

LOWERING THE RATE OF UNEMPLOYMENT FOR THE NATIONAL GUARD

HEARING

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

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LOWERING THE RATE OF UNEMPLOYMENT FOR THE NATIONAL GUARD

THURSDAY, FEBRUARY 2, 2012

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

The Subcommittee met, pursuant to notice, at 10:23 a.m., in Room 334, Cannon House Office Building, Hon. Marlin A. Stutzman [Chairman of the Subcommittee] presiding.

Present: Representatives Stutzman, Bilirakis, Johnson, Braley, and Sánchez.

OPENING STATEMENT OF CHAIRMAN MARLIN STUTZMAN

Mr. STUTZMAN. Good morning and welcome to the first Subcommittee on Economic Opportunity hearing of this session.

I do apologize for the late start. Several of us Members were at the national prayer breakfast this morning and they let the President out early and first. And so we came second and by the time we got through traffic, it took us some time. So I apologize for that.

But I do want to welcome each of you here and thank you for your patience, and welcome the Members as well.

Shortly after the end of the Vietnam War, the United States defense policy changed to transition the National Guard and reserves from a strategic reserve to an operational reserve.

There were several reasons for doing this ranging from the perception that a reliance on the reserve components would lessen the likelihood of military actions in the future to reducing the cost of our defense forces.

Regardless of those reasons, members of the Guard and reserves have borne a significant share of the combat since 9/11. Clearly there are no longer weekend warriors as there once was.

That also means that employers, especially small businesses, have experienced labor challenges not seen since World War II and by and large have supported their employees. Unfortunately, active-duty call-ups combined with a bad economy have created historically high unemployment rates among the guard and the reserves.

Even more unfortunate, you will hear today that some employers have used what I believe are less than ethical tactics to terminate members of the Guard and reserves.

As the owner of a small business, I understand the pressures on employers that the loss of a critical employee creates. But in the end, the question I always ask is who is making the greater sac-

rifice, the employer or the servicemember who is literally going in harm's way and that member's family who must cope with all the stresses of a deployment.

You will also hear today from the National Association of Manufacturing about the over 600,000 manufacturing jobs going unfilled because of skill shortages. With that kind of information, we must ask ourselves what are we as a Nation doing wrong.

For example, taxpayers are providing a generous GI Bill education and training program and the Department of Education offers numerous Title 4 financial assistance programs. In many cases, the states are also offering generous education and training benefits to members of their states' National Guard as well as veterans in general.

Additionally, the recently passed Vow to Hire Heroes Act focuses on renewing the skills of unemployed veterans between the ages of 35 and 60 by providing up to a year of Montgomery GI Bill benefits. Veterans also have priority access to all Department of Labor Workforce Investment Act or WIA programs. All of these education and benefits programs offer opportunities to acquire skills needed by today's employers.

So where are we going wrong? Where are the gaps? And I look forward to some concrete ideas here today to help us. I would note that none of the government witnesses have made any suggestions in their written testimony today.

I am pleased to see that manufacturers are increasing their role as you will hear in today's testimony. And I believe that increasing initiatives by the employer side of the equation is an area that offers significant leverage in developing and matching skills with job vacancies.

In the end, it will likely be up to employers to take actions at the local level rather than moving jobs overseas. I know that many companies work with community colleges to develop skills needed in their company and I suspect that expanding that model is an area we need to explore further.

Before I yield to the Ranking Member, as everyone knows, the Transition Assistance Program is an integral part of transition. In fact, I believe that every one of today's witnesses mentions TAP in their written testimony.

In preparing for this hearing, the staff asked the Administration for a briefing on the redesign of the TAP Program. Unfortunately, that briefing has been delayed pending a release of a study done for the White House.

While I commend the Administration for doing the study, delaying its release for whatever reason does not help Congress or the Administration to get on with revitalizing an important program and I urge the White House to release the study as soon as possible.

So, once again, I want to welcome each of you and thank you for being here, and at this time will recognize the distinguished Ranking Member, Mr. Braley, for his opening remarks.

[The prepared statement of Hon. Stutzman appears on p. 49.]

**OPENING STATEMENT OF HON. BRUCE L. BRALEY, RANKING
DEMOCRATIC MEMBER**

Mr. BRALEY. Thanks, Mr. Chairman, and thank you for holding this important hearing.

Because of the unique characteristics of the national guard and how it impacts the employability of veterans who serve their country with honor and distinction, I am very pleased that all of our witnesses have joined us here today. I look forward to their testimony and want to pay special attention to two of our witnesses here today from my State of Iowa.

The first is Major General Timothy Orr who is the adjutant general of the Iowa National Guard and has done a phenomenal job during the period of time I have served in Congress.

So thank you for being here, General Orr.

And another good friend of mine, Dick Rue, who is the state chair of the Iowa Employer Support of Guard and Reserve and has had an extraordinary opportunity to see these issues up close and personally because of the extensive deployments that our guard has experienced in the last decade.

One of the things that Chairman Stutzman and I did to try to get a better understanding of how these issues impact our country is to hold two field hearings in October, one in Waterloo, Iowa and one in Fort Wayne, Indiana. And we had great witnesses at both of these field hearings from employers to guard members to active-duty members who had been demobilized and returning to the civilian workforce.

One of the things that was so important that we heard from them is that some of those servicemembers looking for work actually felt compelled to de-emphasize their service to their country because of fears that employers would not want to hire them.

I think that is a sad reality in our country but one that deserves our special attention because a lot of that is due to fear and misinformation. Our responsibility is to clear up that cloud and do everything we can so that employers recognize the unique gifts and experience that veterans bring to the workplace.

I know that because right before I was elected to Congress I had a legal assistant who was a veteran who served in the Marine Corps and all the job skills that she brought to work every day were a reflection of some of the training and experience she had in her service to our country.

I am also extremely proud of what the State of Iowa has done and its embrace of the Hire Our Heroes Program.

Shortly after we had our field hearing in Iowa, Mr. Chairman, there was a hiring our heroes job fair in Des Moines, Iowa about a month later and a lot of the things that we talk about here were out in the open giving employers and prospective employees the opportunity to bridge that gap and identify those job qualities that veterans bring that are so critical to employers who want to succeed, dependability, reliability, critical thinking skills, problem solving skills.

And so I am very, very pleased that we are having this. The reason why this is so important, we know that over 600,000 members of the national guard and reserve have been mobilized since the attacks on our country on September 11th of 2001. Nearly 15,000

members of the Iowa National Guard have served their country at home and across the world.

And just this past summer, 2,800 members of the Iowa National Guard returned from deployment to Afghanistan.

I think a lot of times, we spend a lot of time talking about policy and forget about the human faces that are affected by those policies.

For me, the importance of what brings us here today was driven home on a very memorable Friday, the 13th when I was stranded at the airport in Atlanta, Georgia. My flights were getting canceled and I saw a young man wearing his red bull's patch from the Iowa national guard watching with disappointment as he was trying to get home to his family for a short reprieve while serving in Afghanistan.

I walked up and introduced myself. His name was Nathan Rose. He was from Mount Pleasant, Iowa. In his spare time, he was trying to get an education at the University of Iowa. When we got to talking, I learned he had been at that airport all day long trying to get home as his flight was canceled.

When our last flight option to Iowa disappeared, I told him I was flying to Chicago and renting a car and I invited him to join me and he did. We had more flights canceled and it ended up I dropped him off at his place in North Liberty, Iowa at 2:30 in the morning and then drove back to Davenport.

And I wish every Member of Congress could have had a similar experience because we spent the whole drive from Chicago to Iowa talking about his hopes, his dreams, and his future. And if we have people like Nathan Rose out on our front lines protecting us, then we have a solemn duty to them to do everything we can by not just slapping them on the back and telling them good job but actually helping them find a good job.

And with that, I will yield back.

[The prepared statement of Hon. Braley appears on p. 50.]

Mr. STUTZMAN. Thank you, Mr. Braley.

And at this time, I want to welcome our first panel to the table and we are looking forward to your testimony.

And with us today is Ms. Emily DeRocco and she is representing the National Association of Manufacturers and Mr. Ted Daywalt, CEO of VetJobs.com.

And we welcome both of you and your written testimony will be made part of the record.

And we will start with you, Ms. DeRocco, for five minutes. You are recognized at this time.

STATEMENTS OF EMILY DEROCCO, PRESIDENT, THE MANUFACTURING INSTITUTE; THEODORE L. DAYWALT, CEO AND PRESIDENT, VETJOBS

STATEMENT OF EMILY DEROCCO

Ms. DEROCCO. Thank you so much, Mr. Chairman and Members of the Subcommittee, for the opportunity to join you this morning.

My name is Emily DeRocco and I am president of the Manufacturing Institute which is the nonprofit affiliate of the National Association of Manufacturers.

Our mission is to serve the Nation's manufacturers through solutions and services focused on education, workforce development, and innovation acceleration.

You know, over the past few months, manufacturing has enjoyed something of a national spotlight, hasn't it? Organizations all across Washington from the White House to the Congress, think tanks and government agencies have been discussing the manufacturing industry and what America must do to maintain and grow its manufacturing base.

Well, manufacturing is certainly deserving of this recognition because it is the industry that is truly vital to our economic security. Manufacturing, for example, is the leader in generating wealth from overseas, contributing 57 percent of the total value of U.S. exports.

Of course, manufacturing also plays a very vital role in our national security, building the equipment and machines and armor that equip and protect our servicemen and women around the world.

The American public understands how important manufacturing is to our country. Each year, we conduct a public perception survey to understand how Americans feel about manufacturing jobs and careers.

Not only do they believe that manufacturing is critical to our economic and national security, but when given a choice of what industry they would like to create 1,000 new jobs in their community, their number one choice is manufacturing.

But while manufacturing enjoys the support of policymakers and the public, our manufacturing companies face a serious challenge. They are unable to find workers with the right education and skills to contribute to their operations.

In a survey that we just completed at the end of last year, over 80 percent of manufacturers reported a moderate to serious skill shortage in skilled production, 80 percent. Nearly 75 percent of manufacturers say that this shortage has negatively impacted their ability to expand operations. That means create the jobs that our country so desperately needs.

Perhaps most alarming, though, is that because much of the current workforce is quickly approaching retirement, over two-thirds of manufacturers expect this situation to get worse in the next three to 5 years.

So this has led to the situation that the chairman referenced where 5 percent of all jobs in manufacturing are unfilled because companies cannot find the qualified workers. In real terms, that translates to 600,000 unfilled jobs.

