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TRANSITION ASSISTANCE FOR MEMBERS OF ACTIVE DUTY RESERVE AND NATIONAL GUARD, AND EDUCATION BENEFITS FOR THE TOTAL MILITARY FORCE

FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

OF THE

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

JUNE 19, 2006

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TRANSITION ASSISTANCE FOR MEMBERS OF ACTIVE DUTY RESERVE AND NATIONAL GUARD, AND EDUCATION BENEFITS FOR THE TOTAL MILITARY FORCE

MONDAY, JUNE 19, 2006

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ECONOMIC OPPORTUNITIES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:10 a.m., at the 28 Operation Support Squadron Auditorium, 1956 Scott Drive, Ellsworth AFB, South Dakota, Hon. John Boozman (chairman of the subcommittee) presiding.

Present: Representatives Boozman and Herseth.

Mr. BOOZMAN. The hearing will come to order. I'm delighted that our Ranking Member Stephanie Herseth has invited the Subcommittee on Economic Opportunity to visit South Dakota to hear from service members and veterans on how well the Transition Assistance Program and the GI Bill are doing.

Before we begin, I'm sure everyone has heard about the recent loss of veterans' data at the VA. Tomorrow Ms. Herseth and I will hold a hearing to find out what effect that loss might have on the benefits programs under our jurisdiction. I want to assure each of you that we will do everything possible to minimize the damage that might have been done. I wish we could guarantee veterans that they will not be affected, but that is not yet to be determined.

In the meantime, I urge each veteran to check their credit files, watch their monthly statements very closely, and take aggressive action if something appears amiss.

If you have access to the Internet, the Committee website www.veterans.house.gov has several links to information and assistance.

Normally I make our Ranking Member Ms. Herseth listen to me as I ramble on about the various things having to do with the programs that we're going to talk about, but today I just want to say that we really do enjoy working with Ms. Herseth. She's truly been a pleasure as our Ranking Member. The Veterans Affairs Committee is very bipartisan. We work really hard. Most of us—in fact, all of us—have asked to serve on this Committee. It's not something that we were told, "You've got to do this." Most of us—in fact, all of us—like I say, have asked to be on that Committee in an effort to help veterans. We appreciate all that she does for veterans, and we'll turn things over to Ranking Member Herseth.

[The statement of Mr. Boozman appears on p. 37.]

Ms. HERSETH. Well, thank you, Mr. Chairman, for accepting the invitation to come to South Dakota. A few months ago, I accepted the invitation of Chairman Boozman to join him in the great State of Arkansas where we held a hearing similar to this one today, a series of hearings we've been having at the Subcommittee level to evaluate the effectiveness of our Transition Assistance Programs for our active duty service members as they transition to civilian life, to talk with our leadership of the National Guard and Reserve components in our states and other states around the country, to talk about the importance of the demobilization process for our members of the Guard and Reserve returning home from often lengthy deployments in Iraq and Afghanistan and elsewhere around the world, as well as gauging the interest in and accepting ideas about how to effectively modernize the Montgomery GI Bill to meet the needs of active duty servicemen and women, to meet the needs of our National Guard and Reservists, and what we do to make those benefits more flexible for all of the men and women who serve in the Armed Forces as they seek opportunities in the civilian sector after they've served the country so admirably.

But it is wonderful to be able to host you here in South Dakota, members of your Committee staff that are traveling with you, I want to thank our Air Force escorts on the trip in making this a time worth everyone's while here this morning, but also taking advantage of what South Dakota has to offer: The beautiful Black Hills and Mt. Rushmore where we were last night.

And I think that we're all in agreement, as the Chairman said, that this is a very bipartisan full Committee and a very bipartisan Subcommittee. I've certainly enjoyed working with Chairman Boozman on a number of issues under the purview of our jurisdiction, whether it be education, employment, transition, job training, other programs to ensure a level of oversight to make them as effective as possible because we know that the young men and women who choose to serve in our Armed Forces deserve the very best while they're serving and after they're serving. So thank you for your interest in being here today and we look forward to hearing the testimony of our panelists. Thank you again, Mr. Chairman.

Mr. BOOZMAN. Thank you. We've had several hearings on transition assistance and the GI Bill including field hearings in New Hampshire and Arkansas. Each has provided the Subcommittee with additional insights regarding the effectiveness of the programs, especially how they apply to the members of the National Guard and Reserves.

TAP is important in the transition process for both active duty members and those in the Selected Reserves.

We've seen that when commanding officers and their State officials make a concerted effort to use TAP to help stabilize the lives of their active duty, Guard and Reserve members returning from extended active duty, post-deployment problems decrease and retention rates increase.

Post-deployment issues for the Guard and Reserves are a bit different from those facing the regular forces. In many ways, those issues are more difficult because of the dispersion of the unit upon

return. In fact, by denying the mutual support of unit members with whom members have shared tough times, I believe the current 90-day restriction placed on drilling following extended deployment is a mistake and may foster higher rates of stress-related issues such as those involving other family members and risky behavior. I'm looking forward to hearing from officials on how they are meeting the needs of their members.

You may have heard that Steve Buyer, the Chairman of the House Veterans Affairs Committee, has expressed his support for a modernized GI Bill, and I for one, welcome his initiative. The Montgomery GI Bill has served the nation's veterans well for 20 years, but with the prospect of continued integration of Guard and Reserve forces with the regular military, we need to look at what will make that benefit more relevant to today's operational climate. This will likely be a very expensive undertaking, one that will probably take some time to do. For those who have not known the history of the Montgomery GI Bill, it took seven years to enact it.

Let's start with our first panel. First of all, I know some of you all will drift in and out and that's fine to do. I really do want to thank everyone for their hospitality. We'll talk about this a little bit later. This is the first time that I've been to this part of the country for any length of time, and we really had a good time. The community's great. Seeing Mt. Rushmore in the evening, lit up was tremendous. The Subcommittee thanks you for your hospitality. It's been great so far. Hopefully it will continue until we get on the plane.

On this panel we have Captain Chennel McClung, Command Chief Sergeant Clyde Aune, and Staff Sergeant Ann Mitchell. Let's begin with Captain McClung and we'll go right down the line. Captain?

STATEMENT OF CAPTAIN CHENNEL McCLUNG, OFFICER IN CHARGE OF PERSONNEL EMPLOYMENTS AND RELOCATIONS, 28th MISSION SUPPORT SQUADRON, ELLSWORTH AFB, RAPID CITY, SD

Captain MCCLUNG. Good morning, Mr. Chairman, Committee Members. I'm Captain Chennel McClung from the 28 Mission Support Squadron here at Ellsworth, and I'll start this morning by talking about the Transition Assistance Program.

I went through the Transition Assistance Program after learning that I was eligible for this first round of Officer Force Shaping. The Air Force is attempting to shorten up their forces and the first round of Officer Force Shaping involved the 2002 and 2003 year groups of lieutenants. The board convened and the results came out in May and fortunately, I was not force shaped out, but I did go through the Transition Assistance Program just in case I were to be force shaped out and would have to separate this year, and I did learn a lot more than I thought I would when I first walked in; basically everything from how to do a resume, how to start a small business, how I could use my Montgomery GI Bill after getting out, information on home loans, and anything I needed to be able to help myself transition from active duty to being a civilian.

My position is a little bit unique, but not too much. I am married to another military member, so I wasn't worried about things like

benefits, health insurance and things like that, but you do grow accustomed to a two-income household.

So being able to find work after making the transition was a concern of mine, and I am very confident that after going through the TAP program, I would not have been out of work long given the tools that I picked up from the program. It was very helpful. There were about 30-some-odd other people going through at the same time that I did, and it seemed to—it seemed to help pretty much everyone that was there.

It's a great benefit. It really is.

[The statement of Captain McClung appears on p. 40.]

Mr. BOOZMAN. Chief Master Sergeant Aune.

STATEMENT OF CHIEF MASTER SERGEANT CLYDE W. AUNE, COMMAND CHIEF, 28TH BOMB WING, ELLSWORTH AIR FORCE BASE, RAPID CITY, SD

Master Sergeant AUNE. Yes. I really appreciate the opportunity to talk with you today about the Transition Assistance Program, and I'd like to share a comment or two about the Montgomery GI Bill as well. And so we tried to put together, I think, some folks up here today representing many different aspects of the military. I happen to be the only one of the three of us not married to another military member so I can share that particular side of the equation with you.

In my case, I joined the Air Force 28 years ago, and if we recognize that prior to joining the Air Force, I had only worked in one job. That was a job I filled out an application for and was asked if I could start that same evening.

So I sit before you now 46 years old and ready to leave the Air Force having never, ever interviewed for a job other than the one I currently hold and that's a military one. I have never written a resume. I filled out one application as a high school student and that's the only application I've ever filled out in my life. And so if you just recognize then that people in my particular situation have to count on something like this Transition Assistance Program to prepare us for this significant transition into what, for many of us, is our first time ever competing for employment in the civilian sector.

My wife was able to attend with me. My current position dictates that my wife attend many functions with me and, as a result, has chosen not to be employed during the two years that I've spent here at Ellsworth, and so she was able to attend the Transition Assistance Program and the three-day briefings with me and came away from that with a tremendous amount of information and knowledge that I regret, frankly, that every one of our spouses could not come away with that same thing.

And so in spite of the tremendous program that our Family Support Center has put together and puts in front of us here specifically at Ellsworth, were it that I could ask for any improvement in this program not specific to Ellsworth, it would be that spouses would have the opportunity to attend so that they could also understand the tremendous variety of benefits available to us.

We were talking up here before we started about retirees we've all known who tend to pass away a very short time after retiring.

In my case working for a supervisor here, a Master Sergeant who, 11 days after retiring, was walking out to his mailbox and died of a heart attack halfway to that mailbox and left a spouse then completely unaware of what benefits she may be entitled to now.

My wife, like me, took a tremendous amount of notes at the Transition Assistance Program seminar and came away from there meeting with our Unlisted Spouses Group on Base recommending that each and every one of them has to make time, has to take time off work, has to arrange for child care such that they also could attend and come to understand the tremendous range of benefits that exist.

Our Transition Assistance Program is just a tremendous three days' worth of information to help us prepare for not only what I've talked about, filling out applications, resumes, but also conducting mock interviews, something many of us have never done in our lives, and conducted by human resources people from the surrounding community that can help prepare us for what we will face, access to what our veterans' benefits are and what time lines exist that we must be knowledgeable of in order that we don't sacrifice any of those benefits.

As an example, I learned for the first time in my life you have to enroll for VA healthcare within one year of retirement. I learned that you have to convert to Veterans Group Life Insurance within four months of retiring or you would have to complete a complete physical in order to reapply for the VGLI. And then also applying for disability. Having served 28 years, I think very few people would serve that length of time and not have some sort of medical issues they had incurred during that period of service, and that number—or those disabilities, I think, will only increase because of our service in Iraq and Afghanistan.

So learning that we don't have access to those—or I should say, we would not be compensated for those disabilities until the day that we apply. This helps us all understand how important those time lines are.

And so a last few comments then about the Montgomery GI Bill. I would prefer to speak about the estimated 77,000 of us on active duty in the Air Force today that fell between the old GI Bill and the new Montgomery GI Bill and entered our Air Force during the time I mentioned. The education benefit was VEAP or Veterans Education Assistance Program.

Like many others who came in my same time, we were called together in the Base Theater on this base and counseled by our own Education Office that this was not a good benefit and was a benefit that we should frankly decline. Being a good airman at that time, I knew how to take direction and I did decline as did many of my counterparts and will now leave our Air Force without any education benefit. And so my plea would be a recognition of those men and women who followed direction given to them by their very Education Offices and declined VEAP.

Thank you.

[The statement of Chief Master Sergeant Aune appears on p. 42.]

Mr. BOOZMAN. Sergeant Mitchell. Thank you.

STATEMENT OF STAFF SERGEANT ANN M. MITCHELL, UNITED STATES AIR FORCE, ELLSWORTH AIR FORCE BASE, RAPID CITY, SD

Sergeant MITCHELL. Good morning. I'm Staff Sergeant Ann Mitchell, and I thank you for the opportunity to speak here today. I'll be sharing a brief summary of my situation and the Transition Assistance I have received.

I have been in the Air Force for seven and a half years and I just got back from my fifth deployment. While I was deployed this last time to Kyrgyzstan, I was 100 percent sure that I was going to get out of the service. I was tired of all the deployments and I was not really happy with where I was working. So after talking it over with my husband, who is also Active Duty, we decided it would be better if I just got out.

With this decision in mind, I started looking for jobs in the local area and I also got scheduled to attend the Transition Assistance Program. This class really helped me with all my doubts about getting out. I especially liked the veterans that came in and talked to us about numerous topics to include our benefits, resumes, cover letters, etc. They also told us that we could go downtown to their office for more assistance if we needed. In my opinion, this was an excellent class for transitioning people that are getting out of the service into civilian life.

But as time went on, I changed my mind about getting out and staying in about a hundred times. I came into the Air Force to go to school, to travel around the world, and have a guaranteed paycheck. I just kept thinking about all the great benefits that we have in the military, and the more I looked for jobs around here as a civilian, the more I was thankful about being in. I guess I'm really thankful to have job security, equal opportunity, education, and medical benefits, travel opportunities, and the list could go on. So I guess this all outweighed my initial decision about getting out because I was scared about leaving my family all the time. I guess if my husband and I made it through seven deployments already, we can make it through anything as long as we keep doing what we are doing.

I am so proud to be in the United States Air Force and to be a part of something larger than myself. Thank you again for hearing my testimony today.

[The statement of Staff Sergeant Mitchell appears on p. 49.]

Mr. BOOZMAN. Thank all of you very much.

Ms. Herseth.

Ms. HERSETH. Thank you, Mr. Chairman, and thank you for the testimony. It brings up a number of questions based on each of your separate experiences with TAP. And so if I could start with Master Sergeant, do you think in your experience, in your 28 years and—well, let me ask you first, how many people participated in the seminar with you, because I know that Captain McClung said about 30 others participated with her. Is that about the size of the group that participated?

Master Sergeant AUNE. That's correct, there were 26 in the seminar that my wife and I attended.

Ms. HERSETH. Okay. And the same with you then, is that what——

Sergeant MITCHELL. I was in the same class with Captain McClung.

Ms. HERSETH. All right. Do you think that the TAP program should be modified depending on whether or not you've been on active duty for 20-plus years or, for four to six years, whether or not you have a spouse who's not also in active duty? Do you think it should? Maybe that's what they did in your case where most of the other participants were also transitioning out after 15, 20, 25 years or more. Was that the case? Was it sort of adapted to meet the needs of longer-serving members of the Air Force?

Master Sergeant AUNE. Okay. In the TAP seminar we were all asked to come in civilian clothing so that there's a beginning and a realization of the fact that it's time to start thinking about another way of life. And in my personal opinion, there was great value in the wide range of the service options. In other words, from young folks like her (indicating) to people at my end of the scale so that the questions that each of us asked seemed to bring to light things that we would not have otherwise considered or thought of.

So I felt no need or reason to separate or segregate based on time of service or retiring at 20-plus years or separating early in your career or, frankly, being married to a military member or a civilian member. I saw no need to separate whatsoever. In fact, I felt great value in all of us being there at the same time.

Ms. HERSETH. And I noticed some nodding of the heads by the two of you, would you agree with that statement?

Captain MCCLUNG. [Nodding head up and down.]

Sergeant MITCHELL. [Nodding head up and down.]

Ms. HERSETH. And then I know you mentioned maybe one way to improve it is extending that opportunity to spouses.

Master Sergeant AUNE. Yes.

Ms. HERSETH. So as you're taking the notes and because of the wide range of benefits and other information presented over the period of the program, it's always helpful to have sort of two eyes. And so do you think that there are other factors that we could consider as we work with those who administer the TAP program that either of the other two witnesses would—a follow-up after a certain period of months, being able to talk a little bit about how some of the—not so much the resume-writing, but looking through how job applications have changed, as information technology has changed dramatically as well. Any other thoughts on how we might be able to improve the program?

Sergeant MITCHELL. Well, I think they keep it pretty open as far as if you need help, their doors are open, and the veterans downtown are really open with helping everybody. So I don't think there's any other—I mean, I think it was a great class and they covered all aspects.

Master Sergeant AUNE. My main concern, if we consider the Survivors Benefit Plan, if you're familiar with this program, the Survivors Benefit Plan requires a spouse's signature if the active duty member is going to decline anything other than the maximum coverage allowed under the Survivors Benefit Plan. So my wife had to come with me to our military personnel flight and receive a briefing on the Survivors Benefit Plan, what does that benefit entitle, and then if we chose to receive anything less than the maximum

benefits, she would have to sign saying she agreed with that decision.

And yet, that's important. I think that's a really good plan, but what I'm concerned about is that the access spouses would have to the tremendous array of benefits I have earned as a military member which she otherwise would be ignorant to because she's not a military member. We currently do nothing to safeguard her access to or knowledge of those benefits.

Ms. HERSETH. Thank you. I don't have further questions at this time other than just to acknowledge the point that you made about a gap that exists here based on advice given as it related to the value of the educational benefit for the 77,000-plus individuals that you've identified. Geoff and I have talked about this and we know that this is an ongoing problem, and we'll certainly work with the Chairman and the Committee staff and the other members on the Committee to keep finding ways to address this in light of the situation where you find yourselves now and the importance of receiving—and that really goes to the flexibility of the benefits that are provided and how we compensate for some of what happened in the transition from the older GI Bill to the change that we made a number of years ago. So thank you for your time in that regard.

