

REVIEWING THE IMPLEMENTATION OF
MAJOR PROVISIONS OF THE VOW TO
HIRE HEROES ACT OF 2011

HEARING
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
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REVIEWING THE IMPLEMENTATION OF MAJOR PROVISIONS OF THE VOW TO HIRE HEROES ACT OF 2011

THURSDAY, MAY 31, 2012

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

The Committee met, pursuant to notice, at 10:23 a.m., in Room 334, Cannon House Office Building, Hon. Jeff Miller [Chairman of the Committee] presiding.

Present: Representatives Miller, Stearns, Lamborn, Bilirakis, Stutzman, Runyan, Benishek, Brown, Michaud, McNerney, Walz, and Barrow.

OPENING STATEMENT OF CHAIRMAN JEFF MILLER

The CHAIRMAN. Good morning, everybody. Thank you very much for being with us this morning.

We just spent last weekend and in particular Monday honoring our Nation's defenders that are no longer with us. Now it is time for us to renew our focus on those who still need our help in securing a good job.

And I welcome this morning Under Secretary Hickey and Deputy Assistant Secretary Ortiz to the Committee. I am eager to hear how the Department of Veterans Affairs and the Department of Labor are progressing in meeting the goals of the VOW to Hire Heroes Act of 2011.

The VOW Act is a bipartisan and bicameral effort to reduce unemployment among veterans. And while every provision in the law is important, I believe that the centerpiece of the act is what is being called the Veterans Retraining Assistance Program or VRAP.

Of the approximately \$1.7 billion cost for the bill, which was paid for, \$1.6 billion was spent to pay for a year of GI Bill benefits for nearly 100,000 unemployed veterans between the ages of 35 and 60. The balance funded Chairman Murray's vocational rehabilitation provision and the tax credit suggested by President Obama.

The VOW Act is an excellent example of what we can do when we all work together. And I thank the Members of both sides of the aisle for their support and continuing interest in the success of this particular piece of legislation.

Today we are going to hear from senior officials tasked with implementing all the provisions of the law. I have asked them to concentrate primarily on VRAP and I am looking forward to hearing how they are setting the stage for a successful launch on 1 July.

While I am impressed by the level of effort being made by program level staff at both departments, I am concerned that not enough is being done by either cabinet secretaries or our President to promote this benefit.

Getting the message out about this opportunity is critically important to putting unemployed veterans on a path to a job in a high-demand field. Clearly, aggressive promotion of the program by the nearly 3,000 one-stop employment centers are the key to filling the 99,000 training slots that have been authorized by the VOW Act.

I want to give you just one example of why I am concerned that despite VA's significant outreach efforts for which I commend them, problems are still arising.

Staff was contacted by a community-based organization in Georgia about what appears to be a lack of effort to get the program started. Shortly after passage of the VOW Act, the organization contacted the Augusta one-stop employment center to ask about how to enroll unemployed vets in the program.

They asked again in mid March and the DVOPs and the LVERs were still not aware of the program. Two weeks later, Augusta told them the Georgia Department of Labor was not aware of VRAP.

In early April, both the Georgia and South Carolina Departments of Labor stated they were waiting for policy from D.C. In late April, there still appeared to be little understanding of how the program would work.

It appears that finally on the 11th of May, a mass email from VA was released detailing how the program would be implemented only four days later on May 15th.

Obviously if that is typical of the level of awareness at the one-stop centers, I think we all agree we have big problems with the potential launch coming up shortly.

Secretary Ortiz, unless your Federal staff here in D.C. and in the states are contacting the DVOP and the LVERs and the one-stop center, there is no way that you are going to be able to know whether the word is getting out and how the one-stop centers intend to fill the training slots.

I truly hope that this is an isolated case, but I am not convinced that it is.

Having said that, I am pleased to see that 11,600 applications have been received so far, meaning that we are well on our way to filling all of the 45,000 slots paid for in the VOW Act for the remainder of this fiscal year.

I also encourage each of the Members to take a strong effort in their districts to get the word out about VRAP so that we see the unemployment rate among our veterans in their prime earning years will continue to decrease.

I want to share a story about one of my constituents, Mr. Todd C. Buchanan. He is a 35-year-old veteran of the United States Navy. He learned about the VRAP Program through an advertisement that the one-stop ran in their local newspaper. He was excited to learn of this second chance for veterans as his GI Bill benefits had already expired.

In response to the newspaper ad, Mr. Buchanan scheduled an appointment to review his options with an LVER. They cross-walked

the VRAP high-demand occupations with the Okaloosa and Walden County boasted the fastest growing occupation list that they had and considered the veteran's aptitude and his interests.

His application was submitted online and he will register at the Choice Technical Training Center for a welding certificate upon VA determining that he is eligible.

And I submit to our committee this morning that Mr. Buchanan is the type of veteran that we are trying to reach out to. Hopefully he will be determined eligible and put on the path to a new career.

This bill passed with broad bipartisan and bicameral support. And we owe it to our veterans as well as our taxpayers to ensure that it is implemented properly.

Ms. Brown, I apologize for beginning the hearing late this morning. I would yield to you for any opening remarks that you have. [The prepared statement of Jeff Miller appears on p. 30.]

OPENING STATEMENT OF MS. CORRINE BROWN, DEMOCRATIC MEMBER

Ms. BROWN. Thank you, Mr. Chairman. And I want to thank you for holding this hearing today on the Veterans Retraining Assistance Program.

I welcome this opportunity to hear what preparations have been done so far by the Department of Veterans Affairs and the Department of Labor to implement the Veterans Retraining Assistance Program.

I hope that both agencies are working together because the start-up date is July 1, 2012. It is right around the corner. We need to be proactive in marketing this program and identifying pitfalls that could derail this program.

The retraining program is limited to 45,000 participants from July 1, 2012 through September the 30th, 2012 and 54,000 participants from October 1, 2012 through March 31st, 2014.

Since money for retraining programs is very difficult to find these days, I hope that both agencies understand how important it is that we place a veteran in every single slot.

This program will run for a short period and we need to make sure that we get most out of the limited time we have now.

The Bureau of Labor Statistics report that in 2011, about 5.9 million veterans have served on active duty from the Gulf War One to the Korean War. Therefore, I expect Labor and VA to find more than enough veterans to fill all of the slots that will be available. It would be tragic if we do not help veterans take advantage of these opportunities.

I know that employment from VA and Labor is here today and briefed staff. I appreciate them being here again to answer more questions.

Since the retraining program started accepting applications, I would like to know if there are any problems. The key thing I am looking for for today from both agencies is honesty on where the program stands today and assurances that all problems are being resolved.

Do not wait until the last minute to tell us that there are problems that would derail this program. We need to know in a timely

fashion if there are any problems with the program roll-out and if there is anything we can do to help.

The Bureau of Labor Statistics report that the overall unemployment rate for veterans is 8.3 percent for 2011. The 12 months that veterans are now eligible should be a springboard to better employment in a very difficult job market.

The Department of Labor has listed 210 high-demand occupations for veteran retraining assistance programs. I would like to ask that the Department of Labor keep an open mind if opportunities arise to increase the number of high-demand occupations. In this very poor economy, we should allow veterans to pursue all worthwhile occupations that lead to gainful employment.

I thank you, Mr. Chairman, and I am looking forward to today's hearing from the witnesses.

[The prepared statement of Corrine Brown appears on p. 31.]

The CHAIRMAN. Thank you very much, Ms. Brown, and I appreciate your steadfast support of the veteran community, your help as we work across the aisle to move this legislation as all the Members of this committee have worked together to make sure that this legislation made it into law and now it is our job to make sure that it is implemented in the fashion that we intended it to be.

I would ask, as customary, that all Members would waive their opening statements. They will be without objection entered into the record at the appropriate place. Without objection, so ordered.

And our first and only panel this morning is already seated at the table. We have the Honorable Allison Hickey who is the Under Secretary for Benefits at VA. And she is accompanied by Mr. Curtis Coy, the Deputy Under Secretary for Economic Opportunity at VA.

Next we have Mr. Ismael Ortiz, better known as Junior Ortiz, who is the Deputy Assistant Secretary for Veterans' Employment and Training at the Department of Labor. He is accompanied by Ms. Kathy Tran who is the Director of the Division of Policy, Legislation and Regulation of the Unemployment and Training Administration at the Department of Labor.

As always, again, your complete statement will be entered into the record. And I would like to start this morning with Under Secretary Hickey.

You are recognized for 5 minutes.

STATEMENTS OF THE HONORABLE ALLISON HICKEY, UNDER SECRETARY FOR BENEFITS, U.S. DEPARTMENT OF VETERANS AFFAIRS, ACCOMPANIED BY CURTIS L. COY, DEPUTY UNDER SECRETARY FOR ECONOMIC OPPORTUNITY, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ISMAEL ORTIZ, JR., ACTING ASSISTANT SECRETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR, ACCOMPANIED BY KATHY TRAN, DIRECTOR, DIVISION OF POLICY, LEGISLATION AND REGULATION, EMPLOYMENT AND TRAINING ADMINISTRATION (ETA) U.S. DEPARTMENT OF LABOR

STATEMENT OF ALLISON HICKEY

Ms. HICKEY. Thank you, Chairman Miller.

Good morning, Chairman Miller, Congresswoman Brown, Members of the Committee. I appreciate the opportunity to appear before this committee to discuss the actions taken by the Department of Veterans Affairs in collaboration with the Department of Labor to implement the Veterans Retraining Assistance Program or VRAP of the VOW to Hire Heroes Act of 2011.

Let me begin by first thanking Members of this Committee for your continued support to provide training and education programs to help our Nation's veterans gain meaningful employment.

I appreciate the opportunity to briefly discuss the steps we have taken to implement VRAP, the outreach activities accomplished to date, and updates related to VA's VR&E Program in this act.

Under implementation, since November 21st, 2011 when Congress enacted and President Obama signed the VOW to Hire Heroes Act of 2011, VA and DoL have been actively engaged in implementation actions.

Implementation of the VRAP Program first required development of the application process. VA and the Department of Labor worked collaboratively to develop this process and are executing today under this plan.

In collaboration with DoL, VA developed an on-line Web site specifically focused on VRAP. This site can be accessed through numerous connections including the [ebenefits](#), [vetsuccess.gov](#), VA for Vets, the GI Bill Web site, and DoL's my next move Web site, veteran service organization Web sites, and industry partner Web sites.

Yesterday VA delivered VRAP tool kits to the leadership of this committee and the Senate Veterans' Affairs Committee as well as all 535 Members of Congress. We respectfully request as appropriate congressional support to post this information including the Web site address on your Web sites as well.

In April, VA not only stood up the VRAP Web site but also trained education claims personnel to process VRAP applications in anticipation of the enrollment. We began accepting VRAP applications on May 15th, 2012, 17 days earlier than our original deadline of tomorrow.

As of this morning, VA received 12,200 applications. We began processing these claims on May 21st. In less than seven working days, we have processed over 1,400 of these VRAP claims from start to end.

To ensure this program's success, VA and DoL continue to collaborate and participate in biweekly meetings and leverage a common share point site with daily data sharing.

VA staff meet daily to ensure we stay on track for the July 1st, 2012 implementation date.

From an outreach perspective, with the support of DoL, VA developed a comprehensive outreach program to successfully launch and implement VRAP. The central component of this is the VOW Web site. To date, the Web site has received nearly 50,000 visitors.

Because a centralized system to identify eligible veterans does not exist today, VA and DoL are working with our numerous stakeholders to reach eligible veterans.

For example, VA contacted individuals and groups with the potential to reach over four million veterans including [vetsuccess.gov](#)

users, VA for Vet users, over 200 government and nonprofit organizations including our Nation's VSOs, 75 newspapers in communities with high veteran populations, unemployed populations.

All our military time newspapers have carried it for free, numerous industry partners. VA has contacted several national sports teams in areas of high veteran unemployment to ask for their assistance.

Yesterday the Florida Marlins agreed to post a PSA on their Jumbotron during their Monday night home games and we are working with others.

We also contacted local government officials in the hundred counties with the highest veterans' unemployment including all of state directors for veterans' affairs, county service officers, and DoL one-stop shops.

The assistant secretary of Defense for Reserve Affairs sent information to this Nation's 1.5 million members of the national guard and reserve. We are also leveraging social media to reach the target population.

We know from recent surveys of all veterans that 73 percent want to meet us online. Therefore, VA has posted messages on VA's Facebook pages, Twitter accounts, and many linked in pages of groups.

Additionally, on May 15th, the White House joining forces team sent out a blog notice that reached almost 1.4 million individuals.

We also continue to participate in local job fairs at the U.S. Chamber of Commerce and are getting that word out face to face with our veterans looking for jobs. We will do the same thing in the big Detroit hiring event here at the end of June.