So those are some frightening results and make clear the threat that a lack of a skilled workforce poses to manufacturers.

At the same time, it is widely accepted that the skills obtained in the military from personal effectiveness attributes such as integrity and professionalism to more technically defined skills such as process design and development are in abundance among separating military personnel.

However, it has traditionally been a real challenge to directly align the skills developed during military service to the skill requirements in the private sector.

In addition, we found that the services offered through the transition assistance programs vary base by base, command by command. And traditionally the military has focused more on retention than on helping individuals transition out. Those times have changed, but that means we have two problems.

The Transition Assistance Program has been inconsistent and often outdated in its attempt to help transitioning military personnel. At the same time, manufacturers want access to those highly skilled potential members of our workforce.

Fortunately we now have a new system that will help with both of these challenges. The Manufacturing Institute has created with a company called Futures an on-line platform that is called the U.S. manufacturing pipeline.

It will provide the information for separating military to learn about careers and jobs available in advanced manufacturing. It will locate the schools, the community colleges that can fill any educational skills gaps that they might have and it will find all available jobs and manufacturers in every region of this country. For manufacturers it will be the single place to find the skilled workers they need to close the skills gap.

The pipeline platform has been up and running for a very short period of time, just a couple of months, and no significant marketing campaign has been conducted. Over 35,000 servicemen and women are now using their site for their career and employment exploration. This is entirely through peer to peer and viral marketing. But that number is set to increase dramatically.

We understand the Defense Department is preparing a major marketing campaign to reach over one million armed forces, reserve and national guard personnel and encourage them to sign up in the Heroes to Hire Program.

Our U.S. manufacturing pipeline and the Heroes to Hire platform are being integrated and our manufacturers will have access to all of those returning reserve and guard. And this is fantastic news.

Assuming we are successful with this group of servicemen, we look forward very quickly to working with the transition assistance programs for each of the services to reach all active-duty personnel who are nearing their transition date offering manufacturing jobs as an immediate career opportunity for all men and women who have served in uniform.

I am very excited about the fact that we are very close to having the national talent solution for manufacturing in this country. Our manufacturers need the skilled workforce to compete. Our separating military need good jobs and our country needs manufacturing to ensure this is another great American century.

Thank you and I look forward to your questions.

[The prepared statement of Emily DeRocco appears on p. 52.]

Mr. STUTZMAN. Thank you very much.

Mr. Daywalt, we will recognize you for 5 minutes.

STATEMENT OF THEODORE L. DAYWALT

Mr. DAYWALT. Good morning, Chairman, Members and staff of the Subcommittee.

Allow me to start by saying I am a very strong proponent of an operational national guard and reserve. Having an operational national guard and reserve makes the United States strong on the international stage, but the use of the national guard needs to be done in such a way so as to permit the component members to maintain a continuum of civilian employment so they can support their families.

The data I see indicates a rise in the unemployment veteran rate is a direct result of a DoD call-up policy implemented in January of 2007. The call-up policy which has resulted in multiple call-ups for many component members has caused many employers to not want to hire members of the national guard which has led to the high unemployment rate in young veterans.

The military and by extension the national guard is a young person's occupation. Studies by the Society of Human Resource Management and Workforce Management indicate that due to the perceived constant activation in the national guard upwards of 65 percent of employers will not now hire as a new employee an active member of the national guard.

At VetJobs, we find that if a veteran has totally separated from the military, retired, or is a wounded warrior, they are for the most part finding employment, but that conclusion is supported in the BLS charts in my written testimony.

Now, this is not to say some veterans transitioning off active duty are not having difficulties in this tough economy. One can always find an exception. But with an overall unemployment rate of only 7.7 percent in December, it is obvious that most veterans are finding jobs.

What concerns me greatly is as DoD downsizes the active-duty forces, the younger members of the national guard will be facing another problem, competing with the downsized military personnel for civilian jobs.

Put yourself in the position of an employer. A transitioning veteran applies to your company. They have all the skill sets you want. They have the training you want and they have no further obligation to the military. You have a great candidate that will work for your company full time.

You also have a candidate from the national guard who has the same skill sets, but you have been reading in the press that the national guard candidate may get called up. The national guard candidate will also want time off so they can attend military schools which are a part of their continuum of military service. And the national guard candidate may be subject to short call-ups by the state governor to handle state emergencies.

As a civilian employer, who are you going to hire? Obviously the candidate who has no further military obligations. Understand that when it comes to a workforce, employers are risk averse.

I predict and I fear that the bottom line for the young veteran unemployment which has been hovering in the low to mid 30 percent range throughout the latter half of 2011 may go as high as 50 percent if nothing is done to alleviate this situation.

Now, I would like to make it real clear that the only way that we can be absolutely certain about the conclusions I drew in my written testimony is to have BLS to ask follow-up questions as to

whether a military respondent is in the national guard and the reserve or whatever. They just dump them all into one pot.

To be honest, if I had been on active duty faced with the same challenges our leaders at DoD faced during the war, I would have probably made the same decisions, but I would have admitted that it is causing issues and I would have worked to alleviate some of the problems rather than just ignore them or pretend that they do not exist.

When at war, needing troops, irrespective of the source, trumps personal problems. The old adage that the needs of the service comes first is well known by all military.

From a business point of view, one must understand that companies have a fiduciary responsibility to their shareholders to run an efficient and profitable operation, but they cannot do that if they cannot count on the ability of their most vital asset, their human capital.

While for a businessperson this is common sense, those making the decisions as to how to utilize the national guard seem to have missed what corporate America is saying about extended call-ups. They will not support having their employees gone for long periods of time.

I am very glad that we are now at the point where many, although not all, key decision makers recognize that there is a problem. We cannot go back and correct the past, but we can move forward and work together to fix the problems.

Our military personnel are the best in the world and civilian employers recognize that and want their skills, their security clearances, their leadership and everything that a military candidate brings to the companies. For the most part, the military candidate is in demand so long as the employer can count on having the employee available.

While there is no silver bullet for solving the unemployment problem in the national guard, a combination of policy changes and utilizing existing public sector resources will go a long way towards assisting those members in the national guard who need employment assistance.

In my written testimony, I review 11 ideas that may help improve the unemployment problem facing the national guard.

Businesspeople understand that without a strong military, their businesses could not exist as a foreign power would want to take their business. The United States had to learn this the hard way in the 1930s when we disarmed post World War I.

Those who will not protect what they have are subject to losing what they have and as the Latin phrase *si vis pacem, para bellum* so aptly points out to have peace, prepare for war.

A more balanced way to utilize the national guard needs to be found.

Thank you for your time, Chairman.

[The prepared statement of Theodore L. Daywalt appears on p. 50.]

Mr. STUTZMAN. Thank you.

I found some very interesting points in both of your testimony and I will begin the questioning.

Both of you mentioned the soft skills, integrity, character traits that our men and women learn in the military.

I think that is an easier sell to employers, but if employers are looking for hard skills for manufacturing, what are they looking for exactly?

I mean, first of all, we know the type of character that our men and women do have once they served in the military, of course, but what about some of the hard skills and the type of manufacturing that employers might be looking for particularly?

Ms. DEROCCO. Manufacturers, as I am sure all Members of the Subcommittee realize, have been evolving over the course of the last 10 or 15 years as they have gone lean to be competitive in the global marketplace and, quite frankly, infused significant technology in their business processes. All of this has been to the benefit of the manufacturers and their competitiveness.

But also at a time when a significant number of low skill routinized jobs moved off our shores, there was, in fact, a 12 percent increase in the number of jobs requiring a more highly educated and skilled workforce necessary for the value added manufacturing we do in the U.S. today. That meant that there was a disconnect in what the educational system and the workforce system were delivering to manufacturers.

We have spent the last 3 years at the institute actually creating and deploying a system of nationally portable industry recognized credentials that validate the learning standards and learning content in high-end production technicians, machining, precision machining and metal forming, welding and technology skills that are required in every manufacturing job across 14 sectors in our manufacturing economy.

These skill sets are now being deployed in curriculum in community colleges in 36 states across the country; Indiana and Iowa being among the leaders in that regard.

On the U.S. Manufacturing Pipeline, the returning reserve and guard and ultimately active duty military personnel can translate the skills they have learned in their MOS to the requirements in the civilian manufacturing labor force. Whatever gaps they have in those hard technical skills can be quickly filled now in community college programs of study, whether the soldier, sailor, airman or marine is working to get a degree or simply to have the skills and the industry credentials that will be their immediate passport to employment.

So, yes, the soft skills are critically important and, quite frankly, manufacturers are first up at the table to say we want the separating military personnel because they come with that work ethic and discipline.

But we are prepared as a Nation now to fill any gaps in their training to assure that the hard technical skills that will position them for great jobs in advanced manufacturing, whether it is in energy or automotive, aerospace or biopharma, are on their portfolio.

Mr. STUTZMAN. Okay. Thank you.

Mr. Daywalt, I would ask you if you could describe in greater detail situations that you have heard about where an employer lays off a national guardsman under the guise of economic hardship before they have orders in hand to deploy as a way around USERRA.

You have heard of those situations. Could you describe that a little bit further?

Mr. DAYWALT. Yes, sir. We more than hear about it. We are the recipient. Every time people get laid off, they call VetJobs. I will give you an example.

One, Monday, Tuesday, and Wednesday, we had 20 phone calls from South Carolina. All 20 of them had just been released from their civilian employers. All 20 just happened to be in the national guard. And, oh, by the way, on Friday, they announced that the South Carolina brigade was going to be called up.

Several of the brigades that have come—and understand that these people are not coming back with unemployment rates high. You know, right now over there, the Minnesota brigade has 28 percent. Supposedly the Oklahoma brigade has 68 percent unemployment. They left with those unemployment rates because people figured out how to get around USERRA. And that is not right.

Now, the problem is what do you do about. If you make it a law that as soon as someone—it is announced that they are called up, nobody will ever hire a member of the national guard. We have to find a balance in there some place. You have to give the employers more incentives to want to hire the person because right now they are seeing them more as a legal and financial liability than they are as a productive part of their workforce because of the constant call-ups.

The rules on the employers got changed and they were not consulted. And a lot of them are kind of upset. You know, you talk to the vice president or president of Conway Trucking. He is very vocal about it as well as some others. It happens. It is unfortunate, but it does happen.

