that was meant to help shore up an electronics company in recession-plagued rural Pennsylvania was instead largely being done by a powerful defense giant in Arlington County. Craig Jennings, director of Federal fiscal policy at OMB Watch, an advocate for government transparency, said the public may learn good and bad news about government spending with the new initiative.

"You really have to follow the chain [of a contract] to the end, or you just don't know where the dollars are going," Jennings said. "Before this, sometimes a city is listed as the primary recipient of a grant or contract. We wouldn't know prior to

this that the brother-in-law of the mayor is receiving those subcontracts."

In an April letter setting reporting deadlines for senior Federal managers, Jeffrey Zients, then the acting OMB director, stressed the importance of the transparency effort. "Full and easy access to information on government spending promotes accountability by allowing ... both the public and public officials to gauge the effectiveness of expenditures," he wrote. "Transparency also gives the public confidence that we are properly managing its funds." One day after being sworn into office, President Obama pledged that his administration would be the most open in history—a vow made in the wake of steady complaints that the Bush administration was too secretive. Although the current administration has made significant progress in releasing public information, it has faced its share of criticism that—like the previous White House—it has been loath to release public information that may cast its team in an unflattering light or hamper its agenda.

Jennings said taxpayers could end up feeling more comfortable about government contracts when they know the nitty-gritty details. Instead of reading on a government Web site about a vague \$14 million transportation grant given to a State government, taxpayers now can see how the State split those funds among 20 different road and bridge projects in different locations, and which subcontractors did the

jobs.

"All we hear about is stupid, wasteful government spending," he said. "But this will likely show us how the money is actually coming to your city, even your neighborhood."

Committee on Veterans' Affairs Washington, DC. June 22, 2011

Kevin M. Schmiegel Vice President Veterans Employment Program U.S. Chamber of Commerce 1615 H Street, NW Washington, DC 20062–2000

Dear Kevin:

In reference to our Full Committee hearing entitled "Putting America's Veterans Back to Work," that took place on June 1, 2011, I would appreciate it if you could answer the enclosed hearing questions by the close of business on August 5, 2011.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Debbie Smith by fax your responses to Debbie at 202–225–2034. If you have any questions, please call 202–225–9756.

Sincerely,

BOB FILNER Ranking Democratic Member

JL:ds

#### U.S. Chamber of Commerce Responses to Questions for the June 1, 2011, hearing

**Question 1:** You state that the U.S. Chamber and local chambers are uniquely positioned to coordinate public and private sector efforts across America. What is preventing you from starting the coordination.

Response:: The Chamber has been coordinating public and private sector efforts across America since we launched the Hiring our Heroes program in March of 2011. Our coordination efforts include engagement with the White House, State and local chambers, the Departments of Defense, Labor and Veterans Affairs, State workforce agencies, veteran services organizations, and several non-profit organizations. Since the launch of *Hiring our Heroes* at end of March 2011, the Chamber has conducted 16 hiring fairs and connected over 16,000 veterans and military spouses with over 800 different employers in 13 States. Detailed coordination was required for all of those hiring fairs. Working with the local chambers, DoL VETS, and ESGR, the Chamber held its largest hiring fairs in Chicago on March 24, New York City in June, and Los Angeles in July. In Chicago, we connected 127 employers with 1200 veterans and military spouses—over 200 of them got jobs. In New York City, there were 106 employers and over 1500 veterans and military spouses. And in Los Angeles, there were 160 employers and over 1600 veterans and military spouses in attendance.

**Question 2:** Since licensure and certification is more of a State issue how can the U.S. Chamber of Commerce help with this very difficult issue?

**Response:** In addition to our substantive efforts to conduct hiring fairs for veterans and military spouses, the U.S. Chamber can call on its federation of 2,500 State and local chambers and industry associations and more than 3 million businesses to deal with issues that negatively affect employment of veterans to include licensing and certification.

Committee on Veterans' Affairs Washington, DC. June 22, 2011

George Ondick Executive Director, Department of Ohio AMVETS 4647 Forbes Boulevard Lanham, MD 20607 Dear George:

In reference to our Full Committee hearing entitled "Putting America's Veterans Back to Work," that took place on June 1, 2011, I would appreciate it if you could answer the enclosed hearing questions by the close of business on August 5, 2011.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and singlespaced. In addition, please restate the question in its entirety before the answer.

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Sincerely,

 $\begin{array}{c} {\rm BOB\ FILNER} \\ {\it Ranking\ Democratic\ Member} \end{array}$ 

JL:ds

AMVETS Department of Ohio Columbus, OH.