VA has either implemented or is on target to timely implement all of the VRE provisions of the VOW to Hire Heroes Act including the provision which qualifies certain veterans for an additional 12 months of vocational rehabilitation services. We began accepting those referrals in early February and have already made some applications effective tomorrow.

In closing, the benefits we provide under the VOW to Heroes Act are yet another way we are all taking care of our veterans and their families and survivors.

Mr. Chairman, this concludes my remarks and I am looking forward to answering any of the questions you and the Members of this committee have.

[The prepared statement of Allison Hickey appears on p. 32.]

The CHAIRMAN. Thank you very much, Ms. Hickey.

Mr. Ortiz, you are recognized for 5 minutes.

STATEMENT OF ISMAEL ORTIZ

Mr. ORTIZ. Good morning, Chairman Miller, Ranking Member Brown, and distinguished Members of the Committee.

Thank you for the invitation to participate in today's hearing of Reviewing the Implementation of Major Provisions of the VOW to Hire Heroes Act of 2011.

As you know, my name is Junior Ortiz and I am the Veterans' Employment and Training Service, Department of Labor. I am accompanied today by Ms. Kathy Tran from the Employment and Training Administration.

At DoL, our mission is to provide veterans, transitioning servicemembers, and their families with the critical resources to assist and prepare them to obtain meaningful careers, maximize their employment opportunities, and protect their employment rights.

As a marine corps veteran, I understand the importance of the service we provide. I have three sons on active duty and one that just left service. Between them, they have ten tours in Iraq and Afghanistan. So I understand the sacrifice made by the servicemembers and their families as well as the challenges they face when they return home.

Secretary Solis and I believe that we have an obligation to serve these men and women as well as they have served us. That is why DoL is fully committed to serving transitioning servicemembers, veterans, and their families with our current programs as well as the initiatives provided by the VOW Act.

During the last program year alone, DoL served 1.7 million veterans in various employment and training programs. The VOW Act has enhanced many of these programs and as discussed in my written testimony, DoL has been working hard to implement these provisions.

Section 211 of the VOW Act established the Veterans Retraining Assistance Program. VRAP entitles eligible veterans to retraining assistance for up to 12 months when they pursue a qualified training program. I am pleased to report that we are moving forward to fully implement VRAP.

Early on, DoL established the necessary memorandum of agreements with the VA to execute this program and identified over 200 high-demand occupations in which veterans can be trained.

Additionally, DoL has enhanced my next move for veterans Web site to display information on VRAP.

After working closely with the VA to create an on-line application process, we began accepting applications on May 15th of this year.

DoL and VA have been engaged in intensive outreach efforts to inform eligible veterans, the public workforce system, VSOs, and other stakeholders about VRAP.

As part of the outreach efforts, DoL has issued guidance to state workforce assistance employees, creating and disseminated fact sheets, press releases, blog entries, email alerts and flyers to encourage others to spread the word.

We also hosted a webinar with the VA to inform and train the public workforce system on the VRAP Program. We will continue to work diligently to reach out to the stakeholders to ensure eligible veterans have the opportunity to take advantage of this important program.

In addition to VRAP, DoL is working to administer other VOW Act provisions such as Section 233 which allows individuals with service-connected disabilities who have exhausted UI benefits to seek additional assistance beginning tomorrow, June 1st.

While the VA is primarily responsible for administering this program, DoL has a key role in helping the VA to develop the eligibility determination process.

DoL is working with other agencies to implement provisions of Sections 221 which requires mandatory participation of the transitioning servicemembers in DoL employment workshop.

We are also in the process of changing over all the contract facilitator staff for the workshop as required by Section 223. Until the process is complete, DVOP and LVERs will be trained to deliver the new curriculum.

As I testified before the Subcommittee last year, we are online and on track to meet the VOW Act's deadline of November 21st, 2013.

Moreover, DoL is working to implement many other VOW Act provisions to include new performance measures in the annual report, conducting demonstration projects and study on credentialing, clarifying priority of service requirements, and extending important tax credits proposed by the President.

Finally, DoL has repurposed approximately \$5.4 million of our 2011 project year budget in order to implement the provisions of the VOW Act.

Distinguished Members of this committee, it is our responsibility to take care of our veterans and their families. That is why the Department of Labor in collaboration with its sister agencies is committed to ensuring that successful implementation of the VOW Act happens.

Thank you again for the opportunity to testify today. I look forward to your questions.

[The prepared statement of Ismael Ortiz, Jr. appears on p. 35.]

The CHAIRMAN. I was just asking staff a question. You talked about repurposing five plus million dollars to assist.

Was it not funded properly in the legislation? Where is the money that the legislation appropriated? I am just trying to figure out why would you need to re-purpose additional money.

Ms. TRAN. There were several provisions that did not have—that appropriated funds were not included in. So, for example, the Section 222 on the study of equivalencies is one of example.

And so the re-purposed funds are from a demo project, a demonstration project, and so we were able to re-purpose that and dedicate that to various aspects of implementing VOW including providing grants to states to update their performance reporting systems, to capture the priority of service data elements, as well as data elements related to the WOTC provision.

It also includes the study for the equivalencies between military and civilian occupations and a couple of other related activities.

The CHAIRMAN. I mean, we paid for all of that. It was paid for, but your staff behind you is shaking their head. And I appreciate you being there.

What states got the \$5.4 million if that is what you did? You said you sent money out to the states to help them restudy or what was done with it again?

Ms. TRAN. Oh, sure. There were several activities that are included under the \$5.4 million. One of them is to send grants to our states to update their performance—

The CHAIRMAN. And those states were?

Ms. TRAN. It would be all 50 states plus the territories that received WIA and Wagner-Peyser formula funds.

The CHAIRMAN. So \$5 million over 50 states?

Ms. TRAN. No. So the \$5.4 million covers that piece. It covers the study on military equivalencies. It covers updating our own Federal

reporting systems to account for the new reporting, the service reporting and some of the WOTC provisions.

It will also cover technical assistance to the workforce system on the new performance reporting requirements. I think I mentioned the study on equivalencies. And there may be others that I would have to get you the details on.

The CHAIRMAN. Secretary Ortiz, how many one-stop centers have you surveyed or the department surveyed now to find out their level of awareness of VRAP and when and how did you contact these centers?

Mr. ORTIZ. Sir, on a daily basis, we contact different centers and make sure that the information is actually going down there, what ETA does as far as the Employment and Training Administration.

Now, the specific items that you spoke about with the Augusta one, sir, the guidance that we put out was on the specific issue as far as a program letter went out on May 7th. The issue training and notice that we had went out on May 8th. On May 9th, the webinar went to all the workforce systems. And on May 16th, a joint press release was issued by Secretary Shinseki and by Secretary Solis.

So when you were discussing specifics on the Augusta one, sir, the one that you mentioned that had not gotten the stuff in April, that is probably a true statement. And the reason why is because it did not come out until almost mid May.

However, I can tell you that both the Augusta one and the South Carolina ones are both fully aware of what the VRAP Program is about. And what we are doing is initiating communications across the board to make sure that all the one-stops, all 2,800 of our one-stops throughout the Nation are aware of what the VRAP is and how it affects our veterans.

The CHAIRMAN. Let me also take a moment and compliment you on the webinar. I understand that it was done very well and hopefully it will have been well received by all of those who partook.

How are the slots divided up? Is it first come, first serve? How does that work?

Ms. HICKEY. Chairman Miller, the slots are basically first come, first serve, but they are aligned against a set of criteria, a select set of criteria that were provided in the law. And so we worked through those.

There is a break between the first wave and the second wave, though there is no break for us between our process during that period of time. We would just simply add the 45,000 and one veteran who applies for the benefits in this first wave, we will have to have a conversation with them that tells them they will not be able to start their training until 1 October when the second wave starts.

The CHAIRMAN. What happens if a veteran enters the program and then drops out? Is that counted a used slot or if there is still funding left, can that be reallocated to another veteran?

Ms. HICKEY. Chairman Miller, we have been instructed that it works similarly to the other Montgomery GI Bill and other GI bills and when the veteran drops, then that authority drops in the 99,000 that are available.

The CHAIRMAN. Drops in or—

Ms. HICKEY. I apologize, Chairman. Let me be a little more clear about that. If the veteran applies and then does not fulfill the whole year's worth of training and let's say they stop midpoint, then that is one of the 99,000 and we cannot recycle the rest of that benefit on to a different veteran.

The CHAIRMAN. Is that right?

Ms. HICKEY. Sir, I think that is the provision of the law that has been laid out for us and so that is the way we are working it.

The CHAIRMAN. That provision needs to be corrected, doesn't it? Would you recommend that that slot be reallocated?

Ms. HICKEY. Chairman Miller, from my perspective, from the advocacy that we have in VA for all veterans, we would certainly like to see every dollar that you all have put towards this be used to train veterans. So if you are inclined to do something different in the legislation, we would be happy to consider that.

The CHAIRMAN. That is a great political answer. I appreciate that.

Ms. Brown.

Ms. BROWN. Thank you.

First of all, the good news is I just had my job fair which is my 20th year and had about 12,000 people attend. And at least 150 companies, but I am very pleased that the VA was there and this program was also there. And I want to thank you up front for that.

Would you kind of walk me through how the program is to work because while Mr. Miller figured it out, I want to make sure my veterans know about it?

And I am interested in how we are working with other stakeholders like community colleges.

I mean, who is actually going to provide these various training programs and how are we partnering or contracting out which Republicans like to hear? I like partnering. How is the program going to work?

Let me just say when American get a cold, African Americans got pneumonia. So even if the statistics unemployment is one for everyone else, it is a lot worse for African Americans.

So can someone answer that for me, please?

Ms. HICKEY. I am happy to address you, Congresswoman Brown, on that subject. We pretty much have no light between us on the process. So I will start there and then I will defer to Secretary Ortiz to fill in any other parts of the DoL equities that I might miss.

So let me first say that it starts with our communication to the veteran and our outreach to the veteran on the availability of this 1-year benefit which is a superb benefit for our veterans to be able to exercise this training and education for both degree programs, non-degree programs, but leading to is the correct words in the language an associate's degree or a certification in a non-degree field.

It does not mean that they actually have to accomplish it in that 1-year period of time, but it needs to lead to that. So first it does start with the veteran themselves after we have provided that outreach, then through the process of a self-attestation.

And I will ask Secretary Ortiz to talk more about that. They will come to us through the Web site and then we are using existing

capability that we have long used for Montgomery GI Bill. So we have just refined it and updated it for this capability.

And they online do what we call a bone app, on-line application and it pushes it immediately to DoL who does the verification on their criteria for unemployment and the like. And then that pushes it directly into us for us to make the assessments on veteran good standing, yes, they are a veteran, assessment of whether they have any more GI Bill or other kinds of employment opportunities left.

Once that is all verified, then we go ahead and issue them what we call a certificate of eligibility saying, yes, you are entitled and working with that veteran, we then have them actually make the application.

They go to school. They attest every month in school that they attended school and we pay that veteran directly and then they pay the bills for the school.

Ms. BROWN. Thank you.

One of the problems that we had, the program that I was very excited about, the latest GI Bill update, was that it took a time before they could get their reimbursements because the school had to verify that they were in school. And so it was a real negative story on the news. And I was very disappointed because I thought it was such a great, exciting program.

But if the school did not verify that they were in school, then they would get in trouble with us, the VA, because, you know, the audit would say, well, you have given them money and the student is not in school.

So I hope we work through these kinds of issues as we start up.

Ms. HICKEY. Thank you, Congresswoman Brown.

We are and, in fact, we are—this provision is the old Montgomery GI Bill provision which is we pay them once that veteran attests and then they take care of their bills with the school.

And I will tell you I believe that we have testified in front of you that we are looking at that model again under GI Bill just to see if there is any way to adjust some of that discomfort level for our veterans in GI Bill.

Mr. ORTIZ. And, Congresswoman, just to add, after the individual finishes their training, then they are sent back to DoL within the 30 days after finishing. And what we do is whether they complete or terminate, they come back to DoL. So that way, we help them through our one-stop shops find employment.

That is why it works really well, because we give them the initial okay, yes, they have met all the criteria. VA gives them the schooling part and then they come back to us and we help them with a job, ma'am.

Ms. BROWN. Might I add that many of the schools and the programs, particularly if they work as co-ops and other kinds of programs, can assist them in the job placement. So it could be—I mean, the veteran does not have to be coming back to you. It could be us working from the beginning as we train, placement, work study so that they will actually come in contact with that employer as we are going through the process.

Mr. ORTIZ. Well, Congresswoman, we want them to come back to us so that way, we have an accountability, so that we know exactly whether our LVERs are out there reaching out to exactly who you

are talking to, ma'am, to be able to kind of work hand in hand to help place these individuals into proper places.