Master Sergeant AUNE. Appreciate it.

Mr. BOOZMAN. We've really got an interesting panel because we've got three kinds of unique situations. We have someone that has been in and decided to retire, has made plans; someone else that with force reduction, felt like there might be such that you might have to separate; and then somebody that had not been in as long, but just decided that you needed to get out. And yet, with all those disparate motives being there, it seems like the course was very beneficial to everybody, so that's what we like to hear.

One of the things, as we've talked to people, because of your testimony, because of your experience, something I felt like, and I don't want to influence you, but is TAP a program that needs to be mandatory in certain periods through people's careers? One of the problems that we've heard is that if you take the TAP program and you're not planning on separating right then, then maybe there's a stigma attached as to, such as, why are you doing this?

What are your thoughts as far as making it such that people are encouraged, if not required, but encouraged during various parts of their career to take the program rather than when they feel like they're going to separate?

Captain MCCLUNG. I think it would be a great idea if more people who felt like they may separate or retire at some point were encouraged to go to the TAP program, but I think for the most part, people are—I didn't feel a stigma going to the class; you know, I'm going to jump ship or get out or anything. It was just, kind of protecting myself against not being educated enough to be able to fend for myself if I did happen to separate from the service. Again, the class was a great benefit.

To piggyback on the couples attending, I think it's great. There were, I think, two mil to mil couples that were there during our class and they seemed to get a lot more out of it. I think if more spouses were educated on the benefits that they would get if their spouse were to separate or retire from the service, it would help

a lot of people. I see so many widows coming in to speak to our Casualty Assistance Rep, that their spouse had passed away, had been retired for so many years and they declined their benefits, and nine out of ten of them will tell you, "If I knew exactly what I was entitled to, I would not have let him or her make that decision."

Master Sergeant AUNE. I would just like to be clear here, you referred to a stigma attached to attendance at TAP and perhaps a negative stigma, like, "What are you doing," considering perhaps some other course of action. The reality is that, I think, in today's Air Force we recognize that many who want to continue serving will not be allowed to serve in our Air Force because of the reductions that we are going through. And so there's no stigma, in my opinion, attached to attendance whatsoever. In fact, we highly encourage folks to go twice: One at two years or more out and one within the year in which you are separating or retiring.

Mr. BOOZMAN. Well, I appreciate that, we've visited with lots of different folks in lots of different ranches and that's not always the case. I really like your suggestion.

Seems like all of you are signing on that, the spouses learn a lot. What can we do to make it such that it's easier for spouses to attend? We live in a very active world and it is tough, sometimes with little ones, most of the time working. Do we need to talk about some night opportunities or what would be easier for—to make it such that we can actually do that?

Master Sergeant AUNE. Okay. So we currently do what we call Heart Link. This is another fantastic program run in our Family Support Center. This is to indoctrinate people who are new to our Air Force. Primarily that's our target audience, those who are new to our Air Force, and here's all that's available on the Base to help you get indoctrinated to the military way of life.

We conduct these in the evenings and then child care is provided and so this affords then active duty members and their spouses to attend together and know that their children are just down the hall being cared for. It seems to me—my wife and I discussed this at great length trying to figure out how could we get spouses to this TAP seminar because, the reality is most of our spouses work. I mean, that's just the way it is. We're two-income families today; that's the norm. And with 64 percent of our Air Force—approximately 64 percent of our Air Force married today, that's the norm as well, that we have a lot more spouses than not.

So evening seminars is the only answer that we could come up with that you would have to extend—these were three eight-hour days, and so I'm not going to be very successful in three eight-hour nights after the spouses have already worked that day and with the child care issue. So it would certainly have to be stretched out over a longer period, but it seems to me that evenings are the only way to ensure the largest number of spouses could attend.

Mr. BOOZMAN. Yesterday, somebody made the comment that you recruit the individual and then in trying to encourage, retention, you recruit the family. And probably you need to have, it sounds like, what you're doing here is that we almost need the transition of the family also rather than just the individual.

Have you got anything else?

Ms. HERSETH. I don't have anything else.

Mr. BOOZMAN. Is there any other thing that you'd like to add? You've been very, very helpful. Are there any other changes that you'd like for us to consider in the TAP program? We appreciate your comments on the GI Bill. Are there any other things that you think we should look at or——

Master Sergeant AUNE. No, sir. We really appreciate the opportunity to talk to you.

Mr. BOOZMAN. Well, thank you very much for being here. We appreciate your testimony and taking the time to come and share with us. It is important and especially, I think that the family and the spouse and other things that you've given us are very, very important. It sounds like the program here is doing quite well. Thank you very much.

Mr. BOOZMAN. Let's go ahead and have the second panel. With us is Mr. Andy Gerlach, the Deputy Secretary of the South Dakota Department of Military and Veterans Affairs, Ms. Karen Moore, the Community Readiness Consultant and Director of the Transition Assistance Program for Ellsworth Air Force Base; Mr. Todd Kolden, the Veterans' Services State Coordinator for the South Dakota Department of Labor; and finally, Mr. George Summerside, the Education Program Representative for the South Dakota Division of Veterans Affairs. Let's begin with Mr. Gerlach.

STATEMENT OF ANDY GERLACH, DEPUTY SECRETARY, SOUTH DAKOTA DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, AND MAJOR, SOUTH DAKOTA ARMY NATIONAL GUARD, ON BEHALF OF MAJOR GENERAL MIKE GORMAN, ADJUTANT GENERAL, SOUTH DAKOTA NATIONAL GUARD, AND SECRETARY, SOUTH DAKOTA DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Mr. GERLACH. Good morning, Mr. Chairman, Congresswoman Herseth. It's great to have you in South Dakota, sir. Great to host you, and great to always see the Congresswoman. I appreciate the opportunity to testify today. In holding this hearing, I think you're going to hear some very good testimony by all groups on issues that are important to all of us in South Dakota and veterans.

I am testifying today on behalf of Major General Mike Gorman, Adjutant General for the South Dakota National Guard and Secretary of the Department of Military and Veterans Affairs. My name is Andy Gerlach. I'm the Deputy Secretary for the department, a Major in the South Dakota National Guard, and a veteran.

This morning I would like to share with the Committee information on our Readjustment Program who assists the local War on Terror veterans, their families, employers, and South Dakota communities. South Dakota's outreach effort has been a partnership of State government and the Federal government along with the private sector organizations and individuals across South Dakota.

Since the beginning of the War on Terror, South Dakota has had over 5500 new veterans, and our overall veteran population is nearing an all-time high. Of the 5500 new veterans, over two-thirds are members of the National Guard and Reserves who, after their mobilization, have returned to South Dakota to continue their lives.

Shortly after the first of our National Guard units was mobilized in late 2003, the Department of Military and Veterans Affairs saw the need to establish the Readjustment Program for South Dakota's returning veterans. In addition, we recognize the program needed to include the service member families, employers, and the communities to which they were returning.

From this concept, our Readjustment Task Force was established. The Task Force is headed by the Department of Military and Veterans Affairs and directs all facets of service member readjustment and transition in South Dakota. Along with the Department of Military and Veterans Affairs, the Task Force includes representation from the State Division of Veterans Affairs, South Dakota National Guard, the State Department of Human Services, the South Dakota Council on Mental Health Centers, the Department of Labor in South Dakota, Veterans' Administration, and the Veterans Administration Vet Centers.

In South Dakota our readjustment effort has been far-reaching and begins well before the service member returns home. Teams made up of representatives from each of the Task Force organizations provide assistance in the following areas. Family support briefings that begin the process and are held prior to the unit returning home. At our family support briefings, we utilize professionals to talk about what to expect in terms of a behavior standpoint for everyone involved. They also provide benefit information to the families and points of contact.

Our demobilization stations are conducted at the active duty military post upon the unit's return. Teams from the Department of Military and Veterans' Affairs, Veterans' Administration, and National Guard travel to the demobilization station for personalized briefings with the soldiers.

Our welcome home briefs are conducted 30 to 90 days after the return of the unit's—to the unit's location. Follow-up information is presented to reiterate what was stated at the family support and demobilization station briefings. Close attention is also paid to specific readjustment issues within the unit.

Mr. Chair, I noted in your opening statement that you had talked about the 90-day issue, and I will tell you that in South Dakota here, we feel 90 days is too long to bring a unit back. The camaraderie that they gain during their mobilization, the ability to talk to one another, the ability to identify issues from our standpoint is important far closer to 90 days, and we think the 90-day issue is too long, and I wanted to note that to you as well.

We also give welcome home packets that are sent to the Division of Veterans Affairs to all returning veterans with printed information outlining State and Federal benefits.

The information is also found on our Department home page.

And finally, we have veteran's forums across South Dakota sponsored in communities throughout the State in partnership with our veterans service organizations. These forums provide benefit overviews and service information to all members in a public setting.

Each of these venues is important in registering veterans for the VA and it's something that we also stress in each one of these settings.

In each of the past four years, the Department has hosted a Veteran's Summit as well. Our Veteran's Summit brings together representatives from all major organizations in South Dakota to work with the military. Information is shared and ideas are exchanged. The Veteran's Summits address a wide range of issues along with fostering a spirit of cooperation and gives the Department ideas for initiatives to work into our strategic model.

Last month our 2006 Veteran's Summit was held in Pierre. The theme dealt specifically with post-deployment mental health issues faced by our service members and their families.

I'm glad to report that we have gained results by this. South Dakota's readjustment and transition effort focused on our new veterans has given us a large number applying for and gaining VA benefits. In fact, in a report from April 30, 2006, by the VA, South Dakota had a total of 2176 Global War on Terror veterans registered in the VA System. This total is more than any State in VISN 23 which includes South Dakota, North Dakota, Minnesota, Iowa, and Nebraska.

The State of South Dakota has also been very helpful in legislation at the State level. Veterans Transition Partnership has involved elected leaders in the Executive and Legislative branch in South Dakota. Some recent initiatives include revising the definition of periods of service which qualify for veteran's benefits in South Dakota, reestablishing the South Dakota Veterans Benefit program to include our bonus program that gives $500 to veterans from South Dakota when they return home from their service, and offering free education benefits at South Dakota Regent Campuses and Technical Schools for spouses and children of members of the National Guard in South Dakota who have been killed or permanently disabled while serving on active duty. We've also passed legislation in South Dakota to prohibit picketing at military funerals.

In closing, I would like to reemphasize that the success that we have had as advocates for veterans is the result of cooperation among leaders, organizations, and agencies and the sharing of ideas and resources. Since our troops have been deployed, South Dakota has stood as a true national leader in developing innovative ways to serve our returning service members and their families. The citizens of our State can be proud of this. Thank you.

[The statement of Mr. Gerlach appears on p. 50.]

STATEMENT OF KAREN MOORE, CORE COMPLIANCY MANAGER, TRANSITION ASSISTANCE PROGRAM, FAMILY SUPPORT CENTER, ELLSWORTH AIR FORCE BASE, RAPID CITY, SD

Ms. MOORE. Good morning, Chairman Boozman, Ranking Member Herseth. I am Karen Moore and I am in charge of the Transition Assistance Program here at Ellsworth, and I would like to make some comments about the chief—what he said and some other comments that were made.

For our transition class, we try to include everybody. All—whether they've been in two years, 28 years, whatever it is, we would like to have them all in the same class. The reason why is we have learned through all of this process that you need to have that experience along with that other knowledge and the other knowledge

that the younger people bring is Internet. They know how to access the computer.

They know where to find all of the websites. So a lot of times it's very interesting to watch the class interact because the older ones are helping them find benefits, and the younger ones are helping the older ones find websites of where to find jobs, where to find information on relocation and things like that.

Our class size normally runs between 12 to 47. We have had to go to four in a quarter because of the force shaping things going on, so we're having to do that, and we tried that for our last quarter and we were able to get the same amount as we had in one month in the previous year. But what I would like to say on that is we like to have smaller classes. I don't like to have 47 people crammed into a room. I have a huge classroom, but I still do not have enough room for interaction. TAP is so important, the information that has been talked about is very important and that we need more one-on-one, and that's why we like to have our classes smaller. The class that the Chief was in, it had 30-something in it, I guess. It was quite large.

The other thing I'd like to comment on is about spouses. Here at Ellsworth we do invite spouses, but as the Chief was saying, it's very difficult with people working. You need two incomes to make it in this world nowadays. So one thing that we had looked at, and I have been traveling around doing some instructing and I was with my peers two weeks ago, and I asked them a question. If with TAP, would you want it to be mandatory? And I didn't get any comments, but I did get a side-bar from an individual who came up to me, and she runs a program at another installation, and she told me no. And I was very surprised and I said, "Well, why not?" And she said the reason why is that she saw it as they may think that it's something that they have to do. It may have a stigma somehow get attached to it that it's another mandatory briefing that I've got to go to. I'm not going to get any benefit out of this program. Sometimes people walk into those classes with that.

So with her comment, we spoke about it and I said, "Well, what about if TAP was able to be taken at any point in time? Not just when you're separating, not when you're ready to go out the door, not when you're having to leave. Why couldn't it be used as a retention tool?" At the Transition Assistance Conference last year, they said that 18 percent use it as a reenlistment tool. They came back in; they decided to stay. Well, I would really like to see that utilized for that more than just leaving when you're going out the door because so many other things are going on. I've been in charge of this program for two years now, and my gentlemen and my ladies are so overwhelmed when they walk out the door with all the information, and I would like for them to be able to take it when they have the opportunity to sit down and take things home and look at it a lot more in-depth.

Spouses, I also think, need to have the opportunity to take the class, and I think you need to be able to take it and look at it more at home because a lot of our spouses have children. So what I would like to see for TAP is that it also be online. Not the class itself, but the manual so it—and the reason why I say that is we go out to the line when people are leaving. It's very interesting to

talk to military members when they're getting ready to deploy for the fifth time, as the airman said, in a year. And you look at that and a lot of comments they make is that, "Okay. My spouse told me this is my last one. I gotta get out."

"Well, I understand that, but let me give you some educational things to think about while you're gone. You're going to have plenty of time to think. Let me give you the tools to look at and think about that while you're gone." So having access not only for the spouses to come whenever the class is going on, but also on the Internet, I think, would be a huge benefit for us.

Also, the other thing I would like to add is that we have a decision time briefing in the Air Force, and that's where first-term airmen, second-term airmen get to make that decision of whether they should stay in or go. I would like to have TAP as maybe an offer for that to where they can go to the class, get more information on cost of living, see where they want to go, see what jobs are available, and then from that point, make that decision. But I know right now it's just a four-hour class basically and information is thrown at you, and this is such a huge decision, it's so much information and time and effort has gone into this, just not the three days or three and a half days along with DTAP that we've now been doing here at Ellsworth, you need to really be able to process that.

So I would like to say DTAP is a program we started in March of last year. We have had excellent critiques on that program. We've had 157 come through it, which is very good. Here at Ellsworth, we offer it up to anyone who thinks they're going to file a claim. We're not looking at just you getting out for a medical reason. We want you to be able to file a claim. That has had great benefits here. So having DTAP added on to TAP has also helped us with that.

So I'm very pleased to be working with the TAP program.

I thank you very much for the opportunity to have some of my participants here this morning to be able to talk to you and for this opportunity also. Thank you.

Mr. BOOZMAN. Thank you.

[The statement of Ms. Moore appears on p. 54.]

Mr. BOOZMAN. Thank you, Mr. Kolden.

STATEMENT OF TODD KOLDEN, VETERANS' SERVICES STATE COORDINATOR, SOUTH DAKOTA DEPARTMENT OF LABOR, ON BEHALF OF PAMELA ROBERTS, SECRETARY, SOUTH DAKOTA DEPARTMENT OF LABOR

Mr. KOLDEN. Chairman Boozman, Ranking Member Herseth, good morning. Probably it may feel like afternoon to you since it's still afternoon Eastern Time. My name is Todd Kolden. I'm the Veterans' Services State Coordinator for the South Dakota Department of Labor, and I also serve as an active member of the National Association of State Workforce Agencies (NASWA), Veterans Affairs Committee, and I am the State Employment Chair of both the VFW and the Disabled American Veterans of South Dakota.

It is my honor today to appear before this Committee on behalf of South Dakota Secretary of Labor Pamela Roberts to present the views of the South Dakota Department of Labor regarding the

Transition Assistance Program Workshop at Ellsworth Air Force Base and to discuss any questions or issues you may have. As we feel all benefits owed to veterans are important, my testimony this morning is going to focus primarily on TAP.

In order for TAP to be successful, the partnerships between the Department of Defense, which in this case is Ellsworth Air Force Base, VA Vocational Rehabilitation and Employment, South Dakota Department of Military and Veterans Affairs, U.S. Department of Labor, Veterans Employment Training Service, and the South Dakota Department of Labor need to be solidly in place. I'm pleased to say that these partnerships are well-established in South Dakota and have been instrumental in the success of TAP facilitated at Ellsworth Air Force Base. Without these solid partnerships, veterans attending TAP would not be receiving the full benefit of transition services they richly deserve. However, we do ask for your assistance to ensure these partnerships can continue to function successfully.