Bob Filner, Ranking Member Committee on Veterans Affairs U.S. House of Representatives

Honorable Bob Filner:

In response to your letter of June 22, 2011 whereas you asked if:

1. Do Federal employers know and understand hiring authorities?

I am sure some do understand hiring authorities. However, in my opinion the majority of Federal Employers do not. That is why we the Ohio AMVETS are attempting to establish a Summit meeting. This day long Summit will address the problems related to complying with Federal requirement on hiring veterans. We wish to invite representatives from OFCCP, ESGR, ODJFS, ONG, Federal Contractors, and any other stakeholders who may wish to participate. At the Summit we will look at the barriers to compliance, how Federal contractors skirt the requirement, how to be in compliance and most importantly how to find veterans to fill the positions within the company.

2. In your opinion, do you think the current unemployment rate for younger veterans tends to be higher because they are taking time off after deployment(s) before obtaining employment or may be attending school?

First of all I believe that veterans who are attending school are not considered in the ranks of the unemployed therefore those attending school would not skew the unemployment figures. That being said the members of the National Guard are also not considered in the ranks of the unemployed because they are in the Guard. This really skews the unemployment figures giving us a lower reading on the unemployment numbers for veterans than what is actually happening in the real world.

Yes some returning veterans may take some well deserved time off, but it is not going to be an exorbitant amount of time that would impact unemployment stats. Most of our returning veterans, by necessity are eager to return to the workforce. However barriers to employment keep them in the ranks of the unemployed. One of the barriers is letting the unemployed veterans know about veteran friendly employers and visa versa. That is where the Ohio Veterans Career Assistance Network (Ohio Vets Can) is able to make the employer-employee link up. A product of the Ohio AMVETS Career Center this Web site makes the connection between the vet-

eran and the employer. By making that connection it also aids in compliance with the Federal mandates to hire veterans and does so at no cost to either the veteran or the employer.

George Ondick Executive Director

Committee on Veterans' Affairs Washington, DC. June 22, 2011

Cpt. Marshall Hanson, USNR (Ret.) Director, Legislative and Military Policy Reserve Officers Association One Constitution Ave., NE Washington, DC 20002

Dear Captain Hanson:

In reference to our Full Committee hearing entitled "Putting America's Veterans Back to Work," that took place on June 1, 2011, I would appreciate it if you could answer the enclosed hearing questions by the close of business on August 5, 2011. In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Debbie Smith by fax your responses to Debbie at 202–225–2034. If you have any questions, please call 202–225–9756.

Sincerely,

**BOB FILNER** Ranking Democratic Member

JL:ds

### Committee on Veterans' Affairs U.S. House of Representatives Post-Hearing Questions for Captain Marshall Hanson From the Honorable Bob Filner Putting America's Veterans Back to Work

#### June 1, 2011

Question 1: What more can we do to help Reserve members with their employment needs?

Response: Veterans are returning from war to an increasingly tough job market, with National Guard and Reserve members facing additional problems. The military paid \$882 million in unemployment benefits in 2010.

We are now seeing unprecedented levels of returning servicemember unemployment and under-employment. Eventually, this trend in unemployment could have negative impacts on force readiness with National Guard and Reserve members leaving the military to stabilize their civilian employment.

The relationship between civilian employers and their employees or potential employees that also serve in the Guard and Reserve is extremely important. Many employers view USERRA as a negative incentive, and ask the Reserve Officers Association for positive reinforcements.

Improvements can be made to help veteran/Reserve Component hiring:

- Implement DoD documentation that would inform employers of skills potential veteran hirees gained through their military service.
- Support employer tax incentives specific to the hiring of returning veterans and reserve component members.
- Explore grants for related costs caused by mobilization such as the hiring and training of new temporary employees.
- Simplify cross-licensing/credentialing of military skills easing the burden of having to acquire new training and time with equipment to earn private sector licenses/credentials.

- Oversee implementation of OPM and VA veterans' recruitment and employment strategic plans.
- Improve communications to field on improvements in veteran preference hiring programs.
- Support incentives permitting deployed small business owners to keep their businesses.
- Better educate separating servicemembers on their employment and reemployment rights (USERRA) including corrective actions that can be taken.

**Employer care plans** should be developed that will assist with mitigation strategies for dealing with the civilian workload during the absence of the servicemember employee and lay out how the employer and employee would remain in contact throughout the deployment. Employers need increased notification time in order to better support their personnel.

