

**A REVIEW OF THE PERFORMANCE OF THE VET-  
ERANS RETRAINING ASSISTANCE PROGRAM  
(VRAP) AND THE HOMELESS VETERANS RE-  
INTEGRATION PROGRAM (HVRP)**

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**HEARING**

BEFORE THE  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY (EO)  
OF THE

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

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**A REVIEW OF THE PERFORMANCE OF THE  
VETERANS RETRAINING ASSISTANCE PRO-  
GRAM (VRAP) AND THE HOMELESS VET-  
ERANS REINTEGRATION PROGRAM (HVRP)**

**Thursday, September 12, 2013**

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON VETERANS' AFFAIRS,  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,  
*Washington, D.C.*

The Subcommittee met, pursuant to notice, at 10:00 a.m., in Room 334, Cannon House Office Building, Hon. Bill Flores [Chairman of the Subcommittee] presiding.

Present: Representatives Flores, Runyan, Wenstrup, Takano, Brownley, Kirkpatrick.

**OPENING STATEMENT OF CHAIRMAN BILL FLORES**

Mr. FLORES. Good morning. We are here today to gather information on the results of two very important employment related programs, the Homeless Veterans Reintegration Program, or HVRP, and the Veterans Retraining Assistance Program, or VRAP. Please note that I said that these are employment related programs. VRAP is intended to provide short-term retraining to unemployed veterans who are mid-career age. As of yesterday, VRAP data on VA's Web site showed that 138,162 veterans have applied for VRAP with VA approving 121,060 applications, and a total of 65,300 individuals are now enrolled in training. With two-thirds of the funded training slots now filled, I can call that a success and congratulate VA for the yeoman's efforts to fill those positions. I also appreciate the state employment services efforts to get unemployed veterans into the VRAP system.

But now comes the real challenge, and that is to take VRAP graduates and put them in jobs for which they have been trained. This important task will fall largely on the shoulders of the Veterans Employment and Training Service at the Department of Labor, and the DVOPs, and the LVERs as they fund in the state employments services through the Jobs for Veterans state grant program. We have been hearing for months that a major barrier to employment for veterans is the so-called skills gap. At this time, now we have thousands of veterans that have been given training for in-demand occupations that can help fill the skills gap, and it is up to VETS to point these veterans in the right direction and to get the veterans back to work.

During our last hearing on VRAP, we heard that there were data sharing issues between VA and VETS, and I want to hear whether those issues have been solved. I also want to hear from VETS how

they are going to monitor the states' efforts to place VRAP participants, in whom we have invested nearly \$19,000 each in an effort to give them skills relevant to today's job market.

Regarding HVRP, I hope that we hear that the program's performance is meeting the goals set by VETS. I believe that we have been providing about \$40 million per year recently to this program. And many homeless veterans, especially those with children, are sometimes difficult to place. Your grantees, as a result, must find ways to successfully serve this vulnerable population.

One final thing before I yield to the distinguished Ranking Member, and that is to express my appreciation that in the future representatives from VETS will be the experts who will testify on programs authorized under Title 38. For example, VETS should have a program manager for both VRAP and HVRP who would accompany Secretary Kelly here today, not the ETA. In saying that, I mean no disrespect to the ETA staff who are here today, but if it is a Title 38 program or requirement, I think we should hold VETS, not ETA or any other DOL entity, responsible.

Now as a housekeeping note, I would let you know that we are going to have votes that are going to be called between 10:15 to 10:30. We will suspend this hearing for about 30 to 45 minutes and then we will resume immediately after those votes have concluded.

I now recognize the distinguished Ranking Member Mr. Takano for any opening remarks he may have.

#### **OPENING STATEMENT OF HON. MARK TAKANO**

Mr. TAKANO. Thank you, Mr. Chairman, and good morning. I would like to thank our witnesses for taking the time to testify and answer our questions this morning. We look forward to hearing from both agencies on their efforts to help veterans with these two very important programs. We are very interested in the implementation and the progress that has been made by VRAP and where we are with regards to outreach and recruitment.

VRAP is almost two years old and is paying for education and training for 63,000 eligible veterans with the hope of raising that to 90,000 by the end of the fiscal year. Our questions today will center on how we can ensure that this strong beginning continues without interruption and without losing the money set aside for this program.

We are also seeking an update on the Homeless Veterans Reintegration Program, or HVRP, which offers great services to homeless veterans. We would like to see how the grantees are performing and where they are located geographically.

I want to take a moment to highlight the efforts of my colleague Representative Brownley, the Ranking Member of the Health Subcommittee, and thank her for the enormous amount of work she put into a package of legislation reauthorizing several vital programs that provide help and support for homeless veterans. This bill is H.R. 2485 entitles the Helping Homeless Veterans Act. We welcome all efforts from our Members that seek to help our most vulnerable veterans.

Thank you again, Mr. Chairman, and I yield back.

Mr. FLORES. Thank you, Mr. Takano. Today's only panel consists of representatives from the VA and the Department of Labor. I wel-

come back Mr. Curt Coy, VA's Deputy Under Secretary for Economic Opportunity, who is accompanied by Rob Worley, the Director of VA's Education Service. Also Mr. Keith Kelly. Secretary Kelly is accompanied by Ms. Gerri Fiala of the Employment and Training Administration. Welcome to each of you, and let us begin with Mr. Coy.

**STATEMENTS OF MR. CURTIS L. COY, DEPUTY UNDER SECRETARY FOR ECONOMIC OPPORTUNITY, VETERANS BENEFIT ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY MG ROBERT M. WORLEY II USAF (RET.), DIRECTOR, EDUCATION SERVICES, VETERANS BENEFIT ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; AND THE HONORABLE KEITH KELLY, ASSISTANT SECRETARY OF THE VETERANS EMPLOYMENT AND TRAINING SERVICES (VETS), U.S. DEPARTMENT OF LABOR; ACCOMPANIED BY MS. GERRI FIALA, DEPUTY ASSISTANT SECRETARY, EMPLOYMENT AND TRAINING ADMINISTRATION (ETA), U.S. DEPARTMENT OF LABOR**

**STATEMENT OF CURTIS L. COY**

Mr. COY. Thank you, sir. Good morning, Mr. Chairman, Ranking Member Takano, and other Members of the Subcommittee. I am pleased to join you this morning to review the performance of the Veterans Retraining Assistance Program, and to discuss the collaboration between the Department of Veterans Affairs and the Department of Labor in our efforts to ensure successful transitions from training to employment. As you mentioned, accompanying me this morning is Mr. Robert Worley, our Director of Education Service.

VA is absolutely committed to ensuring the economic and meaningful employment opportunities of our veterans. VRAP provides veterans with the opportunity to build a strong foundation of training on which to build their careers. VRAP helps retrain those veterans hit hardest by unemployment, veterans ages 35 to 60. According to the Bureau of Labor statistics, approximately 55 percent of reported unemployed veterans fall into this cohort.

In just under six months of the law being enacted, VA and DOL collaboratively leveraged existing IT systems to begin accepting applications ahead of schedule on May 15, 2012, to meet the statutory program start date of July 1, 2012. VA received over 45,000 applications in just the first four months the application was available. As of this week, as you mentioned, VA has received more than 138,000 applications and issued over 121,000 certificates of eligibility to veterans. Congress has authorized and the VA has provided over \$447 million in program benefits directed to more than 65,000 veterans.

Based on current application rates, we anticipate about 141,000 applications by the statutory end date of October 1, 2013. By the way, we continued to receive applications, just this last week of about 1,000 applications a week, sir.

VA expects to reach the 99,000th participant sometime in the March/April timeframe of 2014, again based purely on straight mathematical projections. This success is the result of a significant

outreach effort by VA and partner agencies. Prior to the inception of VRAP, VA entered into a memorandum of understanding with DOL to ensure veterans have a smooth transition from training to employment. Each week, VA compiles a report for DOL with the latest information we have concerning VRAP applicants, and we are nearing the completion of a new agreement to increase the level of data shared between our two departments.

VA is also working with DOL to receive employment outcomes as it becomes available, and we defer to DOL to discuss the employment services offered through VRAP.

Our outreach strategy and work has been extremely successful, as evidenced by the over 138,000 applications as of this week. At this point, more importantly, we have been working hard to communicate to those veterans who have received a certificate of eligibility, but have not begun to use their VRAP benefits. We have sent three separate targeted personal email notes to those veterans. The most recent was just this last week telling them that we will no longer be authorized to accept applications at the end of this month, and end VRAP benefits payments in March of 2014, just six months away. We want to make sure that all eligible veterans are able to take full advantage of their benefits.