In recent months the "Key to Career Success" campaign was launched by the Employment and Training Administration in partnership with DOL/VETS and the Department of Defense which assists active duty service members in transition and also helps returning Guard and Reserve members connect to employment and supportive services available through the Department of Labor. This campaign employs a wallet card that highlights a service member's special status upon arrival at the local employment office—in South Dakota we refer to that as South Dakota Career Centers—and contains important information about DOL services and electronic tools. This card is primarily handed out during our TAP Workshop, and we feel this has been a good asset to help get the word out on the employment services Department of Labor provides to veterans and assist in their transition.

The importance of our DVOP Specialists and LVERs is not only serving veterans in the local office, but also conducting outreach. One of the best times for outreach is during the facilitation of TAP Workshops. In South Dakota our DVOP Specialists and LVERs facilitate approximately 80 percent of the TAP Workshop and 25 percent of the Disabled TAP Workshop, DTAP, which are conducted normally once a month. Often through a TAP Workshop, transitioning service members develop a one-on-one working relationship with the DVOP or LVER which enhances a successful transition.

As the Subcommittee is aware, there has been discussion at the national level to make TAP Workshops mandatory for Guard and Reserve components as well as for active duty service members before transitioning or retiring from military service. The South Dakota Department of Labor feels it should be mandatory for active duty personnel since many of these service members have been in the military for more than four years and most likely have been serving since a fairly young age. Many have probably never had a civilian job, and this possibility will be an abrupt change. For Guard and Reserve components, South Dakota Department of Labor feels it should be made mandatory coming from the command level. In other words, it should be mandatory for the Adjutant Generals of each State to inform their units about the TAP

Workshops and allow them the opportunity to attend a TAP Workshop if they desire by sending them on a no-cost TDY (or TAD) orders. As you know, many of these individuals may have already jobs—may already have jobs they are returning to and may not have the desire or need to attend TAP, but again, it should at least be mandatory to have the opportunity.

In South Dakota the Department of Labor made this request nearly three years ago to the Adjutant General and thanks to the partnership we have established, there is an unofficial agreement in place. Currently there are full-time Guard members attending TAP when they retire or separate. As you know, Mr. Ciccolella from DOL/VETS reports that about 60 percent of our service members are attending TAP at this time with the goal over the next couple years to reach 80 percent, and we feel that this initiative—we support this initiative and we feel that if TAP is made mandatory by these means that we could reach that 80 percent of service members attending TAP.

Another example of the strong partnership is reflected by who facilitates a TAP Workshop. Being job-ready after attending TAP and leaving the service is very important, but it's not the only service that takes place. During our TAP Workshops we have the following services presented:

Finances, labor market overview, personal appraisal, job search techniques, employment applications, resume cover letters which includes work groups, interview process which includes mock interviews and those are taught by the Department of Labor personnel, but there's also VA benefits presented. The County Veterans Service Officers are present, the Vet Center, and then also a one-day half—a one-half day Disabled TAP Workshop is facilitated for service members who have or may have a service-connected disability focusing on the benefits available to them which includes vocational rehabilitation and employment. So as you can see, TAP informs service members not only about how to get ready to make the transition and receive benefits, but also what they are entitled to and how to go about receiving these benefits. Again, we feel this instills the importance of the partnerships involved to successfully assist in the transition of our service members.

Finally I want to share my personal experience with TAP. When I retired from the military service in 1997, I was given the opportunity to attend TAP. The information I learned and the resources I was provided helped me immensely and immediately and still assist me to this day. I feel the TAP Workshop is one of the best resources we currently have for our service members who are making the transition from military to civilian life, and for Guard and Reserve individuals who want to make a career change.

Again I want to thank the Committee again for allowing me to testify. This concludes my testimony, and I'd be happy to discuss or respond to any questions.

[The statement of Mr. Kolden appears on p. 57.]

Mr. BOOZMAN. Mr. Summerside.

STATEMENT OF GEORGE W. SUMMERSIDE, VETERANS EDUCATION PROGRAM SPECIALIST, SOUTH DAKOTA STATE APPROVING AGENCY

Mr. SUMMERSIDE. Chairman Boozman, Ranking Member Herseth, and Members of the Subcommittee on Economic Opportunity, I'm pleased to appear before you today on behalf of the South Dakota State Approving Agency to provide comments on the missed opportunity by many of those eligible for VA educational benefits as it relates to training on the job. Another issue of concern is the regionalization of claims processing, customer and education liaison service.

Recommendation 1. VA educational benefits are not just for classrooms. Some individuals learn better from practical hands-on training. The training on the job assists employers in hiring and retaining skilled workers which will provide our country with a highly educated and productive work force.

From my experience and discussions with my colleagues nationally, it is our sense that VA educational training programs have not been utilized to their fullest potential. The two tables that were provided in my written testimony illustrate the lost opportunities from the first 60 years. 35.9 million veterans were eligible for benefits during these service periods. 16.5 million veterans did not use any VA educational benefits at all. Over the last decade, State approving agencies across the nation have been actively promoting training on the job. Through these efforts, there has been a dramatic increase in the number of approved and active training establishments, but we need greater cooperation from our service partners. The DOD and the VA will need to do a better job of promoting and educating those who are eligible for VA educational benefits about this excellent training opportunity.

The Department of Labor should make direct referrals to the respective State approving agency when placing those that are eligible for VA educational benefits and training programs. If the above recommendation was implemented, these individuals—eligible individuals for VA educational benefits would be afforded opportunities that have not been seen in previous service periods.

Recommendation 2. Over the past decade the VA has moved towards a regional approach to serving those eligible for benefits and their service partners. In theory it would seem like this approach would make better use of limited resources, and if properly managed, would provide outstanding results. The system has not delivered as intended and those eligible individuals are suffering. The VA has looked towards technology to solve all issues and in reality, their business plan should include additional staff with a greater emphasis on training.

First there should be a comprehensive review of the claims processing system to identify problems and then provide the necessary resources to resolve these problems.

Second, the toll free number and online inquiries is just not working. There are dropped calls, erroneous information provided, delays in responding to online inquiries. Good customer service is an absolute necessity for any benefit system to be successful.

Third, in the past each State has had a local VA contact or Education Liaison Representative. Upon the retirement of our rep-

resentative in 1999, this position was transferred to Kansas, and over the past seven years, we've had five different representatives. This has created challenges for our State since direct access is an important aspect of this relationship. Another concern would be, has the VA planned for the future? Will there be trained professionals to fill future vacancies. Our current liaison, Mr. John Streedbeck, is a valuable asset and partner whose professionalism is greatly appreciated and needed.

I would be remiss if I did not acknowledge and extend a special thanks to Carl Thunnel, Randy Johnson, and Barry Walser, all of the St. Louis Regional Processing Center.

These individuals have provided this State with outstanding service with the limited resources available. Simply put, the current system needs additional resources to ensure those eligible for VA educational benefits are provided quality and timely customer service.

In closing, Mr. Chairman, Ranking Member Herseth, and Members of the Subcommittee on Economic Opportunity, I would like to thank you again for the opportunity to comment on these issues related to training on the job and the regionalization of VA educational services. I would be happy to respond to any questions.

[The statement of Mr. Summerside appears on p. 59.]

Mr. BOOZMAN. Thank you. Ms. Herseth.

Ms. HERSETH. Well, I'll start with a few and then come back because there's a lot to get at here, and I appreciate the testimony that each of you have provided. Let me ask you, first, Mr. Gerlach, and as you described the Readjustment Task Force that was put together, I know that includes the State Council of Mental Centers.

Mr. GERLACH. Correct.

Ms. HERSETH. And in your opinion, assuming in a perfect world the resources were there, that resources weren't questioned, do you think that follow-up mental health assessments and counseling should be required after demobilization?

Mr. GERLACH. I don't think that they should be required simply because if the individual wants to stay in the military, there's some issues with counseling that could affect their military service. However, I would suggest that individuals who want that should be granted the anonymity needed to gain that help, yet stay in the service, and I think that's an important point.

Ms. HERSETH. I think it is, too, but I'm curious as to, I mean, if it were required for everybody, if it was just part of——

Mr. GERLACH. The general process?

Ms. HERSETH [continuing]. The process, then wouldn't you be able to minimize the issues associated with those wanting to stay? I mean, if everyone goes through it and you kind of deal with the issue of anonymity in terms of the privacy of what's discussed, but if it's part of the demobilization process or whether it's 30 days, 60 days after, as you try to identify some of the problems when they come back, again, assuming that resources weren't an issue, would that be—you'd still suggest that it should just simply be made available to those who choose it?

Mr. GERLACH. No, I think you bring up a good anecdote in that if it were a systemic process coming off of demobilization, and it is in the way that at the demobilization station you're asked to fill

out a questionnaire and it asks you some questions about how you're feeling and then some general type things. They do that at the demobilization station. Is it the most effective way to identify issues? I would submit probably not, and I think where you're going with a systemic program coming off of demob. does have some merit.

Ms. HERSETH. Now I know that, Ms. Moore, you addressed the issue of TAP among your counterparts in other programs that to a certain percentage, it could effectively be used as a retention tool, and even a couple of the individuals on the—well, one in particular on the first panel chose after, receiving the information, but for whatever reason, to stay, so do you think that the demobilization process that we've put together here, Mr. Gerlach, has also been beneficial as a retention tool for the National Guard?

Mr. GERLACH. Absolutely, and I'll tell you why. I think that the sharing of information that goes on in our demobilization process enables individuals to transition effectively and easily. In addition, it gives them the opportunity to meet with individuals such as county veteran service officers. In South Dakota where we have a rural State and individuals go home from Rapid City where they demobilized out of and go to Mobridge or Faith or Chamberlain, out in the rural areas, it gives them the point of contact not only at their local level, but at the State level in the National Guard, too. So I would submit that that whole transition process and having the right people there has allowed us to retain service members.

Ms. HERSETH. I appreciate that. Now I have a follow-up question for you turning to education benefits separate from the demobilization process and the different information that's provided there. As a major in the South Dakota National Guard, what do you think our—what is the primary factor, in your opinion, in the men and women that you've worked with over the past number of years for them to reenlist with the National Guard?

Mr. GERLACH. I think with reenlistment, their main factor is the bonuses that go with the reenlistment. I would also state, you mentioned the education. I think education a lot of times gets individuals in the National Guard, Reserve and active duty in the door.

I would submit that a good thing that you would look at the Federal level and the State level is a continuing education program. I think that once you get to a certain level in the military, whether it be an NCO or an officer and you're serving in the National Guard or Reserve, you have become a professional soldier. Even if you're not on active duty, you're still a professional soldier. I think increased emphasis on professional degrees, graduate level degrees for senior NCOs and officers is a program that I think could continue to help soldiers and in terms of reenlistment because reenlistment may give them some future incentives.

Ms. HERSETH. I think that's a very good point to make and I appreciate you stating it in terms of what we've done here and the bonuses as well and perhaps also just the sense of duty and camaraderie, but let me ask you this question because this came up down in Arkansas and it's come up in our Committee hearings in D.C. As we look to modernize the GI Bill, as we know, active duty upon separation still utilize the education benefits that they ac-

crue. National Guard and Reservists, they can only take advantage of them to the extent they continue——

Mr. GERLACH. Correct.

Ms. HERSETH [continuing]. In the Guard. Do you have a serious concern that if we were to modernize the GI Bill in a way that allowed for some utilization, even though if the individual service member chose to leave the Guard, that perhaps the education benefit would decrease, they wouldn't be entitled to the full magnitude of the benefit, but still had some access to the benefit, do you have serious concern that that would cause problems with retention?

Mr. GERLACH. I think it's something that needs to be addressed, and Mr. Summerside and I have in-depth conversations at times about this. I think as you apply to the National Guard and Reserve, seeing the National Guard and Reserve mission the way it is right now in the operations standpoint, I think that they should be given more latitude to access the GI Bill than what they have right now. It could help retention and recruiting, but I think from a fairness standpoint, I think it needs to be addressed. And Mr. Summerside could maybe comment additionally when you get to him, but it's a very good question.

Ms. HERSETH. Well, let me go to Mr. Summerside on particularly the Chapter 1607, the new benefit. Have you seen an effective utilization of that benefit so far? And I know it's relatively new, but based just on what you're seeing from South Dakota National Guard members, their familiarity with the benefit, their utilization of the benefit, could you comment how you think it's working thus far in South Dakota?

Mr. SUMMERSIDE. Representative Herseth, basically what I've seen so far, we got ahead of the game right shortly after the legislation and I think it was in December of 2004. We put it in all our brochures, we had public meetings, we worked and trained with our county and tribal service offices. We tried to get the message out, and part of it is we have a real strong base in on-the-job and apprenticeship training. What we tried to do is when these individuals left whatever job that was, we tried to diary that when they got back to make sure they knew about the Chapter 1607, and many of them, in our State anyway, we help them or assist them in actually applying for the Chapter 1607.

I think—are we getting them all? No, but with the cooperation that we've had with the county and tribal service offices, also with the National Guard, I work with their Education Office to try to identify people. I think we're doing a fairly good job. I think there are a fair number of individuals that have received benefits. I think there's a fairly good percentage. I don't have the exact data that have actually applied, and many of these I worked on. I assisted a Guardsman last Friday and we finished his. He's going back to 2003 when he came back from active duty and we're picking up for a year that he would get the greater benefit. Actually he had exhausted his Chapter 1606 and he was applying for the greater benefit.

I work with people on a daily basis on the Chapter 1607. I think DOD—I understood that they were to provide a letter to all of these individuals. I don't know if that ever got to those individuals. The people that I have worked with did not receive that cor-

respondence, so I believe in South Dakota we have got the message out fairly well. We still have more work to do, and we continue to do that. We have an annual workshop here in a month and a half where we'll address it again at the County and Tribal Service Officers Association. We have many conferences twice a year and we address it at both of those. And I think overall in South Dakota, we're in fairly good shape.

They're behind a little in the processing in St. Louis, and it's a very difficult program and process because some of these claims are going back four years. They need to pay the greater benefit. They need to weigh out kickers. There are a lot of variables in there and there are a lot of challenges.

Ms. HERSETH. You're right, and the Chairman and I have tried to, in our oversight as we look to some being behind the ball in processing those claims for 1607 benefits, we've been asking on a fairly frequent basis where they are. I think they're doing a little bit better now that there's an electronic payment system in place in terms of that transfer of the benefit. But I certainly appreciate what you're saying in terms of some of the complexity of the benefit, and I do think it's worth our follow-up to determine whether or not the Department of Defense has communicated effectively with those members entitled to Chapter 1607.

Before I turn it back, I'll ask just one last question for Mr. Kolden, and how do you feel that the local work force markets across South Dakota have responded to service members that have separated, active service members that have separated, and National Guard and Reservists that are coming back for employment or reemployment?

Mr. KOLDEN. Are you asking specifically about USERRA or are you asking do we have employers that are hiring veterans?

Ms. HERSETH. Just do you feel that employers in the various work force markets across South Dakota have been effectively integrated into the coordination and communication certainly working with our career centers and others to—I was pleased to hear of the card that is given at the TAP programs. That's beneficial, but do you think that the response has been one where employers are aware of and want more information in trying to identify those who are separating from service and may be seeking employment here in the Rapid City area or Aberdeen or elsewhere?

Mr. KOLDEN. I believe they have. As the Department of Labor we market—we go on a marketing stream probably about every three months where we really reach out to the employers and say—or ask them to hire veterans and why they should. We don't just say, "Hire a veteran." We tell them why they should hire a veteran.

The ESGR in South Dakota is very strong. In fact, Lt. Col. Michels, who's out in the crowd and he's from Camp Rapid and the ESGR Chairman of the state, I believe is his title, and ESGR is very strong. ESGR works very closely with my Federal counterpart Earl Schultz who has USERRA. He deals with it professionally.

You know, with the veterans service organizations, we recognize employers who hire veterans, and just recently we recognized an employer right here from Ellsworth Air Force Base, AKL Security. 60 percent of their employees are veterans. You know, that's un-

heard of basically across the country to have 60 percent of your employees veterans.

And when I accepted a lot of nominations for employers for hiring veterans this year, it was a tough pick because we had a lot of employers who had a lot of veterans working for them and that tells me—you know, I look at it statistically. About 10 percent of our population is veterans. You would expect that a business is going to have 10 percent veterans in their work force. A lot of businesses I looked at have 25 and 30 percent of their employees are veterans. So that tells me that they are hiring veterans, that they're accepting them. When they return, I can't officially comment on USERRA issues. That would be Mr. McNulty or Earl Schultz to comment on USERRA cases we've had across the state, but it's been pretty mild. I think we have a lot of cooperation.

Again, the ESGR has done a great job of educating employers, and I think that was the key was educating the employers on what a service member's rights are when they deploy and when they come back and what their obligation is.

Ms. HERSETH. Thank you.

Mr. BOOZMAN. Mr. Gerlach, following up on Ms. Herseth's question about the educational benefits, recently in the 2004 study—Reserve Personnel Study, it said that 14 percent of the people, when asked, said that with reenlistment, they considered the educational opportunity. Would it be a factor as far as reenlistment if we offered the benefit after they left the service?

Mr. GERLACH. Absolutely, and in this day and age, I think that it's more appropriate than ever. With the Guard and Reserve members that have been mobilized and have served, I think a unique benefit for them to leave after—even if they do leave their service, it's more than appropriate in the times that we live.

Mr. BOOZMAN. All right. So it's appropriate to do it. Do you feel like it would adversely affect reenlistment?