Mr. STUTZMAN. He is very vocal about other companies that are—

Mr. DAYWALT. Well, he is very vocal about, you know, his people being called up multiple times and what it is costing him. He was on a 60 minutes program and talked about how it is costing their company nearly a half a million dollars to support their national guards people and they are not being reimbursed by the government for when that person is taken away.

Mr. STUTZMAN. Yes.

Mr. DAYWALT. He put it real well in the interview. If you are going to take my employees away for 30 percent of the time, cover the 30 percent of my medical cost. You know, they are businesspeople.

Mr. STUTZMAN. Yes.

Mr. DAYWALT. And they want to support, but they cannot go broke doing it.

Mr. STUTZMAN. Right. Right.

Mr. DAYWALT. And that is why they target the national guard more than the reserve and the regulars because the national guard is also used locally. What we see as a general rule is that if you are totally separated, you have totally left the military, you are not having a problem.

Now, some do. They have bad attitudes. You know, I had a chief that was an ammunition handler living in central Florida and he was complaining that he could not find in central Florida an am-

munition handling job. And I told him, hey, you are in the wrong state.

But, you know, for the most part, if they look, there are jobs out there for them. And that is borne out by the fact that the unemployment rate is only 7.7 percent last month.

Mr. STUTZMAN. All right. Thank you.

Mr. Braley.

Mr. BRALEY. Mr. Daywalt, let's get to that example you just raised. If the president of this trucking company is concerned about the government picking up 30 percent of his medical cost, isn't the smarter answer to require health insurers who have no insurable risk when somebody is on active-duty employment and the government is paying for their health care to rebate that percentage of the premium?

Mr. DAYWALT. That is a possibility. I kind of liked what Lieutenant General Jack Stultz proposed once, that so long as someone is in the national guard or in the reserve, you give them and their family complete coverage medically.

Now, this gives the candidate a great bonus to go into an employer and say "by the way, you know, 35 percent of your cost of hiring me is your medical cost, you do not have to pay that on me." It is paid for because I am in the national guard. That would help.

It is little things like that coupled with other things that would help. But you are right.

Mr. BRALEY. No. And I think that is a great solution, too. But my point is when you hear complaints like this, we cannot just accept them at face value without pulling the layer back and looking at the real world solutions because you know that if that person is on active deployment, there is no longer an insurable risk to that employer.

Mr. DAYWALT. That is right, but there is for the family.

Mr. BRALEY. So I think we can solve a lot of these problems, but we have to put our heads together. We have to work across party lines and come up with practical solutions to address the concerns that employers raise.

And, Ms. DeRocco, you know, you are preaching to the choir because as chairman of the Populist Caucus which was founded to promote economic policies that are going to strengthen and expand access to the middle class, one of our principal focuses is on developing a robust national manufacturing strategy to address a huge problem which is in the past decade, we have lost 54,000 manufacturers in this country.

Just last week, the National Science Board reported that we have lost a quarter of our high-tech manufacturers in the last decade.

Mr. Stutzman and I both come from rural America. I went to a small high school. I took 4 years of high school shop classes and all those job skills you described are things I learned in high school and, yet, you look at the impact our education policy has on all these issues, most students in small schools do not even have access to those programs anymore.

And you mentioned the community college system. A lot of times, that is now an entry point for people to get the skills that you have described are desperately needed in manufacturing today and, yet,

I think we do a really poor job when we talk about the importance of education and its relationship to your lifetime earning capacity which nobody argues with, but helping prepare people for good paying jobs that are blue collar jobs many times, but they have much different technical skills required than when I graduated from high school right after the Vietnam War ended and you could walk out of my high school, drive an hour to John Deere in Waterloo and get a job in a factory, drive 30 minutes to Maytag and Newton and get a job and drive 30 minutes to Amana Refrigeration and get a job without any trouble.

And that is not the world these veterans are returning to. So how do we solve their problem?

Ms. DEROCO. That is true. And I just want to comment that we are changing the educational pathways in this country to present from high school to community colleges the opportunity to gain the academic and applied skills that will position them for middle class jobs across our economy. That is our whole intention and that is going to be critical to keeping and growing manufacturing in this country.

And I very much appreciate the practical solution you have suggested in response to Ted's anecdote. I have to say in my prior position, spending 7 years at the U.S. Department of Labor as the assistant secretary of employment and training responsible for that workforce investment system, dealing with employers across all sectors in our economy, and now after 4 years of representing manufacturers who I believe are among the life blood of this country and among the most patriotic individuals I have ever had the pleasure and honor of working for, there is a total disconnect between the way we transition our military men and women, whether they are reserve, guard or active duty, out of the military and into civilian jobs.

This is not rocket science and it makes no sense that we have not been able to make direct connections from the extraordinary training in the military, the well-defined MOSs, to a translation to a civilian credential, whether it is in health care, information technology, manufacturing, or other sectors, so that they have immediate employment opportunities.

Employers want these people first. I had the former president of ABC representing construction management firms across the country call me not 6 months ago and he said he voluntarily identified with major construction contractors across America over 1,000 jobs ready to be filled because his personal mission was to make sure returning veterans had jobs.

He had been able through the systems we have in place, the workforce investment system, the veterans' employment and training system, the Transition Assistance Program, he had been able to find two veterans looking for a job. That is tragic and, quite frankly, ridiculous.

So industry, in the case of manufacturing, is taking it upon itself to build the platform that can directly connect these military men and women top jobs through their e-resume. They are all online. They all have laptops.

My daughter just returned from Iraq. She had a laptop in the sands of Iraq. They can put their e-resume online and they can po-

sition themselves for where the jobs are, what their MOS prepares them for, what civilian credential they could get immediately with an assessment, and where they could get employed.

We have to make those connections, and employers are stepping up to the plate to do it. But the military has to, too. The rest of the Federal agencies in support of the military have to and, quite frankly, our surround services like the insurance companies do as well.

Mr. BRALEY. I yield back, Mr. Chairman.

Mr. STUTZMAN. Mr. Johnson, you are recognized.

Mr. JOHNSON. Ms. DeRocco, you said that TAP is inconsistent and often outdated. What in your opinion needs to change to make TAP effective and where can your members help?

Ms. DEROCCO. I think it has to be directly on point to industry, jobs, and careers of today, the 21st century. We have to provide career awareness and recruitment information to military men and women regardless of where they are and we have the capability to do that online.

Industry employment opportunities have to be directly aligned to the MOS and training that these young men and women are receiving in the military so that there is an easy, immediate translation of their MOS prior to their separation to the jobs available.

They need to be able to search our jobs by zip code to the place which they want to muster out or to their home territory. Where do they want to live? What does the job picture look like there? What skills do I have now that position me for immediate employment?

And if I need other skills, we are going to connect them directly to the community college that is going to provide that for them. So they need the pathways from military to education to careers and it has to be done on an accelerated basis.

Mr. JOHNSON. Sure. Another question just popped in my mind. Do you find merit in the idea that, you know, there are many, many jobs in the manufacturing sector that require specialized certifications?

A lot of our veterans come out of the military with training that far exceeds most certification programs, yet when they enter the workforce, because they do not have a piece of paper, they have to go back through that burdensome, onerous certification process from scratch.

Don't you think we need to build a bridge on those certification processes so our veterans who are highly skilled and trained are ready to go to work the day they show up?

Ms. DEROCCO. Absolutely. And that is exactly what we are doing in manufacturing. Our credentials or certifications—for those who are not intimately familiar with them—are built on industry's learning standards and content and then you take an assessment—

Mr. JOHNSON. Sure.

Ms. DEROCCO [continuing]. A proficiency assessment. It is most like a two-part assessment, the theory and the performance.

Mr. JOHNSON. Yeah.

Ms. DEROCCO. We should now absolutely provide the assessment online for them to use their military experience and knowledge to

see if they assess to the credential wherever they are and receive it before they ever set foot back home.

Mr. JOHNSON. Are you feeding that information to the Department of Defense?

You know, I am retired Air Force and I cannot speak for them, but having served in that culture, I was an instructor in what used to be air training command, now air education and training command, there was an impetus, there was a certification awareness as we went through our training for very specialized skills.

Are you engaged, is your industry engaged with the DoD? Do you get those certifications at the time the training is accomplished?

Ms. DEROCO. Absolutely. We have had dozens of meetings with the individual services, with DoD, and with the White House, quite frankly. Part of our problem seems to be that no one just makes the decision to do it. So I might have connected this morning—

Mr. JOHNSON. That is too common sensical and you know there is not an abundance of that here in Washington.

Ms. DEROCO. Yeah. Well, it is a difficult maze for industry too—

Mr. JOHNSON. Well, we would like to help with that.

Ms. DEROCO. We would love your help. Thank you.

Mr. JOHNSON. So to the extent that we can, we would like to help.

You know, having come through, I have worked in manufacturing in the private sector, and I know that training is a large part of their gearing up process when they bring on new employees.

What is the temperature within the industry as far as helping to fund some of this training for veterans? Do you think employers are willing to do that in those cases where maybe a certification process does not exist or it is not required but specialized training still is? Do you think employers are willing to do that?

Ms. DEROCO. Absolutely. Most of our employers have tuition assistance programs and partnerships particularly with their community colleges. And I think those arrangements can quite readily be made.

Just as an example, we rolled out in Minneapolis this fall an accelerated 16-week college program followed by a required paid internship program for 8 weeks that would lead to instant employment. And we wondered, are the employers going to line up with the paid internship—

Mr. JOHNSON. Sure.

Mr. DEROCO [continuing]. If they are able to get these skilled workers. At all three campuses of both colleges, they are over-enrolled in students and the employers are lined up with the paid internships. So I think they are ready to help.

Mr. JOHNSON. I was going to ask you a question about offering TAP classes to all veterans, you know, on a voluntary basis. Having come from the military myself, you know, we learned to follow instructions on day one. But when you make anything voluntary, you are basically asking them not to show up.

It was never voluntary to run the mile and a half. It was never voluntary to do the required number of situps and pushups. For their own benefit and the benefits of their families, I do not think

we should make it voluntary for our active-duty servicemembers to go to the TAP Program because I think it is such tremendous benefit to them coming out.

I might have other questions. Thanks for giving me additional time, Mr. Chairman.

Mr. STUTZMAN. Thank you.

Ms. Sánchez.

Ms. SÁNCHEZ. Thank you, Mr. Chairman.

I am going to start with Mr. Daywalt. You offered many suggestions in your written testimony to improve the national guard unemployment rate. And I want to sort of focus in on this large group of national guardsmen who are a group in need of trying to find ways to help them overcome some of these hurdles to employment.