**Question 2:** Do you think that some employers are concerned about hiring a veteran with mental health issues?

**Response:** Yes. The impact of the publicity campaigns about Post-Traumatic Stress Disorder and Traumatic Brain Injury paint veterans in a negative light; affecting their ability to be hired.

Published Department of Labor statements aren't helping:

- Nearly one in five veterans of the Iraq and Afghanistan wars is currently suffering from depression or stress disorder. Estimates range up to 300,000 with PTSD.
- PTSD among returning servicemembers will cost the Nation as much as **\$6.2 billion** in the 2 years following deployment—an amount that includes both direct medical care and costs for **lost productivity.**
- When the Society for Human Resource Management surveyed its members (June 2010), 46 percent said they believed post-traumatic stress and other mental health issues posed a hiring challenge.
- Although media attention has helped make the diagnosis and treatment of PTSD and traumatic brain injury a government priority, veterans say it has also contributed to the stigma associated with these wounds.
- TBI/PTSD-related stigma exists among many employers—employers are unaware of the resources that exist to help them provide appropriate workplace accommodations.

TBI/PTSD stigma exists in the very Federal agencies that are supposed to be assisting veterans, by portraying the returning veteran as disabled. The experiences taught by working with severely physically wounded warriors is that most don't feel themselves as handicapped, but want to be self-reliant.

Every treatment should be made available and assistance should be provided, but the veteran shouldn't be labeled. The goal should be to help our veterans return to a normal life.

> Committee on Veterans' Affairs Washington, DC. June 22, 2011

The Honorable Raymond M. Jefferson Assistant Secretary, Veterans' Employment and Training Service U.S. Department of Labor 200 Constitution Avenue, NW Washington, DC 20210

Dear Mr. Secretary:

In reference to our Full Committee hearing entitled "Putting America's Veterans Back to Work," that took place on June 1, 2011, I would appreciate it if you could answer the enclosed hearing questions by the close of business on August 5, 2011.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and singlespaced. In addition, please restate the question in its entirety before the answer. Due to the delay in receiving mail, please provide your response to Debbie Smith by fax at 202–225–2034. If you have any questions, please call 202–225–9756.

Sincerely,

BOB FILNER Ranking Democratic Member

JL:ds

#### Committee on Veterans' Affairs U.S. House of Representatives Post-Hearing Questions from the Honorable Bob Filner Putting America's Veterans Back to Work

#### June 1, 2011

#### 1. Which groups of veterans are struggling the most with employment?

Veterans of all ages and periods of service are struggling at this time and deserve the attention of the Veterans' Employment and Training Service (VETS). This fact is illustrated by the rise in the veteran unemployment rate from 3.2 percent in September 2007 to 8.1 percent as of September 2011. Currently, there are nearly one million unemployed veterans of all ages. Based on Bureau of Labor Statistics (BLS) measures of unemployment rates, younger veterans appear to experience the highest incidence of unemployment. Because of this, VETS conducts increased outreach to younger veterans to ensure that they are aware of the employment and training services that are available to them.

VETS strives, consistent with its mission, to provide services to all veterans, based on individual need. Therefore, we have included employment data on both veterans and non-veterans. VETS believes this data should provide the Committee with some insight into the struggles facing the men and women who served this country.

Below please find the September 2011 U.S. Bureau of Labor Statistics, Economic News Release, table "A–5–Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted," which provides a snapshot of the employment status from the previous month. Updated information can be found on the VETS Web site <a href="http://www.dol.gov/vets/">http://www.dol.gov/vets/</a> under "Veterans Employment—Current Monthly Data."

It is clear from table A–5 that veterans have much lower labor force participation rates than non-veterans, 52.5 percent vs. 67.1 percent in September 2011. Female veterans have a higher labor force participation rate (61.5 percent) than do male veterans (51.7 percent), because female veterans as a group are younger on average than the male veteran group, on average. Similarly, employment-to-population ratios of male and female veterans were 47.6 and 55.5 compared to 70.2 and 54.4 for male and female non-veterans in September 2011.

On the other hand, overall unemployment rates are lower for veterans than non-veterans, in part due to the fact that veterans are concentrated in the 45–65 year old range, as pointed out below. However, recent veterans have unemployment in the double digits compared to non-veterans. The unemployment rates were 11.1 percent and 14.7 percent for male and female Gulf War-era II veterans in September 2011 compared to 8.7 percent for male non-veterans and 8.6 percent for female non-veterans. This may be partly due to the fact that Gulf War-era II veterans tend to be younger, and younger individuals, whether veteran or not, tend to have higher unemployment rates.