Mr. GERLACH. I don't think so in South Dakota. You know, I throw out the fact that education is important, but I will tell you that I think that camaraderie and being part of the National Guard in South Dakota trumps that. I think individuals that serve in the units, and I think it's that way on active duty in many places, too, the main reason they serve in the Guard is you get to serve your state, you get to perform State missions, you get a cadre of individuals that you get to see on a drill weekend and that you enjoy serving with, you get leadership training and when you package that all together, I think that's probably the most important thing that people get out of serving in the Guard.

So I don't think that additional benefits will bring about a windfall of people going out the door. I think that those things are the core reasons people serve.

Mr. BOOZMAN. That's interesting. That's the exact answer that we hear over and over again as we pose that question. I guess, as you alluded to earlier, we do have a fairness question since we've got people that serve a couple tours, and then transition out and really have no benefit at all which doesn't seem fair, when you compare it to the guys, that are in the Reserve doing the same job.

Mr. GERLACH. Yes.

Mr. BOOZMAN. You mentioned about in the TAP programs that 45, I think, or 47 was too large. What's a good number?

Ms. MOORE. The size that we like is about 20 to 24.

The reason why with us, we do these resume work groups. We need to have them small so it's more hands-on. I also bring out employers, HR professionals. Well, to be able to effectively give them a 10- to 15-minute interview, I need smaller groups because I really believe that, as I said, I always make them laugh and I ask them, "Did you leave today with a headache?" because we purposely have so much information in these classes that having smaller classes allows us to really deal one-on-one. These people are coming from all different walks of life, all different times of service, retiring, separating, medical, spouses, children.

So we really do need to be able to spend more hands-on time with them, and that's why we here at Ellsworth like to have smaller classes.

Mr. BOOZMAN. You're to be complimented in the sense that it seems like your pupils, speak very highly of the program.

Ms. MOORE. Thank you.

Mr. BOOZMAN. Is there an opportunity to brainstorm to figure out how we can get more spouses involved in the sense of maybe thinking outside the box as far as when it's offered, maybe quarterly; that one of them is done on a weekend or an evening or—see what I'm saying?

Ms. MOORE. This has always been an issue. It was ironic that the Chief brought up Heart Link. That's also my program; I also run that. We had that started as a daytime program. I could never get over more than 11 people. If we have it in the evening and have child care, we have normally 19 or more. So it does help to have it in the evening, but I think also there—you were talking about stigmas. The spouses do have a stigma with coming to some of the classes. They think it's only for the military members, and this has been instilled in them for years, and that's one of the stigmas we have always had to fight at Family Support with our programs is that a lot of times, spouses just don't know about it or they say, "Oh, you don't need to go to that," and that is something that we have been tackling for years. I wish I had a good answer, but we have been fighting this ever since Family Support has been here.

Mr. BOOZMAN. Mr. Kolden, you mentioned recognizing the employers; they're doing a good job and that's good. Are we doing a good enough job of recognizing employers? Is there any way we can help you with that? I think people like to be thanked and, we like to reward good behavior. Are there enough programs in place for doing that or do we need to do a better job of trying to think up something?

Mr. KOLDEN. Sir, could I comment on your question to Ms. Moore first?

Mr. BOOZMAN. You can comment on anything you want.

Mr. KOLDEN. I was just going to—as you know, DOL/VETS funds TAP separately; it's a separate funding stream from what we'd normally get for the DVOPs and the LVERs.

What we did in South Dakota is that we recognized that the classes were getting larger. Karen—you know, we have a quarterly TAP meeting. You'll hear from me that I think communication and

cooperation and partnership is probably the most important of all this that happens for transitioning service members is that I can't do it alone, DOL can't do it alone, DOD can't do it alone, Military and Veteran Affairs can't do it alone. We have to all do this together in partnership to give the best service we can.

But what we did after Karen communicated about the drawdowns that were coming is that we went ahead and funded instead of—normally we could fund one TAP session or one TAP workshop per month. We went ahead and got the funding for two a quarter—or four a quarter instead of three a quarter. We had added an extra one in there in case we had additional individuals, and if we didn't have additional individuals to attend TAP, that money we could just give back to DOL. It's not money wasted; we just give it back.

I know we've had a double workshop, so far just one, where we would have 60 members in one TAP Workshop, and we feel that's too many. That's too big a class. As we all know, a classroom should be 25 to 30, somewhere in there. I think the new national MOU for TAP between DOD, VA, and DOL has indicated 35 at the maximum, and that's what NASWA recommended to DOL is don't go over 35. I haven't seen that. It's being signed right now by all the interested parties so I'm not sure that that's what it says, but we were told it would say 35 would be recommended.

Right now it seems like, to your question to me directly, the veterans service organizations are doing, in my opinion, a very good job of recognizing employers. Does DOL recognize employers like that? Not in that sense they don't. In our South Dakota Career Centers, we have employment representatives who go out and talk to employers, and when they go out and talk to employers, they're—you know, we're telling them what our services are, and when we go out and talk to employers and tell them about our services, one of the services that we describe is our veteran services, what we do for veterans.

We promote the hiring of veterans, but again, do we recognize them like the veterans service organizations do? I would say probably not. The ESGR does a good job of recognizing employers, but other than that, I don't think DOL does probably quite enough to recognize them, in my personal belief.

One thing I would say is that being I'm the employment chairman for two of the veterans service organizations that we recognize employers. Pam Roberts comes to our conventions, State conventions, and she's recognized the employers as well. So as the South Dakota Department of Labor Secretary of Labor, she has recognized them as well and saying thank you. So that helps, but we could probably do more.

Mr. BOOZMAN. Ms. Herseth, do you——

Ms. HERSETH. No.

Mr. BOOZMAN. Thank you.

Mr. GERLACH. I have one follow-up, Mr. Chairman.

Mr. BOOZMAN. Very well.

Mr. GERLACH. Earlier I wanted to make a comment and Mr. Kolden articulated really well and I think you asked a really good question. I think that the unsung heroes in this whole mobilization and deployment process have been the employers. We've always looked the last 20, 25 years and asked ourselves at the Federal

level and State level, if we call up a lot of Guard and Reserve people, what's going to happen? Are they going to get their jobs back? When you pass good legislation at the Federal level, and you have, but I will tell you in South Dakota, you probably didn't need that legislation. We've had individuals all the way from three-person welding shops in Estelline to major banks in Sioux Falls who have made up the difference in benefits and pay to mobilize an individual, helped family members while they were gone. So I think your question about are we doing enough for our employers is a good one because I will submit that they are doing a lot.

Mr. BOOZMAN. Thank you very much. Well, thank you, panelists, so much for sharing your thoughts and we just greatly appreciate it. Thank you.

Mr. KOLDEN. Thank you.

Mr. BOOZMAN. For our final panel of the day, we have Mr. Dave McNulty, Director For Veterans Employment and Training for Wyoming at the Department of Labor; Mr. John Brown, District Director, Sioux Falls, South Dakota, for the U.S. Small Business Administration; Mr. William Fillman, Director for the Central Area for the Veterans Benefits Administration; and Mr. Fillman is accompanied by Mr. John Smith who is the Director for the Dakotas Regional Office of the Veterans Benefits Administration. Let's start with Mr. McNulty.

STATEMENT OF DAVID McNULTY, DIRECTOR FOR VETERANS EMPLOYMENT AND TRAINING FOR WYOMING, U.S. DEPARTMENT OF LABOR, ON BEHALF OF EARL R. SCHULTZE, STATE DIRECTOR—SOUTH DAKOTA, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR

Mr. MCNULTY. Chairman Boozman, Ranking Member Herseth, and the Committee members, Earl Schultz regrets that he could not be here. It was impossible for him to and he appreciates the fact that you would allow me to represent him. We come from similar states that have similar problems and we deal oftentimes with them in the same way.

You've got his written testimony and I won't—I'll go over briefly what we're responsible for. I won't, although I could answer questions on his testimony, if you have it. I know he covered what's been done out here at the Base.

Wyoming has a similar Base in Cheyenne, Wyoming, Warren Air Force Base, so both of us deal pretty much with the same things.

Basically the Department of Labor is responsible to ensure that we've got TAP manuals, we've got people that are trained to provide TAP. We do that through NVTI in Denver, Colorado, and to ensure—it's been mentioned by several speakers here today that we work together. None of us can do it alone. It takes the Department of Defense, it takes the National Guard, it takes the Base TAP Facilities Coordinator, it takes a lot of people in the private sector to come in and to provide these TAP programs. And basically we're responsible to make sure that they—they're put together and that they run. I know Mr. Schultz is really appreciative of what this Committee does not only because you do things help veterans, but you're concerned enough that as to how we're spending our

money and what we're doing in providing the services that they need.

I'd like to touch on a couple things that were covered that I think are important. I think a lot of people could benefit from TAP, especially spouses. When you look at active duty military, lots of them may consider getting out because every two or three years, they're transferred somewhere else, and their spouse is put into a position that they have to look for work every two or three years. The service member knows they have a job to go to. They don't have to worry about it. I think it's really important to do what we can to encourage spouses to go.

Someone mentioned earlier that it would be good to allow people that their spouse may be just in for the first time to allow them to go because if they have to look for work over and over again, I think it's extremely important to give them the tools they need.

The other lapse that I think every state's trying to deal with is in the National Guard and the Reserve units. We've got people in Wyoming National Guard, and I'm sure South Dakota does, that are from 34 different states. It's not even just within the State of Wyoming. We've got pilots from Hawaii in the Wyoming National Guard. When those people are deployed, their spouses are located out in areas where it's extremely difficult to get to them. Also when they come back and once they disperse, it's extremely difficult to get to them.

So I think there are ways that we can deal with some of those programs. We've—there's some TAP manuals that are actually on disk that they can take with them. We can send those. NVTI's got a job search program put together that you can take as an individual and sit through tapes. It's not as effective, I don't think, as having TAP trainers teaching the class, but it's better than not giving them anything at all. And I know in South Dakota, many, many local offices could provide that type of course to the individual spouses or individual Guard and Reserve members or to individual military that may not have had the opportunity to take it before they go out. And so I think there's some opportunities there that we could look at.

I think the funding for TAP, as Todd said, is we built in extra sessions to provide TAP specifically for Guard and Reserve units. We've done it on weekends. I think the bigger issue is when we've got spouses that are only going to be available nights and stuff and they're scattered all over, that there are ways, I think, that we can—we can deal with some of those to offer some opportunity.

I think generally in this part of the country that we get a tremendous amount of employer support for TAP, and employers are looking for individuals that are drug-free, good work ethic, everything a military member brings to the employment arena, and they're not hard to place if we give them the tools on how to look and where to look and who to go to for help.

So I won't really deal much more with Earl's testimony. If you've got specific questions on that, I'd be glad to ask—answer them. I think Wyoming deals with the same kind of state. Low population spread out all over in small towns across huge areas of land, and that overall, I believe in our area in general that TAP provides an excellent service to members that are either returning from and

staying in the Guard and Reserve or going—Wyoming does the same thing that they do here. We allow any of them to come to Cheyenne. The problem is oftentimes driving 200 to 500 miles to go to TAP may not be real effective.

Thank you for the opportunity to testify, and I know Mr. Schultz was extremely sorry he couldn't be here and he does appreciate what all of you do for veterans. Thank you.

Mr. BOOZMAN. Thank you.

[The statement of Mr. Schultz appears on p. 64.]

STATEMENT OF JOHN L. BROWN, SOUTH DAKOTA DISTRICT DIRECTOR, U.S. SMALL BUSINESS ADMINISTRATION

Mr. BROWN. Chairman Boozman, Ranking Member Herseth, thank you for requesting our views on the important subjects of today's hearing. My name is John Brown and I'm the District Director of SBA's South Dakota District Office.

I've been here about ten months and I'm very pleased to be here today. Administrator Barreto has asked me to testify about the SBA's efforts to provide small business transition assistance to American military men and women.

For the record, I would like to recognize that accompanying me today is Elton "Mick" Ringsak, SBA Regional Administrator for Region VIII.

SBA maintains 68 district offices and 10 regional offices. All SBA programs and services including counseling and training are available to active duty personnel, Reservists, veterans and their families as they are to all citizens. To ensure easy access to our programs for veterans, SBA has a designated Veteran's Business Development Officer in each office who acts as the initial point of contact for veterans seeking to use our programs. That person can also assist veterans in locating information on other programs that may be available through other resources and agencies.

SBA is an active participant with other Federal agency resource partners including the Departments of Defense, Labor, and Veterans Affairs in the delivery of transition assistance for active duty and Reserve component members.

SBA is a regular contributor to the Transition Assistance Program and the Disabled Transition Assistance Program for soon to be discharged military personnel and their families, and for demobilizing Reservists.

SBA has been an active participant in the TAP and DTAP programs for many years nationwide and in the State of South Dakota. At SBA we know the potential that veterans have to become entrepreneurs and we've always sought participation in the TAP programs.

SBA offers counseling and loans to veterans, service disabled veterans, reservists, active duty military and their families. At SBA veterans, service disabled veterans, reservists, active duty military and their families all come under the heading of "Veterans Services."

SBA provides targeted services intended to meet the unique interests of veterans as well as providing them with the overall business assistance programs available to other small business persons and owners.

SBA provides those services through a network of 68 district offices, 900-plus Small Business Development Centers, 387 SCORE Centers with over 10,000 SCORE volunteers, 90-plus Women's Business Centers, five Veterans Business Outreach Centers, 16 Export Assistance Centers, and approximately 1700 lenders participating in the SBA's Express Program alone. And I'm proud to say that we're tracking ahead on loans in this State to veterans, so I'll just toss that in.

SBA provides government contracting information and assistance to veterans and others through 67 Procurement Center Representatives and Commercial Marketing Representatives across the nation as well.

In addition to face-to-face services, SBA offers on-line training and counseling opportunities largely through our SCORE members.

SBA offers a variety of loan programs for veterans.

These include Military Reservists, Economic Injury Disaster Loans, the MREIDL Program, and 7(a), largely the SBA Express Program, which makes a special effort to meet the needs of veteran borrowers as well as our Community Express Loan Program.

SBA recognizes that lending to veterans is a very important component of what we should be doing. As such, lending to veterans has been identified as one of the public policy goals of the 504 Loan Program. This designation allows us to increase the eligible size of a loan when it's identified as a loan to a veteran.

SBA actively pursues opportunities to educate veterans about resources provided by the Agency. It's critical to inform existing and potential military veteran entrepreneurs about opportunities afforded to them. As entrepreneurs, they must make their own decisions on what resources and services fit their needs, but it's our obligation to get the message out, and that's frankly one of our largest challenges.

SBA works with other agencies including the Departments Defense, Labor, VA and others to inform veterans and those recently called up about SBA's offerings.

The SBA website has a special link to the Office of Veterans Business Development that provides a guide to the full range of services available that can be accessed from anywhere in the world.

Hundreds of thousands of print, CD and electronic copies of specific program materials, resource guides and fact sheets are distributed to veterans annually. There's an ongoing long-term outreach program that includes reaching veterans when they're participating in special seminars, conferences, training programs, "webinars" and other opportunities as they arise. This includes TAP seminars where SBA has been asked to participate.

The Office of Veterans Business Development produces a quarterly newsletter which is circulated throughout the agency and is distributed to veterans, veteran organizations, veteran business owners, and other Federal and State agencies such as the ones today. This newsletter is distributed to more than 44,000 readers.

These services are all provided through SBA programs and partners, Federal, state, and local governments, veteran service organizations and entrepreneurial organizations.

SBA's Office of Advocacy undertakes a number of research projects, studies, and other efforts to identify critical issues for vet-

erans. Some of these issues include procurement, propensity for entrepreneurship, and veteran business databases. Advocacy works with SBA's Office of Veteran Business Development, the U.S. Census Bureau, the Department of Defense Research Initiatives and veterans service groups to identify needs for ongoing research. This is a relatively new pursuit instituted by the Bush Administration during the past six years.

The South Dakota District Office provided TAP and business workshops at Ellsworth Air Force Base in conjunction with the TAP Program here. Our office continues to supply materials and resources to the vet centers located throughout the State as well as access to our programs and resource partners. The district also provides procurement training and contract opportunities through the delivery of procurement fairs in Rapid City and Sioux Falls aimed at assisting SBA clients and Veteran Owned Businesses. In fact, a NIST/SBA computer security workshop is scheduled, I believe, for June 30 at this facility.

In conclusion, SBA has reached hundreds of thousands of veterans nationwide with materials about the educational and lending programs offered through the agency. There were over 6,000,000 visits in fiscal year 2005 on the Office of Veterans Business Development web pages compared to some 280,000 such hits in FY 2000. Providing services to veterans will continue to be of great importance to the SBA in the future.

This concludes my testimony, and again, thank you for inviting us to be here and present on this matter. I'd be happy to answer your questions.

[The statement of Mr. Brown appears on p. 70.]

Mr. BOOZMAN. Mr. Fillman.

STATEMENT OF WILLIAM FILLMAN, DIRECTOR, CENTRAL AREA, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Mr. FILLMAN. Chairman Boozman, Ranking Member Herseth, Members of the Committee, it's good to see you again. I'm William Fillman, Director of the Central Area Veterans Benefits Administration, Department of Veterans Affairs. I appreciate the opportunity to appear before you today to discuss the role of the Veterans Benefits Administration in providing transitional assistance to members of the National Guard and Reserves in the State of South Dakota. Today I'm accompanied by Mr. John Smith of Sioux Falls, Director of the Regional Office for the Dakotas. My testimony will address the current outreach efforts in the Sioux Falls Regional Office and the transition assistance provided our servicemen and women in South Dakota.