Ms. HICKEY. And, Congresswoman Brown, I would say actually your message is a very big message that our secretary, Secretary Shinseki, has been out and amongst all campuses and campus leaders, both degree and non-degree programs saying help us help them in not just completing the degree successfully and making the adjustment successfully but also in connecting to those employment opportunities.

Ms. BROWN. Thank you very much.

I yield back.

The CHAIRMAN. Thank you very much.

I would note that our colleague, Mr. Lamborn, has joined us.

Mr. Lamborn, for the record, I would like to acknowledge from this committee's standpoint our sympathies on the loss of your father a couple of days ago.

Mr. LAMBORN. Thank you, Mr. Chairman.

And he was, it is apropos for this committee, a World War II veteran, age 93 years of age, part of the greatest generation, although he just said he was doing his duty.

And he fought in 11 campaigns in north Africa, Sicily, and Italy in World War II. He was an armor which means you put on the bombs and bullets on the attack aircraft.

So he wanted to be a pilot. They would not let him physically. He did not physically qualify. And that is good because in the early days of the war, I think there was in some places a 90 percent mortality rate among pilots.

So thank you, Mr. Chairman.

The CHAIRMAN. Yes, sir.

Mr. Runyan.

Mr. RUNYAN. Thank you, Mr. Chairman.

I have a question for both Secretary Hickey and Mr. Ortiz on dealing with the VSOs and how helpful and what part they have really played in helping promote this because I know actually even last year when you talked about another program that Congressman Holt and I had promoted dealing with suicide of veterans, the lack of knowledge of programs like that, and this is another one.

But the VSOs and their ability to have direct contact with their members, how helpful have they been and how directly have you personally been working with them?

Let's start with you, Secretary Hickey.

Ms. HICKEY. Thank you, Congressman Runyan, for your question.

And I will tell you quite frankly I do not go anywhere without my veteran service organizations. They are our hands and feet everywhere, on the ground, forward in the fight, working as you have well described directly with our veterans. They are critical to our success in taking care of our veterans on all fronts including and especially the employment front.

They have been very helpful. We have been working very closely with them in the outreach area. They have been helping us to get the word out to their constituencies on VRAP and other provisions of VOW to Hire Heroes Act. And I will say they are sitting right

next to me, although behind me today, I do not go anywhere without them.

Mr. ORTIZ. And I cannot add any more than that, sir, honestly because, I mean, our VSOs, they are our force multipliers. And honestly they are the ones that get the message out where we cannot.

And there are times when we may not be able to reach the veteran directly. However, they can and they have the opportunity and the ability to be able to reach and, you know, reach out and give them the guidance and the things that they need in order to make things happen.

Mr. RUNYAN. Yeah. Because I am going through some of the statistical analysis, whether it is your mass emails or Facebook and that, and you see the numbers a lot of times are lacking. And I think even one of them, I think there was only about a 23 percent open rate of the emails you sent out. And I know a lot of that probably has to do with lack of current information, I think, a lot of times.

Ms. HICKEY. So, Congressman Runyan, this is a great question because it has to do even broader with our whole transformation effort, how do we deal with veterans who come from different eras and different cohorts who some are clearly online and clearly asking us to be there.

And I will tell you our data from interviewing the population for the VRAP initiative, the 35 to 60-year-olds, they are online. When you move beyond that 60-year-old time is when you may hit some that are not, though my mother would scold me because she is very good on her Mac and her Apple computers. I am making a broad-brush assessment of that.

I will tell you I think the other thing that is important to note is we did not take a one-channel avenue on this outreach. We have a face-to-face piece of it. We have an in paper print piece of it. We have a voice over piece of it. We are talking to newspapers and the like, all to reach a group of veterans that may not be online as well and might still fall into this category.

And I will defer also to Secretary Ortiz for any other thoughts he might have on this.

Mr. ORTIZ. As Secretary Hickey has already said, I mean, the important piece of that, sir, is you try to hit—you move the message and put the message out where people can hear it.

And, you know, although some of us might be a little, how do you say, hiccup with technology, me included, the idea is to be able to go out there and get all the people as much as possible the information that they can.

We are not just on the VA side but on DoL's side, we are using every method that we can to get the information out there. It is an important project and we need to get it going.

Mr. RUNYAN. No. And I think most of us sitting up here understand that specifically being a campaign year. It is much of the same stuff.

Secretary Hickey, on dealing with appeals to the VRAP Program, how are they adjudicated and is that becoming a growing problem?

Ms. HICKEY. So, Congressman Runyan, I think we would have two different sides of that because he handles a certain part of the

process for unemployment and things of that nature and for also the career fields that he has on his list.

So I will handle if they are—if we do not have them certified under the conditions we must validate which is they are a veteran, they are a veteran in good standing, meaning, you know, no—everything above a dishonorable discharge.

Mr. RUNYAN. Uh-huh.

Ms. HICKEY. And we will validate whether or not they have any benefits remaining. There is an appeal process that is described in the letter that we send out to them if, in fact, they are denied. And I have the details of the letter with me. If you would like me to go into specifications on that, I can certainly do that.

But there is a defined process for them to do that and it tells them and instructs them on the letter if they believe that we have something done in error.

Mr. ORTIZ. And on our side, sir, I mean, we are the primary piece that brings the eligibility part. If the individual is not eligible, the good thing about the fact that they are coming through a one-stop is if they are not eligible for this, there are other programs that we might be able to direct them.

Ms. HICKEY. And if I might add also, Congressman Runyan, there is an interesting thing that we have learned in this few days that we have been in this process even with 12,000 applicants and that is oftentimes our denial is because we have learned that they still have remaining education benefits with us.

And so we do not just tell them they are denied for VRAP. We say you are denied because we have found you have additional benefits and then we do not just make them apply for those additional benefits. We send in the same breath a subsequent letter that gives them their certificate of eligibility for those benefits that they already have on the table.

Mr. RUNYAN. I liked in the same breath because a lot of times, the lag is a huge part in dealing specifically with our benefits.

And with that, Chairman, I yield back.

The CHAIRMAN. Thank you very much.

Mr. Michaud.

Mr. MICHAUD. Thank you very much, Mr. Chairman, for having this very important hearing.

And I have a couple of questions. The first is I have heard from several small towns and cities and county government the fact that they are looking for firefighters as well as police officers. And when you look at the unemployed in the military, particularly for the military police, they would like to hire veterans.

Under the VOW Act, what are you doing to help encourage the municipal towns to hire veterans for police officers and what is available to them? That is my first question.

My second question is, having done several manufacturing tours throughout my district over the past year, one of the things I hear a lot from businesses is they would like to hire more employees, but they found that they are not trained.

When you look at the extension partnership program, the MOST Program, I do not know if you are familiar with it, it stands for mobile outreach skill training, in Maine, it is MEP, they go into these businesses and actually are willing to train. And they guar-

antee a job after the training or else they do not get paid for the training.

Are you working with extension partnership programs throughout the country in that regard since they do guarantee jobs and do you have the resources needed?

So I do not know who wants to, both of you, or who wants to answer both those questions.

Mr. ORTIZ. Congressman, first of all, I want to hit your first question first, sir.

Firefighters and police officers are on a high-demand list. So as far as VRAP is concerned, this is an opportunity for them to be able to go in there if they meet the eligibility requirements, sir.

On the second part of that, sir, if they do not, we also have local veterans' employment representatives in each one of the one-stop centers, our LVERs, who go outreach and make sure and talk to employers in different places to help them find the skilled persons that they are looking for.

So our one-stops are a very important piece of getting that outreach part and also to get to with the cities, the local communities. That is the biggest piece that we are talking about, working with the communities as much as possible to get that information to us so that way, we can find the proper individuals to help them fill their needs.

Mr. MICHAUD. And what type of benefit will a local community receive since they are tax exempt? Is there any specific—is it the training piece or is there any other benefit under the VOW Act that will be beneficial for the communities?

Mr. ORTIZ. Actually, sir, you know what? I am not really sure on the specifics on that, sir, but I will be more than happy to find out, sir.

Mr. MICHAUD. Okay.

Ms. HICKEY. Congressman Michaud, let me just tell you how we have generally worked with the education programs in relation to this, especially the non-degree programs we started thanks to this committee and the Senate Veterans' Affairs Committee support from the 1st of October of last year where we are allowed to use GI Bill benefits towards non-degree efforts.

We still require your state approving agency to certify the training. And if you have one in every one of your states, I would highly recommend that the counties contact the state approving agency, submit their training program to them, let them go through their normal process, certify it, and then I can cover them under the GI Bill or VRAP for either one.

Mr. ORTIZ. As far as the MOST, sir, the MOST Program, I am going to turn it over to Ms. Kathy Tran since she works specifically on those issues.

Mr. MICHAUD. Okay.

Ms. TRAN. Sure. Regarding our partnership, we have a Federal partnership with the U.S. Department of Commerce and the MEP Program and we have been encouraging local partnerships in communities and regions across the country to partner between the workforce system and MEPs in order to support employment in the manufacturing arena.

And we actually issued a training guidance letter or notice, I cannot remember which one, we can get back to you on that, recently to encourage those partnerships. And that letter included examples of existing successful partnerships at various different levels, whether it be working with MEPs on lay-up provision strategies, working with the MEP to help fulfill, you know, job openings and training.

But also to, just to add to the question earlier, one-stop career centers are available to help local municipalities in their hiring. So they can work to help do recruitment, to do job screening, to post job openings. And so that is a good relationship between the one-stop career centers and those municipalities.

And many local webs, you know, have good representation and good leadership from their city or county councils and such.

Mr. ORTIZ. And, sir, this is not specifically with veterans. This is for all.

Mr. MICHAUD. Okay. Great. My last question actually, if you could submit to the Committee—Secretary Hickey, you mentioned that you have contacted over a hundred counties with the highest veterans' unemployment. Could you supply to the Committee a list of the counties and the states they are from that you have contacted for the record?

Ms. HICKEY. Congressman Michaud, we will do that.

Mr. MICHAUD. Okay. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Mr. Benishek.

Mr. BENISHEK. Thank you, Mr. Chairman.

Thanks for coming before the Committee today.

How many people got rejected or turned down from the people that applied? Was it 20 percent or was it 2,000 rejections or something that I saw?

Ms. HICKEY. Congressman Benishek, so this has only been open for a couple weeks now.

Mr. BENISHEK. Right.

Ms. HICKEY. But even in those few weeks, we have had 12,000 applicants made and of those, we have had 23 percent denied. But of that 23 percent, the bulk of them were denied because they already have existing benefits that they just were not aware they had.

Mr. BENISHEK. Right. That was—

Ms. HICKEY. So there is a few left and in that few that are left, some of them are because we even determined they are not veterans.

Mr. BENISHEK. Okay.

Ms. HICKEY. Some of them are because DoL has confirmed that they do not meet the unemployment aspect. And some of them are because they hit the 48-month maximum limit as provided in the law which says you can only exercise a full 48 months worth of benefits under any employment or any education program with VA.

Mr. BENISHEK. All right. I was just looking at this application form, the on-line application form. So I just want to make sure that I am understanding.

So in my district, there is a lot of need for like welders and machinists, people like that for manufacturing. And, you know, the employers, you know, we want to hire these people, but they do not have the—we do not have anybody with that training.

And I am looking. I am a potential welder. I want to take a welding course. I know there is a welding job available. I did not see like welding on the list, you know what I mean, or machinist. I mean, I see like production occupation which I imagine that would probably go under there.

But it just seems to me that in this application, I am just not clear. It does not seem to be that easy if you already have a job in mind to write it in there. I am just wondering how you go through the process.

I mean, does somebody have a job in mind typically and then they are going for a training program for that specific job or are they just winging it? I mean, I just wanted to see how this actually works in real life. You know what I mean?

Mr. ORTIZ. Dr. Benishek, specifically for the VRAP, sir, we go through a specific criteria. That is the first part. If an individual is trying to find a training program and they—for example, if they do not meet the VRAP piece, but they are trying to find individual programs along those lines, sir, the one-stop shops are the ones where we can help to look at specific items and see what schooling or what training opportunities are available for that individual.

However, if you are talking specifically on the VRAP side of the house, sir, we are going through the basic. If they do not meet—if they meet all the qualifications and they go over to the VA, in other words, they are eligible on our side, they go over to VA, there may be a training program over there.

Ms. HICKEY. So, Congressman Benishek, I will tell you if they have 9/11 GI Bill benefits, I can certainly pay for them, their training to be welders under the GI Bill effective 1 October last year. In fact, any non-degree program, any certification, whether you want to, you know, drive heavy equipment, build highways, be a paramedic, be an HVAC which, in fact, one of the case examples we have permission from the veteran to mention is a Manassas veteran who fits this age group, a little on the older part of that band, and wanted to be an HVAC person, and so we have together processed his claim. He is eligible and we will pay him the VRAP fees for him to go to HVAC training.