VA recognizes the great opportunities veterans have by way of utilizing VRAP and we support pending legislation in the House and Senate to extend the program. We look forward to continuing our work with DOL to ensure veterans pursuing their training goals have a seamless transition into their chosen field of employment.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to appear before you today. We would be pleased to respond to any questions you or other Members of the Committee may have.

[THE PREPARED STATEMENT OF CURTIS L. COY APPEARS IN THE APPENDIX]

Mr. FLORES. Thank you, Mr. Coy.

Mr. COY. Yes, sir.

Mr. FLORES. Mr. Kelly? You have five minutes.

#### **STATEMENT OF HON. KEITH KELLY**

Mr. KELLY. Thank you. Good morning, Chairman Flores, and Ranking Member Takano, and distinguished Members of the Committee. Thank you for the opportunity to participate in today's hearing and for accepting the department's late submission of its testimony. My name is Keith Kelly and I am honored to serve as the Assistant Secretary of the Veterans Employment and Training Service at the Department of Labor. I am accompanied today by Gerri Fiala, Deputy Assistant Secretary from our sister agency of the department's Employment and Training Administration.

DOL is committed to working with this Committee to ensure that our Nation's veterans have the employment support and the assistance they need to succeed in civilian life. As I discussed in my written statement, the Veterans Employment and Training Assistance Program and the Homeless Veterans Reintegration Program are important aspects of the department's work on behalf of veterans



and their families. I will use my time today to highlight some of the department's efforts to implement and administer these programs.

As many of you know, the Department of Labor has been working diligently with the VA and others to implement the Veterans Retraining Assistance Program, or VRAP as it is known, by several things: conducting outreach; developing guidance; identifying high demand occupations; determining applicants' initial eligibility; and providing services to veterans before, during, and after they participate in the program. In addition, the department contacts participants directly via email to provide information on employment services and encourages participants to contact their local American Job Centers to begin those job searches. Additionally as well, once the VA notifies the department that a participant has exited the VRAP program, the Department of Labor provides that individual's contact and related information to the relevant state workforce agency.

States must then reach out to participants to offer them employment assistance and report the results of their outreach.

The Department of Labor's responsibilities under VRAP have created some challenges for the department which I discuss in greater detail in my statement for the record. But among them, the Department of Labor has had to reengineer or remodify current data reporting systems and obtain approval for new data collections. While data is already being exchanged right now, the Department of Labor and VA are in the process of updating this memorandum of agreement to reflect an interagency data transfer agreement between the two agencies. DOL is also working with the states and territories to develop data transfer agreements as well as to further facilitate the process.

Next, I would like to discuss another important employment and training program, and that is assisting the Homeless Veterans Reintegration Program. Through HVRP, DOL grantees assist homeless veterans in obtaining meaningful and sustainable employment. HVRP is employment focused and each participant receives customized employment and training services to address his or her specific barriers to employment. This client-centric hands on approach has successfully helped place thousands of previously homeless veterans on the path of self-sufficiency.

Within the umbrella of HVRP, the department funds programs designated to address difficult to serve subpopulations of homeless veterans, including the homeless female veterans, and veterans with families, and we have competitive grants for that program as well as the Incarcerated Veterans Transition Assistance Program. As the Committee is aware, the incarcerated veterans demonstration grants were authorized as a pilot program and are designed to support those incarcerated veterans who are at risk of homelessness by providing referral and career counseling services, job training, placement assistance, and other benefits.

While my written statement goes into much detail about the department's procedures, selecting grant recipients, as well as measuring the performance, I will just highlight that HVRP funds are awarded to eligible applicants through a competitive grant process during which there is a rigorous review. Similarly, once grantees

are accepted to HVRP, the department works closely with them to ensure that they meet all performance outcomes to ensure the success of that program.

The department does believe that the HVRP is an important and necessary program and does look forward to working with this Committee to ensure continued success of it.

In conclusion, the Department of Labor will continue to work diligently with this Subcommittee and others on the Committee to ensure that veterans and their families have the resources and the support they need to succeed in the civilian workforce.

Mr. Chairman and Members of the Subcommittee, Ranking Member Takano, this does conclude my statement. Thank you again for the opportunity to testify before you today. I will be happy to answer questions. Thank you.

[THE PREPARED STATEMENT OF HON. KEITH KELLY APPEARS IN THE APPENDIX]

Mr. FLORES. I thank the panel, and I thank each of you for what you do to help take care of our Nation's veterans. And I will begin with a few minutes of questioning.

Secretary Coy and Secretary Kelly, this question is for each of you. Last November when you testified before this Subcommittee, a Labor witness testified that there was a glitch in the data sharing agreement that would prevent tracking the success of VRAP participants. It is our understanding that this agreement has not been signed and is still lost in the bureaucratic shuffle for nearly one year after that issue was identified, and almost two years since the passage of the VRAP legislation. Now Secretary Kelly, I think you touched on that in your testimony. Let me start with Secretary Coy first. Mr. Coy, does the VA have any problem providing the data to Labor? And have you provided Labor with an approved agreement? And if so, when did that occur?

Mr. COY. Mr. Chairman, first off, the straightforward answer is no, we have no problem providing that information to the Department of Labor. Since the inception of the program way back in November of 2011 when the program was signed into law, we started working with DOL to put together what kind of information they needed. Since that time, we have been sharing data with respect to names and addresses, and all of the information necessary for DOL to, in fact, take care of the employment end of it from their perspective.

What this data sharing agreement does is provide the social security numbers to DOL and as well sort of set out the list of priorities and the rules of the road, if you will. We have been working vigorously back and forth with our colleagues at DOL. The agreement now is back in our shop. We got it back from DOL about a week or so ago. We have sent it to our general counsel. We expect it to be signed by shortly.

Mr. FLORES. Okay. And just to be clear, I think you said that you are providing social security numbers to—

Mr. COY. No, sir. We have, providing all of the information, absent social security numbers.

Mr. FLORES. Okay. Mr. Kelly, since VA is willing to provide the data, what is the problem at Labor? And would the lack of a social

security number hamper the tracking? And where, I guess the agreement now is over on their side so it is out of your hands. Do you expect that it would have a quick turnaround once it comes back? So really two questions. What is the problem, I mean, are you hampered by not having the social security numbers? And number two, how quick would the turnaround be once you get it back from VA?

Mr. KELLY. Thank you, Mr. Chairman. That is a good question. I do want to emphasize on the front-end right now, we are happy to report that the critical information that is needed to run this program we are receiving, and that is being passed back and forth, and we are already receiving reports. The enhancement of the program with regard to the social security numbers, the department needs to develop a system to protect the integrity of the social security numbers within the department. We do not have that at the present time to receive and protect the integrity and anonymity of the social security numbers. That is being finalized and being there. But I do want to emphasize, we are receiving the reports, the critical data needed to pass back and forth between us and VA with the program that is ongoing right now. In fact, we have several states that have already sent in their preliminary data.

The social security number will help enhance in the long-term haul with regards to the state workforce agencies, as they do with their other programs, to do the measurements going back and forth with the common thing. We have to have the development of the IT system to accept that.

Mr. FLORES. Thank you. Coming back out of the weeds for a minute and going back to the 50,000-foot level, Secretary Kelly, how would you, give us a description of the results of the VRAP program from a VETS perspective?

Mr. KELLY. From the VETS perspective, the VRAP program, thank you, Mr. Chairman, it is a good question. From the VETS perspective, it does appear to me we are targeting an unusual audience out there, a little bit older in age, that—

Mr. FLORES. I am sorry, I meant from the Veterans Employment and Training Services perspective.

Mr. KELLY. Okay.

Mr. FLORES. Okay, sorry.

Mr. KELLY. So—

Mr. FLORES. Go ahead.

MR. KELLY. From the Veterans Employment and Training Perspective, we are working diligently with VA on this program and our sister agency in ETA, which does have the data tracking management system of where we are colocated in all of the 2,600 American Job Centers for our DVOPs and LVERs to follow up. We have received out of, this is just beginning, there is a time lag that is necessary in all of these programs with regards to when you are going to get the information upon graduation, there is somebody completing a credentialing program, and the time lag to receive the wage and hour records to go forward, so we can go back against those particular service measurements. And I think we have things in place and on track to do that. It necessarily takes almost a year for somebody at the completion of a graduation, and at the time they offered to go into the program, they go through the training

of whatever months up to a year that may be, and come out. We are anxious to share that and look at the results and see how well it has been.

Mr. FLORES. Okay. I thank the panel, and I now yield to Ranking Member Takano for five minutes.

Mr. TAKANO. Mr. Coy, can you tell me, you are with Veterans Affairs, right?

Mr. COY. Yes, sir.

Mr. TAKANO. What does the memorandum of understanding between the VA and the DOL encompass? Please help me understand what it covers?