The Sioux Falls Regional Office provides a variety of veterans benefits and services including disability compensation, pension, and vocational rehabilitation and employment services. The office is actively involved in the outreach services and benefits counseling throughout the state. The Department of Veterans Affairs has a long history of special efforts to bring information on VA benefits and services to active duty military personnel. Returning service members including members of the National Guard and Reserves may elect to attend the formal three-day workshop provided

through the Transition Assistance Program, a joint effort of the VA, the Department of Defense, and Department of Labor.

At TAP workshops service members are provided information describing the VA benefits available and are encouraged to apply for all benefits to which they are entitled. Additionally, service members receive employment assistance to include resume-writing, skills marketing, job referral, and other transitional services.

The Sioux Falls Regional Office actively supports the commitment to provide a seamless transition to returning military members. In fiscal year 2005, the office conducted 12 Transition Assistance Program briefings here at Ellsworth Air Force Base for 483 participants. To date in fiscal year 2006, the office has conducted nine briefings for 203 participants.

The Sioux Falls Regional Office is working diligently to ensure members of the Guard and Reserve understand the VA benefits to which they may be entitled. So far in 2006, 60 South Dakota National Guard recruiters and 74 members of the Navy Reserve received training on VA benefits.

Employees from the Regional Office also participated in the Veterans Benefits Forum hosted in Aberdeen in July of 2005. The office staffed an informational booth and answered questioned concerning VA benefits. Also in July of 2005, the office participated in the South Dakota Veterans Summit by providing an overview of VA benefits. Members of the National Guard and Reserves, County Veterans Service Officers, Veterans Service Officers, and Congressional staff members were in attendance at that meeting. The Regional Office is working diligently to ensure South Dakota National Guard Members' transitions are as seamless as possible and are doing whatever they can to ensure members and their families are aware and know how to access VA medical care and benefits.

VBA has also assisted in training 54 newly hired Department of Defense State Benefit Advisors. These individuals work for the State Adjutant General's Office and serve a coordinating function between demobilizing National Guard and Reserve units and local VA facilities. There's a State Benefit Advisor located in each State including one in South Dakota.

Mr. Chairman, we at the VA are proud of our continuing role in serving this nation's veterans. We continually evaluate and seek opportunities to improve the quality and scope of our outreach efforts to members of the military. I hope that my testimony today has provided you and the Subcommittee with a better understanding of the Transition Assistance Program extended by the Sioux Falls Regional Office to the veterans of South Dakota. Thank you for the opportunity to appear before you today.

This concludes my testimony, and John and I would be pleased to answer any questions from Members of the Subcommittee.

[The statement of Mr. Fillman appears on p. 74.]

Mr. BOOZMAN. Thank you. Ms. Herseth.

Ms. HERSETH. Thank you, Mr. Chairman. Thank you all for being here and for your testimony. We appreciate the work that you do. And thank you, Mr. McNulty, for filling in for Mr. Schultz. We'll look forward to seeing him the next time. But just a couple of quick questions for each of you.

First, Mr. McNulty, you addressed some of the same concerns that Ms. Moore and others have addressed in terms of spouses and their accessibility to some of the information provided in the TAP program, and one of the suggestions that I think someone made was to put the TAP manual on-line. Now you mentioned that currently the manual is on disk and that there are tapes available. Do you think that—is it on-line and should it be and do you think that that would help especially for remote access in states like South Dakota and Wyoming?

Mr. MCNULTY. It is available on-line through NVTI, and I think having it on-line is certainly one way to provide it to people that are a long ways away. At Warren Air Force Base we've actually put the entire TAP Manual and all the handouts that anyone gives. It costs about 50 cents apiece to do those, and they've got everything that the presenters have given. Even when they go through it, they get that so that they can take it with them. It's easy to keep all that information, and it keeps them from having to try to write down all the things that presenters are giving. And so I think those are potentially things that could work anywhere in the country.

Ms. HERSETH. Thank you. And then, Mr. Brown, you provided a lot of very helpful information. I appreciate SBA being as involved as you are in the number of different outreach programs that you have, both short-term and long-term.

In working with veteran entrepreneurs, how closely do you work the franchise businesses, franchise associations? That's something that we've addressed at the Subcommittee level in the past in terms of, again, the flexibility of opportunities available to veterans, particularly those that are entrepreneurs.

Mr. BROWN. Veterans we have found are really uniquely situated and prepared for entrepreneurship. They get military training and experience that prepares them in such a way that really years in other vocations could not. So they're, to a large extent, very viable candidates for immediate entrepreneurship. Franchises are an excellent way for people to get into business, vets and non-vets. We work very closely with any number of national franchise organizations. For instance, we maintain in coordination with Franchise Registry a listing of franchises that are approved by SBA for an accelerated process through our loan programs. Usually when we receive an application for a franchise, it has to be screened, and largely we do that to protect the individual who is trying to gain access to that franchise and the loan to buy and get into that franchise.

There are some covenants that are sometimes very difficult to comply with and that fundamentally take away rights that we want to make sure that the borrowers do have. So we review every franchise in the nation to get onto that registry. If they are on the registry—if a franchise is on the registry, it receives automatic approval as a franchise for the application. So in other words, the application does not have to go through a secondary review to approve the franchise organization itself.

So we work very closely, and that's a very viable way to move veterans into entrepreneurship.

Ms. HERSETH. Thank you. Mr. Fillman, good to see you again. Thank you for the work that you do. A couple of questions for you.

First, if you might want to comment on Mr. Summerside's testimony as it relates to how do we more effectively, with participation by DOD and VA or the other partners here, utilize on-the-job training programs for veterans? If you wanted to comment on that as well as, I think, something similar that we heard today that we heard in Arkansas which is that there may be a difference as we look to the advantages and disadvantages of regionalization within the system and the impact of turnover as it relates to the different regional offices that our folks more locally are working with. And so if you might want to comment on any aspect of that testimony, and then the other thing I'd like you to address briefly is the VEAP decliner that was brought up in the first panel and what you see to be any sort of particularities that preclude those who may have declined their VEAP benefits in participating in these open windows of the past couple of defense re-authorizations.

Mr. FILLMAN. Okay. I certainly think that we could probably be more involved in on-the-job training benefits. I think we have to get out in the communities to push those programs in efforts with the SAAs and those folks that really help us do that. It's an excellent program, and I just believe that not enough employees—employers are aware of the benefits of hiring veterans and I think they make excellent employees. They come readily trained, they have skills to offer, and I think it is an area that probably is underutilized.

I'm trying to remember now, the second part of your question was the results of turnover and this type of thing?

Ms. HERSETH. [Nodding head up and down.]

Mr. FILLMAN. I think turnover is different in different parts of the country. St. Louis—as George was talking about, St. Louis has had some turnover this past year which created some problems earlier in the year for them. We were able to assist them in getting their work load back under control. They've also been authorized to hire over 25 people in the last 60 days.

They're also looking at being sure that those offices are able to fill positions as they lose or as they are able to anticipate upcoming retirements so that we can get staff on board so that there is not a loss of expertise to delay benefits. This group that we just hired in St. Louis will be on board and be trained and ready to go this fall enrollment so that hopefully there will not be some of the delays that they saw this past year in fall enrollment.

With the declination of the VEAP program, each individual service man looks at this differently. In many cases, I'm not familiar with the reasons that the military would recommend to these people not to participate. I certainly think, as we look at the changes to the education program, if there's a way that we could include these people back in to give them the opportunity to use some education benefits that they missed. As our programs change over the years and evolve, we have done that in the past with areas that there weren't any groups of veterans who were not included, when we wrote a new law, we brought those people back into the program, and that is possibly something that we could do for those folks.

Ms. HERSETH. One last question, if I might.

Mr. Smith, could you—just two short questions. If you could describe the current status of the claims work load at the Regional Office in Sioux Falls, and then in anticipation of next week's—or this week's hearing, I should say, and the other hearings we've had, I'm sure hopeful that your office is among those that the GAO or the Inspector General has found to be implementing effectively the recommendations of securing personal data, and perhaps you could talk just briefly about the steps that have been taken in the Regional Office in Sioux Falls before or since the news of some of the compromised data as it relates to the medical records.

Mr. SMITH. Sure, I'd be glad to. First of all, with the work load in Sioux Falls, we have had very good performance. We've been able to have support for staffing that we might need as far as changes and increases in our work load. Right now we are in the very top ten in the United States as far as claims processing. Our average days pending is right around 100 days and our average days to complete claims since October of this year to date is 129 days.

We've been able to get good support, and I would like to comment saying that with our office in Sioux Falls, we could not achieve these results without the support of the national service officers, the State officers, the county veterans service officers, and the medical centers that complete our exams and provide us with the medical records.

One of the things that you will find in the State of South Dakota is good cooperation and sharing of the resources and getting any of the information that we need. If you're talking about transitional assistance, I think this State is one of the model states that provides good care for our soldiers and Guardsmen, and we all work together for the one common goal.

So one of the things that I've enjoyed, and I'm on 29 and a half years in the Sioux Falls office in medical processing, is that we are unique in that aspect in that we do good performance, sustained performance in that aspect.

Along with that, I will now talk about some of the current issues that are stressful to everybody and that would be the securing of the reference data. We have had minor breaches, if you want to look at it that way, of data that's happened in the medical center medical releases. We have looked at our organization, both in VBA and VHA, to make sure that we have strong increased heightened awareness of this, and we have just completed two trainings with all of the entire staff on IT security and also physical security of the records themselves. We have taken steps to ensure that any offices that are off-base have secured those records. We have discontinued using untrackable methods of moving our records back and forth. We are looking at encrypting laptops that are taken out in the field to process our work and also our email communication. All the data that would be going on is doing that.

Today we are looking in the Sioux Falls office as far as having some additional minor construction to restrict access into areas where we have claims processing. In the past we've had pretty much open campuses to where veterans would walk over, come in and sit down and talk to us. With today's way of doing business, we have to reevaluate that and make sure that they still have the

opportunity to come in and talk to us, but also not to have them—I should say restrict any of those areas where we do have that concern.

Ms. HERSETH. Thank you. Thank you, Mr. Chairman.

Mr. BOOZMAN. Mr. McNulty, have you seen an increase in USERRA claims, and can you comment on what's going on in that regard?

Mr. MCNULTY. I haven't in my state. Earl Schultz did have a huge jump in claims because of a National Guard issue on past pay that when full-time National Guard people were required to use their own time rather than get 15 days off, he had, like, 70 claims all at once. Those have pretty much all been resolved nationally. Last year in Wyoming I had one claim. Earl, I think, had about five or six.

I think that it was mentioned earlier ESGR in these states do an excellent job. What we're trying to do up front is not only let the service member know that's leaving to sit down with their employer, fill out where they're going, what they're going to be doing, and also what they will expect or what they should get by law when they come back.

We've also been doing a number of employer seminars statewide. Senator Enzi came back for one of them, but we're doing employer seminars so that most employers, if they're aware—a lot of them don't know there's a law that require them to re-employ the veteran. And we've found, and this may not be typical nationwide, but claims could be going up, but I think that if we do a better job up front of educating employers and the Guard and Reserve members on what their responsibilities are, that when they come back, there's a lot less problem. We've got employers that are, I mean, really impacted. We've got police departments in some towns that lose five police officers in a 30-man force all at once for a year and a half, and you can't just go out on the street and say, "Well, we'll hire you and you can be a police officer."

So I think there's things that we can do, but it does have a huge impact on employers, and I think doing a better job up front by DOL and by ESGR and the Guard and Reserve of educating employers and their members and active duty personnel, too, that those will be reduced.

Mr. BOOZMAN. Thank you very much.

Mr. MCNULTY. You're welcome.

Mr. BOOZMAN. Have you got anything, Ms. Herseth?

Ms. HERSETH. No.

Mr. BOOZMAN. I thank you all so much for being here and sharing your testimony. It really is appreciated. We've got some additional questions, without objection, that we'd appreciate your responding to. Again, thank you so much for the job that you're doing for veterans.

We talked earlier about thanking people, about thanking employers, and as I look out, I know we've got a lot of veterans represented here and we really do appreciate your service. We appreciate all you've done for your country, and that's really what the Veterans Affairs Committee is all about. And we appreciate Ms. Herseth. Nobody's working any harder in Washington for veterans than she is, so we appreciate her stance in that regard.

Also our panelists. They've done a great job. We've learned a lot. We've learned some new things, but reinforced some old things that we've heard at other places.

Also I appreciate the community. It's been great. I'm from Arkansas so I guess what we'd call Southern hospitality has been very prevalent in this part of the country. A special thanks to Mr. Gerard Baker, the Superintendent at Mt. Rushmore, for giving us a great experience. Airman First Class Kyle Rosier, our driver, who's done a great job.

Christine Galbraith, the Director of the Family Center, who's been showing us around. Mark Wheeler for our Base tour yesterday. Jeff Smith, the CO of the 28th. Colonel Bruce Emig, Vice Commander of the 28th. Our escorts Mark Ross and Andrea Miller. And then most importantly for Stephanie and me is our staff that really does make all of this happen. So we really appreciate Mike, Geoff and Devon and the local staff that's been here, Leif and Lesley. Thanks to all of you. Have you got anything you'd like to say, Stephanie?

Ms. HERSETH. Well, just a final comment. You know, I've been privileged to serve on the House Veterans Affairs Committee, and I appreciate the kind comments of the Chairman on how hard I've been working, but equally so as the leader of the Subcommittee and his participation in the full Committee is Chairman Boozman, and seeing that and seeing and having a chance to meet some of his constituents in the National Guard and others in his district a few months ago confirmed in my mind how fortunate I am to be able to work with him on this Subcommittee.

At a number of different hearings, oftentimes when I'm posing questions to witnesses, they'll often gently remind me, although I don't necessarily need reminding, how great we're doing in South Dakota on particular issues. And I oftentimes raise those issues because I know what we're doing in South Dakota. I hope that we do serve as a model on a number of different things in serving veterans and the type of coordination we have among different agencies which is why I was so pleased that we could have a hearing here to make the record with some of our folks here in South Dakota and our friends in Wyoming that will join us to offer the type of testimony we heard today about the type of communication coordination that we do in leveraging limited resources, limited time, and sharing ideas and facilitating that exchange of information.

I want to echo the thanks that the Chairman expressed to all those who have been part of our trip as well as to thank Colonel Smith and everyone here at Ellsworth Air Force Base for having us here. It is great to be here and to see folks that I've had a chance to work with on issues important to the Base as well as with our National Guard and Reserve leadership.

And just to echo the thanks to our staff, Geoff Collver and Leif Oveson who work closely with me on issues for the Committee, and, of course, with Devon and Mike and Lesley Kandaras, my West River Director, and I know that we have Darrel Schumacher here from Senator Johnson's staff. So I appreciate everyone taking the time and their interest in the issues discussed today. Thank you again, Mr. Chairman.

Mr. BOOZMAN. The meeting is adjourned.

[Whereupon, at 11:15 a.m., the subcommittee was adjourned.]

APPENDIX

Honorable John Boozman
Field Hearing on Transition Assistance
Ellsworth Air Force Base, South Dakota
June 19, 2006

Good morning. The hearing will come to order.

I am delighted that our Ranking Member, Stephanie Herseth has invited the Subcommittee on Economic Opportunity to visit South Dakota to hear from service members and veterans on how well the Transition Assistance Program and the GI Bill.

Before we begin, I'm sure everyone has heard about the recent loss of veterans data at the VA. Tomorrow, Ms. Herseth and I will hold a hearing to find out what effect that loss might have on the benefits programs under our jurisdiction. I want to assure each of you that we will do everything possible to minimize the damage that might have been done. I wish we could guarantee veterans that they will not be affected, but that has yet to be determined. In the meantime. I urge each veteran to check their credit files, watch their monthly statements very closely, and take aggressive action if something appears amiss. If you have access to the internet, the Committee website www.veterans.house.gov has several links to information and assistance.

Normally, I make Ms. Herseth listen to me ramble on about our programs before I give her a chance to say something which is usually far more insightful than what I have said. But today I will just say that working with Stephanie has been a pleasure and I could not have had a better Ranking Member, especially since she agreed not to move to Arkansas and run against me. Ms. Herseth, the floor is yours for any remarks you may have.

Thank you Stephanie.

South Dakota is very lucky to have a Member who works hard for veterans.

Now its my turn. We've had several hearings on Transition Assistance and the GI Bill including field hearings in New Hampshire and Arkansas. Each has provided the Subcommittee with additional insights regarding the effectiveness of the programs, especially how they apply to the members of the National Guard and Reserves.

TAP is important in the transition process for both active duty members and those in the Selected Reserves. We have seen that when Commanding Officers and state officials make a concerted effort to use TAP to help stabilize the lives of their active duty and Guard and Reserve members returning from extended active duty, post deployment problems decrease and retention rates increase.

Post deployment issues for the Guard and Reserves are a bit different from those facing the regular forces. In many ways, those issues are more difficult because of the dispersion of the unit upon return. In fact, by denying the mutual support of unit members with whom members have shared tough times, I believe the current 90-day restriction placed on drilling following extended deployment is a mistake and may foster higher rates of stress-related issues such as those involving other family members and risky behavior. I'm looking forward to hearing from officials on how they are meeting the needs of their members.