I want to focus on a subset of that group which is actually female veterans because I think they may experience some unique possibilities of overcoming additional obstacles other than the fact that they are simply national guard, serving in the National Guard.

And I want to talk specifically about the fact that this age group tends to be a group that may include mothers or future mothers. And sometimes that in and of itself is a barrier to employment for women.

Do you think it is reasonable to suggest that a young female National Guard member may face even greater obstacles when attempting to find a job because of those two factors combined?

Mr. DAYWALT. On a case-by-case basis, yes, they probably have more things that they have to face. To what Ms. DeRocco was saying about a platform, a system that matches people up, that already exists out there. You have over 20 military employment sites, job boards, VetJobs. You have military hire and you have corporate gray and a whole bunch of others that already do that. It is in the civilian sector.

And there are job boards out there just for women. And the civilian sector, the private sector identifies the need pretty fast and they can move quick. And many of us identified the fact that the people are not getting help when they needed it when they came out. Many have said that TAP is broken and I will let others make that decision. But that is VetJobs is there.

And to the women, especially if it is a single mother, you know, maybe it is because I am an old fart, but I just cannot imagine being a single mother, being in the guard, trying to get a job, and raising a child or two or three children all at the same time. I mean, my hat goes off to them. But—

Ms. SÁNCHEZ. Well, I have to tell you I am the mother of a 2½ year old and I travel bi-coastally with my son to do this job which is more than a, you know, 40 hour a week job. And I have a respect for single mothers who do that. I think that they are superwomen—

Mr. DAYWALT. Oh, yes, they are.

Ms. SÁNCHEZ [continuing]. In every sense of the word. But what I am trying to focus in on, and this is something that kind of gets lost in the shuffle, you talked about the higher unemployment rate for National Guard members than the general unemployment rate in many of these states.

And I am wondering if there has been an effort to try to extrapolate what that rate might be based on gender because I suspect, and this is just a suspicion on my part, that for young female National Guard members, that unemployment rate is probably even higher than it is for the general guard member population.

Mr. DAYWALT. About 2 weeks ago, I remember seeing a press article that addressed that and it did say, and I am sure they got the information from BLS, that female veterans have a higher unemployment than male veterans.

Ms. SÁNCHEZ. Right. And I suspect because they face these additional obstacles.

And the reason why I mention that is in my home State of California, there was a bill that passed in 2004 which would essentially create a voucher system by which child care vouchers would be available to veterans seeking employment and it would be a way to try to help ease the cost of child care and, you know, provide that.

And we are, you know, budgetly challenged in California, so the funding has not necessarily been there. But, thinking of these practical solutions, and it seems to me that that type of concept of helping with some of those barriers to employment such as reliable and affordable child care, might be something that we could do to reduce that.

Mr. DAYWALT. When I get on the phone and counsel with a single mother, I generally try to point them to more forward thinking companies that are labeled as an employer of choice. And that is something that the Herman Group puts out.

One thing that is in there is—and it is a fact that so many companies now do offer child care on the premises in order to bring qualified employees. And that is a smart employer that does that and we try to steer them towards some of the companies that do stuff like that.

The trouble is that it is not always apparent who offers that and who does not. And that is where VetJobs and some of the other military sites become the intermediary because we know these companies.

And someone comes to me and I would say, you know, you would really do well at UPS. You know, they need secretaries or they need this or they need a manager. And, by the way, they have child care on the premises. A lot of the hospitals, a lot of health care have gone to that. It is the only way they can draw nurses and the health care people that they need. They start offering child care and that is an ideal spot. But they do not always know that that is out there.

Ms. SÁNCHEZ. Right.

Mr. DAYWALT. So that is where we come in and try to—

Ms. SÁNCHEZ. And my suspicion would be that employers who would offer that generally are of a certain size and many small businesses are excluded from that because it is very—

Mr. DAYWALT. Very difficult for companies under 150, oh, yeah, very difficult.

Ms. SANCHEZ [continuing]. Expensive. If the chairman will indulge me for just one last quick question.

Ms. DeRocco, you mentioned continuing efforts to partner with community colleges to help get the skills that veterans need in order to go into the skilled manufacturing sector.

The district that I represent is very working class, urban. And one of the things is they would like to get those skills, but the cost is a barrier for them. And so I am intrigued when you talked about the paid internships and I am sort of envisioning something where employers who have a need for skilled employees who have the soft skills of reliability and folks that will do what they are told.

Is it crazy to think that maybe there might be some kind of way to structure something that is almost like an apprenticeship system where employers would sort of finance the acquiring of those skills and they would be working in the meantime while they are trying to complete those programs?

Ms. DEROCCO. Very insightful. A couple of points. One, we actually are beginning with Laney College in the Bay area of California with the integration of these educational pathways that are competency-based pathways to jobs in manufacturing because of the high concentration of small machining companies in that area which will offer extraordinary jobs.

We spend about \$18 billion a year in this country on workforce investment, workforce development, another \$800 billion in public education. What we are doing is actually just directing a very small percentage of those funds to building the educational pathways in high school and community colleges that result in credentials that have value in the workplace and labor market.

So to date, there has never been a question about money available to have the educational pathways in place. All Federal aid programs cover any cost associated with the individual credentials.

And in every instance, employers are driving the educational reform by being full partners as faculty, curriculum development advisors, paid internships, mentors, and even the equipment and requirements for the educational pathway to be successful.

So, yes, we are highly encouraging much stronger business-education partnerships. Actually, it is the only way we are going to change education in this country.

Ms. SÁNCHEZ. Great. Thank you.

And I thank the chairman.

Mr. STUTZMAN. Mr. Bilirakis.

Mr. BILIRAKIS. Thank you, Mr. Chairman. I appreciate it. Thanks for calling this very important hearing. Thanks for making this issue of hiring veterans a top priority of this committee. Appreciate it very much.

Ms. DeRocco, I have a couple questions. What type of relationship do nonmembers typically have with the local workforce investment boards and DVOP and LVERs in particular whose entire job is to match local veterans with openings in your member companies?

Ms. DEROCCO. I am actually really sorry to say having been inside government and responsible for the WIA system that most employers have not seen the value proposition of engaging with the workforce investment system. It has not been focused on skills and jobs on demand. It has not engaged active employers in the way I think it was envisioned in the original legislation.

It is now up for reauthorization. Perhaps that can be fixed. And as a result, we could fix their service delivery system which is those one-stop career centers around the country, where the DVOPs and LVERs actually sit. The system is just not something that most employers engage in.

We have a disconnect between the employing part of our market and the workforce development part of the market in communities all across this country.

Mr. BILIRAKIS. We have to work on fixing that. I look forward to working with you on that.

Have you had any conversations with Veterans' Employment and Training Services about having them advertise the U.S. manufacturing pipeline?

Ms. DEROCCO. Not to date. We will, however. In Minneapolis which is one of our test sites for the Accelerated Fast Track Program to credentials, we have engaged the workforce system there as a strong partner. We wanted to see if that worked.

We also tested U.S. Manufacturing Pipeline in credentialing with the national career readiness certificate at Fort Bragg. And the community college, the workforce system, and the Fort Bragg command all were helpful.

So this is our process, unfortunately, of taking it on local area by local area, command by command to get the strong partnership in place. If we could get some momentum behind that nationally, it would go much more quickly.

And I do know the Federal agencies responsible, but I believe we are getting faster action working on the ground right now.

Mr. BILIRAKIS. A third question and this will be my final question until the next round, but have you been participating in these jobs fairs? I am having one partnering with the U.S. Chamber of Commerce this month in my district.

Ms. DEROCCO. We are. We actually alert our manufacturers about every job fair that we are made aware of so that they have the opportunity to participate. We had a lot at the recent Iowa job fair, I know, because I got reports back of hires.

Mr. BILIRAKIS. Have they been successful with the manufacturers hiring?

Ms. DEROCCO. Yes. Job fairs like job boards, there are lots and lots and lots of them. So I think it is an individual decision on the part of the manufacturer, the extent to which that is how they are going to recruit and find personnel.

We actually think we found a faster track that will change their recruitment and hiring strategies because they can do it directly aligned to their HR database and have a single source to go to to find our returning reserve, guard, and active duty.

Mr. BILIRAKIS. Thank you very much. I yield back, Mr. Chairman.

Mr. STUTZMAN. Okay. Thank you.

I just have a couple of quick follow-up questions. Ms. DeRocco, how many members do you have in your association and do any of them offer any TAP programs of any sort on their own?

Ms. DEROCCO. There are about 12,000 members of the National Association of Manufacturers. The institute serves both NAM mem-

bers and all manufacturers in the U.S. There are 286,000 manufacturing enterprises representing 12 million employees.

And, yes, many members like GE, I would cite, have really extraordinary internal programs to recruit and train former military. GE focuses particularly in the officer corps, recruiting officers for a lifetime career if they so choose in the many divisions of the global giant GE.

But it is, as I think Congresswoman Sánchez mentioned, this is easier for large companies to have that kind of internal HR strategies that are directly filling gaps in employment and training for the military. For the large number of our members and for manufacturers, these are small to mid cap companies. And we felt strongly that we needed a national HR strategy, like the U.S. Manufacturing Pipeline and the most critical part of that to get on the ground immediately was targeted recruitment of our military.

Mr. STUTZMAN. And could you describe the 600,000 jobs roughly, can you describe what kind of jobs are those and what type of training, education levels would be needed for those jobs? I know it is a broad question.

Ms. DEROCCO. The vast majority of those jobs are in what we call skilled production. And the high demand jobs in skilled production are primarily in precision machining, metal forming, high-end welding or materials joining as it is now called, and integrated systems technology that drives production systems. So they are high skilled and using high-end technology in large measure.

Mr. STUTZMAN. So most of those jobs would need more than just a high school education?

Ms. DEROCCO. Absolutely. Over three-quarters of jobs in manufacturing and, quite frankly, according to BLS, this translates across the economy to 75 percent of the jobs in the 21st century economy require some post secondary education, not necessarily a 4-year degree, which is why we have channeled our efforts to the 2-year community college programs.

Mr. STUTZMAN. Okay. Thank you.

Do any other Members have any other questions?

Mr. BRALEY. Well, Mr. Chairman, I just want to put a human face on the superwomen that my friend from California was talking about.