HOUSEHOLD DATA

Table A-5. Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted [Numbers in thousands]

	Tot		Mo	en	Women	
Employment status, veteran status, and period of service	Sept. 2010	Sept. 2011	Sept. 2010	Sept. 2011	Sept. 2010	Sept. 2011
VETERANS, 18 years and over						
Civilian noninstitutional population	21,933	21,528	20,142	19,724	1,791	1,804
Civilian labor force	11,683	11,310	10,590	10,200	1,093	1,109
Participation rate	53.3	52.5	52.6	51.7	61.0	61.5
Employed	10,746	10,394	9,743	9,393	1,003	1,002
Employment-population ratio	49.0	48.3	48.4	47.6	56.0	55.5
Unemployed	937	916	847	808	90	108
Unemployment rate	8.0	8.1	8.0	7.9	8.2	9.7
Not in labor force	10,250	10,218	9,552	9,524	698	695
Gulf War-era II veterans						
Civilian noninstitutional population	2,228	2,451	1,828	2,042	399	409
Civilian labor force	1,857	2,017	1,575	1,712	282	305
	83.3	82.3	86.1	83.8	70.6	74.7
Participation rate	1,666	1,781	1,411	1,521	256	260
Employed  Employment-population ratio	74.8	72.7	77.1	74.5	64.1	63.7
Unemployed	190	235	164	191	26	45
Unemployment rate	10.2	11.7	10.4	11.1	9.2	14.7
Not in labor force	371	434	254	330	117	104
1vot in labor force	011	101	204	550	111	104
Gulf War-era I veterans						
Civilian noninstitutional population	2,966	2,980	2,525	2,520	441	460
Civilian labor force	2,515	2,474	2,199	2,147	316	327
Participation rate	84.8	83.0	87.1	85.2	71.7	71.1
Employed	2,347	2,295	2,057	1,987	289	308
Employment-population ratio	79.1	77.0	81.5	78.9	65.6	67.0
Unemployed	169	179	142	160	27	19
Unemployment rate	6.7	7.2	6.4	7.4	8.6	5.7
Not in labor force	451	506	326	373	125	133
World War II, Korean War, and Vietnamera veterans						
Civilian noninstitutional population	10,911	10,346	10,547	10,016	364	331
Civilian labor force	3,984	3,491	3,870	3,405	115	86

#### HOUSEHOLD DATA—Continued

Table A-5. Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted [Numbers in thousands]

	Total		Men		Women	
Employment status, veteran status, and period of service	Sept. 2010	Sept. 2011	Sept. 2010	Sept. 2011	Sept. 2010	Sept. 2011
Participation rate	36.5	33.7	36.7	34.0	31.5	26.0
Employed	3,649	3,256	3,545	3,177	104	79
Employment-population ratio	33.4	31.5	33.6	31.7	28.6	23.9
Unemployed	336	235	325	229	10	7
Unemployment rate	8.4	6.7	8.4	6.7	9.1	8.0
Not in labor force	6,927	6,855	6,677	6,610	250	245
Veterans of other service periods						
Civilian noninstitutional population	5,828	5,751	5,241	5,146	587	605
Civilian labor force	3,326	3,328	2,946	2,936	380	392
Participation rate	57.1	57.9	56.2	57.1	64.8	64.7
Employed	3,084	3,062	2,730	2,707	354	354
Employment-population ratio	52.9	53.2	52.1	52.6	60.4	58.6
Unemployed	242	266	216	229	26	37
Unemployment rate	7.3	8.0	7.3	7.8	6.9	9.5
Not in labor force	2,502	2,423	2,295	2,210	207	213
NONVETERANS, 18 years and over						
Civilian noninstitutional population	207,224	209,678	90,661	92,251	116,563	117,427
Civilian labor force	140,190	140,784	70,272	70,876	69,918	69,908
Participation rate	67.7	67.1	77.5	76.8	60.0	59.5
Employed	127,552	128,657	63,543	64,737	64,009	63,920
Employment-population ratio	61.6	61.4	70.1	70.2	54.9	54.4
Unemployed	12,638	12,127	6,728	6,139	5,909	5,988
Unemployment rate	9.0	8.6	9.6	8.7	8.5	8.6
Not in labor force	67,034	68,894	20,390	21,375	46,645	47,519

NOTE: Veterans served on active duty in the U.S. Armed Forces and were not on active duty at the time of the survey. Nonveterans never served on active duty in the U.S. Armed Forces. Veterans could have served anywhere in the world during these periods of service: Gulf War era II (September 2001–present), Gulf War era I (August 1990–August 2001), Vietnam era (August 1964–April 1975), Korean War (July 1950–January 1955), World War II (December 1941–December 1946), and other service periods (all other time periods). Veterans who served in more than one wartime period are classified only in the most recent one. Veterans who served during one of the selected wartime periods and another period are classified only in the wartime period. Updated population controls are introduced annually with the release of January data.