Ms. TRAN. I would like to also add, I think, to your question about is there an opportunity for career exploration and there is. The my next move for veterans Web site is an excellent resource and tool for veterans themselves. It helps them identify career opportunities. They can input their MOS and it will show them some civilian equivalencies and then they could do some career exploration.

And what we have done to that site is update it with the VRAP information. So we have done a crosswalk between all the various occupations on the my next move Web site with the VRAP high-demand list so that you can identify those occupations that are also covered under the VRAP high-demand list for training. And so you can do a lot of career exploration that way.

Mr. BENISHEK. So if you are eligible and you go to a state unemployment office, they are going to get you into—say you do not have access to a computer or you are not—you got an email list——

Mr. ORTIZ. Yes, sir.

Mr. BENISHEK [continuing]. And you go to a state unemployment office, they are going to be able to steer you in this direction?

Mr. ORTIZ. Yes, sir. If an individual does not have—one of the requirements to have an email, at the one-stop, we will actually get them an email to get all the information that they need back to the——

Mr. BENISHEK. No, that does not really work if you do not have a computer.

Mr. ORTIZ. Well——

Mr. BENISHEK. I mean, because, you know, in the rural area that I come from, giving the guy an email address is not going to help him communicate.

Mr. ORTIZ. You are right, sir.

But go ahead, Kathy.

Ms. TRAN. So if you do not have a computer to identify where your local one-stop career center is, we actually have a toll-free help line that you can call that will help you over the phone identify where your local one-stop is and that you can then go there and that you would be able to access the internet from that site.

Ms. HICKEY. I would also offer, though, the first choice we would like is for them to access the one-stops because there are more of them. We also have made provisions in our Veterans Benefit Administration regional offices that are in all the different states and our public contact folks in those sites when they walk in and they deal with us, we will help them, assist them in that respect.

And also our medical centers are aware of this provision as well and are helping us to get the word out there as well and all of our clinics and CBOCs as well.

Mr. ORTIZ. Congressman, the bottom line is we are working as hard as we can to make sure that we get the information and help those young men and women that need this, get the information and fill out the application and to not have any kind of barriers to make this happen.

Mr. BENISHEK. Well, I hear you say that, but, I mean, like I have not seen anything myself in the news or, you know, on TV, you know, about this program. You know, if I had not been here on this committee, I frankly would not have known about it. You know what I mean?

I mean, I did not see anything. Maybe it was directed, you know, personally to that person and so I would not have access to that since I am not a veteran in that category. But, you know, I have not seen any national advertising or I have not seen anything in my local paper. You know what I mean?

So I am a little bit concerned about people that do not have access to internet or may not be plugged into the VA system. You know what I mean? So I am a little concerned about that.

Ms. HICKEY. Congressman, you are going to see more information about this in the month of June than you would ever expect to see because this is a critical component of the VA Detroit hiring event

and in alignment with also the small business event is being nationally held in Detroit this year.

So I think every paper and every community in Michigan will be very, very aware of what we are doing in terms of employment opportunities and the tools like VRAP to help do that as well.

Mr. ORTIZ. I would like to add to that, Congressman, as we are actually, as the secretary said, coming this June, we are also working with the local papers directly, especially the urban areas because of the fact we know that sometimes that information does not get out to on the general basis. So we are, in fact, doing that as far as DoL in conjunction with some of our partners also.

Mr. BENISHEK. All right. I think my time is up. Thank you.

The CHAIRMAN. Mr. McNerney.

Mr. MCNERNEY. Thank you, Mr. Chairman.

According to my understanding, the division of responsibility is basically the VA will take care of the training and the DoL would take care of outreach. Is that more or less correct?

Mr. ORTIZ. No, sir.

Ms. HICKEY. Congressman McNerney, I will tell you largely that DoL will handle the face-to-face interaction with the veteran that walks into the one-stop. And then they will handle the verification of employment issues.

The outreach has been largely led by VA in cooperation and support by DoL helping us get to the labor sides of their communities and their stakeholders as well. But that is more a relationship there. We handle once the education claim, processing that claim, making sure that payment is made to that veteran on that side.

Mr. MCNERNEY. Well, that is one of my concerns about the VA is that I do not think the VA is in general doing enough to outreach not just for this program but there seems to be a reluctance to go to the media, to advertise on TV, to put up billboards. I would like to see the VA do more of that in general, especially in this case.

Ms. HICKEY. Congressman, I appreciate your comments and your questions. I will say that we have been to the media quite extensively, the print media and have gotten it out that way quite extensively.

I do not know about billboards except that we have a lot of veterans in many, many, many communities across the Nation and it would be difficult to figure out the expense associated with a billboard in a single community. We would start to, I think, create some discussion around funding that would be a little bit untenable.

We have been online. I have literally done as has the secretary has done on camera interviews about veteran employment issues and about the opportunities for education to help those employment opportunities. And I know that Secretary Ortiz's secretary has done that as well.

So I will let him comment further on that, but we have reached out quite extensively through lots of media, different environments including 75 newspapers nationwide for those communities where the unemployment rate for veterans is the highest. We are not stopping.

Mr. MCNERNEY. So what kind of a budget does the VA have for media outreach?

Ms. HICKEY. Well, Congressman McNerney, we are actually trying to be good stewards here, so we are leveraging our current network operation. We are leveraging the good will of communities and newspapers and others to get this word out as well including all the military alumni groups. All the military times are carrying these for free. Many of the local newspaper are carrying these ads for free.

Mr. MCNERNEY. So, in other words, you do not have a budget specifically for outreach?

Ms. HICKEY. Congressman McNerney, I have not found the need at this point in time, especially when in very short order we have over 12,000 applicants and they are growing every single day. Yesterday it was 11,000. As the chairman well noted today it was 12. If, in fact, we do require, I will be happy to come share that need with you.

Mr. MCNERNEY. Okay. Mr. Ortiz, could you briefly describe what your one-stop centers look like? They are not mobile centers? They are permanent centers, right?

Mr. ORTIZ. Yes, sir. Yes, sir. Depending on the city, we could have anywhere between—oh, excuse me—depending on the state, we can have anywhere between five, ten, twenty one-stop career centers, sir.

Our one-stop centers, what they are is a place where an individual can go, come in and get—

Mr. MCNERNEY. Any individual?

Mr. ORTIZ. Any individual, sir, any individual. However, veterans have priority of service. In other words, they have head of the line privileges.

So they are able to come in and get what they need as far as helping to build a résumé, finding out exactly what educational opportunities they need in order to find a job, what jobs are available in certain places. At times, all you need is somebody to be able to kind of point you in the right direction to get that.

So the one-stop centers are more of a place where if you are looking for a job, we have the opportunity to give you the information that you need to help you find that job, sir, and some of the training also, sir.

Mr. MCNERNEY. Would either one of you sort of describe what you think a successful outcome of this program would be? How do you describe success in sort of general terms?

Mr. ORTIZ. I tell you, sir, my measure of success is that every single person that comes through this program ends up with a job or a career. That is my measurement to success.

An individual coming in through our program as far as eligibility, getting everything that they need, going over to VA, getting their training and everything else, and then after that coming back to us and actually getting a job, that is how I measure success.

Mr. MCNERNEY. Are we going to have report statistics or report on the outcomes—

Mr. ORTIZ. Yes, sir.

Mr. MCNERNEY [continuing]. Of this program?

Mr. ORTIZ. Yes, sir, we will. And as a matter of fact, I will bring it over to Kathy on this one. But the bottom line, sir, is we are capturing all the information on who is going through the program,

have successfully finished the program, and we are going to have measurements, for example, enter employment rate, enter retention rate, and so on so that we can find out specifically, one, the program is effective; two, the program works; and, three, we got individuals jobs.

Mr. MCNERNEY. Mr. Chairman, I will yield back.

The CHAIRMAN. Mr. Bilirakis.

Mr. BILIRAKIS. Thank you, Mr. Chairman. Thank you for this good legislation and thank you for holding this hearing.

I want to ask specifically is there going to be any paid television advertisement? And also with regard to the PSAs, I have not seen any PSAs lately.

Ms. HICKEY. Congressman Bilirakis, we are working with different folks right now for PSAs. In fact, part of the public service announcement to reach out to frankly some of the national athletic teams is part of that strategy. But at this point in time, we have not posted a PSA at this point in time.

Mr. BILIRAKIS. Do you anticipate any paid television advertisements?

Ms. HICKEY. We will work for those kinds of public service announcements that do not require funding.

Mr. BILIRAKIS. Okay. Next question. With regard to the—I have heard from my constituents—with regard to the unemployed veteran who may have exhausted his or her savings and is having a hard time getting back on their feet, they have concerns about possible up front costs, tuition cost, fees, what have you, a textbook cost.

Have you looked into maybe tuition deferral until the veteran receives the payments?

Ms. HICKEY. Congressman Bilirakis, we have not. We have currently a requirement in our program that they must attest at the end of each month that they have attended the training and then we pay in arrears essentially.

Mr. BILIRAKIS. Okay. I would like to follow-up with you on that issue.

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

The CHAIRMAN. Mr. Walz.

Mr. WALZ. Well, thank you, Mr. Chairman.

And thank all of you for being here. Your commitment to our veterans is absolutely unwavering. We understand that and are very appreciative of it.

And also thank you for displaying collaboration amongst agencies. I know it is a tough issue. It is one we always come back to of seamless transition. It is great to see a flow chart that includes several agencies of trying to work this out. And I know that is always a challenge. We are trying to get this efficiency as a part of this.

General Hickey, you mentioned that all of the VRAP applicants are going to be put through a screening process.

How long do you think that will take? Do you know how long that will take?

Ms. HICKEY. So at this point in time when the veteran self-tests on the Department of Labor side, we pick that up directly.

There is actually no manual transactions they must do. It comes directly to us and we have been turning those around very quick, in fact, 1,400 of them in seven days.

But I will tell you when the numbers start increasing. You know, the numbers are smaller now. It is a little easier to do all those. We expect to manage to the same criteria that we do all of our education benefit programs.

And so today for an original claim of any kind of nature, it varies between 24 and 30 days. And for a supplemental claim, meaning I am already in school, I already know who you are, I just need next month's payment, it happens very quickly in less than ten.

Mr. WALZ. Those are targets you set so that we——

Ms. HICKEY. Yes.

Mr. WALZ [continuing]. End up that we are going to manage this so that we do not have a backlog in VRAP claims then that we end up dealing with? You think we can stay on that? It will be pretty much a turnover as they enter the system?

Ms. HICKEY. We do, Congressman.

Mr. WALZ. That is great.

Also, General, you mentioned, and it was really good to hear and I know Mr. Runyan mentioned that, about in the same breath you talked to him about you still have benefits available with that.

And I know this is fairly common amongst guardsmen or whatever, I myself did that, I used 9 months at a time, you are off for a while, you use 9 months more of your time or whatever.

What happens with someone who has got benefits left, does not qualify, but it is too small to actually get them a degree?

That was a problem we had about not directing folks, about having some problems where bits and starts of education, but they do not have a certificate, they do not have a degree.

How are we dealing with those?

Ms. HICKEY. So thank you, Congressman Walz, for your question.

I will say that first it is important to note that this program does not extend indefinitely. It ends on March 31st, 2014. So it would have to be in the provisions of that time frame——

Mr. WALZ. Yeah.

Ms. HICKEY [continuing]. For us to be able to do anything. But we do send in the letter when we send it back to say, you know, we denied you for VRAP, but that is because you have GI Bill benefits left.

Mr. WALZ. Right.

Ms. HICKEY. We do say if you run out of those ben—here is what you have left. If you run out of those benefits, you are still able to then after you have exhausted——

Mr. WALZ. Is there the potential here that we ask someone to use 2 months of benefits and not really have any desire to get much out of that and then come to you?

I mean, this does happen. Am I wrong about this, that there are people that fall into that hole?

Ms. HICKEY. Congressman Walz, there is always the likelihood that that could happen. In that case, we would encourage them to immediately apply——

Mr. WALZ. Right.

Ms. HICKEY [continuing]. For VRAP benefits——

Mr. WALZ. That is great.

Ms. HICKEY [continuing]. In that process.

Mr. WALZ. Okay. But it is aware of that. You are there. There is communication with them. And I am not sure what more we can do actually at that point without changing a lot of the details to transfer that over. That is just a catch 22. I appreciate that.

Mr. Ortiz, this one is for you. You targeted 200 occupations veterans can receive further training in.

Do you happen to know how many of those require Federal or state certification?