I did a higher education forum at the University of Northern Iowa and one of our witnesses was this young woman who was a member of the Iowa National Guard. She is attending Hawkeye Community College to get her 2-year AA degree. She plans to go on to the University of Iowa to get her medical degree and become a pediatrician.

And these are the faces of the people we are talking about today.

Ms. DEROCCO. So if we could convince her to go into Hawkeye's manufacturing programs, she could then get her engineering degree because these are pathways to engineering programs. But congratulations. We love those faces.

Mr. STUTZMAN. Mr. Johnson.

Mr. JOHNSON. I do have one follow-on question. You know, I made the transition from active duty then as a small business owner myself and then into corporate America as an executive. And a global manufacturing firm took a chance on me and they con-

fessed later that they did take a chance because there was some trepidation by the executive leadership team.

Military, I mean, we are talking here about skills, manufacturing skills, but there are, you know, military officers that come off of active duty. They need a place to go to work also.

Ms. DEROCCO. Absolutely.

Mr. JOHNSON. And I think there is a perception in corporate America that retired military officers step out with a discipline, a mission focus, and it can be intimidating to some people the ability to produce results, to make decisions, to want to see things get accomplished.

How do we encourage the manufacturing community to embrace that kind of “let’s get the ball rolling” and “let’s do something and not talk about something forever?” You know what I am saying? Am I clear?

Ms. DEROCCO. Yes. In several regards, let me say I think we are the only industry sector which has actually been doing it. We have boots on the ground in 36 States building educational programs for these jobs and we are answering that call.

Secondly, I am just so surprised to hear what you said because the attributes you articulated are exactly what I hear manufacturing executives say are the number one attributes of the employees they seek and that, in this global economy, it is exactly those capabilities that are going to be their comparative and competitive advantage to continue to win.

So manufacturers have been under siege as globalization has had its impacts broadly. They have leaned their business. They have infused technology. They have met every challenge. And today their challenge is the leadership with exactly those attributes. I think it is a match made in heaven.

Mr. JOHNSON. Yes. Well, I do, too. And let me be clear. I did not mean the CEOs and the boards. But if you are sitting on the executive team—

Ms. DEROCCO. Uh-huh.

Mr. JOHNSON [continuing]. And you hire a new executive team member and all of a sudden, you see him screaming by you because he is getting things done, that can create a friction within a corporation that takes a while to settle down because our retired veterans, they are about results and they are committed. They are dedicated. They are there on time. They stay late. They have the people skills and the leadership skills.

There is no training ground in the world—

Ms. DEROCCO. That is better.

Mr. JOHNSON [continuing]. Like our military for producing those kinds of skill sets. And some people are intimidated by that.

Ms. DEROCCO. Let’s bring it on. I think that is our competitive advantage.

Mr. JOHNSON. I am with you.

Mr. STUTZMAN. Any further questions?

[No response.]

Mr. STUTZMAN. Mr. Daywalt and Ms. DeRocco, thank you very much for your testimony, for what you do as well, and I look forward to working with you in the future. So you are dismissed.

And at this time, I want to welcome to the table our second panel. And this panel is composed of Adjutant General of the Tennessee National Guard, Major General Terry Haston; the Adjutant General of the Iowa National Guard, Major General Timothy Orr; the Assistant Adjutant General of the Indiana National Guard, Brigadier General Margaret Washburn; and also we have Brigadier General Marianne Watson from the National Guard Bureau; Mr. Dick Rue from the Iowa Committee of the Employer Support of Guard and Reserve; and, finally, Mr. Ronald Young, the director of the Family and Employer Program and Policy for the U.S. Department of Defense.

So we have a large panel here. I want to thank each of you for being here and especially to those from out of State, Tennessee, Indiana especially, and also Iowa. We want to welcome each of you and especially as you are on the front line of this particular issue. And I look forward to your testimony.

And we will recognize you for five minutes. So let's begin with General Haston. Haston or Haston?

General HASTON.

Mr. STUTZMAN. Haston. All right. I apologize.

General HASTON. That is okay, sir.

STATEMENTS OF TERRY M. HASTON, ADJUTANT GENERAL, TENNESSEE NATIONAL GUARD; TIMOTHY E. ORR, ADJUTANT GENERAL, IOWA NATIONAL GUARD; MARGARET WASHBURN, ASSISTANT ADJUTANT GENERAL, INDIANA NATIONAL GUARD; MARIANNE WATSON, DIRECTOR, MANPOWER AND PERSONNEL, NATIONAL GUARD BUREAU; RICHARD A. RUE, STATE CHAIR, IOWA EMPLOYER SUPPORT OF GUARD AND RESERVE; RONALD G. YOUNG, DIRECTOR, FAMILY AND EMPLOYER PROGRAM AND POLICY, U.S. DEPARTMENT OF DEFENSE

STATEMENT OF TERRY M. HASTON

General HASTON. Chairman Stutzman, Ranking Member Braley, and distinguished Members of the Subcommittee, I am honored to appear before you today on behalf of the more than 14,000 men and women serving in the Tennessee Army and Air National Guard.

And I would like to begin by expressing my sincere appreciation for the outstanding support of this Subcommittee.

Since the tragic attacks on our homeland on September the 11th, 2001, more than 27,000 brave Tennessee national guard soldiers and airmen have deployed both at home and abroad protecting the freedoms that we all enjoy.

These men and women of the volunteer state have answered the call of this Nation without hesitation or reservation. Most return home after defending this great Nation and resume their civilian lifestyle left, renewing relationships with families and friends, and returning to their civilian workplace, but all too often they may return to an uncertain future.

This issue of soldiers and airmen facing unemployment in the civilian sector is paramount in our concerns for the well-being of our troops.

In Tennessee, about 20 to 25 percent of our national guard strength is either unemployed or underemployed with about 3.5 percent of those identified as full-time students. This compares to an 8.7 percent unemployment rate for Tennessee as a whole.

We owe these volunteers our very best efforts in helping them gain employment. But to effectively combat this problem, we have to know the enemy. We have to look beyond the reported numbers that may, in fact, demonstrate a false positive.

To understand the magnitude of the problem, we have to determine an accurate number of guard members who are actively seeking employment. We also have to determine if their deployment caused them to be unemployed or were they unemployed before deploying.

In Tennessee, we continually encourage the unit commanders and leadership to identify these individuals to assist in how we can help them. Simply, we must know what the true objectives are before we can attack it.

In Tennessee, we are striving to identify those true objectives. In conjunction with our Employer Support of the Guard and Reserve, we are conducting employment assistance workshops about once each month. The three-day event provides one-on-one career counseling addressing issues such as writing an effective résumé, guidance, and preparing for and how to conduct an interview.

On the final day, employers such as FedEx, Verizon Wireless, Hospital Corporations of America, Dollar General, AT&T, and a multitude of other employers are on hand to interview the prospective employees.

Hopefully through this process the employers will find and hire quality guard members that brings a great deal to the table offering that employer a motivated, disciplined, drug-free asset with the training and potential for leadership in their company.

We have sponsored or supported 18 job fairs in the past 17 months with 415 participants. Of those participants, 111 have responded to inquiries and 37 percent of the respondents have found employment.

This program along with your yellow ribbon initiatives, unemployment counseling, and soldier out-processing upon their return, and our outstanding relationships with the Tennessee Department of Labor are all positive steps in reducing the number of unemployed guard members in Tennessee.

I have often heard it said that our soldiers and airmen of our national guard are the best America has to offer. These men and women are willing to put their lives on hold without hesitation, with reservation, walk away from family, community, and their civilian occupation to defend and protect this great Nation. We owe them no less than our very best.

Sir, thank you for allowing me to address the Subcommittee today and I look forward to your questions.

[The prepared statement of Terry M. Haston appears on p. 53.]

Mr. STUTZMAN. Thank you.

General Washburn.

STATEMENT OF MARGARET WASHBURN

General WASHBURN. Chairman Stutzman and honorable Members of the Subcommittee, on behalf of Major General R. Martin Umbarger, the adjutant general of Indiana, I am honored to appear before you today to represent our 14,314 Army and Air National Guard servicemembers.

I would like to also begin by expressing my sincere appreciation to the Subcommittee for its tremendous support over the past several years and for your concern with the well-being of the outstanding men and women serving in our Nation's national guard.

Indiana faces the challenge of unemployment and underemployment for our guardsmen. Indiana has deployed over 17,693 servicemembers since 9/11.

Based on the Department of Defense civilian employment information database, it is estimated that nationally 20 percent of returning national guard soldiers and airmen are unemployed.

The current rate of unemployed Indiana national guard members is roughly 23 percent which is over twice the current state rate of 9 percent unemployment. Thus, we estimate that roughly 3,300 Indiana guardsmen and women are unemployed.

As we conduct more detailed analysis, we find these numbers slightly skewed by the number of servicemembers just completing high school or currently enrolled in higher education.

Further, in Indiana, we also choose to track and assist unemployed spouses. When identified, believing that getting at least one of the family members employed significantly improves overall servicemember household well-being and readiness.

In 2009, Major General Umbarger created the Indiana National Guard Employment Coordination Program. The objectives of this program are to identify, track, and reduce the unemployment within the Indiana national guard.

These objectives are accomplished by working directly with each unemployed servicemember to increase their marketability, collaborate with Indiana employers for the hiring of our members, and quality assurance checks with these businesses on the servicemembers they have already hired.

Direct hands-on assistance includes résumé writing, active job search training, interview skills, and job preparedness training. Developing a servicemember's marketability includes education, skills training, vocational rehabilitation, and even near-term financial assistance for such things as reliable transportation to their new employment.

Our Employment Coordination Program works individually with each identified servicemember throughout all phases of the deployment cycle. We actually define a servicemember's needs while the servicemember is still in theater and are present at the demobilization station when the servicemember returns so that we may initiate actions required to improve their marketability or educational needs.

We have now placed over 1,000 servicemembers and spouses in jobs. Some of these jobs are active-duty operational support, temporary positions, and a combination of education with part-time employment.

The Employment Coordination Program has also assisted in completion of 2,443 résumés, has 484 job openings currently posted, and submitted 2,050 job applications.

Another initiative is the Indiana national guard business partnership. We currently have over 125 businesses involved in this partnership which includes a reciprocal support process designed to provide both the employer and the employee with resources and assets to complete successful hiring and sustained job performance. We have placed 172 servicemembers in jobs with these 125 businesses.

Another initiative is Major General Umbarger's executive business meetings. These monthly meetings give key business and community leaders a greater understanding of the national guard experience and what our servicemembers have to offer to the state workforce. These leaders are encouraged to consider a veteran for any open position, especially those returning from deployment and those negatively impacted due to economic challenges in their local communities.