Mr. COY. Absolutely. I do not have it here in front of me, but our data security people on both the VA side and the Department of Labor side. And what it does, it sort of sets out the rules of the road of how DOL can use this information, how we are to transmit it to DOL, and it provides the information, if you will, in terms of the VRAP applicants' information in terms of social security number, name, address, and so on and so forth.

Mr. TAKANO. Okay. When veterans complete a program at a college or a technical school, how do they get referred to the Department of Labor and what services do they get?

Mr. COY. I will defer to our friends and colleagues at the Department of Labor. When we get information on a veteran who has either left the program or completed the program, we pass that information over to the Department of Labor and they reach out and contact each of those veterans. The Department of Labor has been extremely aggressive in terms of reaching out to veterans. As soon as a veteran receives a certificate of eligibility, we pass that information to DOL and they reach out to that veteran, basically saying congratulations, you know, you have got a COE, and here is our services, and so on.

When there is a change in that veteran's status, in other words they have completed, they have dropped out, or whatever the reason is, we also notify Department of Labor and they reach out again. So it is a continuous loop with respect to reaching out to those veterans. With that, I will pass it to our colleagues at DOL.

Mr. KELLY. Thank you, Representative Takano. With regards to when it gets passed back to the Department of Labor, and then the outreach goes back out to what I stated in my testimony, some of the reverse engineering to put information back out there. The Employment and Training Administration with, in conjunction with our DVOPs and LVERs, we make three-time efforts to reach out there and continue to find these folks after they have graduated or after they have reached their certification and see where they are at on that. And we do have from a handful of states, it is very preliminary, some data that is coming in now upon that outreach efforts and how many desire more services from our department, or how many already found a job, and how many are still in the program and training. And there is no contacts back after several attempts to outreach. We have used emails. I think there was three or four email blasts that went out there, and telephone numbers to stay in touch with them. We think on the preliminary efforts from a few states that it appears to be working quite well.

Mr. TAKANO. Can you tell me, which veterans are eligible? All veterans?

Mr. COY. It is unemployed veterans between the ages of 35 and 60, cannot have a dishonorable discharge, cannot have any G.I. Bill benefits remaining to them. There are some other nuances but those are the biggies, if you will, that makes a veteran eligible for the program. Unemployed, 35 to 60, and have no G.I. Bill benefits. An interesting aside, of those who have not been approved for the program, about 75 percent of those folks who have not been approved, the reason they have not been approved is because they already have G.I. Bill benefits, if you will, in their account. We consider that a really good news story. We tell them go use your G.I. Bill benefits that you have now before you start using any VRAP benefits.

Mr. TAKANO. Do you expect to fill all the slots before the VRAP expiration date on October 1?

Mr. COY. It is a good question and it is a challenge. Right now we are at 65,000. As I indicated in my oral statement, if we just did the math in terms of the graph of how many we were receiving, how many COEs, and how many people are enrolling, at the same rate we would expect to reach 99,000 about March or April timeframe. But I would caveat that, Congressman, by saying that for example, if you began your VRAP training in January, you are only going to get three months of VRAP benefits. So one would expect, anyway, that a veteran who may have that certificate of eligibility may in fact kind of go, I am only going to be able to use three months, maybe I will not begin training. So that is going to be the real outlier, is trying to see as we get down toward the end of the program how many people are going to continue to enroll knowing full well that they are not going to have all the benefits coming to them.

Mr. TAKANO. Mr. Chairman, my time is up.

Mr. FLORES. Okay. Thank you, Takano. Mr. Wenstrup, you are recognized for five minutes.

Mr. WENSTRUP. Thank you, Mr. Chairman. Mr. Coy, I have a question. I appreciate that the program focuses on the high demand career fields. I think that that is important to the success of the program, obviously. Simple question, do you have any problem finding enough community colleges and vocational schools that provide that type of education in high demand career fields?

Mr. COY. Thank you, Congressman. When we look at the high demand occupations, there is about 211 of them. And so we have not heard from veterans that they are having difficulty finding a school. I think that the challenge we get from many veterans is the requirement in the statute to be a two-year school or community college, we originally used just community college, we converted that, and we looked at it, and are now accepting VRAP students into two-year schools. And that was early on in the program we had to make some adjustments with respect to that. But it, in some cases, has in fact been a challenge for veterans to say, I want to go to this university. So for example, they may live across the street from a four-year university, but live 25-miles from a two-year community college or technical school. And they are being told

you cannot go across the street, you have to go to a community college. And that is in the statute.

Mr. WENSTRUP. Thank you. I yield back.

Mr. COY. Yes, sir.

Mr. FLORES. Thank you, Mr. Wenstrup. Ms. Brownley, you are recognized for five minutes.

Ms. BROWNLEY. Thank you, Mr. Chair. And thank you to my colleague, Mr. Takano, for highlighting a bill that I introduced to extend the authorization for a year for several of the homeless programs. And actually, I think many of the VSOs would prefer to see that extension even longer than a year. But I was hoping that perhaps Mr. Kelly, you might be able to comment on, you know, if these programs are not reauthorized what you believe the impact is? And I had a couple of specific programs, you know, sort of under that umbrella of homeless programs. One around the Homeless Female Veteran Program and how successful that program is. And also I am curious to know how many veterans have gone through the Incarcerated Veteran Transition Program and how successful you think that program is also? And maybe the Department of Labor has something—

Mr. KELLY. Thank you, Madam Congresswoman. With regards to the Homeless Veterans Program, from our views and our data it is very successful. It has got about a 65 or 66 percent success rate of people who have hit the bottom to get them back into the economy. They are coming in at above minimum wages. They are getting okay salaries and that. And probably most importantly, is when you measure it out at six months, are they still there. I might add I just was up in Maryland, there is quite a model program up there for homeless veterans where they actually house people there. And the success rates of going through the process, they can keep 200 on campus at one time. And I visited about two weeks ago. And so when you see it on the ground what is going on out there, they have really got a high success rate. And I guess for lack of a better word have given these people their dignity back. And they are very proud of that. And it is very targeted, at least the job search and some of these other things, the training. And it is kind of tailor-made for each one and what their issues are, and get back in that. But I do have to say I have visited now, this is the third homeless veteran training program or homeless veteran facility. And the data support is very high.

I will note, you mentioned on the female veterans, we are seeing a growth in that area, the female homeless veterans is growing. And this particular grantee would love to sit there and try to see if they can get more facilities, especially for women, so they can keep in touch with their children, or with children. And so we are seeing it growing in that particular area and recognize that there is certainly more work to be done on it. But those that participate and that are in the program, for the dollar cost, it is a pretty high success rate.

Ms. BROWNLEY. And the incarcerated transition program?

Mr. KELLY. Thank you, Congresswoman. It is just about the same data on that, about a 60 percent success rate on those in the incarcerated program as well. And to capture these people, if that is the best word, before they get out on the street, and make sure

that they can make this transition. The success rate and the employment rate is, a little lower on the employment rate and the employment salary. But the success rate is again about 60 or 65 percent. I guess this is a case where you have a helping hand to get somebody to make that transition.

So yes, we are supportive in the Department of Labor for the continuation. You know, the incarcerated program is a pilot program out here with a hard stop on September 30th. And the homeless veteran, including the female one, we are supportive of the continuation of both of them. The cost benefit certainly appears to support it.

Ms. BROWNLEY. So in terms of our homeless population among veterans, it seems as though what you are saying in many cases, we are improving and these programs are effective. I think it is fair to say at the same time, we still have a growing population of homeless vets. So it is, I think there is probably still more that needs to be done. I am not sure that, obviously 60 is not good enough, 100 percent is what we are looking for. And the growing population of homeless and how we mitigate that and make sure that we can begin to decrease that population that is transitioning in a homeless status.

Mr. KELLY. And do you want me to comment on that as well? Or no? Thank you.

Ms. BROWNLEY. Well I have 17 more seconds and I will take the liberty to use them.

Mr. KELLY. Well yes, my comment would be, yes, we are seeing the demographics change some on that now. On the homeless veterans it is primarily the Vietnam Era veterans, my generation of veterans. Now we are seeing some of the younger veterans, and particularly the women veterans and their issues is what the department is trying to address, women veterans' issues broadly. It is growing and it is concerning. And we are fighting it. The goal of the President is to have no homeless veterans by 2015.

Ms. BROWNLEY. Thank you, Mr. Chair.

Mr. FLORES. Thank you, Ms. Brownley. Mr. Runyan, you are recognized for five minutes. Just as a note, votes have been called. So we will let Mr. Runyan finish his questions and then we will suspend and resume. I will advise the Members that the Capitol Police have suggested that we take the tunnel this morning because there is a large demonstration at Independence and New Jersey. So Mr. Runyan, you are recognized for five minutes.