I ask this because of this Vet Skills Bill that we are trying to promote of transferring, whether it is a, you know, CDL license or whether it is physician assistants to work at the Mayo Clinic.

Do we have any idea on those numbers?

Mr. ORTIZ. You know what, sir? I was just looking at the list itself and I am not aware of those right now, sir. I will be more than happy to get back to you.

Mr. WALZ. That would be great because I think then what we are trying to match up, and I think DoD has been very open to this, of trying to figure out what those certifications are, make sure that training is available, make sure we target these folks. And it is something we see.

And I guess it is blessed in different parts of the country. In Rochester, Minnesota, we have a 3.9 percent unemployment rate. The problem we have there is 275 manufacturing jobs and they do not have qualified applicants because they need certain certifications, whether they would be.

I think that is a perfect place for us to target our vets, make them top of the list, get them in. And that is what we are trying to do with that bill if it meshes with what you are doing.

Ms. HICKEY. And, Congressman Walz, that is exactly the target of the 1 October provision of the GI Bill last year.

Mr. WALZ. Right.

Ms. HICKEY. So we can pay for those certifications and not just one. If you happen to be in a tristate area, you need to do business across the line in Wisconsin or somewhere else with different licensing requirements in those states, we can pay for those as well.

Mr. WALZ. That is great.

Well, again, I thank you all for the way you have taken this on, the aggressive lean forward on this. I am excited about it. I think you, you know, you understand that this is really important stuff and there is a lot of eyes watching you.

And you are hearing my colleagues say we want to see this on TV. I told Mr. Barrow he wants to see it on a NASCAR so that his folks see it. Those are the things somehow that we—that it gets out there.

But I appreciate. I think the spirit you have tackled this is exactly what we wanted to see. So I thank you.

And I yield back.

The CHAIRMAN. Mr. Stutzman.

Mr. STUTZMAN. Thank you, Mr. Chairman.

And thank you to you all for being here today and for your work as well with our veterans.

I would like to just kind of follow-up a little bit on Mr. McNerney and also Mr. Bilirakis' questioning regarding the funding that you are going to be using for outreach.

Mr. McNerney asked how much money do you have budgeted for this. There is not a line item if I understand that correctly.

But do you have an idea of how much money you are going to be using for outreach, you know, collectively including, you know, if you are going to be using TV, if you are going to be using radio, PSAs, social media, all of the numerous types of communication that you have available to you? And then if you could get some sort of an idea and then how do you plan on tracking the success of those?

Ms. HICKEY. So thank you, Congressman Stutzman, for your question.

We have not exhausted the ability for us to ask of this Nation and its businesses and others to, including the press and the media, to carry these as public service announcements with no cost to the government on behalf of our veterans who have served in harm's way and need and require us to take care of them now that they are coming home and getting back to work.

When I have fully exhausted that, then I will consider budgetary needs. But as a good steward of the resources that you all give us every single day, I just am disinclined to go there first.

I will say that we have funded the staff required to process the claims and they are teed up in also our fiscal year 2013 budget submission as well. So we have done that and that is where—you know, we are working with that and have 166 people that are processing claims or FTE that are processing claims, these claims as well.

Mr. STUTZMAN. So if you are not using dollars that are budgeted and you are maximizing your efforts outside of tax dollars, how are you going to determine success? How do you know that you are reaching those veterans that need to hear what is available?

Ms. HICKEY. We can manage certainly and we do have metrics on the click rates for all the different Web sites. We have responses, opening of responses and forward feeding. But I will tell you our strategy has been a little different than simply getting to the actual veteran in question because we know some of our veterans are not online and are not to some of those avenues, are not even seeing us in VA for anything at this point in time.

So we have found as we address the emails not to just are you a veteran, do you know you have these potential benefits, but we are saying do you know a veteran, do you know someone who has served this Nation that deserves this opportunity for this benefit, and can you please transmit this information to them.

We have actually seen in this original 12,000 we have had apply in the last couple weeks that some of them are actually getting the benefit of another veteran passing along that information to them. We are leveraging that network.

We are also leveraging our veteran service organizations who are well connected to our veteran communities across the Nation as well as DoD. In fact, the Defense Finance Accounting Service has agreed to send contact information to every single veteran they pay

for anything including retirees and civilians, the information on VRAP as well.

We know by that count how many different touch points we have made.

Mr. STUTZMAN. Because it sounds a little bit like you are taking more of a bird shot approach. You are just blasting it out there and hoping that it hits the targets that we are hoping to get the message to.

Could you talk a little bit about, you mentioned using professional sports as a tool to get the message out as well. Have you found success with that because there is an effort to prohibit the military from recruiting through NASCAR and other professional sporting events? Do you find that successful?

Ms. HICKEY. So, Congressman Stutzman, we are talking about a public service announcement, not a recruiting effort.

Mr. STUTZMAN. Right. Correct. But I am—

Ms. HICKEY. In fact, we have the Florida Marlins, one of the chairman's state professional teams, has agreed to every Monday night at their home games to run a public service announcement on their trons to get to people who love that sports, veterans who love that sport and let them know about it.

We are also in conversations with others, about five or six other major national sporting activities as well.

Mr. STUTZMAN. And you are finding value with that?

Ms. HICKEY. We will see as soon as we execute. They have not started yet. We are hoping they start soon and we will provide them all the materials they need to do that soon.

But I will say I have not seen a lack of response to date. We have been doors open less than, how many days since the 15th of May, less than 2 weeks. And in that 2 weeks, literally 12,000 people, almost 1,000 people a day applying for this benefit.

Mr. STUTZMAN. Okay.

Ms. HICKEY. We will watch it closely to see if there is any trends to trickle up and, if so, we will re-engage with our DoL partners and others to recycle and make sure that we are getting the word out even further.

Mr. STUTZMAN. So you think there is a chance of hitting the 45,000 application limit?

Ms. HICKEY. If history for the last 2 weeks proves itself, I do, sir.

Mr. STUTZMAN. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. Secretary Hickey, do you think the VA and DoL are responsible for all of the 12,000 applicants or whatever the number is, 12, 13 thousand applicants? I mean, you speak as though you think your plan is what brings them all in. Is it VA and DoL that—

Ms. HICKEY. Chairman Miller, this is an all hands on deck and we have reached out to many, many stakeholders as I sort of listed out. And I will prevent you from having to listen to me list them again now.

But it is many of our partners including Members of this committee who are helping us to get that word out.

But, no, I do not believe that we are doing this by ourselves nor is it our—but I do believe we have the responsibility to you.

The CHAIRMAN. Excuse me. You say you reached out to Members of Congress and that is what caused us to reach out to get the word out?

Ms. HICKEY. No, sir, not at all. No, Chairman Miller, not at all.

The CHAIRMAN. If I could draw your attention to the budget hearing back on February 15th, a question after the hearing was submitted for response. Basically the question was regarding the VOW to Hire Heroes Act Program.

Does the outreach plan include funding for a national advertising program?

This was the response. "Although the communication plan is currently under review by VA and DoL, we anticipate that the final plan will include a national advertising budget."

Do you have it?

Ms. HICKEY. Chairman Miller, I have not needed to have a budget yet for all the great advertising that has been done and all the help of all of our stakeholders including you—

The CHAIRMAN. I do not know that I have ever heard an individual come into a committee and say they did not need a budget. And you have said twice now before this committee that you do not need a budget.

VA is still evaluating how much of the fiscal year 2013 outreach budget will support outreach efforts associated with the VOW to Hire Heroes Act of 2013.

You had Members from both sides of the aisle ask you about the budget and you say you do not need one.

Mr. Barrow.

Mr. BARROW. Thank you, Mr. Chairman.

I have only to add my thanks to the witnesses for your service and what you are all doing. And I want to add my support to what you all are doing.

With that, Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Any other questions?

Mr. Michaud.

Mr. MICHAUD. I just have one follow-up question.

You mentioned you have the one-stop shops. Of course, a state like Maine and other states are very rural so it is very difficult for veterans to even get there to get the services that they need.

And I guess what I would like to know is what are you doing to really access the veterans that live in real rural areas to make sure that they know about these particular programs?

And a follow-up on my previous question as it relates to the MOST Program and programs are approved with an associate's or certificate is how do you determine a certificate because I know actually when I first started working after I graduated from high school, I took an on-the-job training and I got my, you know, certificate at the mill that I worked at, so how do you determine who really qualifies for a certificate to meet the needs that are out there?

Mr. ORTIZ. Well, sir, what we do is we go through all of our specific records on finding the individuals unemployed, if they have utilized their unemployment insurance, and any kind of eligibility on the Department of Labor side of the house, sir. That is how we determine their eligibility.

As far as giving us information like DD214 that shows they are a veteran, that kind of thing is what we do on this end, and we say, okay, or I got to tell you if the individual comes in and does not have their DD214, basically they sign off and say, yes, I was a veteran and we take them for their word. We check all the other information based on their Social Security number and everything else.

Once we find out that they meet the criteria on that, we pass it over to the VA side of the house. VA has the capability of being able to find out if they are a veteran because of DD214s and things of that nature, however.

So the eligibility piece, we do a fairly good job of doing that. And both of our agencies work really hard to make sure that happens, not only an eligibility that they may already have or they may not have known that they had but also in making sure that that gets taken care of.

So that takes care of that part, sir. But to answer the congressman's question as far as getting the information out there to rural areas, especially those areas, I would think, you know, we are in contact specifically with the workforce agencies and all the agencies within the states themselves.

As an example, sir, this is the kind of language that we did for the Maine DoL and the VETS agency. We basically turned around telling them, you know, first of all, the Maine Department of Labor veterans' team extends our thanks in military service and so on.

So we are working hand in hand not only with the one-stop shops but also the specific state workforce agencies and the communities themselves, sir.

The fact of the matter is although you may not be able to get to a big one-stop, if you will, there are community efforts within each one of the city and state councils that are able to find that information and pass it on.

The third thing and probably one of the most important things that I am able to have is the fact that I have LVERs out there, local veterans employment representatives, that actually reach out to employers and to veterans and let them know what is going on, to advise them of the different opportunities available. Plus I also have a state director in each one of the states that helps it.

Go ahead, Kathy.

Ms. TRAN. I would also just like to clarify the eligibility questions that the Department of Labor is responsible for for VRAP.

I think when Junior was mentioning, you know, whether or not you are a vet and if you have a DD214, that is if you come into one-stops for other services. But as part of VRAP, we determine, you know, we determine eligibility around age for 35 to 60 if you are unemployed and if you have participated in a Federal training or education program in the last 180 days.

The other resource I do want to mention to folks who are in rural areas and cannot physically access a one-stop, again, is that toll-free help line that I mentioned earlier. It is an 800 toll-free number. Anybody can call and it will just—the operator who answers will help identify various programs, whether they are ours or other related social services that you might be eligible for or interested

in including VRAP. So that is part of our script, that we are sharing that information that way as well.

Mr. MICHAUD. Well, on the first part of that question was more to who is qualified not as an individual but who is qualified to provide the training for those particular programs because that is the concern that I have is who is qualified for the training, because when you talk to a lot of businesses, and I will get back to the extension partnership program, they guarantee that they will have a job once they finish the training program?

So my concern is whether it is VA or DoL saying, well, you know, your program, your certificate is no good, you know, we need something else, but, yet, they might actually be able to provide a job for a veteran. So that is my big concern is the eligibility qualification for the training portion of it.

Mr. ORTIZ. Sir, I got to tell you I think my understanding is, sir, that once the individual goes into, especially VRAP, they go into a program, that the program that they are going into, and correct me if I am wrong, Secretary, is the program they go into is usually a program that is certified by the VA that they are—that when they come out, we will give them what they need or at least the tools they need to be able to find a job.

Ma'am.

Ms. HICKEY. So, Congressman, the actual provision is that the state approving agencies certify that the training is good and competent. The schools are all doing, and whether they are degree schools or non-degree schools, are all doing appropriate things to resource the veterans' training environment.

So if they are approved by a state approving agency, then we pay the requirement.

Mr. ORTIZ. And along those same lines, sir, I mean, and my team, I happen to have a great team behind me which helps me out, if the law requires that the training provided by a community college or a technical college is what is needed in order to—that is the certification that they need in order to find a job, sir.

The CHAIRMAN. Thank you, Mr. Michaud.

Thank you very much to both of you for being here today.

Again, any of the comments and questions that we made are just to help in trying to get the program running better. I think this committee feels that a good job has been done to date.

There are always going to be, as Mr. Ortiz says, some hiccups somewhere down the road, but let's make sure that we do the very best that we can for those unemployed veterans that are out there and helping them access this training.