Also, the Bureau of Labor Statistics (BLS) published a more detailed News Release in March 2011 summarizing the annual unemployment statistics for veterans in the same four categories of service, along with data from a July 2010 special supplement to the Current Population Survey on veterans with service-connected disabilities. A copy of the News Release is attached and can also be found at: <a href="http://www.bls.gov/news.release/pdf/vet.pdf">http://www.bls.gov/news.release/pdf/vet.pdf</a>.

In addition, the three tables below present some aspects of the BLS data on veterans' and non-veterans' unemployment in 2010. The first table: (a) identifies the

proportion of unemployed veterans in each of eleven specific age groups that BLS applies in tabulating veteran and non-veteran unemployment; and, (b) aggregates the proportions within those specific age groups into three more general age groups.

		d Veterans by Age Groups	Unemployed Veterans by General Age Groups		
Age Group	Number	Proportion of Total	Number	Percentage Rate	
18–19	2,000	0.2%			
20–24	44,000	4.3%	215,000	21.1%	
25–29	92,000	9.0%			
30–34	77,000	7.5%			
35–39	73,000	7.2%		52.5%	
40–44	86,000	8.4%			
45–49	127,000	12.5%	536,000		
50-54	132,000	12.9%			
55–59	118,000	11.6%			
60–64	151,000	14.8%	270,000	26.5%	
65 +	119,000	11.7%	270,000	20.5%	
Total	1,020,000*	100%*	1,020,000*	100%	

- Group figures do not add to totals due to rounding.
  Source: Current Population Survey tables, available upon request from BLS.

The second table presents the differences between the veteran and non-veteran unemployment rates within the eleven specific age groups. Note that when the veterans and non-veterans in the civilian labor force are standardized according to their specific age groups, the veteran unemployment rates are higher for nine of the eleven age groups.

	Unemployment Rate				
Age Group	Veteran	Non-Veteran	Difference		
18–19	29.4%	24.2%	+5.2%		
20-24	20.6%	15.4%	+5.2%		
25–29	14.9%	10.7%	+4.2%		
30–34	10.5%	9.1%	+1.4%		
35–39	8.0%	8.1%	-0.1%		
40–44	6.7%	8.2%	-1.5%		
45–49	8.3%	7.8%	+0.5%		
50-54	8.4%	7.5%	+0.9%		
55–59	8.5%	6.9%	+1.6%		

	Unemployment Rate			
Age Group	Veteran	Non-Veteran	Difference	
60–64	8.0%	7.1%	+0.9%	
65	+7.2%	6.5%	+0.7%	

The third table illustrates why the overall veteran unemployment rate is lower than the non-veteran rate, despite the higher veteran unemployment rates in nine of eleven age groups. Specifically, the veterans in the civilian labor force are concentrated in the 45-65 age range, with an average unemployment rate of 8.1 percent, while the non-veterans are concentrated in the 18-44 age range with an average. age unemployment rate of 10.9 percent. In light of the difference in the age structure of the veterans and non-veterans in the civilian labor force and the differences in unemployment rates by age, the overall lower average unemployment rate for veterans reflects a comparison between two groups that are not truly comparable. Therefore, the overall averages are somewhat deceptive.

	Veteran (Ages 18 and over)		Non-Veteran (Ages 18 and over)		
Age Group	Percent of Civilian Labor Force	Unemploy- ment Rate	Percent of Civilian Labor Force	Unemploy- ment Rate	
18–44	32%	10.0%	59%	10.9%	
45–65	+68%	8.1%	41%	7.3%	
Total	100%	8.7%	100%	9.4%	

#### 2. What are some of the unique employment needs of homeless veterans?

Among their other unique needs, many homeless veterans require stable housing and health care before they can be considered job-ready. Similar to veterans in other DoL grant programs, each homeless veteran needs to be assessed for transferable skills and skill development prior to seeking employment. These individual assessments are conducted by Homeless Veterans Reintegration Program (HVRP) grantees and form the basis of a veteran's Individual Employment Plan (IEP), which addresses his or her particularized employment needs, including:

- job search workshops
- 2. job counseling
- 3. résumé writing techniques 4. interviewing skills
- on the job training
- 6. job development services
- competitive job placement
- 8. job retention services
- soft skills training, such as how to present oneself (i.e., dress, network)

Some homeless veterans may also have suffered an injury or illness while on active duty, which can result in a serious reduction in their employability. When this tive duty, which can result in a serious reduction in their employability. When this happens, the HVRP grantee must then secure appropriate services in the local community to help the veteran overcome the barriers incurred as a result of the injury or illness. For example, a veteran suffering from Post-Traumatic Stress Disorder (PTSD) may participate in prescribed therapy to stabilize his or her condition. After the treating physician determines that the veteran's condition is stable enough for him or her to seek employment, the service provider then works to place the veteran with an appropriate employer. As part of these placement efforts, the service provider typically follows up with the veteran and the employer frequently in the first weeks of employment, and gradually reduces assistance until the veteran is fully independent. Service providers refer to this type of assistance as "supported employ independent. Service providers refer to this type of assistance as "supported employVeterans who have suffered physical disabilities—such as amputations—need a rehabilitation technology assessment to determine if the physical disability can be overcome so that they can successfully enter the workforce. In this situation, service providers refer veterans to the Veteran Affairs (VA) Health Care system for these assessments, including training on needed technology to help veterans overcome the challenges presented by their physical difficulties in the workplace. When the assessment and training are complete, the service provider works to place the veteran with a suitable employer in a position that does not further aggravate the disability. Some service providers may also request reasonable accommodations on the job site. Skilled job placement specialists are able to properly educate employers on the need for reasonable accommodations while still being sensitive to imposing undue burdens on the employer.

Another employment-related need common to the homeless veteran population is reliable transportation. Transportation is especially deficient in rural areas of the country where many homeless veterans live. Service providers are required to link with local resources to try and overcome transportation barriers to employment.

Perhaps the most difficult barrier for the provider of employment services to homeless veterans to overcome is mental illness. In this situation, service providers refer veterans to the VA Compensated Work Therapy (CWT) program to help overcome this barrier. CWT is a VA vocational rehabilitation program that endeavors to match and support work ready veterans in competitive jobs, and to consult with business and industry regarding their specific employment needs. In addition, some service providers utilize on-the-job training as a trial work experience to determine whether the veteran's skills match the employer's needs. Other HVRP grantee service providers utilize the "job carving" technique, where job developers examine the employer's needs and carve out specific duties within a veteran's ability despite the presence of mental illness. The service provider then offers supported employment, as discussed above, to the employer and veteran as a means of ensuring job retention.

Two other issues impacting a significant number of homeless veterans are substance abuse disorders and legal problems, such as child support delinquencies and "failure to appear" warrants for minor citations, which mostly result from their homelessness. These obstacles are most effectively addressed when the veteran participates in a transitional program that offers residential stability, employment support and legal assistance, with the provider serving as the veteran's advocate. Participation in a structured, supervised program demonstrates the veteran's commitment to correcting past indiscretions and opens up opportunities that might otherwise be denied.

Homeless female veterans and homeless veterans with families also face unique challenges such as the need for reliable child care. Moreover, many of these veterans may not come forward and seek the help available to them for fear that their children may be placed into foster care if they disclose their status as a homeless individual to a service provider or other government entity. Unfortunately, this fear of coming forward only exacerbates an already precarious situation.

3. There is a need to ensure that veterans are getting trained and afforded ample opportunities to succeed. What kind of training should combat arms veterans receive versus a non-combat arms veteran to succeed in the job market?

The reality is that when it comes to employment training, **all** veterans need a solid set of skills to be competitive. A veteran's military experience makes him or her competitive in the job market; each possesses critical "soft skills" such as leadership, strategic planning, risk assessment, and management. However, some employers may view PTSD or TBI as barriers for many young veterans being competitive. Additionally, VETS believes that younger veterans experience some difficulty translating their knowledge, skills, and abilities into compelling language that employers understand. For these reasons, it is important that every veteran be able to fully articulate his or her personal story, experiences, skills, and value that he or she can provide to a prospective employer. Thus, while the opportunity for Federally supported training, available resources, and course content should be uniform for both combat and non-combat veterans, their individual stories, experiences, and employment needs will necessarily differ.

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