Mr. RUNYAN. Thank you, Mr. Chairman. Mr. Kelly, about 30,000 of the 65,000 people who have enrolled are no longer in the training. How many of those have been placed in jobs? Do you have any metrics on this?

MR. KELLY. Thank you, Congressman. That is a very good question. And I stated in my testimony, and I am prepared to even go into further detail here, the time lag when somebody enrolls, signs up for the program, enrolls and takes the training, depending on the length of the training, that they wound up to a year, or an eight-week, or a six-month training, the time they leave that, and then the time that they go out there, there is a time lag necessarily as with all the programs, when the wage and hour records that they do become employed, or they do get involved. And so the time

lag, that time to measure that is going to be necessarily, really if you look at here somebody going in in the spring, it is almost, it is 11 months to a year out that that will, we will get the data, the information on how successful they have been in becoming employed. The outreach is going on. That is going on. The data to come back with hard data to verify it, I think I indicated we have three states that have got preliminary data, Texas, Kansas, and a northeastern state, I think it is Maine or New Hampshire. So the data is just beginning to trickle in now on some of those that may have at the very onset of the best case scenario got into the program and came out. I would be most happy that Gerri here, who their agency manages that whole data system program, probably can give you a more accurate succinct answer.

Ms. FIALA. I will be very quick, but just the third state is Kansas. That we have some very, very preliminary outreach information on. And it is a very small sample size. It is about a little over 300 people, and it is outreach, remember, not outcomes. But of that very small sample, about 55 percent responded to the queries of the states and to encourage them to contact the, for the VRAP program, to contact if they needed employment assistance. Fifty percent of the people that were contacted and responded to the request said that they needed assistance, they took the offer of assistance. Twenty percent of them said, you know, we already have jobs. We do not need assistance. And 30 percent declined any further workforce services. But this is a very small, informal sample just of the outreach.

In terms of, I just want to reinforce what Assistance Secretary Kelly said. There is about a year lag between the person who exits the program, whether they have completed or dropped out of the program, and us getting the first outcome data. We use the same measures for the VRAP program that we use for other Department of Labor programs. And we also, this data is reported through employers on their wage records. This is a cost-effective way of obtaining information data on three outcomes that we are tracking. We track whether or not they entered the job. We track whether they were retained in that job at six months. And we track at, what was the average of the six month's income for them. And so 90 days after they have had their last service, they are considered to exit the system. And it is at that point that they enter into the outcome reporting system. And remember, there is a time lag for unemployment insurance wage records to be reported. So we will have outcome data more, we will have some minimum data for perhaps people who dropped out or had a very short training program and entered last August at the end of this year. And that outcome data will continue to track actually through 2015.

Mr. RUNYAN. Mr. Kelly, do you believe the authorization level for the homeless veterans reintegration program is appropriate?

Mr. KELLY. Thank you, Congressman. You said the reauthorization—

Mr. RUNYAN. The authorization level?

Mr. KELLY. For the Homeless Veteran Reintegration Program, is it appropriate? Yes, I do.



Mr. RUNYAN. If the funding was increased, do you believe that you would see a decrease in competition for grant funding, which would lead to a less successful program?

Mr. KELLY. I did not catch the last part. If you could restate that, it would help me.

Mr. RUNYAN. If the funding was increased—

Mr. KELLY. Yes?

Mr. RUNYAN. —do you believe it would decrease the competition for grant funding which would decrease, would make a less successful program?

Mr. KELLY. Thank you, Congressman. If the funding was increased, there is more demand for the grants than there is supply of the money it will cover. So I, we have seen this in the last couple of years. The amount of money available for the grant program to go out has actually gone down several million dollars. So really the competition this last go round really got enhanced because there just was not the amount of money to take on any new programs out there. So long story short is that the demand still far outstrips the supply of some good grant applicants for the program.

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

Mr. FLORES. Thank you, Mr. Runyan. We have five minutes and 39 seconds left to vote, 342 Members have not voted. So we are going to go ahead and recognize Ms. Kirkpatrick for five minutes for this first, to conclude this first round of questions.

Mrs. KIRKPATRICK. Thank you, Mr. Chairman. You know, the fact that we have any veteran in this country who is homeless is not acceptable. And I thank the panel for being here today and testifying. But I have to tell you the statistics do not support your testimony. And let me explain that. In Arizona, 21 percent of the homeless population are veterans. That means on any given night 2,213 people, veterans who have served our country, are sleeping in the city parks. And I have to tell you, when I drive by those parks, and I look out, and I realize that one in five are veterans, here is what I see. They do not have an address. They do not have email. Many of them do not have cell phones. How are you communicating with those homeless veterans, which I really believe are the core of homelessness, when you testify today that communications are by email? That is not getting to them. So I would like to hear from the Department of Labor and also the VA, how are you reaching those veterans who are sleeping in the city parks every night with no other form or communication?

Mr. KELLY. Thank you, Congresswoman. I want to clarify something. When I said we are contacting by email, I was really referring to the VRAP program, not the Homeless Veteran program. Because you are absolutely correct. They do not have an email address, or very likely may not have one. And we fully agree with you that it is terrible that this many veterans would be homeless.

And so in that, how do we do the outreach for the homeless veterans out there? You really have to go back and be networked with your local community. That is where it has got to come from. We cannot see it from here, exactly what is going on. And what I witnessed, I guess, in visiting two of these homeless sites, one in San Francisco and now this other one in Baltimore, they are really plugged in and with other Federal agencies and others, but really

at the local level out there. They are the ones that knows what is going on out on the street, for lack of a better word. And so it has to come at that local community, government level. And then we can assist them then with the grants that we have and what not. But they are the ones that are out walking around the communities, under the bridges. As a matter of fact, at the one in Maryland, I think they stated that at certain times they take from the community, they have the working relationship with their city government, they take in surplus homeless people during, because they have the capacity, if they have the capacity, during some of the winter months. So it really does come down to the local community level, that that contact has to be made to do that. Through our American Job Centers and our DVOPs and LVERs, they are plugged into a system, that whole program. And then to put them and say here, here is a program at the Federal level that we may help in that. I hope that clarifies you on how to do it. Because you are right. They are not easy, if it is one in five sitting on a park bench, how do you find them and get hold of them to get them into the system.

Mrs. KIRKPATRICK. Mr. Chairman, let me just close with one comment. I hope that you will consider some innovative ways to reach these veterans. We recently had a stand down in my district. And I watched veterans who would not give their address, and I have to think that many of those did not have an address. But they are proud. You know, they are not going to go to those centers and ask for help. And so in a lot of ways, they are veterans who are off the grid. And so I just hope that you will consider some innovative ways to respectfully and with dignity reach those homeless vets who are just off the grid. And I will close with that. Thank you, Mr. Chairman.

Mr. KELLY. Thank you.

Mr. FLORES. Thank you, Mrs. Kirkpatrick. I have polled the Members of the Subcommittee and we have concluded that we will be finished with the first round of questions. I would like to say this with respect to the submission of testimony. We had asked that the testimony be submitted by noon on Monday. Unfortunately we did not get Labor's until 5:01 yesterday. That made it difficult for me to be prepared for this meeting. So I would ask in the future that you all please honor our request with respect to timing.

In closing, I want to thank all the Members for their attendance today. And I want our witnesses to know that the Subcommittee will continue to monitor the progress of the data sharing agreement for VRAP. And I would appreciate it if you all would work together to try to conclude that as quickly as possible. I was glad to hear that you had come up with interim measures to deal with the data sharing.

Finally, I ask unanimous consent that all the Members have five legislative days in which to revise and extend their remarks and include any extraneous material on today's hearing topic. Hearing no objection, so ordered. This hearing is now adjourned. Thank you.

[Whereupon, at 10:44 a.m., the Subcommittee was adjourned.]

## A P P E N D I X

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### **Prepared Statement of Curtis L. Coy**

Good morning, Mr. Chairman, Ranking Member Takano, and other Members of the Subcommittee. I am pleased to join you this morning to discuss the implementation and performance of the Veterans Retraining Assistance Program (VRAP) as well as the collaboration between the Department of Veterans Affairs (VA) and Department of Labor (DOL) in our efforts to ensure successful transitions from training to employment.

#### *Implementation of VRAP*

On November 11, 2011, the President signed into law the “VOW to Hire Heroes Act of 2011” (Public Law 112–56). Within this law, section 211 established VRAP to assist unemployed Veterans, ages 35–60. VRAP provides up to 12 months of educational assistance to Veterans enrolled in a VA-approved program at a community college or technical school that will train the Veteran for employment in any one of 211 high-demand career fields. To be eligible for participation, the Veteran must not have been enrolled in any Federal or state job-training program in the six months ending on the date of application, must have received other than a dishonorable discharge, must have no other VA education benefits available for use, and cannot be in receipt of compensation for a service-connected disability rated totally disabling by reason of unemployability. The law authorized VA to provide VRAP benefits to 45,000 participants who met eligibility requirements beginning in fiscal year (FY) 2012 and an additional 54,000 participants beginning in FY 2013.