I do want to say before we adjourn, take a moment that on June 1st, which is Friday, I guess that is tomorrow, is the 25th anniversary of the Montgomery GI Bill named after the former chairman of this committee, Sonny G.V. Montgomery. The bill was the premier education program for a generation of veterans and it continues to serve us today as we use it for the framework of the VRAP.

Therefore, I think it is important that we commemorate its use by millions of veterans around this country. So I want to ask and invite each of the Committee Members, if they will, to join me in issuing a bipartisan press release on this about the program and

its author. And if you would provide a short statement to Amy Mitchell, our communications director, we will include in the release.

And with that, I ask unanimous consent that all Members would have five legislative days to revise and extend their remarks and add any extraneous materials to this hearing. And hearing no objection, so ordered.

And I want to thank everybody for attending today, and we are adjourned.

[Whereupon, at 11:49 a.m., the Committee was adjourned.]

A P P E N D I X

Prepared Statement of Chairman Jeff Miller

Good morning to everyone.

We just spent last weekend honoring the Nation's defenders who are no longer with us. Now it is time for us to focus on those who still need our help in securing a good job, and I welcome Under Secretary Hickey and Deputy Assistant Secretary Ortiz today. I am eager to hear how the Department of Veterans Affairs and Department of Labor are progressing in meeting the goals of the VOW to Hire Heroes Act of 2011.

The VOW Act is a bipartisan, bicameral effort to reduce unemployment among veterans. While every provision in the law is important, I believe the centerpiece of the Act is what is being called the Veterans Retraining Assistance Program or VRAP (VEE- RAP). Of the approximately one point seven billion cost for the bill, which was paid for, one point six billion was spent to allocate up to a year of GI Bill benefits for nearly one hundred thousand unemployed veterans between the ages of thirty five and sixty. The balance funded Chairman Murray's vocational rehabilitation provision and the tax credit suggested by the President.

The VOW Act is an excellent example of what we can do when we work together, and I thank the Members on both sides of the aisle for their support and continuing interest in the Act's success.

Today, we are going to hear from Senior Officials tasked with implementing all the provisions of the law. I have asked them to concentrate primarily on VRAP. I am looking forward to hearing how they are setting the stage for a successful launch on July 1.

While I am impressed by the level of effort being made by program level-staff at both departments, I am concerned that not enough is being done by either cabinet secretaries, or the President himself, to promote this benefit.

Getting the message out about this opportunity is critically important to putting unemployed veterans on a path to a job in a high-demand field.

Clearly, aggressive promotion by the nearly three thousand One Stop employment centers are the key to filling the ninety nine thousand training slots authorized by the VOW Act. Let me give you just one example of why I am concerned that despite VA's significant outreach efforts, for which I commend them, problems are still arising. Staff was contacted by a community-based organization in Georgia about what appears to be a lack of effort to get the program started.

Shortly after passage of the VOW Act, the organization contacted the Augusta One Stop Employment Center about how to enroll unemployed vets in the program. They asked again in mid-March and the DVOPS and LVERs were still not aware of the program. Two weeks later, Augusta told them the Georgia Department of Labor was not aware of VRAP. In early April, both the Georgia and South Carolina Departments of Labor stated they were waiting for policy from DC. In late April, there still appeared to be little understanding of how the program would work. It appears that finally, on May 11th, 2012, a mass email from VA was released detailing how the program would be implemented, only 4 days later on May 15th.

Obviously, if that is typical of the level of awareness at the One Stop Centers, we have big problems. Secretary Ortiz, unless your Federal staff here in DC and in the states are contacting the disabled veteran outreach program specialists and local veteran employment representatives in the One Stop Centers, there is no way you are going to know whether the word is getting out and how the One Stop Centers intend to fill the training slots. I truly hope the case I just summarized is an isolated case, but I am not convinced that it is.

Having said that, I am pleased to see that over eleven thousand six hundred applications have been received so far, meaning that we are well on our way to filling all of the forty five thousand slots paid for in the VOW Act for the remainder of this fiscal year.

I also encourage each of the Members to make a strong effort in their districts to get the word out about VRAP so that we see the unemployment rate among veterans in their prime earning years continue to decrease.

I want to share a story about one my constituents, Mr. Todd C. Buchanan. Mr. Buchanan is a 35 year old veteran of the U.S. Navy. He learned about the VRAP program through an advertisement that the local one-stop ran in the local newspaper. He was excited to learn of this "*second chance*" for Veterans, as his GI Bill benefits had recently expired. In response to the newspaper advertisement, Mr. Buchanan scheduled an appointment to review his options with a local Veterans Employment Representative.

The veteran and veterans' employment representative cross-walked the VRAP high demand occupations with the Okaloosa and Walton counties fastest growing occupation list, and considered the veteran's aptitude and interest. Mr. Buchanan was enrolled through VA's online application and will register at the Choice Technical Center for a welding certificate.

I submit to the Committee that Mr. Buchanan is the type of veteran that this program is meant to help, and hopefully it will provide him the training he needs.

This bill passed with broad bipartisan and bicameral support and we owe it to taxpayers and veterans to ensure it is implemented properly.

Prepared Statement of Hon. Corrine Brown, Democratic Member

Thank you Mr. Chairman for holding this hearing on the Veterans Retraining Assistance Program.

I welcome this opportunity to hear what preparations have been done so far by the Department of Veterans' Affairs (VA) and the Department of Labor (Labor) to implement the Veterans Retraining Assistance Program. I hope that both agencies are working together because the start date of July 1, 2012 is right around the corner. We need to be proactive in marketing this program and identifying pitfalls that could derail this program.

The retraining program is limited to 45,000 participants from July 1, 2012, through September 30, 2012, and 54,000 participants from October 1, 2012, through March 31, 2014.

Since money for retraining programs is very difficult to find these days I hope that both agencies understand how important it is that we place a veteran in every slot. This program will run for a short period and we need to make sure we make the most out of the limited time that we now.

The Bureau of Labor statistics reports that in 2011 about 5.9 million veterans had served on active duty from the Gulf War era I to the Korean War. Therefore, I expect Labor and VA to find more than enough veterans to fill all the slots that they will have available. It would be a tragedy if we do not help veterans take advantage of this opportunity.

I know that employees from VA and Labor were here last week to brief Committee staff on key milestones and current status. I appreciate everyone coming here again to answer more questions.

Since the retraining program started accepting applications I would like to know if there have been any problems. The key thing that I am looking for today from both agencies is honesty on where the program stands today and assurance that all problems are being resolved. Do not wait until the last minute to tell us that there are problems that would derail this program. We need to know in a timely fashion if there are any problems with the program roll out and if any changes are needed to make sure this program is successful.

The Bureau of Labor statistics reports that the overall unemployment rate for veterans is 8.3 percent for 2011. The 12 months that veterans are now eligible for should be a springboard to better employment in this very difficult job market. The Department of Labor has listed 210 high demand occupations for the Veterans Retraining Assistance Program.

I would like to ask that the Department of Labor keep an open mind if opportunities arise to increase the number of high demand occupations. In this very poor economy we should allow veterans to pursue all worthwhile occupations that lead to gainful employment.

The VOW act includes the extension of tax credits that were a key part of the President's agenda. The act expands the definition of qualified veteran in the Work Opportunity Tax Credit (WOTC) to help spur veteran hiring in the private sector by giving employers a tax credit. The VOW act also extends the current categories for veterans receiving Supplemental Nutrition Assistance Program (SNAP) benefits.

The President should be commended for his leadership and continuing hard work in getting veterans hired.

Thank you Mr. Chairman I look forward to hearing from the witnesses here today.

Prepared Statement of The Honorable Allison Hickey

Good morning, Chairman Miller, Ranking Member Filner, and Members of the Committee. I appreciate the opportunity to discuss the actions taken by the Department of Veterans Affairs (VA) to implement the provisions in title II of Public Law 112-56, the VOW to Hire Heroes Act of 2011. I am accompanied today by Mr. Curtis L. Coy, Deputy Under Secretary for Economic Opportunity, VBA.

My testimony will discuss implementation of the relevant sections of the legislation, with particular emphasis on section 211. I will also review VA's outreach activities aimed at enrolling individuals in the Veterans Retraining Assistance Program (VRAP) and promoting the enhanced services provided by VA's Vocational Rehabilitation and Employment (VR&E) program. VA is committed to successfully executing, in collaboration with other agencies and stakeholders, all provisions of the law for which we have responsibility.

Section 211—VRAP

Implementation

VA and the Department of Labor (DOL) collaboratively developed the VRAP application process and the requirements for the information technology (IT) system changes to support this process. To efficiently leverage existing systems, VA modified its application for VA education benefits for use by the VRAP applicants. The VRAP application is available online at www.benefits.va.gov/VOW, a Web site developed specifically for portions of the VOW to Hire Heroes Act. This site can be accessed through eBenefits, the GI Bill Web site, DOL Web sites, and numerous other Web sites. Additionally, Veterans can visit their local DOL One-Stop Career Center locations for application assistance. Applications can be submitted through VA's Veterans' Online Application (VONAPP) Web site. To be eligible for participation, DOL must determine that the applicant is unemployed, not enrolled in any Federal or state job-training program, and is between the ages of 35 and 60. VA verifies the applicant's Veteran status and type of discharge, and confirms that the applicant has no other VA education benefits available for use, and is not in receipt of compensation for a service-connected disability rated totally disabling by reason of unemployability. After eligibility has been established, the applicant identifies his or her intended high-demand occupation category and applicable training institution. Information about the high-demand occupations, identified by DOL, is available on VA's VOW to Hire Heroes Web site as well as DOL's Web site.

VA began accepting VRAP applications on May 15, 2012, earlier than our original deadline of June 1. In April, VA education claims personnel received training necessary to process VRAP applications and provide notifications of eligibility decisions to applicants through issuance of certificates of eligibility. Claims examiners will use existing systems to process claims and follow similar procedures to those for other benefit programs. VA has provided instruction on aspects of the program that differ from existing benefits. VA's claims processing IT systems were modified to process and issue payments to VRAP participants. Once the school certifies enrollment for the VRAP student, his or her claim will be processed in the same manner as Montgomery GI Bill claims, using the Benefits Delivery Network. VA will review daily reports on the number of approved participants to ensure compliance with the parameter of the law to approve only 45,000 applications prior to October 1, 2012.

To ensure this program's success, VA and DOL staff and leadership continue to collaborate and develop implementation strategies, share information, and participate in biweekly meetings to track progress. Internally, VA staff and project managers meet daily to discuss implementation status and ensure we remain on track to meet the July 1, 2012, implementation date.

Outreach

A comprehensive outreach program was developed to successfully launch and implement VRAP. Reaching the target population of 35 to 60 year old unemployed Veterans presents challenges. According to the latest data from the Bureau of Labor Statistics, approximately 400,000 unemployed Veterans are between the ages of 35

and 60. If VA and DOL are successful in signing up 99,000 Veterans, then one in four unemployed Veterans in this age range will participate in VRAP. A centralized system to identify eligible Veterans does not exist. Therefore, VA and DOL are working with their numerous stakeholders to reach eligible Veterans, including: other Federal, state, and local government entities; Veterans service organizations; non-profit organizations; military associations; military alumni associations; and private companies. The central component of this outreach plan is the VOW Web site. Outreach materials and postings on various Web sites direct interested Veterans and organizations to the VOW Web site for additional information. Frequently asked questions, employer information, and VOW fact sheets are also available on the web page.

VA and DOL are working collaboratively to ensure all DOL One-Stop Career Center office staff have the information and tools they need to successfully assist Veterans in applying for VOW benefits. VA will continue to work with DOL to reach as many Veterans as possible.

Prior to opening the VRAP application period on May 15, information about the VOW to Hire Heroes Act was posted on the Web sites of numerous organizations, including: DOL, Army (MyArmyBenefits), America's Job Exchange, Military.com, American Legion Department of Illinois: First Division, Together We Served, Vets Rock, and Blue Star Families.

VA developed an outreach and communication strategy that focuses on several areas. This strategy leverages multiple outreach methods to ensure that VA reaches the target population of 35–60 year old unemployed Veterans. We have implemented a comprehensive mix of web-based outreach and direct stakeholder engagement to reach Veterans who may not use the internet as their primary method of learning about benefits.

Emails and Letters

Since March 2012, VA has emailed individuals and groups with the potential to reach over four million Veterans. VA emailed: 121,000 Veterans and 2,700 employers who use VetSuccess.gov, over 16,000 registered VA4Vets users, and over 80 non-profit organizations. We have also posted a message on the eBenefits message center. The results have been encouraging. For example, the Defense Finance and Accounting Service (DFAS) will distribute VRAP information to all Servicemembers, National Guard and Reserve members, military retirees, and Federal civilian employees.