Our adjutant general has created a state level staff position, the J9 civil military affairs directorate. This directorate brings all support programs including family programs, yellow ribbon reintegration, Employer Support of the Guard and Reserve, transition assistance advisors, and the Employment Coordination Program under one supervisor.

It affords these programs a level of unit of effort that did not exist when they were working independently. The J9 directorate also serves as the community outreach platform creating new relationships with community resources and developing increased servicemember and family access to these resources.

The Indiana national guard also participates in all Employer Support of the Guard and Reserve activities, the Job Connection Education Program, job fairs, town hall meetings, network and social media programs.

Funding and manning are needed to allow these programs to maintain their success. We believe long-term job placement is potentially greater with our holistic approach to the employment process.

Thus, there is a greater value to the national guard workforce by including education, skills training, and improved marketability over just submitting a résumé.

Our national guardsmen have proven themselves to be ready, reliable, and accessible here at home and worldwide. Many of them have answered the call to duty and spent multiple deployments away from their families and their employers.

The Indiana national guard is working hard to ensure these heroes return to a lifestyle and family wellness deserving of the sacrifices they have made. The strength of the Indiana national guard rests in its citizen soldiers and airmen. The strength of these citizen soldiers and airmen rests in their employment and productivity to their communities.

Indiana employers are military and veteran friendly and many desire to hire our talented, experienced, and reliable servicemembers. We need to help make that connection possible.

Once again, I thank you for recognizing this issue and holding this hearing. I look forward to respond to your questions.

[The prepared statement of Margaret Washburn appears on p. 54.]

Mr. STUTZMAN. Thank you very much.
General Watson.

STATEMENT OF MARIANNE WATSON

General WATSON. Chairman Stutzman, Ranking Member Braley, distinguished Members of the Subcommittee, I am honored to appear before you today on behalf of the Chief National Guard Bureau, General Craig McKinley to represent our 465,000 Army and Air National Guard servicemembers.

I would like to begin by expressing my sincere appreciation to the Subcommittee for its tremendous support and your concern with the well-being of our outstanding men and women.

Our National Guardsmen have proven themselves to be ready, reliable, and accessible here at home and overseas. Many of them have had multiple deployments away from families and employers.

The National Guard Bureau is working hard to offer programs and initiatives that will improve our unemployment rates, but there is more work to be done.

We must address lowering the rate of unemployment with National Guard members. The rate of employed veterans remains much higher than the national nonveteran average. We estimate approximately 20 percent of returning National Guard Soldiers and Airmen are unemployed.

Unfortunately, we are unable to accurately identify guardsmen who are underemployed, unemployed, or are transitioning requiring employment and/or educational assistance. Additional fidelity is needed to validate the employment status of our servicemembers.

As a pilot, the Army National Guard directorate has placed a representative at Fort Hood, Fort Bliss, and Camp Shelby to administer a handwritten employment and outreach questionnaire. The questionnaire requests employment status, education, and experience information. Soldiers are provided information on education, training, and employment options based on their responses. This is a great initiative, but the process needs to be automated in order to provide all stakeholders accurate and accessible information.

Additionally, as early as 2004, the National Guard Bureau funded a unique resource at each Joint Force Headquarters titled program support specialist. This individual serves as the adjutant general's subject matter expert regarding local issues with employers of air and army national guard members.

While initially focused on specific employer support issues and complaint resolution, the duties of the program support specialist expanded to include employment facilitation.

In addition to coordinating employment opportunity events, program support specialists refer unemployed guardsmen by connecting them with local resources, the Veterans Affairs, and the Department of Labor.

Last year, program support specialists participated in over 1,000 yellow ribbon reintegration events nationwide supporting units re-

turning from deployment by identifying employment opportunities and providing other requested assistance.

The program support specialists also work closely with our transition assistance advisors in the state joint force headquarters to ensure our Guard members are registered with the Veterans Affairs and can access their VA benefits to include vocational and job training with the Department of Labor. Both of these programs are essential to developing and establishing a community-based program network.

With multiple brigade deployments over the past several years, the National Guard implemented a pilot program in Texas called the Job Connection Education Program which specializes in one-on-one education, training, job search services that enhance National Guard members' abilities to obtain and retain employment.

The strength of the JCEP is individual case management. Servicemembers and spouses complete an on-line registration process and participate in a one-on-one orientation and assessment with their case manager who assists them with identifying fields of interest and résumé development. This assistance takes the form of job skills training, workshops, and job search support that exposes them to jobs offered by over 480 established business partners.

To date, the Texas National Guard has placed over 900 Soldier and family members in full-time jobs. Case management is key to connecting servicemembers to employment.

Another program, the Guard Apprenticeship Program Initiative, otherwise known as GAPI, is a partnership with the Department of Labor and the Department of Veterans Affairs that continues to build relationships with employers and colleges to facilitate civilian apprenticeship and employment opportunities for National Guard members.

The key to GAPI are the 107 army military occupational specialties that translate directly to civilian occupational qualification requirements. Maryland is a pilot state where Guardsmen have been hired in the Independent Electrical Contractors Chesapeake Apprenticeship Program earning wages starting at \$18.00 per hour with full medical benefits.

By the end of their 5-year commitment, they will earn a higher salary than their peers as well as earning their national certification as journeymen electricians. Maryland currently has six servicemembers participating in this program, so this program is just getting started.

Another very successful program that is being used in the State of Georgia is Drive the Guard. This program is a collective effort with the Commercial Driver Training Foundation which links guardsmen with training and certification programs in their communities.

Once completed the Guardsman has a career in the truck driving industry. Applicants earn their commercial driver's license through a commercial driver's training federation certified school. Financing is arranged and a pre-hire letter is negotiated with a partnering trucking company before the training begins.

Upon completion of the training, the Soldier has a job in the trucking industry with a salary of around 40K per year.

In order to identify servicemembers requiring employment assistance, the National Guard recommends modifying the DD-214. Recommendations include requiring a veteran to decline or opt out by checking a box if they do not desire their information to be shared with the Department of Labor and/or Department of Veterans Affairs.

Additionally, we ask that the DD-214 require a personal e-mail address and cell phone number for a more viable method to contact the veteran and enhance the ability of authorized providers to reach out and provide services.

These informational enhancements will facilitate transition and support outreach to veterans by the Department of Labor and the Department of Veterans Affairs. This is another method to identifying and contact veterans requiring employment assistance.

We owe our national guard sustainable long-term employment solutions. Guardsmen have leadership experience, are mission focused, team players, and have the necessary skills and training employers are looking for. These attributes make them outstanding employees.

In order for our Guardsmen to reach their full employment potential, we strongly recommend a triangular approach with a formalized relationship established between the National Guard Bureau, the Department of Labor, and the Veterans Affairs.

This triad would coordinate the necessary case managers at the local level to ensure necessary assistance for national guardsmen in the areas of education benefits, training opportunities, and employment.

All three agencies have resources in the states. However, their efforts must be synchronized at the local level.

Identifying transitioning and currently unemployed servicemembers and case management is critical to our national goals and objectives.

Thanks again and I look forward to your questions.

Mr. STUTZMAN. Thank you.

General Orr.

STATEMENT OF TIMOTHY E. ORR

General ORR. Mr. Chairman, Ranking Member Braley, distinguished Members of the Subcommittee, it is a great privilege to be here today to represent the 9,400 soldiers and airmen of the Iowa national guard in this important discussion.

Thank you for the opportunity to testify on this topic and to provide you with a perspective on the State of Iowa's initiatives to address this important issue.

First, let me begin by saying that Iowa is unique in many ways. Thankfully our state and region currently have lower unemployment rates than those seen in other parts of the country. The employers in our state are military and veteran friendly and we enjoy incredible support from our business and communities.

The level of cooperation between our employment and education partners includes the Employer Support for the Guard and Reserve, the Iowa workforce development, Job Connections Education Program, the Iowa Department of Labor, community colleges or

universities, and the Society of Human Resource Managers is outstanding.

In addition, Governor Branstad has provided key leadership to drive employment opportunities for our national guard members.

While we remain focused on those with unemployment challenges, we are fortunate to have seen tremendous improvements in our overall unemployment numbers from those who have returned from the state's largest deployment since World War II.

We currently estimate based on data collected during our deployment out-processing and our reintegration events that the unemployment rate of our returning warriors fell from a high of 25 percent when they returned in August of 2011 to now a current rate of just under 10 percent.

Though we still have a lot of work to do, the unemployment rate in Iowa is at about 5.8. We are happy to see that we are making a remarkable improvement among our returning warriors.

I truly believe the success that we have seen in this area is a result of the steps that we took long before the 2,800 members of our brigade combat team deployed to Afghanistan.

Through a series of lunch and learns engagements, town hall meetings, pre-deployment meetings, and briefings and other public engagements, we initiated an information awareness campaign to build support and to deepen the understanding between the servicemembers and employers regarding the Uniformed Services Employment and Reemployment Act or USERRA.

In conjunction with ESGR, we initiated a series of employer boss lists bringing our employers to our annual training sites and our post deployment training locations to witness firsthand the importance and the complex work that their citizen soldiers were doing in preparation to deploy overseas.

I invited Dick Rue, our state ESGR chair, to stand with me to help answer questions about the rights and responsibilities of both the employers and the citizen soldiers during our press conferences when we announced the second brigade deployment.

In Iowa, we know that employers also sacrifice with their citizen soldiers when they deploy and we work very hard to acknowledge this through our ESGR engagements and our employer recognition events.

Opening up our toolbox, we started to look at ESGR, the National Guard Bureau, and other state and Federal employment programs designed to assist our returning warriors. One of the most important steps that we took was to nest our employment and our education counselors in order to emphasize these areas during the demobilization process.

Working together, they counseled returning warriors on employment and education programs and benefits available to assist with the transition from their active-duty time.

Thanks to the integration, an additional 900 of our returning warriors indicated their intent to enroll in school and higher education than prior to deploying.

We screen members as they out-process and we attended all the yellow ribbon reintegration events to identify those that were still struggling with employment issues and to link them up with assistance.

Working with our employment partners, we developed a one-day course designed to assist our unemployed or underemployed warriors. We help them write resumes, cover letters that transition their military experience into meaningful skills.

Through our partnership with the Iowa workforce development, we placed computer kiosks in our armories to assist our warriors with finding and applying for job openings.