In just under 6 months of the law being enacted, VA and DOL collaboratively leveraged existing IT systems to begin accepting applications on May 15, 2012, to meet the statutory program start date of July 1, 2012. VA received over 45,000 applications in the first 4 months the application was available. As of August 29, 2013, VA has received more than 136,000 VRAP applications and issued over 119,000 certificates of eligibility to Veterans. VA has provided over \$418 million in program benefits directly to more than 63,000 Veterans. More than 30,000 VRAP participants are currently enrolled in school. VA continues to look for ways to increase the number of VRAP beneficiaries and has notified the Regional Processing Offices to continue accepting applications until 99,000 Veterans have enrolled in training or October 1, 2013, whichever occurs first.

#### **Partnership with DOL**

The 211 high-demand career fields eligible for training assistance under VRAP were identified by our partners at DOL. To date, the most popular areas of study under VRAP are: Computer support specialist; Substance abuse and behavioral disorder counselor; Business operations manager; General and operations manager; Heating, air conditioning, and refrigeration mechanic; Heavy and tractor-trailer truck driver; Cook; Medical assistant; Paralegal and legal assistant; and Registered nurse. These ten careers account for over 48 percent of all VRAP enrollees.

VA entered into a memorandum of understanding with DOL, prior to the inception of VRAP, with the goal of ensuring Veterans have a smooth transition from training to employment. VA compiles a weekly report for DOL that indicates the location of VRAP applicants. VA and DOL are nearing completion of a new data transfer agreement with DOL to increase the level of data shared between the two Departments. VA is working with DOL to receive employment outcomes as it becomes available. We defer to DOL to discuss employment services offered to VRAP participants.

#### **VRAP Outreach**

VA developed an aggressive outreach campaign to raise awareness about VRAP. VA produced and aired two radio public service announcements on more than 1,600 stations. VA also produced and aired two Internet and television advertisements on the following networks: CBS, ABC, Verizon, Comcast, the Pentagon Channel, Dis-

ney, and ESPN. These advertisements were geographically targeted to reach the 25 counties or metropolitan areas with the highest unemployment. VA also created multiple print advertisements and worked with several periodicals to have advertisements published to include the Military Times and its service branch counterparts.

To increase VA's Internet presence, VA created a VRAP Web site, which has had more than 3 million visits since its inception. The success of the VRAP Web site can be attributed to our Google Ad campaign that resulted in over 30,000 visits to the site as well as our direct e-mail notifications of the program sent to more than 800,000 Veterans. Over 200,000 e-mails were read, and over 75,000 of those who read the e-mail visited our VRAP Web site. Additionally, VA continues to discuss the VRAP program using our numerous social media presences.

VA collaborated with DOL and the Department of Defense to ensure VRAP was included in the newly revised Transition Assistance Program (TAP). The new TAP provides Servicemembers with information on VRAP, so they are aware of the program and its benefits. VA has also worked with Veterans Service Organizations, such as the American Legion and Veterans of Foreign Wars, to train their national staff on VRAP and to provide information to them for dissemination at their national, regional, and local conferences, as well as for inclusion in their national membership publications. VA created postcards, posters, and pamphlets for distribution at national, regional, and local events such as job fairs. VA coordinated with several nationwide retailers to have VRAP flyers distributed to their customers during Veterans Day 2012. In addition, VA sent e-mails to over 1,000 community colleges and trade schools to publicize the program.

VA is not only focused on contacting potential VRAP applicants but is also making significant efforts to reach those Veterans who received a certificate of eligibility and have not yet enrolled in school. We currently have over 75 e-mail distribution lists containing over 3,000 e-mail contacts and continue to actively spread the word about the VRAP opportunity.

#### **VRAP Success Stories**

VRAP has proven to be a valuable program to Veterans who are eligible to take advantage of its benefits. Eligible Veterans have been able to turn negative personal circumstances into accomplishments by pursuing education opportunities through VRAP. One particular Veteran, John Luque, had completed 4 years of active duty in the Navy before leaving the service and starting a career in real estate. Unfortunately, once the real estate market crashed, his projects dropped overnight, and John became unemployed and homeless. John then moved to Utah and received assistance from the Utah Department of Work Force Services who recommended that he go to college. After initially thinking that he was not qualified to be a "student," John took a placement test and was able to successfully enroll at Salt Lake Community College. Working with the VA's VetSuccess on Campus Counselor at the school, John applied for VRAP benefits and has now almost completed his associate's degree in business. VRAP has afforded John the opportunity to achieve his goals of opening a non-profit organization that provides emergency housing for homeless Veterans and becoming a Veteran community organizer. VA has a full video describing John's story on the VA YouTube Channel.

Richmond Community College posted an article on its Web site on May 30, 2013, about another Veteran who has excelled in school using VRAP. The Veteran has made the Dean's List and was recently awarded a scholarship from the Air-Conditioning, Heating, and Refrigeration Institute to assist with the costs of his program's second year. VA recognizes the success that Veterans can achieve by utilizing VRAP and supports pending legislation to extend the program to additional Veterans.

Mr. Chairman, this concludes my statement. I welcome any questions you, or the other members of the Subcommittee, may have for me.

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### **Prepared Statement of Hon. Keith Kelly**

#### **Introduction**

Good Morning Chairman Flores, Ranking Member Takano and distinguished Members of the Subcommittee. Thank you for the opportunity to testify on behalf of the Department of Labor (DOL or the Department) regarding the Veterans' Retraining Assistance Program (VRAP) and the Homeless Veterans Reintegration Program (HVRP). I commend you all for your tireless efforts to ensure that America

fulfills her obligations to our returning service members, veterans, and their families.

President Obama, Secretary of Labor Perez and I are committed to serving these brave men and women as well as they have served us by ensuring they have the opportunities, training, and support they have earned to succeed in the civilian workforce. The Department will continue to work with Members of Congress to provide our returning servicemembers, veterans, and their families with the critical resources and expertise needed to prepare them to obtain meaningful careers, maximize their employment opportunities, and protect their employment rights.

### **Implementing Veterans' Retraining Assistance Program (VRAP)**

Section 211 of the "VOW to Hire Heroes Act of 2011" (Public Law 112-56) established VRAP, an important program that provides retraining assistance that enables unemployed veterans aged 35 to 60 to pursue an associate degree or certificate in a high-demand occupation. VRAP presents a valuable opportunity for thousands of unemployed veterans to develop in-demand skills necessary to enter new career-pathways. The Department is committed to the success of this program and has been working diligently with the Department of Veterans Affairs (VA) to carry out the VRAP provisions since the VOW Act was enacted in November of 2011.

DOL has assisted in the administration of VRAP by, among other things, conducting outreach to veterans, developing guidance for the workforce investment system, identifying high-demand occupations, and determining applicants' initial eligibility based on age, employment status, and previous participation in other job training programs. In addition, the Department works to support veterans before, during, and following their participation in VRAP with employment services and assistance, such as assisted job search, resume development, and interviewing skills. The Department takes these responsibilities seriously and has been working diligently to ensure the success of the program.

For example, the Department, in concert with our colleagues at VA, has been active in promoting the awareness of the VRAP program both at the national level and at the grass roots level through the nation-wide network of approximately 2,600 American Job Centers (AJCs), Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representative (LVER) staff, and other workforce system stakeholders. The Department issued guidance, technical assistance, and information to state and local workforce investment systems strongly encouraging them to refer eligible veterans to the program and requiring them to provide participants with employment assistance after completing or leaving the program. This outreach effort has contributed to the enrollment of over 63,000 veterans in training for "high-demand" occupations. Additionally, in collaboration with VA, and to help support the full use of benefits by eligible applicants, the Department has sent three rounds of emails to individuals who were accepted into VRAP, but who have yet to enroll.

In May 2012, DOL issued formal announcements providing the workforce investment system, including DVOPS and LVERs, with general information on the VRAP (Training and Employment Notice 43-11<sup>1</sup> and Veterans Program Letter 7-12<sup>2</sup>) and formal policy guidance, updated last month, on providing employment assistance to VRAP participants after they exit the program (Training and Employment Guidance Letter 8-12<sup>3</sup>) in October 2012. In addition, upon participants' acceptance into the VRAP program, the Department sends them a welcome e-mail providing information about the network of AJCs, including an online tool to locate AJCs in a selected area. This welcome e-mail further explains that veterans are entitled to priority of service within the AJC network and encourages veterans to reach out to their local AJCs while still in training to begin job search activities. When VA notifies the Department that an individual has exited VRAP, the Department sends a second e-mail reminding the veteran of the AJC network and online resources. Following this second e-mail, the Department provides each state workforce agency with the contact information of each VRAP participant, so that the agency can offer them employment assistance and report the results of their outreach efforts to the Department.