You may have heard that Steve Buyer, the Chairman of the House veterans Affairs Committee has expressed his support for a modernized GI Bill, and I for one welcome his initiative. The Montgomery GI Bill has served the nation's veterans well for 20 years, but with the prospect of continued integration of Guard and Reserve forces with the regular military, we need to look at what will make that benefit more relevant to today's operational climate. This will likely be a very expensive undertaking and one that will probably take some time to do. For those who have not know the history of the Montgomery GI Bill, it took seven years to get it passed into law.

Thanks to each of you who appeared before us today, and my special thanks to our Ranking Member, Ms. Herseth for inviting us to see this beautiful part of the nation. While the

Midwest may be considered flyover territory, its people are the best and I have thoroughly enjoyed our too-short stay and look forward to coming back.

This hearing is adjourned with my thanks to all who have participated.

Statement of Captain Chennel McClung

Officer In Charge of Personnel Employments and Relocations

28th Mission Support Squadron Ellsworth Air Force Base South Dakota

HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

Oversight Hearing on transition assistance for members of active duty, Reserve, and National Guard servicemembers and education benefits for the total military force

Monday, June 19, 2006, 9:00 a.m.

28 Operation Support Squadron Auditorium
1956 Scott Dr, Ellsworth AFB, SD

Chairman and Committee Members, I am Captain Chennel McClung of the United States Air Force and I thank you for the opportunity to speak here today. I will be sharing a brief description of my Officer Force Shaping experience and of the Transitional Assistance I received during that period.

After being in the military for three years I was faced with meeting the 2006 Officer Force Shaping board to determine if I would be allowed to remain on active duty. I have been stationed at Dyess Air Force Base in Abilene, Texas and here at Ellsworth Air Force Base, Rapid City, South Dakota as the Officer in Charge of Personnel Employments and Relocations. I was in an awkward position because, as the Officer Promotions program manager, I would also oversee the process of notifying eligible individuals that they were meeting this Force Shaping board. Ms. Galbreath and the staff at the Family Support Center immediately put out information about the Transition Assistance Program for all effected officers to find out what their options were.

The results of the board were announced on 10 May 2006. I was fortunate enough to be retained, but some very close friends will be separating from the services no later than 29

September 2006. If we had not had the opportunity to attend the Transition Assistance classes none of us would be prepared for this life-altering change.

Chairman and Committee Members, thank you again for hearing my testimony today.

EXHIBIT
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TESTIMONY OF

CHIEF MASTER SERGEANT CLYDE W. AUNE

UNITED STATES AIR FORCE

BEFORE THE

COMMITTEE ON VETERAN'S AFFAIRS

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

U.S. HOUSE OF REPRESENTATIVES

June 19, 2006

Good morning, my name is Chief Master Sergeant Clyde Aune, currently serving as the Command Chief for the 28th Bomb Wing at Ellsworth Air Force Base. I applied for retirement from the Air Force in January of this year, and then my wife and I attended the Transition Assistance Program (TAP) Seminar at our Family Support Center from 24 – 26 January, 2006. I'm here to testify about the effectiveness and value of the transition assistance my wife and I received.

The entire range of information provided during the TAP Seminar was priceless for individuals like me who have limited civilian employment knowledge and experience outside of my service to the United States Air Force. I joined the Air Force just 5-days

after graduating High School and serving in the Air Force is all I've known for over 28-years. Both my wife and I were ill-prepared and uninformed regarding processes to follow in my transition to a civilian job, working for the first time in my life for a company where profit is a primary goal. The TAP seminar ensured both my wife and I were educated on the wide array of VA benefits, how to effectively write resumes and interview for employment and the correct procedures to follow when applying for disability compensation. There are many timelines one must follow to correctly apply for disability compensation, apply for VA medical care and qualify for VA benefits. The TAP Seminar ensured we were informed on these critical timelines and well prepared to ensure we gain access to the benefits and compensation our 28-years of service have entitled us to.

After a brief overview of the TAP Seminar by employees in our Family Support Center, the seminar began with one presenter after another sharing a wide range of issues to be addressed before and after separating or retiring from the military. We learned extremely valuable information (I took 10 pages of notes) and were given websites and reference documents to teach us even more!

The seminar included various speakers introducing us to important job search information. We were advised to begin assembling a file of all training certificates we had accumulated over our period of service, and also told to start developing a list of contacts, since the majority of new jobs were the result of networking vice being hired solely based on résumés. We were introduced to government job bulletins and given government job search websites to access.

We were counseled repeatedly about the significance of using "key words" in résumés to help us target specific jobs. This also included locating key words in job advertisements, where we reviewed several examples and were asked to make a list of key words. We then discussed at length on how to write résumés targeted for these specific jobs. This was crucial since many companies (including our government) use software that scans résumés for key words to eliminate generic résumés and narrow the list to résumés containing sufficient key words to potentially result in an interview.

We were coached on the fact that a job application includes information the employer wants to know about us, but that a résumé includes the information we want the employer to know. This was extremely valuable information, since in 28 years of service in the United States Air Force I have only "interviewed" for one job, that being the job I currently hold. Like me, many fellow Air Force members have worked very little outside the Air Force. Our average new recruit is 20.2 years of age and has attended some college before joining our service. Although we have some enlisted recruits who are advanced in age (i.e. over 25 years old), this is the exception. As a result, retiring or separating Air Force members are ill equipped to understand the subtleties of creating an effective résumé and succeeding in an interview process.

To further help us in the job market outside of the Air Force, we were also advised to start compiling a list of folks willing to serve as references to be provided to prospective employers. We were instructed on the different types of resumes and the pros and cons of each type. We were then told "functional résumés" were generally best for military members. This important information prevented me from working toward a

"chronological résumé", which most senior Air Force members are inclined to do based on using a biography format for most formal position selections.

We were taught to first construct a Federal Résumé, and then to use this document as our "base résumé" to extract specific targeted information designed to address key words in job advertisements. We were all given the "TAP Workshop Participant Manual" which is a fantastic product full of great examples of résumés, cover letters, and easy to understand step-by-step procedures in developing our base Federal Résumé.

Though it may seem obvious to members outside the Air Force, details were presented to us on the most basic of issues dealing with interviews, including how to dress (i.e. one level above the day-to-day dress of the place you are applying to work). We were further instructed on how to present ourselves, key words to use during interviews, and traits most interviewers are looking for. We learned the stages of an interview, what to expect from the person(s) interviewing us, and types of questions we should prepare to ask at the interview. We were advised on what to bring to an interview and to purchase thank you cards to be sent to the individual(s) who conducted the interviews.

The TAP seminar then graduated into lengthy discussions about what Veterans benefits we could expect, how to apply for benefits and how best to prepare applications for disability compensation with a Veterans Administration (VA) representative. We were given copies of the forms used to file for disability and other VA benefits; to include the required timelines for filing for these various benefits and disability. We were then informed of how long it takes for the VA to review our claims and make decisions on whether we qualify for disability and at what level. This is critical

information given the affect disability compensation can have on entitlement to various VA programs.

The discussions logically proceeded on various VA benefits and what level of disability is required to qualify for each benefit. As an example, we were introduced to Vocational Rehabilitation (training and education designed to teach a person skills necessary to succeed in the job market, given the disabilities an individual has). A thorough discussion on Vocational Rehabilitation followed, educating us on how to be sure our medical records included documentation of injuries or conditions we suffered from in order that the VA could accurately access our qualifications for certain levels of disability. For example, we were informed Vocational Rehabilitation requires a disability rating of 20 percent or higher, thus proving the importance of accurate documentation in medical records to assist the VA in properly awarding a correct percentage of disability.

We were then instructed to enroll in the VA Health Care System, and that we must do so within one year of retirement or separation. We were also instructed to ensure we obtained copies of both our medical records and immunization records before leaving active duty status since after we separate the records are transferred to a central depository, where obtaining copies of records would then be a lengthy process.

We received instruction on obtaining a VA Home Loan eligibility certificate before retiring or separating. We learned also to access and print copies of our Verification of Education and Training (VMET).

The TAP Seminar concluded with practice interviews from various Human Resources volunteers from the local area. We were all given a chance to participate in individual and group interviews, receiving invaluable feedback from the interviewers on

how we could improve our approach to interviews and the messages we communicated during the mock interviews. We also had the opportunity to meet in a group and try to narrow down our specific interests for future employment based on our personal interests and qualifications.

If there were recommendations for improvement to the TAP seminar, they would include lengthening the seminar by one full day and taking steps to ensure spouses of active duty members attend. The 3-day seminar starts with a day packed with incredible amounts of information, such that a person leaves hoping the information was digested and accurately captured in notes. Adding a day to the seminar would help spread out the information presented and ensure the full measure of the information can be captured in notes and understood. The addition of another day would also allow more time for the mock interviews conducted on the afternoon of the final day. I spoke with many participants in my particular seminar who would have preferred the opportunity to participate in several interviews, rather than just one. Also, due to the extensive information presented to ensure spouses are familiar with benefits and disability compensation issues, the attendance of spouses seems to me to be critical. We mandate that spouses have to sign a document agreeing to less than the full measure of the Survivor Benefit Plan. In my opinion, we should similarly mandate spouse attendance at the TAP Seminar. Doing so would undoubtedly require compensation for missed work and/or childcare issues. However, since spouses endure tremendous sacrifices while the active duty members serve in the Air Force; spouses are more than entitled to an unfiltered, unedited understanding of the benefits and entitlements earned by the active

duty member. The spouses also deserve access to facts concerning entitlements in the event the active duty member passes away after retirement or separation.

The above recommendations for improvement should in no way detract from the tremendous product that is the TAP Seminar. Our Family Support Center's coordination with a wide array of experts to present priceless information to us before retirement or separation is indeed noteworthy. Funding for the TAP Seminar is critical and I fear this funding could dry up in favor of the "self-help" system many of our Air Force processes are transferring to, whereby members are expected to access websites to gain their own information and then try to call regional contact centers to get answers to questions. Service in our Air Force has never asked more of our Airmen in my 28-years of service than expected today. Lengthy and frequent deployments, temporary duty assignments away from home, unaccompanied assignments and long duty hours while at home station task our Airmen at levels that cause me great concern. The TAP Seminar offers tremendous resources and invaluable information to the men and women who've proudly served our country and must now transition to the world outside of military service. I thank you for your aggressive support of the TAP Seminar and all it offers us!

Testimony of

SSgt Ann M. Mitchell
United States Air Force

Before the U.S. House of Representatives

Committee On Veterans' Affairs

19 June 2006

Chairman and Committee Members, I am SSgt Ann Mitchell of the United States Air Force and I thank you for the opportunity to speak here today. I will be sharing a brief summary of my situation and the Transition Assistance I have received.

I have been in the Air Force for seven and a half years and just got back from my fifth deployment. While I was deployed this last time to Kyrgyzstan, I was one hundred percent sure that I was going to get out of the service. I was tired of all the deployments and wasn't really happy with where I was working. So after talking it over with my husband, who is also Active Duty, we decided it might be better if I got out.

With this decision in mind, I had started looking for jobs in the local area and I also got scheduled to go to the Transition Assistance Program. This class really helped me with my doubts about getting out. I especially liked the Veteran's that came in to talk to us about numerous topics to include our benefits, resume's, cover letter's, etc. They also told us that we could go to their downtown office for more assistance. In my opinion this was an excellent class for transitioning people that are getting out of the service into civilian life.

But as time went on, I changed my mind about getting out and staying in about 100 times. I came into the Air Force to go to school, to travel around the world, and to have a guaranteed pay check. I just kept thinking about all the great benefits that we have in the military, and the more I looked for jobs around here as a civilian, the more I was thankful about being in. I guess I am really thankful to have job security, equal opportunity, education and medical benefits, travel opportunities, and the list could go on. So I guess this all out weighed my initial decision about getting out because I was scared of leaving my family all the time. I guess if my husband and I have made it through seven deployments already, we can make it through anything as long as we keep doing what we are doing.

I am so proud to be in the United States Air Force and to be a part of something larger than myself. Thank you again for hearing my testimony today.

EXHIBIT
INSERT 5

Executive Summary – South Dakota Department of Military and Veterans Affairs

Since the beginning of the War on Terror South Dakota has over **5,500 new veterans** of which over 2/3 are members of the National Guard and Reserves.

Readjustment Task Force established by the Department of Military and Veterans Affairs to direct service member readjustment and transition in South Dakota. Along with the Department of Military and Veterans Affairs the Task Force includes representation from:

- State Division of Veterans Affairs
- South Dakota National Guard
- State Department of Human Services
- South Dakota Council of Mental Health Centers
- Veterans Administration
- Veterans Administration Vet Centers

Teams made up of representatives from each of the Task Force organizations provide assistance in the following areas:

- **Family Support Briefings**
- **Demobilization Station Briefings**
- **Welcome Home Briefings**
- **Welcome Home Packets**
- **Veteran's Forums**

Each of the past 4 years the Department of Military and Veterans Affairs has also hosted a **Veterans Summit**. Veterans Summit brings together representatives from all major organizations that work with the military in South Dakota. Information is shared and ideas are exchanged.

Results
In a report from April 30, 2006 by the Veterans Administration South Dakota had a total of 2,176 Global War on Terrorism Veterans registered in the VA System. This total is more than any state in VISN 23 which includes South Dakota, North Dakota, Minnesota, Iowa, and Nebraska.

State Legislation - Some recent initiatives include:

- Revising the definition of the periods of service which qualify for veteran's benefits to include Global War on Terror dates.
- Reestablishing the South Dakota Veterans Bonus program
- Offering free educational benefits for spouses and children of members of the South Dakota National Guard who have been killed or permanently disabled while serving on Active Duty.
- Prohibiting picketing at military funerals.

South Dakota Readjustment and Outreach Efforts to Global War on Terror Veterans

I would like to start by THANKING the Committee for the opportunity to testify today on behalf of Major General Mike Gorman, Adjutant General for the South Dakota National Guard and Secretary of the Department of Military and Veterans Affairs.

My name is Andy Gerlach. I am the Deputy Secretary for the South Dakota Department of Military and Veterans Affairs, a Major in the South Dakota Army National Guard, and a Veteran.

This morning I would like to share with the Committee information on our Readjustment Program to assist Global War on Terror veterans, their families, employers and South Dakota communities. South Dakota's Outreach Effort has been a partnership of State Government and the Federal Government, along with private sector organizations and individuals across South Dakota.

Since the beginning of the War on Terror South Dakota has over 5,500 new veterans and our overall veteran population is nearing its highest level since World War II. Of the 5,500 new veterans over 2/3 are members of the National Guard and Reserves who, after their mobilization, have returned to South Dakota to continue their lives.

Shortly after the first of our National Guard units was mobilized in late 2003, the Department of Military and Veterans Affairs saw the need to establish a Readjustment Program for South Dakota's returning National Guard, Reserve and Active Duty service members. In addition, we recognized the program needed to include the service member families, employers and the communities to which they were returning.

From this concept our Readjustment Task Force was established. The Task Force is headed by the Department of Military and Veterans Affairs and directs all facets of service member readjustment and transition in South Dakota. Along with the Department of Military and Veterans Affairs the Task Force includes representation from:

- State Division of Veterans Affairs
- South Dakota National Guard
- State Department of Human Services
- South Dakota Council of Mental Health Centers
- Veterans Administration
- Veterans Administration Vet Centers

In South Dakota our Readjustment effort has been far-reaching and begins well before the service member returns home. Teams made up of representatives from each of the Task Force organizations provide assistance in the following areas:

- **Family Support Briefings** – Begin the process and are held prior to the unit returning home. Family Support Briefings utilize professionals to talk about

what to expect from a behavioral standpoint for everyone involved. They also provide benefit information and points of contact for the family.

- **Demobilization Station Briefings** - Conducted at the active duty post upon the unit's return. Teams from the Department of Military & Veterans Affairs, Veterans Administration, and National Guard travel to the demobilization station for personalized briefings with the soldiers.

- **Welcome Home Briefings** - Conducted 30-90 days after return at the unit's location. Follow-up information is presented to reiterate what was stated at the Family Support and Demobilization Station briefings. Close attention is also paid to specific readjustment issues within the unit.

- **Welcome Home Packets** – Sent to ALL returning veterans with printed information outlining State and Federal benefits and services. This information is also found on our Department website which has been a great resource for veterans of all ages.

- **Veteran's Forums** - Sponsored in communities throughout South Dakota in partnership with our Veterans Service organizations. These forums provide benefit overviews and service information to all members of the public.

In each of these venues the importance of Registering with the Veterans Administration is strongly stressed.

Each of the past 4 years the Department of Military and Veterans Affairs has also hosted a **Veterans Summit**. Our Veterans Summit brings together representatives from all major organizations that work with the military in South Dakota. Information is shared and ideas are exchanged. The Veterans Summit addresses a wide range of issues and, along with fostering a spirit of cooperation, gives the Department of Military and Veterans Affairs ideas for initiatives that can be worked into our Strategic Model.

Last month our 2006 Veterans Summit was held in Pierre. The theme dealt specifically with post-deployment Mental Health issues that are facing service members, their families, and peers.