Last October, we supported with other state and Federal agencies a veterans' job fair and began posting job openings targeting veterans on Web sites like the national guard's Jobs Connection Education Program and employer partnership.

While we still have a lot to do to ensure employment opportunities for all of our returning warriors, we are making significant progress. We will continue to work to enhance our tool kit, to help our warriors like working with our state legislature to assist with legislation that better aligns the state licensure requirements with the military specialty skills and working with our employment and private sector partners to continue to identify job opportunities for our warriors.

Our Iowa national guard soldiers and airmen continue to be mission focused and warrior ready. Over 15,000 Iowa national guard members have served and sacrificed in support of the ongoing contingency operations here at home and across the world, many on multiple occasions.

They along with their families and employers have borne a heavy burden to help ensure our Nation's safety and security. They did so willingly and ask little in return. Working together at every level, we have a responsibility to assist those struggling with unemployment issues related to their military service.

I greatly appreciate the Subcommittee's work on this issue and I look forward to your questions on our efforts to help our returning warriors. Thank you.

[The statement of Timothy E. Orr appears on p. 56.]

Mr. STUTZMAN. Thank you.

Mr. Rue, you are recognized for 5 minutes.

STATEMENT OF RICHARD A. RUE

Mr. RUE. Chairman Stutzman, Ranking Member Braley, and Members of the Subcommittee, it is a privilege to be here today to represent the Iowa ESGR team in this important discussion to maximize employment opportunities for members of the guard and reserve.

Thank you for the opportunity to testify on this topic and provide the Iowa ESGR perspective and initiatives to address this important issue.

The primary mission of Employer Support of the Guard and Reserve, ESGR, is to promote a culture in which all American employers support and value the military service of their employees.

We accomplish this through advocating relevant initiatives, recognizing outstanding support, increasing awareness of the law with our employers and our military outreach programs and resolving conflicts through mediation when requested.

Under our advocate role, in fiscal year 2011, ESGR educated, provided consultation to, and assisted with reemployment challenges for employers, national guard members, and reservists.

The Employment Initiative Program, EIP, was added to our mission in the fall of 2010 and is designed to facilitate employment opportunities for unemployed and underemployed servicemembers and their spouses.

This program is an outgrowth of our ESGR employer and military outreach programs and is complementary to the current economic realities of our state and is aligned with our President's new veterans' employment initiative.

The essence of my written testimony is that in Iowa, we feel we have made positive advancements towards successfully lowering the rate of unemployment of our national guard. This has been accomplished by the effective planning to ensure that the multiple resources in existence to support the national guard and employment of national guard and reserve members have worked in harmony towards this common purpose.

It is easy for varying organizations to work independently and thus diminish their opportunity for success in achieving this important common goal.

As a result of our national guard leadership, Major General Orr and his command staff from the earliest public notification of pending deployment, all related resource partners worked together to ensure that planning, execution, and follow-up was in place to support the needs of the second brigade combat team recently deployed to Afghanistan.

My written testimony outlines in more detail the support, resources, and access that the members of the Iowa ESGR volunteer team received during pre-mobilization, during deployment, and during post mobilization up to and including the present.

The key element of our ability to achieve success has been the communication and cooperation between and among the multiple resource partners, the Iowa national guard, Iowa ESGR, and our Iowa employers, and our support organizations, Iowa workforce development, DoL VETS, and the Job Connection Education Program, JCEP.

As per my written testimony, this cooperation allowed for hands-on personal engagement by the Iowa ESGR team with soldiers for both education and support purposes.

Our enhanced communications and greater efficiencies across all agencies yield our Employer Assistance Training Program targeting approximately 400 self-identified unemployed servicemembers from the second brigade combat team upon their return.

Information regarding upcoming employment events is regularly emailed to these unemployed individuals, the command and staff of the Iowa national guard and reserve units, all guard and reserve members returning from deployment, and our Iowa ESGR military outreach volunteers.

Additionally, the support received by all the organizations I just mentioned was effectively channeled towards Iowa employers through the pre, during, and post mobilization time frames via multiple events and touch points throughout the state.

Now, with the Employment Initiative Program, our associated partnerships within the state and the continued support of the Iowa national guard, Iowa ESGR is well prepared to continue our history of assisting servicemembers and employers to connect more effectively than ever before.

Thank you.

[The prepared statement of Richard A. Rue appears on p. 58.

Mr. STUTZMAN. Thank you.

And, finally, Mr. Young, you are recognized.

STATEMENT OF RONALD G. YOUNG

Mr. YOUNG. Chairman Stutzman, Ranking Member Braley, and distinguished Members of the Committee, thank you for this invite to appear before you today.

I am the director for Family and Employer Programs and Policy within the Office of the Assistant Secretary of Defense for Reserve Affairs. My responsibilities include employer support of the guard and reserve, ESGR, the Yellow Ribbon Reintegration Program, and individual and family support policy.

I welcome the opportunity to provide you an overview of the support we are providing to guard and reserve members.

First, let me speak to the latest statistics on the unemployment rate among the reserve component.

The latest status of forces survey shows an overall unemployment rate of 13 percent. In the junior enlisted ranks, E1 to E4, the rate is 23 percent.

We take this high unemployment rate very seriously and later in my testimony, I will speak to the specific actions we have taken to address this readiness issue.

A key focus in my office is Employer Support of the Guard and Reserve. Through the network of over 4,800 ESGR volunteers across the country, ESGR helps to educate servicemembers and employers about their duties and responsibilities under USERRA, the Uniformed Services Employment and Reemployment Rights Act.

As we all know, the overwhelming vast majority of employers greatly support the men and women in uniform and that applies equally to the reserve component. For the past 40 years, ESGR has played a role in garnering that employer support and we recognize employer support through a variety of awards programs.

This past year, over 4,000 servicemembers nominated their employers for the prestigious Secretary of Defense Employer Support Freedom Award. We also had over 45,000 employers sign statements of support.

Another key aspect of ESGR is our tremendous Ombudsman Program with over 600 trained USERRA experts across the country to answer questions, inquiries, and to help resolve conflicts between employers and their employees or the servicemembers.

Most importantly today let me speak about the initiatives we have undertaken to assist in reducing the high unemployment rate within the reserve components.

A year ago, ESGR and the Yellow Ribbon Reintegration Program launched the Employment Initiative Program, EIP. Our ESGR committees across the country increased their activities to address

the unique unemployment needs of the reserve component. I say unique because over 300,000 reserve component members are not veterans. They do not meet the statutory definition of having 180 days on active duty and, therefore, they do not qualify for benefits under the Veterans Affairs or DoL.

Beginning in March 2011, ESGR assisted the National Chamber of Commerce in their launching of the mega hiring fairs across the country. I just received the latest report from the Chamber. There have been 85 events to date in 42 states connecting over 84,000 veterans, reserve component members, and military spouses to employment opportunities with 4,300 different employers. The latest information says that over 7,300 of those folks have gained employment.

In 2012, we will continue this effort and we will have 40 events focused entirely on the reserve component community where there is high unemployment.

Six weeks ago, on December the 16th, we launched Hero to Hired, better known as H2H. H2H is a comprehensive, multi-faceted program targeted to support reserve component servicemembers.

Using lessons learned from over this past year and successful experiences such as the army reserves, employer partnership of the armed forces, and some of these programs you have heard about with the national guard, H2H was developed to address the employment assistance services and support gaps so that it could be applied to all members of the reserve component. H2H contains all the tools a job seeker needs to find a job.

Today the Yellow Ribbon Reintegration Program and ESGR are delivering meaningful services to assist guard and reserve members in transition, reintegration, and finding employment.

On behalf of Yellow Ribbon, ESGR, and its 4,800 volunteers, I thank you for your continuing support and I look forward to your questions.

[The statement of Ronald G. Young appears on p. 60.]

Mr. STUTZMAN. Okay. Thank you to each of you for your testimony. And I will begin the questions.

I am just going to ask to any of you on the panel, is it time to make TAP mandatory for all Guard and Reserve units? Any one of you can answer.

General WATSON. All right. It is my professional opinion that we should provide some form of Transition Assistance Program, but what we are really looking for, I believe, for the reserve components is a flexible option in which to get the information to our servicemembers.

Mr. STUTZMAN. Any proposals and how do you do that?

General WATSON. Right now there are a number of proposals being discussed that would extend the demobilization time that a servicemember stays at the demobilization site.

It is my professional opinion that we focus on providing some information at the demobilization site, not extending the individual's time at that site.

However, having an on-line program, if you will, that correlates also with yellow ribbon events so that it is all nested for a transi-

tion program and yellow ribbon events to identify those individuals who truly need employment and education assistance.

Mr. STUTZMAN. How long are guard units in—do they stop over in Kuwait before they come back to American soil? Do any of you know?

General ORR. Sir, it depends on where they come, what part of the theater. What we have seen now that we—you know, I will speak from the brigade that just came home from Iowa. They basically move from Afghanistan and it takes about 30 days for the brigade combat team, about 3,500 members, to get home. They move from Afghanistan directly to what we call a demobilization station. In this case, it was Fort McCoy, Wisconsin. And then we are there from—it can vary from six to fourteen days.

For the second brigade, we were able to get it accomplished through a coalition effort. In an organized approach, we were able to get everyone through in six days. That included a complete medical evaluation, their line of duties input into the system, but it also, as I talked about in my testimony, it linked the education and the ESGR. We had them at the demobe site.

So what was instrumental there was that a soldier would come through and if they had an employer issue, ESGR could engage that. If they needed employment, then we captured that and we provided them with the assistance. If they were thinking about education and were not sure, we then signed them up with our education and we linked all the tuition assistance to include our state program so that they were ready to roll into college before they ever got to home.

And so that six to fourteen days varies on units, but there is normally not an interim stop between their theater of location and the demobilization site.

Mr. STUTZMAN. So would it be fair to say that with every site that they are transferring through, if they have six to fourteen days, are we taking advantage of those six to fourteen days to use TAP?

General ORR. Is it within the window of time to do that, yes, sir. The challenge we would have is I think if you tied it in with again some of the existing programs, the education support that we get through our education offices, the ESGR, and our other programs we talked about earlier that are engaged there, that may be an additional task that could be picked up and actually applied to those specific soldiers that are interested or have a need. The window of time at the demobilization site would support, though, that task.

Mr. STUTZMAN. About how much time do the other programs take roughly? Did you say ESGR and you mentioned one other?