DOL's responsibilities under VRAP have required, among other things, modifications to current reporting systems, approval of new data collections, and development of processes and data management tools to ensure states and local areas can offer employment assistance to VRAP participants as they enter and exit the pro-

<sup>1</sup> <http://wdr.doleta.gov/directives/attach/TEN/ten-43-11.pdf>

<sup>2</sup> <http://www.dol.gov/vets/VPLS/VPLs/VPL%207-12.pdf>

<sup>3</sup> <http://wdr.doleta.gov/directives/attach/TEGL/TEGL-8-12.pdf>

gram, offer employment services, and track their employment outcomes. For instance, to capture data for VRAP participants, the Department created an entirely new reporting system specific to outreach activities and altered its existing reporting systems to capture employment outcomes. In the October 2012 guidance, as updated, the Department provided information to the state and local workforce investment system on how to collect and submit this data. For each VRAP participant, states are now responsible for collecting data on whether the individual received assistance, was contacted and already found employment, was contacted and did not wish to receive assistance, or was non-responsive to the outreach of employment assistance. The first report accounting for all outreach to VRAP participants from program inception through September 30, 2013, is due to the Department by November 15, 2013. Successive reports are due within 45 days of the end of each quarter. The Department has been working directly with its state contacts to ensure outreach is being conducted and will provide additional assistance and monitoring as formal outreach reporting begins later this fall.

Moreover, DOL is leveraging the core employment services provided under the Wagner-Peyser Act to track the employment outcomes of VRAP participants who receive employment assistance from AJC staff. Specifically, the Department is making modifications to its Labor Exchange Reporting System (LERS), currently used by several DOL programs, to collect information about services provided to and employment outcomes of VRAP participants. Only participants who accept the Department's offer for employment assistance and enroll at an AJC are included in this reporting.

LERS outcomes include three measures used across employment and training programs serving adult populations, commonly referred to as the Common Measures, to gauge program success. These are as follows: Entered Employment Rate; Employment Retention Rate; and Average Earnings. The Common Measures are captured using state wage records and are reported to the Department within 45-days of the end of each quarter. The capture of outcomes is automatically initiated after a participant has gone 90 days or more without receiving an employment or training service.

As described earlier, the Department has updated the standard state performance reporting systems to provide employment outcome information for those VRAP participants who receive services from AJC staff. In addition, DOL has been working with VA to develop methods for more comprehensive reporting of performance outcomes for all VRAP participants. This broader VRAP reporting has posed some challenges to the public workforce investment system, comprised of AJCs, state workforce agencies, and various partner organizations, which is by design decentralized and locally-driven. The Department has had to reengineer current data-reporting systems and reverse reporting processes to allow an exchange of information between the Department and the states. This task has required both a memorandum of agreement and the development of an interagency data-transfer agreement between the Department and VA. The data transfer agreement between the Department and VA is currently being finalized and will increase the Department's access to VRAP participant data. Additionally, the Department is beginning work with the 54 states and territories to develop data-transfer agreements that will further facilitate the dissemination of VRAP participants' contact information and give states the option to receive participants' Social Security numbers in addition to the contact information they are already receiving. The Department has also sought and received approval for a new data collection specific to the workforce investment system's outreach efforts. These processes, which sometimes take years to complete, have been carried out in a matter of months.

In addition, some states have reported to the Department challenges in maintaining their performance data reporting, both in terms of limited physical computer systems and technical staff. The Department has responded by providing extensive technical assistance in the form of webinars, guidance documents, tutorials, and a dedicated e-mail helpline for inquiries. The Department will continue to work with the states and others to ensure the success of VRAP.

#### **Homeless Veterans Reintegration Program (HVRP)**

Another important program aimed at providing training and employment services to veterans is the Homeless Veterans Reintegration Program (HVRP). The HVRP provides employment-focused and supportive services to assist homeless veterans attain meaningful civilian employment and to stimulate the development of effective service delivery systems that address the complex problems facing homeless veterans. The HVRP is one of the only nationwide Federal programs that exclusively focuses on helping homeless veterans to reintegrate into the workforce.

HVRP funds are awarded to eligible entities through a competitive grant process outlined in the annual Solicitation for Grant Applications. Eligible entities in PY 2013 included: State and local Workforce Investment Boards, Native American tribal organizations, for-profit/commercial entities, public agencies, and non-profits, including community-based organizations. Grantees provide an array of services to homeless veterans through a holistic case management approach, which includes critical linkages to a variety of support services available in local communities. Successful grant applicants must specifically describe how their outreach to homeless veterans will build an effective level of collaboration with other entities, such as the Department of Veteran Affairs, Grant and Per Diem (GPD) grantees, Housing and Urban Development and Veterans' Affairs Supportive Housing (HUD-VASH) Supportive Services for Veteran Families (SSVF) grantees, Health and Human Services (HHS) grantees, and Department of Veterans' Affairs Homeless Veteran Supported Employment Program (HVSEP).

HVRP operates on the principle that when homeless veterans attain meaningful and sustainable employment, they are on a path to self-sufficiency and their susceptibility to homelessness is diminished. HVRP is employment-focused; each participant receives customized employment and training services to address his or her specific barriers to employment. Services may include occupational, classroom, and on-the-job training, as well as job search, placement assistance, and post-placement follow-up services. HVRP's client-centric, "hands-on" approach has successfully helped place thousands of previously-homeless veterans, some of whom were chronically homeless, on a path to self-sufficiency.

Within the umbrella of the HVRP, the Department funds two additional programs designed to address difficult-to-serve subpopulations of homeless Veterans, the Homeless Female Veterans and Veterans with Families Program (HFVWF) and the Incarcerated Veterans' Transition Program (IVTP). HFVWF is a competitive grant program that targets the subpopulation of homeless female veterans and veterans with families. The IVTP demonstration project grants currently authorized as a pilot program that sunsets on September 30, 2013, are designed to support incarcerated veterans who are at risk of homelessness by providing referral and career counseling services, job training, placement assistance and other benefits. Eligible IVTP participants include veterans who have been incarcerated and are within 18 months prior to release, or within six months after release from a correctional institution or facility.

In addition, through HVRP the Department supports "Stand Down" events. A Stand Down is a local community event collaborated between local VA programs, other government agencies and community agencies serving the homeless, typically held over one to three days, where homeless veterans are provided a wide variety of services, which can include temporary shelter, meals, clothing, hygiene care, medical examinations, immunizations, state identification cards, veteran benefit counseling, training program information, employment services, and referral to other supportive services. Funding for employment services and incentives for homeless veteran participants, such as hot meals and climate appropriate clothing, is provided through non-competitive grants awarded on a first-come, first-served basis until available funding is exhausted.

#### **HVRP Grant Process**

Most HVRP grants are competitive in nature, with the Department soliciting bids by advertising opportunities on the Federal government's consolidated website: [www.grants.gov](http://www.grants.gov). Once the bid period closes, the Department assembles grant review teams under the direction of the Department's Grant Officer. These teams review each bid and score it according to the selection criteria announced in the solicitation. The bids are then ranked based upon their objective scores, although the Department reserves the right to consider geographical dispersion and other factors when making the final selections. Once selections are made, Congressional notifications are completed and the Department issues a press release of the grant awardees. DOL staff then conducts post-award meetings to ensure all new grantees are fully informed of grant implementation and reporting requirements.

All HVRP grant recipients are measured against four performance outcomes outlined in our policy guidance and if a grantee is unable to meet any of the four outcomes the grantee will be placed on a corrective action plan. The performance outcomes are: (1) Enrollments; (2) Placements; (3) Placement Rate; and (4) Cost per Placement. DOL staff works closely with grantees to help them succeed and to achieve all of the four performance outcomes. DVOP and LVER staff also support HVRP grantees by providing critical resources to help grantees achieve entered employment and retention goals through case management, direct employer contact, job development, and follow-up services.

We in the Department are proud to report that from July 2011 to March 2013, the HVRP enrolled 16,412 participants and 10,744 (66 percent) were placed into employment, earning an average wage of \$10.74 per hour. During this same period, over 65 percent of those who were placed into employment continued to be employed 6 months later. Despite the myriad challenges in moving unemployed homeless veterans into employment and housing, the Department believes the HVRP has shown encouraging results. The Department remains committed to the Administration's goal of ending veteran homelessness by 2015 and looks forward to working with the Committee to ensure the continued success of the program.