VA used data from the Bureau of Labor Statistics to identify areas with the highest Veterans' unemployment. VA emailed the local government officials in the 100 counties with the highest Veterans' unemployment to request their assistance in sharing the message about the VRAP program and VA's acceptance of applications starting on May 15, 2012.

This month, VA initiated a VRAP email campaign to individuals who contacted VA via our electronic internet inquiry system within the past 6 months. VA also developed an email subscription that allows individuals to sign up to receive emails regarding the program. As of May 15, 2012, VA delivered over 460,000 emails, which were viewed or opened by 23 percent of recipients (which is 12 percent above the average "open rate" according to MailerMailer®). Additionally, we reached out to several direct-mail organizations to explore the potential for limited direct-mailings to Veterans.

Social Media

VA is leveraging its social media to reach the target population. As of May 14, we have posted 15 Facebook messages on the Post-9/11 GI Bill, VBA, and VA Facebook pages to publicize information about VRAP. The posts provide general program information and salary outlooks for specific high-demand career fields. These posts yielded over 1,600 "shares," 1,200 "likes," and 250 "comments." VA has posted 13 tweets on the VA and VBA Twitter accounts, which resulted in 174 "retweets" and 37 "favorites." Also, on May 10, 2012, VA posted a blog entitled "Coming Soon: A Program to Retrain Vets." Additionally, on May 15, the day VA began accepting VRAP applications, the White House's Joining Forces Team sent out a blog notice that reached almost 1.4 million individuals.

VA met with representatives from Google and is developing plans for advertisements on the Web site in June. We posted VRAP information on Web sites of more than 20 LinkedIn groups that include about 235,000 members. The groups included military networking groups, Veteran groups, and industry networking groups.

Media and Partnerships

Several newspapers and media outlets have or will publish free of charge VRAP advertisements. Publications include: Federal, Air Force, Army, Navy, and Marine Corps Times; the Fayetteville Observer (Fort Bragg); and the San Antonio Express News. These papers have a readership of over 300,000 subscribers, which does not include the free Military Times publications provided to military units. Additionally, many companies have agreed to include VRAP information on their Web sites and in their newsletters.

VA is working with employers and community organizations to distribute information about VRAP. VA routinely monitors media coverage of Veterans' employment to find and post information regarding upcoming job fairs and events on VA Facebook pages and Twitter accounts. In recent months, VA has highlighted VRAP in a variety of interviews and articles related to Veteran unemployment. Media outlets publishing information from VA include: the Atlanta Journal, USA TODAY, the Wall Street Journal, and the Pittsburgh Gazette.

VA is using available internal and external mechanisms to reach as many unemployed Veterans as possible. VA held numerous meetings and discussions with stakeholders, such as the United States Automobile Association, LinkedIn, Armed Forces Services Corporation, and the National Governors' Association. VBA collaborated with VA's Center for Faith-based and Neighborhood Partnership office, which will outreach and provide program information to over 1,200 community organizations, and Veterans service organizations, Veterans alumni groups, non-profit organizations that serve Veterans, and community organizations in states with high unemployment rates. VA asked State Approving Agency partners and over 900 vocational rehabilitation contract counselors to carry our message. VA field staff continue to participate in local job fairs, and we have placed particular emphasis on the U.S. Chamber of Commerce's Hiring Our Heroes Job Fairs. VA will also conduct a three-day Hiring Fair and Open House from June 26–28, 2012 and its annual National Veteran Small Business Conference and Expo.

All of VA's outreach efforts are focused on distributing information about VRAP and directing individuals to the VOW Web site for additional information. Prior to VA accepting VRAP applications on May 15, there were almost 17,000 visitors to the VOW Web site, and over 13,000 unique individuals signed up for VRAP emails.

Section 222—Individualized assessment on equivalence between military occupational specialty (MOS) and qualifications for private sector employment

The Department of Defense (DoD) will provide the individualized assessments to Servicemembers and share the assessments with DOL and VA following the study that DOL expects to begin by October 2012 and complete in November 2013. VA's VR&E Service is collaborating with DoD and DOL on the scope of the study. VA uses the assessments to develop education and employment goals for transitioning Servicemembers who have applied for education or VR&E benefits. This provision of the law will enhance our beneficiaries' ability to meet their academic and career objectives.

Section 231—Two-year extension to provide Vocational Rehabilitation to Servicemembers

A memorandum of understanding (MOU) between VA and DoD is in place that covers this 2-year extension, and VR&E Service has issued procedures for immediate implementation. This MOU covers VR&E counseling for Servicemembers transitioning through the Integrated Disability Evaluation System (IDES) at designated locations. Early access to VR&E services and assistance offers Servicemembers resources that aid their recovery, transition, and reintegration into civilian life. Eligible Servicemembers are referred to VR&E if they are: evaluated by a DoD or VA physician and are determined to have a severe injury or illness that could cause their referral into IDES; assigned to a Service's Wounded Warrior Program and are participating in the Education and Employment Initiative (E2I) program; or being processed through IDES and referred to a Physical Evaluation Board. The IDES project plan, which provides for 110 VR&E counselors to be stationed at selected IDES sites in FY 2012, will enable aggressive implementation of this section. VR&E Service issued guidance and began providing these services in February 2012 at Fort Campbell, Kentucky; Nellis Air Force Base, Nevada; and the Naval Medical Center in San Diego, California. Additional locations have been identified, and VA is coordinating with DoD to secure the space needed for full implementation.

Section 232—Expand VA authority to reimburse salaries of Veterans' participating in a VR&E program

Section 232 of the bill allows VA to expand the Special Employer Incentive (SEI) program to Veterans participating in a VR&E program, even if the Veteran has not completed a training program under VR&E. VR&E issued procedures and staff training to implement this provision in January 2012. Employers who hire Veterans will receive up to a 50 percent reimbursement of the Veteran's salary during the SEI program, which typically lasts up to 6 months, while also receiving supplies, equipment, uniforms, and any necessary accommodations. VA is responsible for determining eligibility, and participants have an increased chance of being hired for permanent employment. Veterans learn valuable skills in practical settings while receiving one-on-one support from their Vocational Rehabilitation Counselor or Employment Coordinator.

Section 233—Additional VR&E services to Veterans with exhausted rights to unemployment benefits

VR&E has worked with DOL to identify and conduct outreach to Veterans who may qualify for an additional 12 months of vocational rehabilitation services under section 233 of the VOW to Hire Heroes Act. VR&E instructed field personnel to begin accepting referrals and applications in February 2012. VR&E issued final procedures and training to the field in May 2012, so that individuals may begin rehabilitation programs by June 1, 2012, the effective date of this provision.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions you or other Members of the Committee may have.

Prepared Statement of Mr. Ismael "Junior" Ortiz

Good morning Chairman Miller, Ranking Member Filner, and distinguished Members of the Committee. Thank you for the invitation to participate in today's hearing on "Reviewing the Implementation of Major Provisions of the VOW to Hire Heroes Act of 2011." As I stated when I testified before the Subcommittee on Economic Opportunity in December, the VOW to Hire Heroes Act of 2011 is an important part of the Administration's efforts to ensure that America fulfills its obligations to our returning Servicemembers, Veterans, and their families.

President Obama, Secretary Solis, and Secretary Shinseki are committed to serving these brave men and women as well as they have served us. In support of this goal, the Department of Labor (DOL) is working to implement the VOW Act along with other new initiatives to train, transition and employ Veterans. These initiatives are in addition to the core programs DOL has been administering for decades, providing Veterans and transitioning Servicemembers with critical resources and expertise to assist and prepare them to obtain meaningful careers, maximize their employment opportunities, and protect their employment rights.

DOL is fully committed to serving our transitioning Servicemembers, Veterans and their families through our current programs as well as new initiatives like VRAP. DOL ensures that Veterans, disabled Veterans and eligible military spouses receive priority of service by the staff of all DOL-funded employment and training programs including the many programs operated out of the approximately 2,800 One-Stop Career Centers (One-Stop Centers) that serve as the cornerstone for the Nation's workforce investment system. As you know, much of the Department's work with Veterans and other eligible individuals is concentrated on maximizing the employment and training opportunities developed through strong relationships with the State Workforce Agencies. DOL has decades of experience working with the employer community, at both local and national levels, to recruit, train, and find employment for Veterans and transitioning Servicemembers.

As a result, we are able to provide millions of Veterans with the training, assistance and support they need to find and retain employment. During the last program year alone (PY 2010), DOL served over 1.7 million Veterans in various employment and training programs with strong outcomes. For instance, the annual outcome data reported on December 31, 2011 shows that nearly 570,000 Veterans who were unemployed at the time of their program participation found employment within 90 days of program completion.

The VOW Act has enhanced and added to the programs and services DOL provides to Veterans, transitioning Servicemembers and their families. Since the legislation was enacted in November of 2011, DOL has been working diligently to implement the provisions as I will explain section by section below:

VETERANS RETRAINING ASSISTANCE PROGRAM

Section 211 of the VOW Act established the Veterans Retraining Assistance Program for unemployed Veterans aged 35 to 60. The VRAP, which entitles eligible Veterans to retraining assistance for up to 12 months when they pursue a qualified program or training, must be up and running no later than July 1, 2012. The VOW Act specifies that the Department of Veterans' Affairs (VA) and DOL will jointly administer the process for determining Veterans' eligibility for VRAP. Specifically, DOL is responsible for determining applicants' initial eligibility based on age, employment status, and previous participation in other job training programs. Following DOL's determination, the VA is required to certify applicants based on several additional criteria, such as the conditions of an applicant's discharge from active duty service and his or her eligibility for other forms of assistance. Other DOL-specific requirements include identifying the high-demand occupations that will be the focus of VRAP training, and contacting Veterans within 30 days of completing or terminating the VRAP training to inform them of the employment placement services that are available to them. The VOW Act also requires DOL to work with VA to establish a process for resolving appeals of eligibility determinations made by the agencies.

We are well on our way to fully implementing this program. Early on, DOL established the necessary Memorandum of Agreement with VA to execute this program. DOL then identified over 200 high-demand occupations in which Veterans could be trained. These occupations were selected because they meet the VRAP training criteria and are projected to have high growth rates and/or large numbers of openings based on Bureau of Labor Statistics employment projections for 2010 to 2020 (more than 10,000 national openings and above-average projected growth rates of greater than 14.3 percent over the period). In fact, the more than 200 high-demand occupations represent 14,796,700 total projections over this period. Additionally, DOL has enhanced the *My Next Move for Veterans* Web site to display VRAP information during online career searches, which allows VRAP applicants an opportunity to explore and learn about their career options. After working closely with VA to create an online application process, we began accepting applications on May 15, 2012.

Outreach and Technical Assistance

DOL has been engaged in an extensive outreach effort in collaboration with the VA to inform eligible Veterans, the public workforce system, Veterans Service Organizations (VSOs), and other stakeholders on VRAP. These efforts include the creation and dissemination of fact sheets, press releases, blog entries, email alerts, flyers, and other communication techniques. In addition, both the Veterans' Employment and Training Service (VETS) and Employment and Training Administration (ETA) have issued guidance to their respective constituencies. VETS issued Veterans' Program Letter 7-12, and ETA issued Training and Employment Notice 43-11, which provided information about VRAP to the public workforce system. We will make additional information available as procedures and protocols for implementing the program are finalized. DOL has strongly encouraged State Workforce Agencies, Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVERs) funded by VETS through the Jobs for Veterans State Grants Program, and other workforce system stakeholders, to assist potentially eligible Veterans who come into a One-Stop Career Center, and to reach out to potentially eligible Veterans who have previously received services through the Wegner-Peyser Act, Workforce Investment Act (WIA), or from DVOPs or LVERs. DOL's regional offices will maintain contact with the states, DVOPs, and LVERs, as well as support outreach by providing technical assistance, information about possible outreach opportunities, and informal check-ins.

A DOL and VA webinar was held on May 9, 2012 to inform and train the public workforce system on the VRAP program. The webinar included 398 attendees, and over 4,800 people have viewed the archived webinar to date. Topics included: an overview of the VRAP program, the eligibility determination process from both the DOL and VA perspective, a discussion of the high demand occupations for VRAP, a demonstration of changes to the Web site *My Next Move for Veterans*, which included changes to sync with the VRAP program and a walk-through of the online application by VA staff. DOL also sent out an email push to more than 4,000 members of the workforce system. The audience of the webinar and email push included: State Directors of Veterans Employment and Training, State Labor Commissioners, State Veterans Agency Directors, State WIA Liaisons, State Workforce Administrators, State Veterans Coordinators, members and staff of local Workforce Investment

Boards, One-Stop Career Center Managers, ETA Regional Administrators, and VETS Regional Administrators.

TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES WHO HAVE EXHAUSTED RIGHTS TO UNEMPLOYMENT BENEFITS UNDER STATE LAW

Section 233 of the VOW Act amends current law to allow individuals with service-connected disabilities who have exhausted Unemployment Insurance (UI) benefits under state law to seek assistance from additional rehabilitation programs specified in the legislation as of tomorrow, June 1, 2012. The VA is primarily responsible for the administration of this provision; however, DOL had a key role in providing VA with input to developing the eligibility determination process. The agreed approach for determining that an individual has exhausted regular state UI benefits is that VA will send a letter to UI agencies with the applicant's information to request validation of exhaustion of benefits along with a release of information form indicating the applicant's consent. To determine that the individual has no future entitlement to regular state benefits, they will be instructed to apply for benefits and receive a denial. This process allows for a review of all recent employment that may trigger new benefit entitlement. It is also used for other benefit programs that require information related to UI, such as the Supplemental Nutritional Assistance Program. The Department is in the process of issuing an Unemployment Insurance Program Letter to the states that describes the program and shares VA's approach to validating both exhaustion of regular UI benefits and/or no new/additional entitlement to state UI benefits.

MANDATORY PARTICIPATION OF MEMBERS OF THE ARMED FORCES IN THE TRANSITION ASSISTANCE PROGRAM (TAP) OF DEPARTMENT OF DEFENSE

Section 221 of the VOW Act requires mandatory participation, with some exemption authority, in the Employment Assistance, Job Training Assistance, and Other Transitional Services under title 10 United States Code section 1144, better known as the TAP Employment Workshop. While this requirement is the responsibility of the Secretaries of Defense and Homeland Security, the Secretary of Labor is required under this section to enter into a detailed agreement to carry out this section with the aforementioned Secretaries and the Secretary of VA. The department leads are in the process of redrafting the Memorandum of Agreement (MOA) to ensure there is clear understanding and guidance as to how the mandatory participation requirement will be carried out.

INDIVIDUALIZED ASSESSMENT FOR MEMBERS OF THE ARMED FORCES UNDER TRANSITION ASSISTANCE ON EQUIVALENCE BETWEEN SKILLS DEVELOPED IN MILITARY OCCUPATIONAL SPECIALTIES AND QUALIFICATIONS REQUIRED FOR CIVILIAN EMPLOYMENT WITH THE PRIVATE SECTOR

Section 222 of the VOW Act requires DOL, in consultation with the VA and DoD, to enter into a contract with an organization for a study that identifies equivalence of skills between military and civilian employment. DOL currently has online tools that "identify equivalences" by enabling Veterans to enter a military occupation code or title and look up related information on related civilian careers and on related job openings by geographic area. DOL has also received information from DoD regarding their ongoing skills assessment activities.

Our plan is to leverage current DoD research already underway to identify additional equivalencies and enhance existing online tools to support individualized assessments. We also plan to expand the work being conducted by DoD to identify civilian equivalencies for additional military occupations not included in the current DoD study.

TRANSITION ASSISTANCE PROGRAM CONTRACTING

Section 223 of the VOW Act requires DOL to contract out TAP counseling, employment services, and assessments at all locations by November 21, 2013. The contract specifications and statement of work have been drafted to meet this requirement. DOL published a Request for Information (RFI) on May 14, 2012, to gather information to help make a decision on what steps to take next. As DOL testified before the Subcommittee on Economic Opportunity last year, we are in the process of changing over to an all-contract facilitator staff for the DOL Employment Work-

shop and believe we are on track to meet this requirement by the deadline. In the interim, the VETS-funded state employees currently facilitating the workshops are being trained in delivering the new curriculum. Professional contract facilitators will be trained in delivery of the new curriculum once the contract is in place.

IMPROVED ACCESS TO APPRENTICESHIP PROGRAMS FOR MEMBERS OF THE ARMED FORCES WHO ARE BEING SEPARATED FROM ACTIVE DUTY OR RETIRED

Section 225 of the VOW Act permits members of the armed forces who are eligible for TAP to participate in Registered Apprenticeship or Pre-Apprenticeship programs. DOL believes there are numerous opportunities for Veterans in the Registered Apprenticeship system and is exploring potential connections to the United States Military Apprenticeship Program (USMAP) and Guard Apprenticeship Program Initiative (GAPI). Last month, we created a VA/DOL flyer outlining benefits available to transitioning Servicemembers under the VOW Act that includes language referencing TAP eligible Servicemembers' ability to participate in either the Registered Apprenticeship or Pre-Apprenticeship programs. In addition, we have established a working group of the Secretary's Advisory Committee on Apprenticeship consisting of employer, labor and public representatives from the Registered Apprenticeship Community to identify options to improve access for Veterans to Registered Apprenticeship programs.

COLLABORATIVE VETERANS' TRAINING, MENTORING, AND PLACEMENT PROGRAM

Section 234 of the VOW Act amends chapter 41 of title 38 U.S.C. to require DOL to establish a collaborative Veterans training, mentoring and placement grant program. More specifically, the Secretary would award grants to not more than three eligible nonprofit organizations for periods of 2 years to provide training and mentoring for eligible Veterans who seek employment. While \$4.5 million was authorized to be appropriated for the period consisting of FY 2012 and 2013, funds were not appropriated for this new program. Although VETS cannot carry out Section 234 at this time, on April 30, we issued a Solicitation for Grant Applications for 2012 Veterans' Workforce Investment Program grants. These VWIP grants are similarly intended encourage innovative practices, including mentoring.

ENHANCEMENT OF DEMONSTRATION PROGRAM ON CREDENTIALING AND LICENSING OF VETERANS

Section 237 of the VOW Act amends section 4114 of title 38 U.S.C., requiring VETS to conduct a demonstration project on credentials in consultation with ETA, followed by a study and a report no later than 180 days after November 21, 2013. VETS and ETA staff are working closely to complete the procurement process and begin the demonstration project by June 30, 2012.

INCLUSION OF PERFORMANCE MEASURES IN ANNUAL REPORT ON VETERAN JOB COUNSELING, TRAINING, AND PLACEMENT PROGRAMS OF THE DEPARTMENT OF LABOR

Section 238 of the VOW Act amends section 4107(c) of title 38 U.S.C. by requiring the annual report mandated under that section to include new performance measures on DOL Veteran counseling, training and placement programs. DOL has developed the Information Collection Request to modify and extend the Labor Exchange Reporting System to collect the new data and is awaiting approval as part of the Paperwork Reduction Act. Additional data elements will be added to the Labor Exchange Reporting System (LERS) to collect median earnings as well as average earnings. We anticipate this change occurring before July 1, 2012.

CLARIFICATION OF PRIORITY OF SERVICE FOR VETERANS IN DEPARTMENT OF LABOR JOB TRAINING PROGRAMS

Section 239 of the VOW Act amends current law to clarify that priority of service includes "giving access to such services to a covered person before a non-covered person, or if resources are limited giving access to such services to a covered person instead of a non-covered person." To enforce and track this change in law there will be another report requirement added (9002F) to the LERS by July 1, 2012 to the system for Priority of Service Reporting.

EVALUATION OF INDIVIDUALS RECEIVING TRAINING AT THE NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICES INSTITUTE (NVTI)

Section 240 of the VOW Act amends section 4109 of title 38 U.S.C. to require that Disabled Veteran Outreach Program (DVOP) specialists and Local Veterans Employment Representatives (LVER) who receive training from NVTI are given a final examination. Examination results are required to be shared with the entity that sponsored the DVOP or LVER who received the training. DOL oversaw the creation and validation of examination currently in place. DOL also developed the remedial training and testing for those who do not pass the final examination. The first examinations were administered to the NVTI trainees on May 21, 2012.

REQUIREMENTS FOR FULL-TIME DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

Section 241 requires the Secretary to conduct audits to ensure that DVOPs and LVERs are complying with the mandated responsibilities and further, are not serving non-Veterans. Additionally, Section 241 allows state governors to request a waiver and hire consolidated DVOP/LVER staff. VETS will issue a Veterans Program Letter (VPL) clearly articulating the expectations for the DVOPs and LVERs under this section to the state workforce agencies. Finally, DOL is developing auditing protocols for pilot testing. The audits will begin in the third quarter of this fiscal year. To implement the consolidated position, DOL developed the relevant criteria and is now working with a few states to validate the process and determine potential impact on the overall workforce system. DOL expects to implement this section in July 2012 to coincide with the release of the Jobs for Veterans State Grants' (JVSG) state planning guidance issued that month.

RETURNING HEROES AND WOUNDED WARRIORS WORK OPPORTUNITY TAX CREDITS

Section 261 of the VOW Act includes the extension of important tax credits that were an integral part of the President's agenda. Specifically, the VOW Act amends Section 51 the Internal Revenue Code by amending and expanding the definition of "qualified Veterans" to grant a tax credit to employers for hiring certain qualified Veterans, called the Work Opportunity Tax Credit or WOTC. The VOW Act extends the current category for Veterans receiving Supplemental Nutrition Assistance Program (SNAP) benefits, extends and amends the categories of disability for Veterans with service-connected disabilities, and established two new unemployed Veteran categories, one for Veterans who have been unemployed for 4 weeks, and one for Veterans who have been unemployed for 6 months. VOW further amends the Internal Revenue Code by allowing 501(c) tax-exempt organizations that hire qualified Veterans to claim the WOTC against the employer's share of social security tax imposed under the Federal Insurance Contributions Act.

While the IRS is primarily responsible for carrying out the tax credit provisions of the VOW Act, the State Workforce Agencies (SWAs) process, verify and certify timely filed and eligible certification requests by employers or their representatives. DOL funds the SWAs' administration of these provisions, provides technical assistance to the SWAs, oversees overall implementation and tracks the WOTC data on the number of certifications issued by the SWAs to employers for Veterans hired. Once employers receive a SWA certification, employers can then claim the actual tax credit with the IRS. As a result of the VOW Act amendments and provisions, ETA issued Training and Employment Guidance Letter 30-11, which provided the public workforce system with guidance on this new provision and related IRS guidance on submission of Form 8850.

Repurposing of Funds

In addition, the Department of Labor Appropriations Act, 2012 (P.L. 112-74, Division F, Title I) provided the authority to repurpose resources from an existing demonstration project to make them available for other pilots, demonstrations, and research activities, and for implementation of the VOW Act within the Employment and Training Administration. A total of \$5.489 million of PY 2011 resources is now available for these purposes, including updating state data systems for the Priority of Service reporting requirements and adjustments to the Work Opportunity Tax Credit, updating Federal management information systems to collect revised performance reports from states to support implementation of VOW, studying and dis-

seminating equivalencies between military and civilian occupations, and providing technical assistance to the public workforce system on implementation of VOW.

Conclusion

Mr. Chairman, Ranking Member Filner, and distinguished Members of the Committee, DOL and our sister agencies are committed to ensuring successful implementation of the VOW to Hire Heroes Act of 2011 in support of Veterans' success in the civilian labor market. We are well on our way to fulfilling this goal. Thank you again for the opportunity to testify today. I would be pleased to answer any questions you may have.

Prepared Statement of Mr. Mark Andrekovich

MAXIMUS appreciates the opportunity to submit testimony for consideration by the Committee on Veterans' Affairs as it reviews the implementation of the VOW to Hire Heroes Act.

For nearly 40 years, MAXIMUS has partnered with state, Federal, and local governments to provide health and human service programs to a diverse array of communities. Since 1978, MAXIMUS has helped companies process eligible new hires through the Targeted Jobs Tax Credit Program, now the Work Opportunity Tax Credit Program (WOTC).

As you know, in late 2011, Congress passed The Veterans Opportunity to Work (VOW) to Hire Heroes Act, including a tax credit to assist veterans and wounded warriors in returning to work. On November 21, 2011 President Obama signed the Act into law. The VOW to Hire Heroes Act has the potential to help veterans obtain employment.

We respectfully request that Congress act, as soon as possible, to extend the provisions of WOTC that expired, with the exception of the veterans hiring provision, at the end of calendar year 2011. The success of the Veterans Tax Credit requires the infrastructure of the larger WOTC program.

Many businesses that participate in WOTC share the perspective that, without full WOTC reauthorization, the program falls short in supporting their hiring needs. The most recent Department of Labor data shows that less than 2 percent of WOTC tax credits issued were for veterans. Without reauthorization of the entire WOTC program, the administrative burden of processing tax credits is too great for businesses and veterans will not receive the opportunity to obtain the gainful employment they deserve.

The WOTC program helped businesses and more than 940,000 individuals last year alone. With reauthorization of the full WOTC program, states and their private sector partners can successfully implement the new Veterans Tax Credit.

We are writing to ask that Congress ensure the success of the VOW to Hire Heroes Act and help stimulate economic growth by reauthorizing the entire WOTC program.