Results

South Dakota's Readjustment and Transition Effort focused on returning veterans from the Global War on Terror has achieved tangible results. Our efforts have the State's new veterans registering for Veterans Administration services in numbers that outpace surrounding states.

As stated earlier, during Family Support Briefings, Demobilization Station Briefings, Welcome Home Briefings and Veterans Forums new veterans are strongly encouraged to enroll in the VA Health Care System.

In a report from April 30, 2006 by the Veterans Administration South Dakota had a total of 2,176 Global War on Terrorism Veterans registered in the VA System. This total is more than any state in VISN 23 which includes South Dakota, North Dakota, Minnesota, Iowa, and Nebraska.

Legislation – The Veterans Transition partnership has also involved our elected leaders in South Dakota. Governor Rounds and the State Legislature have supported the effort of our military in every way possible and have taken a proactive approach with State Legislation since the beginning of the War on Terror.

Some recent initiatives include:

- Revising the definition of the periods of service which qualify for veteran's benefits to include Global War on Terror dates.
- Reestablishing the South Dakota Veterans Bonus program, which goes back to WW I, and provides up to $500 for South Dakota residents who serve on Active Duty in support of GWOT (Active, Guard, Reserve).
- Offering free educational benefits at South Dakota Regental Campuses and State Technical Schools for spouses and children of members of the South Dakota National Guard who have been killed or permanently disabled while serving on Active Duty.
- Prohibiting picketing at military funerals.

In Closing

I would like to re-emphasis that the success we have as advocates for Veterans is the result of cooperation among leaders, organizations and agencies and the sharing of ideas and resources.

Since our troops have been deployed, South Dakota has stood as a true national leader in developing innovative ways to serve our returning service members and their families. The Citizens of our State can be proud of this.

Statement of Karen Moore

Core Compliancy Manager of the Transition Assistance Program at

Ellsworth Air Force Base, South Dakota

Before the U.S. House of Representatives

Committee On Veterans' Affairs

One Hundred Ninth Congress

19 June 2006

Chairman Boozman, Ranking Member Herseth, and distinguished members of the Subcommittee:

My name is Karen Moore and I am representing the Family Support Center at Ellsworth Air Force Base which has responsibility for the Transition Assistance Program. Thank you for the opportunity to offer remarks regarding transitioning military members and their families.

Transition Assistance Program

The Transition Assistance Program at Ellsworth is responsible for providing services to separating or retiring military and civilian personnel and their families transitioning into the private sector. Mandatory preseparation counseling is provided IAW Public Law 101-510 and AFI 36-3022. Military members are required to attend an individual counseling session or small group briefing no less than 90 days prior to separation/retirement. Public Law 107-103, Veterans Education and Benefits Expansion Act of 2001 authorizes retirees and separatees to participate in transition activities as early as 24 months for retirees and 12 months for separatees before date of separation (DOS). There are exceptions for short notice separations. TAP workshops are offered monthly. Family Support Centers augment seminars with classes on the employment search process. At Ellsworth in 2005, 706 members retired or separated and in 2004 the total was 395.

TAP Workshop

3. Availability and timeliness of the 3 day workshop: 4.4
4. Information received on Veteran's benefits: 4.6.
5. Commander/supervisor support for attending transition activities: 4.2
6. Overall value of the skills and knowledge gained from the Transition Assistance Program: 4.5

Ellsworth workshop attendees in 2005 listed the top 3 reasons they were leaving the Air Force:

22%: current job dissatisfaction

13%: family reasons

10%: planned retirement

Disabled Transition Assistance Program (DTAP)

The Disabled Transition Assistance Program (DTAP) was specifically developed for service members who are separating or retiring with medical disabilities. At Ellsworth the briefings are open to anyone planning to file a claim. The program provides members with specialized information and application procedures about the VA Vocational Rehabilitation Program. DTAP also explains how to obtain individual counseling on learning how to handle a disabling situation. Presenters are from the Department of Labor and VA. Briefings are held once a month following the TAP workshop. In 2005, 157 transitioning military members attended.

Feedback

Historically, TAP receives a lot of positive feedback. During the TAP workshop, participants complete an exit survey to determine the impact of participating in the program. An email address is requested so a follow-up can occur at the 90-day mark. Although the return rate is not optimal, the overall consensus of those who do respond was that TAP does meet their needs. One retiree wrote, *"I feel personnel should attend the TAP Workshop 2 to 3 years prior to separation. Then again just before they separate because this workshop has so much information to help with your decision on what you want to do after you separate."* Another retiree wrote, *"It would have been*

Airmen attend a briefing called "Decision Time" given by the Career Assistance Advisor. This is a opportunity for military members to look at their options for staying in or leaving the military. During the briefing, attendees could be encouraged to attend the TAP workshop to help them make an informed decision.

3. Provide an electronic version of the TAP manual online. This could include websites managed by the VA, NVTI, DOL, and the various Services. The Air Force, for example, could post the manual on AF Crossroads, our official community website. With so many of our servicemen and women deployed it is imperative for them to be able to access this information while in the field. Multiple postings would make the manual available anytime. Spouses could access the manual this way as well.

4. Currently, AF civilians impacted by restructuring or reduction in force can also receive transition services and attend the TAP workshop. Consideration could be given to developing a civilian TAP course. Civilians are a part of the total force

As it was an adjustment to come into the military, retiring or separating is a major adjustment as well. Our Air Force members carry integrity with them to the last minute of service and beyond. Sacrifice is a word that is not spoken but expressed everyday in a military member's commitment to their country. We owe them the resources and information to make the most of their military career and to pave the way for a successful move into the private sector when and where they choose. Additionally, the dollars spent on training our Airmen are reinvested into local communities throughout the country when they successfully move from the military to the private sector.

TESTIMONY OF
TODD KOLDEN
VETERANS' SERVICES STATE COORDINATOR
SOUTH DAKOTA DEPARTMENT OF LABOR
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
ON VETERANS AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
JUNE 19, 2006

Chairman Boozman, Ranking Member Herseth, and distinguished members of the Committee:

My name is Todd Kolden, Veterans' Services State Coordinator, with the South Dakota Department of Labor. I also serve as an active member of the National Association of State Workforce Agencies (NASWA), Veterans Affairs Committee. It is my honor to appear before this committee today on behalf of South Dakota Secretary of Labor Pamela Roberts to present the views of the South Dakota Department of Labor (SDDOL) regarding the Transition Assistance Program (TAP) Workshop at Ellsworth AFB and to discuss any questions or issues you may have. As we feel all benefits owed to veterans are important, today's testimony will focus primarily on TAP.

In order for TAP to be successful the partnerships between the Department of Defense (Ellsworth AFB), VA Vocational Rehabilitation and Employment (VR&E), South Dakota Department of Military and Veterans Affairs, US Department of Labor/VETS, and the SDDOL need to be solidly in place. I'm pleased to say these partnerships are well established in South Dakota and have been instrumental in the success of TAP facilitated at Ellsworth AFB. Without these solid partnerships, veterans attending TAP would not be receiving the full benefit of transition services they richly deserve. However, we do ask your assistance to ensure these partnerships can continue to function successfully.

In recent months, the "Key to Career Success" campaign was launched by the Employment and Training Administration in partnership with US DOL/VETS and the Department of Defense (DoD), which assists active duty service members in transition and also helps returning Guard and Reserve members connect to employment and supportive services available through the DOL. This campaign employs a wallet card that highlights a service member's "special" status upon arrival at their local Employment Office (in SD referred to as Career Centers) and contains important information about DOL services and electronic tools. This card is primarily handed out during the TAP Workshop, and we feel this has been a good asset to help get the word out on the employment services DOL provides to veterans and assist in their transition.

The importance of our DVOP Specialists and LVER's is not only serving veterans in the local office but also conducting outreach. One of the best times for outreach is during the facilitation of TAP Workshops. In SD, our DVOP Specialists and LVER's facilitate approximately 80 percent of the workshop and 25 percent of the Disabled TAP (DTAP) Workshop which is conducted each month. Often through a TAP Workshop, transitioning

Finally, I would like to share my personal experience with TAP. When I retired from military service in 1997, I was given the opportunity to attend TAP. The information I learned and the resources I was provided helped me immensely and immediately, and still assists me to this day. I feel the TAP Workshop is one of the best resources we currently have for our service members who are making the transition from military to civilian life and for Guard and Reserve individuals who want to make a career change.

Thank you again for allowing me to testify. This concludes my testimony, and I would be happy to discuss or respond to any questions.

EXECUTIVE SUMMARY OF STATEMENT BY
GEORGE W. SUMMERSIDE
VETERANS EDUCATION PROGRAM SPECIALIST
SOUTH DAKOTA STATE APPROVING AGENCY
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
JUNE 19, 2006

The testimony is provided on behalf of the South Dakota State Approving Agency. It addresses the missed opportunity by many of those eligible for VA educational benefits as it relates to training on the job. Also of concern is the regionalization of claims processing, customer and education liaison service.

Our agency feels that training on the job assists employers in hiring and retaining skilled workers which provides our country with a highly educated and productive work force. Over the last decade State Approving Agencies across the nation have been actively promoting training on the job. Through these efforts there has been dramatic increase in the number of approved and active training establishments (39% from 1997 to 2003), and from 1997 to 2005 a 53.8% increase in the number of program approval actions completed at these job training establishments. Our agencies need greater support and cooperation from our partners to further promote these programs and educate those eligible for VA educational benefits about this excellent opportunity.

We also support the continuation of the rate for educational assistance benefits currently in place for veterans enrolled in Apprenticeship and other On-the-Job Training programs. The law was changed, effective October 1, 2005, to increase the rate of benefits received by veterans and other eligible persons who are enrolled in apprenticeship and OJT programs. This increase is for a limited period of time – it expires on September 30 of 2007.

Over the past decade the Veterans Administration has moved toward a regional approach to serving those eligible for benefits and their service partners. In theory it would seem this approach would make better use of limited resources, and if properly managed would provide outstanding results. This system has not delivered as intended and those eligible individuals are suffering. The Veterans Administration has looked toward technology to solve all issues and in reality their service plan should include additional staff with a greater emphasis on training. Comprehensive review of the claims processing system is needed to identify problem areas and provide the necessary resources to resolve the problem. The toll free number and online inquiries are just not working; good customer service is an absolute necessity for any benefit system to be successful. The Education Liaison Representative is vital to the administration of VA educational programs. The Veterans Administration needs to ensure that they fill future vacancies with individuals that are fully trained professionals.

STATEMENT FOR
THE RECORD BY
GEORGE W. SUMMERSIDE
VETERANS EDUCATION PROGRAM SPECIALIST
SOUTH DAKOTA STATE APPROVING AGENCY
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
JUNE 19, 2006

Introduction

Chairman Boozman, Ranking Member Herseth and members of the Subcommittee on Economic Opportunity, I am pleased to appear before you today on behalf of the South Dakota State Approving Agency to provide comments on the missed opportunity by many of those eligible for VA educational benefits as it relates to training on the job. Another issue of concern is the regionalization of claims processing, customer and education liaison service.

Remarks

Recommendation One: VA educational benefits are not just for classrooms; some individuals learn better from practical, hands on training. Training on the job assists employers in hiring and retaining skilled workers which will provide our country with a highly educated and productive work force. Training programs are either approved as (OJT) Other-On-The Job, which is defined as:

- Does not qualify as apprenticeship.
- Under the supervision of a skilled worker.
- Learned in a practical, hands-on way.
- Minimum of six months and a maximum of two years in training time
- Accompanying related instruction if needed.

Or apprenticeship, which is:

- Clearly identified and commonly recognized throughout an industry.
- Learned in a practical way through a structured, systematic program of supervised on-the-job training.
- Minimum of 2000 hours of on-the-job training to learn the necessary manual, mechanical, or technical skills.
- Requires a recommended 144 hours per year of related instruction to supplement the on-the-job training.

From my experience and discussions with my collages nationally it is our sense that VA educational training programs have not been utilized to their fullest potential. The below charts below illustrate the lost opportunities from the first sixty years.

Service Period	Total Eligible	Did Not Use Educational Benefits	% Not Using Benefits
WWII	15,440,000	7,642,800	49.5
Korea	5,509,000	3,118,000	57
Post-Korea	3,051,000	1,654,903	54
Vietnam	10,252,000	3,470,212	34
Montgomery GI Bill	1,650,825	578,862	35
Totals	**35,902,825**	**16,464,777**	**Average 45.8%**

If 10% of the individuals that did not use any benefits would have used their benefits in a two year (On-The-Job/Apprenticeship training program), the following amounts are what they would have received in educational benefits.

Service Period	Did Not Use Educational Benefits	Benefit Loss Projection (10% of Total)	Benefit Loss By Service Period
WWII	7,642,800	764,280	$1,176,560,000
Korea	3,118,000	311,800	$ 519,147,000
Post-Korea	1,654,903	165,490	$ 309,632,351
Vietnam	3,470,212	347,021	$1,071,601,466
Montgomery GI Bill	578,862	57,886	$ 861,899,385
Totals	**16,464,777**	**1,646,477**	**$3,938,840,202**

Data Footnote: *Veterans Educational Assistance Program (Chapter 32), Survivor's and Dependent's Educational Assistance Program (Chapter 35), Montgomery GI Bill-Selected Reserve (Chapter 1606) and Reserve Educational Assistance Program (Chapter 1607) were not included in the above analysis, data was not available.*

The following is being offered as my recommendations.

(1) The Department of Defense and the Department of Veterans Affairs will need to do a better job of promoting these programs and educating those who are eligible for VA educational benefits about this excellent training opportunity.

(2) The Department of Labor should make direct referrals to the respective State Approving Agency when placing those who are eligible for VA educational benefits.

- The Bureau of Apprenticeship and Training could revise their apprenticeship registration form to ask the question "Are you eligible for VA educational benefits". This would identify all that are eligible to include the dependents, survivors and guard/reservist.
- The local DOL Veteran Representatives, when placing veterans in various job objectives, should make referrals to the local State Approving Agency. Our state has developed a referral form which has proven to be an excellent tool in promotion of this training option.

Over the last decade State Approving Agencies across the nation have been actively promoting training on the job. Through these efforts there has been dramatic increase in the number of approved and active training establishments (39% from 1997 to 2003), and from 1997 to 2005 a 53.8% increase in the number of program approval actions completed at these job training establishments. The key is cooperation between agencies and a renewed commitment to those who have worn the uniform in service to our country. If the above recommendations are implemented, those eligible for VA educational benefits will be afforded the opportunities that have not been seen in previous service periods.

Recommendation Two: Continue the rate of educational assistance benefits currently in place for veterans enrolled in Apprenticeship and other On-the-Job Training programs. The law was changed, effective October 1, 2005, to increase the rate of benefits received by veterans and other eligible persons who are enrolled in apprenticeship and OJT programs. The rate is now 85% of the full time institutional rate for the first six months, 65% for the second six months of training and then 45% for the third and any succeeding period of time. This increase is for a limited period of time – it expires on September 30 of 2007. It is too early to know for sure, but early indications are that the increases have had a positive effect on the ability of veterans to use this way of gaining knowledge and skills for the occupations or professions of their choice. As stated in recommendation one there will be continual growth in the use of job training programs.

Recommendation Three: Over the past decade the Veterans Administration has moved toward a regional approach to serving those eligible for benefits and their service partners. In theory it would seem this approach would make better use of limited resources and if properly managed would provide outstanding results. This system has not delivered as intended and those eligible individuals are suffering. The Veterans Administration has looked toward technology to solve all issues and in reality their service plan should include additional staff with a greater emphasis on training.

- A good first step would be a comprehensive review of the claims processing system to identify problem areas. After these areas have been identified provide the necessary resources to resolve the problem.

- Secondly the toll free number and online inquiries are just not working. There are dropped calls, erroneous information provided, and delays in responding to online inquiries. Good customer service is an absolute necessity for any benefit system to be successful.

- Thirdly, in the past each state has had a local VA contact or (ELR) Education Liaison Representative. Upon the retirement of our ELR in 1999 this position was transferred to Kansas and over the past seven years we have had five different (ELR's). This has created challenges for our agency, since direct access is an important aspect of this relationship. Another concern would be the Veterans Administration plan for the future-will there be trained professionals

to fill future vacancies? Our current liaison, Mr. John Streedbeck is a valuable asset and partner whose professionalism is greatly appreciated.

I would be remiss if I did not extend special thanks to Carl Thunnel, Randy Johnson and Barry Walser, these individuals have provided outstanding service to our state. The Veterans Administration is truly fortunate to have these individuals at the Regional Processing Center in St Louis. The current system needs additional resources to ensure those eligible for VA educational benefits are provided quality, timely customer service.

Closing

In closing, Mr. Chairman, I would like to thank you again for the opportunity to comment on the issues relating to training on the job and the regionalization of VA educational services. I very much appreciate your efforts to make improvements to the educational assistance programs for those who defend the freedoms that we all so thoroughly enjoy. From a grateful nation, they deserve no less. I would be happy to respond to any questions that you might have.

U.S. Department of Labor

Office of the Assistant Secretary for
Veterans Employment and Training Service
420 S. Roosevelt Street
P.O. Box 4730
Aberdeen, SD 57402-4730

Executive Summary

This testimony by the Director for Veterans Employment and Training (DVET) for the state of South Dakota, Earl R. Schultz, describes the Transition Assistance Program (TAP) at Ellsworth AFB in three categories. The first part describes the history of the TAP program at Ellsworth AFB. The second part covers the documented quality of the TAP program at Ellsworth while the final part tells how the war on Terrorism has brought changes to the program. These changes accommodate not only Air Force personnel but all transitioning Service members who are in need of this program including but not limited to members of the National Guard and Reserve.