#### **Conclusion**

In conclusion, the VRAP and HVRP programs display our Nation's commitment to our servicemembers, veterans, and their families. The Department of Labor is dedicated to the success of these programs and will continue to work diligently to provide these brave men and women with the employment and training services they need and deserve. Mr. Chairman, Ranking Member Takano, and Members of the Subcommittee this concludes my statement. Thank you again for the opportunity to testify today. I am happy to answer any questions that you may have.

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### **Statements For The Record**

#### **THE NATIONAL COALITION OF HOMELESS VETERANS**

**Chairman Bill Flores, Ranking Member Mark Takano, and distinguished members of the House Committee on Veterans' Affairs, Subcommittee on Economic Opportunity:**

The National Coalition for Homeless Veterans (NCHV) is honored to present this Statement for the Record for the legislative hearing on September 12, 2013. On behalf of the 2,100 community- and faith-based organizations NCHV represents, we thank you for your commitment to serving our nation's most vulnerable heroes.

This written statement will focus on NCHV's longstanding support for the Homeless Veterans Reintegration Program (HVRP) – the only federal program specifically dedicated to helping homeless veterans prepare for and enter employment, and providing follow-up mentoring and counseling to help them remain employed.

HVRP is one of the most important tools in our nation's toolkit to end homelessness among veterans by 2015. The program has been authorized by Congress at \$50 million a year since 2005. Despite serving about 16,000 veterans with serious and often multiple barriers to employment each year, and its standing as one of the most successful programs in the Department of Labor portfolio, it has never received the full level of funding authorized by Congress. In FY 2013, HVRP was funded at \$38.1 million.

NCHV strongly supports a full annual appropriation of \$50 million for HVRP to increase the number of homeless veterans served by the program. We also endorse reauthorizing HVRP through 2018, as proposed in H.R. 2150, the "Homeless Veterans Reintegration Programs Reauthorization Act of 2013."

Finally, NCHV strongly supports the intent of Section 6 of H.R. 357 – extending HVRP eligibility to veterans who are fast-tracked into permanent housing. When the original regulations for HVRP eligibility were drafted, there were no veteran-specific programs designed to quickly move homeless veterans from the streets into housing. Today, that is the prime objective of the Department of Veterans Affairs (VA) "Housing First" policy.

HVRP is particularly vital to veterans receiving vouchers under the HUD-VA Supportive Housing (HUD-VASH) program. Helping these formerly homeless veterans re-enter the workforce offers the greatest hope they will become progressively less dependent on government assistance as they advance to independent living in permanent housing.

#### **Description of Program**

HVRP is administered through the Department of Labor-Veterans Employment and Training Service (DOL-VETS). VETS administers competitive grants to several types of community partners, including state and local government agencies, private service providers, and faith- and community-based organizations. Organizations must reapply for funding every three years, and must meet or exceed their program goals to remain competitive.

Organizations awarded HVRP grants provide their homeless veteran clients with:

- Job training and professional development services



- Career counseling, and resume preparation
- Job search and placement assistance
- Follow-up services to ensure job retention
- Vital supports like clothing, referrals to housing resources, health and substance abuse treatment services, and transportation assistance

Roughly 16,000 veterans each year benefit from the services that HVRP provides. In recent years those services have been increasingly utilized by younger homeless veterans. The returning soldiers, sailors, Marines, and airmen who served in Iraq and Afghanistan (OEF/OIF era) face unemployment rates of 10% as of August 2013. Many of these out-of-work veterans fall into homelessness – 12,700 OEF/OIF veterans were homeless at some point during 2010.

HVRP is the most effective program available to address homeless veteran's financial issues – by helping them become gainfully employed. With relatively small grants to already-existing community service delivery systems, HVRP capitalizes on the expertise and infrastructure of its 143 community-based partner organizations.

Despite the breadth of services offered by HVRP, they currently can only be accessed by veterans meeting the definition of “homeless” in the McKinney-Vento Homeless Assistance Act. A veteran who is housed through the HUD–VASH Program does not meet that definition. Placement of chronically homeless and extreme low-income veterans in permanent housing with a HUD–VASH voucher is a priority under the new VA policy of “Housing First.” This policy places a homeless veteran as soon as possible into stable, safe housing with intense case management. Though this is a sound and results-proven policy, the current rules prevent veterans who are placed in HUD–VASH housing quickly from receiving the benefits of HVRP.

As a nation we are committed to ending homelessness among veterans by 2015. Though progress is being made to reach that goal, a fully funded and properly applied HVRP is a critical, strategic component of the campaign.

#### ***Unique Aspects of HVRP***

HVRP is the nation's only employment program wholly dedicated to serving homeless veterans. Despite the multiple barriers to re-employment most homeless veterans face, the HVRP program requires its grantees to successfully place clients in jobs, and to provide follow-up services to help them remain employed for nearly a year. HVRP is so successful because it does not just fund employment services; it guarantees job placement and job retention supports.

Through HVRP, these men and women are given an opportunity to build the skills necessary to enter the workforce. The program provides wrap-around supports including residential stability, health services, and counseling. Furthermore, HVRP providers do not abandon their veterans when they become employed; regulations stipulate they must provide follow-up services for 270 days after the veteran returns to work.

At an average cost of \$3,295 per placement, HVRP clients can expect to find a job with an average wage of \$10.48 per hour. The job placement rate of HVRP grantees is, in many cases, higher than that of veteran employment programs overall.

#### ***Recommendations***

H.R. 2150 would re-authorize HVRP at its current level of \$50 million annually through 2018. The long-term nature of veteran enrollment in HVRP (often almost two years) means that year-to-year authorizations are hard on the community partners administering the services. For each veteran helped, a two-year commitment must be made to a program of support, training and post-employment follow-up.

The Department of Labor has stated that historically the low funding levels have not impacted the quality of services but have limited the number of veterans served by the program. Increasing the funding would undoubtedly increase program capacity and reach more of those who need these services. The most recent estimates place the number of homeless veterans above 62,000. Although this represents a 17% drop since 2009, the fact remains that tens of thousands of homeless veterans still need help to get off of the streets.

An interesting footnote to the economic impact of HVRP is that the government expense of providing these services – average job placement cost of \$3,295, average hourly wage of \$10.48 – returns about 150% of the program cost in federal and state tax revenue during the first year of employment.

“Housing First” paradigms place the emphasis on providing stable, safe, and permanent housing to homeless veterans as soon as possible in order to properly support their recovery from homelessness. These data-driven, results-proven paradigms should not exclude homeless veteran clients from jobs training and employment as-

sistance. The recovery and reintegration of homeless veterans requires stable, safe, and permanent housing, as well as job training and placement assistance.

Ensuring a stable income – through employment opportunities or earned veterans' benefits – is the surest way to prevent recurring homelessness and to end chronic homelessness among veterans. "Housing First" was never meant to mean, and never should mean, "Housing Only." NCHV supports extending eligibility for the HVRP program to veterans fast-tracked into permanent housing in the HUD-VASH program.

Thank you for the opportunity to submit this Statement for the Record. Thank you also for your commitment to ending veteran homelessness. NCHV is confident you will continue your unwavering support of veterans in crisis in the future, and we look forward to working with this subcommittee for the duration of the Five Year Plan to End Veteran Homelessness, and beyond.

Thank you for your service,

**John Driscoll**  
President and CEO

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#### EASTER SEALS INC.

Chairman Flores, Ranking Member Takano and members of this Subcommittee, Easter Seals thanks you for holding this hearing to review the performance of the Homeless Veterans Reintegration Program (HVRP). Easter Seals is a national non-profit organization that provides essential community-based services and supports to veterans, military families, individuals with disabilities and others. Since World War II, Easter Seals has helped to address the unmet needs of U.S. soldiers returning home with new service-connected disabilities. Through our national network of 73 community-based affiliates, Easter Seals assists veterans and military families through our medical rehabilitation, caregiving, employment, adult day, therapeutic recreation, reintegration and other quality programs. Easter Seals regularly fills the gap between the services veterans and military families need and the services currently available through government or other entities.

Easter Seals appreciates the Subcommittee's focus on the employment and reintegration needs of America's veterans by examining HVRP and the Veterans Retraining Assistance Program. The men and women who have served our country must have full access to the reintegration supports and services they need to help in their transition to civilian life. Easter Seals partners regularly with federal, state and private entities to help provide reintegration and other services and supports to veterans and military families. For example, Easter Seals trains caregivers of seriously injured Post-9/11 veterans for the U.S. Department of Veterans' Affairs' (VA) National Veteran Caregiver Training Program. Easter Seals New Hampshire works with the New Hampshire National Guard and others to provide case management, counseling, housing support, employment and other services to help military families during their service to our nation. And through our partnership with the Dixon Center for Military and Veterans Community Services, Easter Seals has teamed with businesses and community foundations to launch veterans' employment, financial planning and reintegration programs in Indiana, Minnesota, New Jersey, New York, Ohio and Oregon. Easter Seals believes no veteran or military family should suffer from a lack of access to or understanding of how to navigate reintegration services.

Easter Seals fully supports the Department of Labor's (DOL) Homeless Veterans Reintegration Program. HVRP is the only federally-funded program focused exclusively on the employment of veterans who are homeless. Congress created HVRP recognizing the critical role employment plays in recovery and understanding the unique, individualized needs of each veteran who is homeless or at-risk of becoming homeless. The program provides job training, counseling, and placement services to expedite the reintegration of homeless veterans into the labor force. More than 16,000 homeless veterans or veterans who were at-risk of homelessness received job

training and employment assistance through HVRP in its last recorded program year.<sup>1</sup>

One of the individuals helped recently through HVRP was Donald, a 48-year old veteran from Oregon. He enrolled in Easter Seals Oregon's Homeless Veterans Reintegration Program earlier this summer looking for help in finding a job. The former Oregon Air National Guard Member had been out of work since 2008. With no steady income, Donald found himself homeless, broke and socially isolated. He was determined to get back into the workforce, but didn't think he had much to offer an employer. Donald simply identified "general employment" as his goal when he entered the program. It wasn't until an in-person meeting with his Easter Seals HVRP employment specialist that Donald talked about his time in the military as an aircraft fuel systems mechanic helper and his 14 years of experience as a forklift operator. The Easter Seals employment specialist recognized the many natural talents Donald had and the work skills he developed through past civilian and military jobs. Donald's immediate goal was to get back into the workforce as quickly as possible. Donald dreamed of visiting all 48 states in the continental United States and, together with his employment specialist, identified a career as a long-haul truck driver as a viable, in-demand option. His long-term goal was to earn a Class A Commercial Driver's License (CDL). Easter Seals Oregon immediately connected Donald to transitional housing at a nearby Salvation Army housing complex and provided him with a monthly bus pass so he could easily attend meetings and, eventually, jobs interviews. Together with his employment specialist, Donald updated his resume, linked to the local VA center for other services, and registered with several staffing agencies in the region. Just a few short weeks after entering Easter Seals' Homeless Veterans Reintegration Program, Donald was hired by a local manufacturing company in a permanent job as a forklift operator. He works full-time and earns \$10 per hour, with full benefits. Donald cited "networking skills, online job search assistance, resume update, housing stabilization, reliable transportation, and encouragement" as services that Easter Seals Oregon-HVRP provided that helped him get this job. Donald is also pursuing his long-term employment goal. Donald is applying to a local truck driving school that has an excellent track record in educating and finding jobs in the field for past Easter Seals HVRP clients. With the help of HVRP and the personalized attention of his Easter Seals employment specialist, Donald is working full-time, is in stable housing and is well on his way to achieving his long term career goal.

Donald is just one of thousands of homeless veterans across the country being served through HVRP. The program works, in large part, due to the holistic, person-centered care coordination model that Easter Seals has used for several decades in helping individuals with disabilities achieve their dreams. Easter Seals commends Congress for creating a program that recognizes that veterans face multiple barriers to securing a job and maintaining stable housing. The HVRP model works directly with each veteran to develop an individualized employment development plan and to connect the veteran to training, employment services and other community supports to help achieve their goal. The Department of Labor noted in its FY 2014 budget justification that its traditional job training and employment programs are "often not well suited on their own to assist homeless veterans" and described how "helping homeless veterans requires a substantial amount of outreach and job development with employers as well as the coordination of individually tailored support services and training interventions." HVRP providers can help to pay for reasonable expenses or connect them to available community services that are required for the veteran to succeed in achieving his or her employment goal. In the case of Donald, Easter Seals Oregon provided several supportive services to help him achieve his employment goal including the purchase of a monthly bus card and the connections to the VA and the local transitional housing provider. Other supportive services examples include child care, health care, assistive technology, and counseling.

Our nation has made tremendous progress in tackling the homeless problem among U.S. veterans. The U.S. Housing and Urban Development's (HUD) 2012 Point-in-Time Estimates of Homelessness noted that veterans' homelessness fell by 7.2 percent since January 2011 and by 17.2 percent since January 2009. HVRP and other programs developed and supported by Congress, including the Supported Services for Veterans Families (SSVF) Program, HUD-VA Supportive Housing Program, and Grant and Per Diem Program, have effectively provided the individualized support and assistance needed to reverse the trend of homelessness among veterans. While homelessness is declining, challenges still remain, particularly for women veterans and veterans of Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). The VA's National Center on Homelessness among Veterans

<sup>1</sup>U.S. Department of Labor Fiscal Year 2014 *Congressional Budget Justification*

reported in its supplemental report to Congress<sup>2</sup> that young OEF/OIF veterans and female veterans are at two times greater risk to become homeless than their non-veteran counterparts and three times at greater risk to live in poverty. The Department of Labor projected that it will serve 20,000 eligible veterans in FY 2014, with a particular focus on women veterans. Easter Seals affiliates in Indiana, Maryland, New York and Oregon have partnered with DOL to help accomplish this important goal. For example, Easter Seals Crossroads in Indianapolis will help to meet the urgent needs of 150 homeless veterans in the eight-county region around Indianapolis. Easter Seals New York will serve more than 100 homeless female veterans living in the New York metropolitan area through a new HVRP. However, new resources and improvements to the HVRP program are needed to help meet the needs of these veterans.

Based on Easter Seals' experience and our commitment to America's veterans, we respectfully urge Congress to strengthen the HVRP program and to increase our nation's effort to meet the reintegration needs of our veterans.

**1. Reauthorize the HVRP Program:** The current HVRP authorization expires at the end of fiscal year 2013. Easter Seals endorsed the Homeless Veterans' Reintegration Program Reauthorization Act of 2013 (H.R. 2150), which would extend HVRP through FY 2018. Easter Seals commends this Subcommittee for favorably reporting the bill to the full House Veterans' Affairs Committee and we urge Congress to complete action on this critical legislation.

**2. Fully Fund HVRP:** HVRP is currently authorized at \$50 million annually, the save level proposed in the Homeless Veterans' Reintegration Programs Reauthorization Act of 2013. However, the program has only been funded at \$38 million the last two fiscal years. While we understand the difficult fiscal environment, Easter Seals recommends that Congress fully funds HVRP at its authorized level of \$50 million to better meet the needs of homeless veterans and veterans who are at-risk for homelessness.

**3. Expand Veteran Eligibility of HVRP:** Easter Seals supports H.R. 1305, which would expand eligibility to HVRP to also include veterans who are participating in and receiving rental assistance through the VA's supported housing program (HUD-VASH) and veterans who are transitioning from being incarcerated. These vulnerable veterans should have access to HVRP. Easter Seals is pleased that the Subcommittee took the first step toward helping these vulnerable veterans by reporting the bill favorably to the full VA Committee.

**4. Create Waiver To Make Housing An Allowable Expense:** The goal of HVRP is to leverage existing community housing resources by connecting eligible veterans to available transitional and affordable housing programs. Homeless veterans in some communities struggle to achieve their housing and employment objectives because of the lack of transitional or affordable housing in their area. The lengthy waiting lists and the prohibition on using HVRP funds to pay for rent or housing deposits delays and, in some cases, prevents a veteran's ability to meet his or her goal. Easter Seals requests that Congress and DOL add an allowable expenses waiver to allow, on a case-by-case basis, a grantee to pay the first month's rent or a deposit for an apartment as part of a veteran's employment development plan.

**5. Create HVRP-Like Program To Address Reintegration Needs:** The individualized, holistic care coordination model used in HVRP is the root of the success of HVRP. The model is a key component of the VA's Supported Services for Veterans Families (SSVF) program that is also aimed at preventing veterans' homelessness. The community-based, holistic approach ensures veterans and their families have access to a continuum of care that is local, timely and effective. Easter Seals recommends that Congress create a pilot program at the VA that uses this holistic model to address the reintegration needs of veterans in need. Programs like HVRP and SSVF are targeted at a population when they are most at-risk. Providing veterans with these supportive services and access to care coordination earlier in the process will more quickly and effectively respond before the problems turn to crisis.

Easter Seals commends Congress and this Subcommittee for its commitment to helping to end veterans' homelessness. The Homeless Veterans Reintegration Program at the Department of Labor is one of the most effective tools in helping homeless veterans and veterans who are at-risk of homelessness to get back on their feet and contributing to their communities. Thank you for your support of HVRP and

<sup>2</sup>VA National Center on Homelessness among Veterans, *New Research on Homelessness among Veterans*, 2011

your interest in strengthening the program. Easter Seals looks forward to working with Congress to help America's veterans and military families with the services and supports they need to succeed in their communities.

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