EXHIBIT
INSERT 9

STATEMENT OF
EARL R. SCHULTZ

STATE DIRECTOR – SOUTH DAKOTA
VETERANS' EMPLOYMENT AND TRAINING SERVICE
U.S. DEPARTMENT OF LABOR

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

JUNE 19, 2006
ELLSWORTH AFB, SOUTH DAKOTA

Mr. Chairman and members of the subcommittee:

Thank you for the opportunity to appear before this Subcommittee to discuss the collaboration of the U.S. Department of Labor (DOL) Veterans Employment and Training Service (VETS) and our state and Federal partners in providing transition assistance to our returning veterans in South Dakota, especially our National Guard members and reservists.

The mission of the Veterans' Employment and Training Service is to provide veterans, transitioning service members, and eligible spouses with the resources and services to succeed in the 21st Century workforce. One of the ways that we meet that mission is by providing employment workshops to separating active, Guard, and Reserve service members as part of their transition to civilian life.

As part of the Transition Assistance Program (TAP), VETS conducts a comprehensive two and one-half day employment workshop where participants learn about job searches, career decision-making, current occupational and labor market conditions, resume and cover letter preparation, and interviewing techniques. Participants are also provided an evaluation of their employability relative to the job market and receive information on the most current veterans' benefits.

Ellsworth Air Force Base (AFB) was the home of the minuteman missiles during the Cold War. With the end of the Cold War, these missile sites were destroyed and the support units were deactivated. This led to many early-outs for the members of the Air Force stationed at the base and therefore, a very active Transition Assistance Program. The downsizing at Ellsworth AFB in the early 1990s not only involved the active duty Air Force personnel who operated the missile sites, but a large military security force that protected the sites from sabotage as well.

At that time, the Family Support Center was running as many as two or three employment workshops per month to keep up with the downsizing demands. The Transition Assistance Manager (TAM) at the Air Force Family Support Center was Betty Schuster, who as a former state employee (South Dakota Department of Labor, Job Service Division), worked very effectively with the Local Veterans Employment Representatives (LVER) and Disabled Veterans Outreach Program (DVOP) specialists, who were presenters and facilitators at the employment workshops. The TAP employment program at Ellsworth worked so well during the downsizing that the U.S. Department of Labor named it one of the Department's most exemplary programs in the Nation.

The current Transition Assistance Manager is Ms. Karen Moore. Ms. Moore has worked tirelessly to improve the TAP program and expand its outreach. As part of her many efforts, she has also developed a Disabled Transition Assistance Program (DTAP) for South Dakota, to meet the needs of disabled service members who are transitioning out of the military.

A local Memorandum of Understanding (MOU) was signed when TAP first started at Ellsworth which is still being followed today. The MOU was signed by the Base Commander, local Job Service Manager, the VA Regional Office Director and myself. An advisory council meets on a quarterly basis to discuss transition issues and to seek ways to improve the transition services. These meetings are chaired by the Transition Assistance Manager. This quarterly meeting usually consists of the local Job Service Manager, the VA representative, the Base Commander's representative, and federal transition staff from the Family Support Center. Presenters are also invited such as LVERs, DVOPs, and State Career Learning staff. Based on my schedule, I attend as many of these meetings as possible. I

receive the quarterly minutes from the Transition Assistance Manager and review and consider all advice from the council.

Since the Global War on Terror has required the greatest mobilization of National Guard and Reserve members since World War II, VETS recognizes the need to provide employment transition assistance and has taken the initiative to provide employment based briefings at demobilization sites for National Guard and Reserve Units. These briefings are held along with our other Federal and state partners. The two major demobilization locations in the Dallas Region, which South Dakota is part of, are Fort Sill in Lawton, Oklahoma and Fort Carson in Colorado Springs, Colorado.

My VETS counter-parts in Texas and Colorado conduct these briefings and make sure each and every returning service member from South Dakota has my name and office telephone number so we can schedule demobilization briefings and discuss other employment transition assistance needs.

In fiscal year 2005 we conducted 12 workshops in South Dakota that included 388 total participants, 12 of whom were spouses. In fiscal year 2006, through March 31, 2006, we conducted 7 workshops that included 169 total participants 9 of whom were National Guard and Reserve members. We did not track National Guard and Reserve members during FY 2005. There were no spouses reported as participating in the FY 2006 workshops.

Approximately one year ago, Lt. Col. Marshall Michaels of South Dakota National Guard visited the Transition Assistance Program (TAP) employment workshop classes here at Ellsworth AFB. With his support, we have been able to reach-out across South Dakota to National Guard members in need of this assistance and enroll them in the program here at Ellsworth AFB. With the correspondence, you will find a letter from the State National Guard headquarters thanking the TAP program for assisting members of the South Dakota National Guard.

In closing, I again thank you for allowing me to address you today on this very important issue and program. I am happy to answer any questions you may have.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
OFFICE OF THE ADJUTANT GENERAL
2823 West Main Street
Rapid City, South Dakota 57702-8186
(605) 737-6760 DSN 747-8760

SD-HRO

17 February 2006

MEMORANDUM FOR Whom It May Concern

SUBJECT: Letter of Appreciation for Ms. Karen Moore and the Transition Assistance Program

1. This Letter of Appreciation is for Ms. Karen Moore and the Transition Assistance Program (TAP/DTAP) workshop team in regards to their untiring efforts in taking care of our service men and women.

2. I have had the pleasure of working with Karen and the Transition Assistance Program for the past year and a half, and have come to realize that their professionalism and caring go way beyond the norm.

3. During this period the South Dakota National Guard (SDNG) has sent approximately 75 retiring Active Guard & Reserve (AGR) personnel, a good number of spouses, and numerous members preparing for departure from the service through the Transition Assistance Program (TAP) workshop. The response from our service members have been positively overwhelming. Through the teams hard work the relevancy and quality of the course material are exactly on target. In addition, Karen and the Career Center Veteran Employment Specialists, VA, Vet Center, and Voc Rehab have provided an unlimited amount of knowledge in their respective areas. The delivery of their portion of the training is accomplished with a very high degree of professionalism.

4. In the future the team will work with me to extend the opportunity to attend the TAP workshop to AGR service members in the 16 to 18 year range. This attendance will be based on training seat availability, and should prove to be very beneficial. By providing world class training, the team's goal to equip these service members with the tools to make smarter decisions as they meet retirement age will be realized.

5. Again, I would like to extend my deepest gratitude for the exceptional support that Ms. Moore and all the TAP/DTAP Workshop team members have provided to SDNG AGR service members. For any further discussion or questions, feel free to contact me at 605-737-6672.

DAVID E. MAX
LTC, EN, SDNG
AGR Manager, Human Resource Office

U.S. Department of Labor

Office of the Assistant Secretary for
Veterans Employment and Training Service
420 S. Roosevelt Street
P.O. Box 4730
Aberdeen, SD 57402-4730

April 18, 2005

Major General Michael Gorman
Adjutant General / South Dakota
2823 West Main
Rapid City, SD 57702

Dear General Gorman:

As you know, this is the office of the South Dakota Veterans Employment and Training Service with the U.S. Department of Labor of which I am the Director. Our agency is charged with the three missions of providing employment and training services for veterans and separating service members, providing Transition Assistance Program (TAP) workshops for separating service members and providing compliance assistance on the Uniformed Services Employment and Reemployment Rights Act (USERRA) to employers and members of the National Guard and Armed Forces Reserves returning from active duty.

During the war on terrorism, thousands of members of the National Guard including many from this state have been activated and deployed. My agency has identified at least three states where unemployment or underemployment of returning members of the National Guard is of some considerable concern.

In South Dakota, we believe we have a strong base of trained Veterans Employment Specialists located in our various State Career Centers throughout South Dakota. These Veterans Employment Specialists are funded by a grant through our agency. Priority on employment programs is in place for any of South Dakota's returning National Guard members or Reservists, who may be in need of such services.

I would like to thank you for your support of the TAP workshops and for the ESGR committee which is working closely with this office. In some states this working relationship has yet to be developed. In South Dakota, I know working together, our citizen soldiers have had and will have all of their needs met.

Sincerely,
Earl R Schultz, Director

U.S. Department of Labor – Veterans
Employment and Training – South Dakota

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

EXHIBIT
INSERT 10

Testimony Prepared For

U.S. House Of Representatives
Committee On Veterans Affairs
Subcommittee On Economic Opportunity

June 19, 2006

Ellsworth Air Force Base, South Dakota

Hearing on
"Transition Assistance For Members Of Active Duty, Reserve And National Guard Servicemembers And Education Benefits For The Total Military Force"

John L. Brown
South Dakota District Director
U.S. Small Business Administration

SBA IS AN EQUAL OPPORTUNITY EMPLOYER AND PROVIDER
Federal Recycling Program Facts on Recycled Paper

Chairman Boozman, Ranking Member Herseth, and other distinguished members of the Committee. Thank you for requesting our views on the important subjects of today's hearing.

My name is John Brown and I am the District Office Director in South Dakota. Administrator Barreto has asked me to testify about the Small Business Administration's (SBA) efforts to provide small business transition assistance for American military men and women.

For the record I would like to recognize that accompanying me today is Elton "Mick" Ringsak, SBA Regional Administrator for Region VIII.

SBA maintains 68 district offices and 10 regional offices. All SBA programs and services, including counseling and training are available to active duty personnel, reservists, veterans and their families as they are to all citizens. To ensure easy access to our programs for veterans SBA has a designated veteran's business development officer in each office who acts as the initial contact point for veterans seeking to use our programs. That person can also assist veterans in locating information on other programs that may be available through other resources and agencies.

SBA is an active participant with other federal agency resource partners; including the Departments of Defense, Labor, and Veterans Affairs, in the delivery of transition assistance for active duty and reserve component members. SBA is a regular contributor to the Transition Assistance Program (TAP) and the Disabled Transition Assistance Program (DTAP) for soon to be discharged military personnel and their families, and for de-mobilizing reservists.

SBA has been an active participant in the TAP and DTAP programs for many years. At SBA we know the potential that veterans have to become entrepreneurs and we have always sought participation in the TAP programs.

- **SBA offers business counseling and loans to veterans, service disabled veterans, reservists, active duty military and their families.** At SBA Veterans, Service Disabled Veterans, Reservists, Active Duty Military and their families all come under the heading of "Veterans Services".
    - SBA provides targeted services intended to meet the unique interests of Veterans, as well as providing them with the overall business assistance programs available to other small business persons.
    - SBA provides those services through a network of 68 SBA District Offices, 900-plus Small Business Development Centers, 387 SCORE Centers with 10,500 SCORE volunteers, 90 plus Women's Business Centers, 5 Veterans Business Outreach Centers, 16 Export Assistance Centers (USEACs) and approximately 1,700 lenders participating in the SBA*Express* Program.

- SBA provides government contracting information and assistance through over 67 Procurement and Commercial Representatives across the nation to veterans and others.

- In addition to face-to-face services SBA offers on-line training and counseling opportunities.

- SBA offers a variety of loan programs for veterans. These include Military Reservists Economic Injury Disaster Loans (MREIDL), and 7(a) SBA*Express,* which targets veteran borrowers.

- SBA recognizes that lending to veterans is a very important component of what we should do. As such, lending to veterans has been identified as one of the public policy goals in our 504 loan program. This designation allows us to increase the eligible size of the loan when it is identified as a loan to a veteran.

- **SBA actively pursues opportunities to educate Veterans about resources provided by the Agency.** It is critical to inform existing and potential military veteran entrepreneurs about opportunities afforded them. As entrepreneurs they must make their own decisions on what resources or services fit their needs.

  - SBA works with other Agencies including the Departments of Defense, Labor, Veterans Administration, and others to inform veterans and those recently called up about SBA offerings.

  - The SBA Web site has a special link to the Office of Veterans Business Development that provides a guide to the full range of services available that can be accessed from anywhere in the world.

  - Hundreds of thousands of print, CD and electronic copies of specific program materials, resource guides and fact sheets are distributed to veterans. There is an on-going long term outreach program that includes reaching veterans when they are participating in special seminars, conferences, training programs, "webinars" and other opportunities as they arise. This includes TAP Seminars where SBA has been asked to participate.

  - In addition to the newsletter that is circulated throughout the agency, the Office of Veterans Business Development produces a quarterly newsletter to veterans, veteran's organizations, veteran business owners and other agency personnel. This newsletter is distributed to more than 44,000 readers.

  - These services are all provided through SBA programs and partners, Federal, State and Local Governments, Veteran Service Organizations and entrepreneurial organization.

- **The SBA Office of Advocacy undertakes a number of research projects, studies and other efforts to identify critical issues for Veterans.** Some of these issues include procurement, propensity for entrepreneurship, and veteran business databases. Advocacy works with SBA's Office of Veterans Business Development, the U.S. Census Bureau, Department of Defense Research Initiatives and veterans service groups to identify needs for ongoing research. This is a relatively new pursuit instituted under the Bush Administration during the past six years.

In conclusion, SBA has reached hundreds of thousands of veterans nationwide with materials about the educational and lending programs offered through the agency. There were over 6 million visits in fiscal year 2005 on the Office of Veterans Business Development web pages, compared to some 280,000 in FY 2000. Getting services to veterans will continue to be of great importance to the SBA in the future.

For instance, the South Dakota District Office has provided TAP and business workshops at Ellsworth Air Force Base. Our office continues to supply materials and resources to the Vet Centers located throughout the State as well as access to our programs and resource partners. The District Office also provides procurement training and contract opportunities through the delivery of procurement fairs in Rapid City and Sioux Falls, aimed at assisting SBA clients and Veteran Owned Businesses. A NIST/SBA computer security workshop is scheduled for June 30, 2006 at EAFB.

Again, thank you for inviting us here to discuss this important matter. I will be happy to answer any questions you might have.

EXHIBIT
INSERT 11

Statement of
William Fillman
Director, Central Area
Veterans Benefits Administration
Department of Veterans Affairs

Before the
Subcommittee on Economic Opportunity
House Committee on Veterans' Affairs

Field Hearing
Ellsworth Air Force Base – Rapid City, SD

June 19, 2006

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to appear before you today to discuss the role of the Veterans Benefits Administration (VBA) in providing transitional assistance to members of the National Guard and Reserves in the State of South Dakota. Today, I am accompanied by: Mr. John Smith, Director of the Regional Office for the Dakotas.

My testimony will address the current outreach efforts of the Sioux Falls Regional Office and the transition assistance provided to our service men and women in South Dakota.

Sioux Falls Regional Office

The Sioux Falls Regional Office provides a variety of veteran benefits and services including Disability Compensation, Pension, and Vocational

Rehabilitation and Employment services. The office is actively involved with outreach services and benefits counseling throughout the state.

The Department of Veterans Affairs (VA) has a long history of special efforts to bring information on VA benefits and services to active duty military personnel.

Returning servicemembers, including members of the National Guard and Reserves, may elect to attend formal 3-day workshops provided through the Transition Assistance Program (TAP) – a joint effort of VA, the Department of Defense, and the Department of Labor. At TAP workshops, separating servicemembers and their spouses are provided information describing the VA benefits available to them, and are encouraged to apply for all benefits to which they are entitled. Additionally, separating servicemembers and their spouses receive employment assistance, to include resume writing, skills marketing, job referral and other transitional services through the Department of Labor's employment workshops.

The Sioux Falls Regional Office actively supports the commitment to provide a seamless transition for returning military members. In FY 2005, the office conducted 12 TAP briefings at Ellsworth Base for 483 participants. To date in FY 2006, the Office has conducted 9 briefings for 203 participants.

The Sioux Falls Regional Office is working diligently to ensure members of the Guard and Reserve understand the VA benefits to which they may be entitled. So far in 2006, 60 South Dakota National Guard Recruiters and 74 members of the Navy Reserve received training on VA benefits.

Employees from the Regional Office also participated in the "Veterans Benefits Forum", hosted in Aberdeen, South Dakota in July 2005. The office staffed an informational booth and answered questions concerning VA benefits. Also in July 2005, the office participated in the South Dakota Veterans Summit by providing an overview of VA benefits. Members of the National Guard and Reserves, County Veteran Service Officers, Veteran Service Officers, and congressional staff members were in attendance. The RO is working diligently to ensure South Dakota National Guard Members' transitions are as seamless as possible and are doing whatever they can to ensure members and their families are aware of and know how to access VA medical care and benefits.

VBA has also assisted in training 54 newly hired Department of Defense State Benefit Advisors. These individuals are based at the State Adjutant General's office and serve a coordinating function between demobilizing National Guard, Reserve units, and local VA facilities. There is a State Benefit Advisor located in each state, including South Dakota.

Mr. Chairman, we at VA are proud of our continuing role in serving this Nation's veterans. We continually evaluate and seek opportunities to improve the quality and scope of our outreach efforts to members of the military. I hope that my testimony today has provided you and the Subcommittee with a better understanding of the Transitional Assistance Program extended by the Sioux Falls Regional Office and its partners, the Department of Defense and the Department of Labor, to the veterans of South Dakota. Thank you for the opportunity to appear before you today.

This concludes my testimony. I would be pleased to answer any questions from the members of the Subcommittee.