General ORR. The education, it really depends on a soldier. If a soldier comes through and says I have my employment, I have no issue with my employer, I have a great employer, I have employment, you know, I am 40 years old, I am done with school, then it is real easy. They move on and they go to their next station.

We probably spend most of our time with that group that was talked about earlier, the 18 to 24-year-olds. In many cases, a lot of these young soldiers have deployed right out of high school to basic training and so they have not even started college yet let alone employment.

So that is the largest group of the population that we deployed and, yet, we do have others that fall within those outside regions. And so it is really a by case-by-case basis.

But the goal and intent is to ensure that everyone goes through there and that we validate the information so that we know as a state what we have and how do we apply those resources not only then but once they get home where it really matters at the 30, 60, and 90-day yellow ribbon events.

Mr. STUTZMAN. Are those other programs mandatory?

General ORR. Yes, sir. The 30, 60, 90-days yellow ribbon integration is mandatory and we interject our ESGR, our education at those each and every time.

So if you come home and you do not want to say anything at the demobilization site because you just want to get home, then at 30 days after you have had some time to recoup from the deployment, we start to find those issues that may surface, and that includes the health care issues that surface, and then we adjust accordingly.

Mr. STUTZMAN. Okay. I would ask of the other two states, is it the same?

General HASTON. Sir, in Tennessee, it is almost the same, but one of the things that we do is we add a reverse SRP process at the end. And this is after the units leave the mobilization station and they come back home.

As General Orr pointed out, a lot of times, soldiers, they want to get out of the mobilization, get that immediate reintegration with their families.

But when they are back, we allow a brief integration and then we take the soldiers and we sit down under a less pressured, stressful environment and that is where we really apply the ESGR and the employment process and get a detailed look at the soldiers and the airmen that are coming back.

We, again, as the 30, 60, 90-day yellow ribbon events, as we go through, we have stations and have access to all the different programs that are available. We see that gradually increase as we get closer to the 90 days. And the problem decreases, too.

Mr. STUTZMAN. General Washburn.

General WASHBURN. In Indiana, sir, our model is along the lines of what Tennessee does, very similar.

Mr. STUTZMAN. Okay. All right. Thank you.

Mr. Braley.

Mr. BRALEY. Major General Haston, as I sit up here and look at you sitting with Brigadier General Washburn and Major General Orr, I am struck by the irony of the fact that in 2 months we will be observing the 150th anniversary of a little thing that happened in your state at a place called Pittsburgh Landing that was the first horrific battle of the Civil War.

And a lot of Iowa farm boys and Indiana farm boys met a bunch of Tennessee farm boys and there are a lot of them buried there. And they were national guard and militia for the most part. And for a lot of them, they did not see their homes for another two to 3 years. And they came back 150 years ago looking for work. And here we are in 2012 talking about the same problem.

I got sworn in on January 4th of 2007 as a new Member of Congress. During that period, the Iowa national guard, as Major Gen-

eral Orr has testified, was in the middle of the longest single combat deployment of any unit in Iraq.

I remember so well on Sunday night before Memorial Day that year 60 Minutes devoted an entire program to something called fathers, sons, and brothers tracing a 2-year period of sacrifice by the Iowa national guard. And it was an extraordinary thing for 60 Minutes to devote a whole hour to one subject and it won an Emmy.

We forget what an extraordinary burden we have placed on our guard and reserve units. I think if you look at the opening of that program, it really captures why we are here today. This is how that program started.

Rarely has our country asked citizen soldiers to shoulder so much of the burden of war. One-third of the troops fighting are national guard and reserve. More than 400,000 soldiers called away from their civilian lives. And those numbers, as we know, have grown dramatically since then.

So one of the things I want to hear from all of you is what lessons have we learned in this last 150 years about how we address this problem.

And you talked, Major General Orr, about boss lift. And I had the great pleasure of going to Camp Shelby in Mississippi with one of those boss lifts and it was extraordinary to see the reactions of some of those employers who the first time were getting to experience what so many of their employees had spent so much of their lives preparing to do.

So I would be interested in your thoughts about how we have opportunities to shape the perceptions of employers to bridge this gap of employability that we are here today to talk about.

General ORR. Congressman Braley, I think you would give this great thought because this is one of a couple challenges that we constantly deal with as adjutants generals.

You know, I would tell you I think the programs that we have, and I speak for my State of Iowa, I think we have the programs that we need. It is the outreach that we have to continue to do.

And, you know, I look back at the model. We learned over the last 10 years of a lot of experiences in this last deployment. I think looking at the combat teams that had gone before us is what do we have to do in our state to ensure that we do not experience the 32 percent that Vermont had, you know, and others have had before us and knowing that the conditions are different in each state.

I think what we have been able to do is the partnership is probably the greatest lesson learned. It is to be able to sit the Federal, the state, the local, the community, the business, and the national guard down and address this early on from the deployment perspective before we ever send a soldier and airman and say what is it that we need to do as a state to collectively support these men and women.

And granted, you know, there is still going to be gaps at the end of this, but what we are finding is that business and industry—a great example is the principal corporation, financial corporation in Iowa. They recently 2 weeks ago hosted a program, Hire our Heroes Program on their own. An ESGR recipient of the Department of the Army's award secretary, Defense's award felt like they needed to give back. They have challenged now over 68 Chambers of

Commerce in the State of Iowa to go out and to hire veterans. They have put up \$60,000 to put a video out to ensure that the word has.

So I think the lesson learned for us is it is continued communication, collaboration, and that we have to take the existing programs that we have and we need to make them work. And we have to connect that with our soldiers and airmen every chance that we get.

Mr. BRALEY. Thank you.

Mr. Rue, I want to talk to you from the employer's perspective and the ESGR's perspective because I have worked with a lot of these employers in Iowa and there are large corporations, some of the largest ones in our state, and there are smaller companies and mid-sized companies. And they all have the same dedication of purpose to the objective of finding work for veterans and keeping them employed.

But I have also discovered, and this came out at some of the field hearings we had, larger employers as a general rule have bigger human resources department, they have greater abilities to try to take some of the translation of MOS language into the civilian workforce, and put together programs they use in recruiting, identification of potential employees.

And I guess one of the concerns I have is what are we doing to help those smaller employers, the single-family businesses who want to do the right thing but do not know where to look or how to find a model that helps them address that issue.

Mr. RUE. Well, I think the key factor is engagement and it is face-to-face engagement. We have 167 volunteers in Iowa spread almost equally in 12 areas throughout the state. And we engage all employers, small and large.

And there is also an issue of working in harmony with all the other resources. You referenced the boss lift. I can get the employers, but he can get the assets. And we work together to ensure that those things take place.

And I think you met many of the employers on that boss lift. And we had large and small alike. We had members from cities, mayors, other elected officials that attended. And they are also businesspeople.

So the real key is engagement across the board to your question.

Mr. BRALEY. I yield back, Mr. Chairman.

Mr. STUTZMAN. Thank you.

Mr. Bilirakis.

Mr. BILIRAKIS. Thank you, Mr. Chairman. I appreciate it.

I am concerned about the unemployment rates of our guardsmen and our reservists, of course, and I have sponsored legislation to provide employers with tax credits of up to \$2,000 for their guardsmen or reservist employees called to active duty.

And then we also with Mr. Walz co-sponsored legislation which requires TSA to comply with the USERRA requirements.

The question is for the panel, what steps do you take to inform your servicemembers about their rights under USERRA, and I know, sir, you addressed that? If anyone wants to address that issue, I would appreciate it very much.

General HASTON. Sir, annually it is a requirement that we sit down and meet with our servicemembers and we tell them every year during our required briefings what their rights are.

Our ESGR team across the State of Tennessee goes down to the troop company battery level and sits down with the members there and talks to them in terms that they can understand and not in legal jargon so that servicemember knows what his rights are.

And then when they have a problem, they come back and usually it is sorted out before it ever gets to an ombudsman level.

We have found that our ESGR has really transitioned from a team that goes out and mediates to a team now that is going out and helping get our soldiers and our airmen employment.

Mr. BILIRAKIS. Anyone else?

General ORR. Sir, I think for the mobilization, what has helped us in the last four to 5 years is the time of notification to deployment. You know, many cases today, we have 2 years. And so that is important to employers to have a notification so they can have a little bit of stability and make a plan.

What we try to do in addition to what General Haston talked about is on the deployment piece on the front end of this is we really engage specifically through our ESGR team those soldiers and airmen that are getting ready to deploy to identify potential issues and problems.

I think that what is important at the same time on the back end of it is before they come home, we bring the family members in and we do a reintegration with the family. And we hit the family members with the same issues that we talk to the soldiers.

So there is a coalition collaboration between family members and the soldier, airmen when they get home from that piece when we talk about deployment and then all the additional things we do on the back end.

Mr. BILIRAKIS. Anyone else?

[No response.]

Mr. BILIRAKIS. All right. Well, as a follow-up, and I think it is so important to bring the families in, there is no question, I appreciate that, do you believe the current level of restrictions placed on employers by USERRA are making it harder for national guardsmen and reservists to get jobs? Any opinions on that?

Mr. YOUNG. Sir, Ron Young. I do not quite honestly. I think USERRA protects the rights for our servicemembers and it imposes responsibilities on employers and educating both about their responsibilities.

And what we find is that the vast majority of employers abide by the USERRA law and the restrictions. And so I think USERRA quite honestly since 1994 and all the amendments since has it just about right now.

Mr. RUE. Sir, I would add as well that I agree with Mr. Young's comments. I am a businessperson. In my duties as the state chairman of ESGR for Iowa, I meet hundreds of businesspeople and I have not seen anyone concerned with the restrictions. What I find is they are extremely proud to employ members of our armed services.

Mr. BILIRAKIS. All right. And, again, we really need your input on this. And I know this question has been asked already, but I want to give you another shot at it.

What do you think should be done to make hiring conditions more favorable for our guardsmen and our reservists?

General WASHBURN. One of the big things is to make sure that the employers understand what they are really getting when they hire someone with a military background or currently in the military.

It is all about what value and what benefit is there for them and if we can help them better understand that, and that is one of the keys that we do with our employer partnership in Indiana in the Indiana national guard, is to have that two-way dialogue and to make sure that through closing the loop after the fact, after the hiring actually takes place, to make sure that that relationship is still there and that bond is still strong.

Mr. BILIRAKIS. Anyone else?

Mr. YOUNG. Mr. Congressman, I would like to offer a couple points. I believe right now with the different programs in place, I believe we have a pretty good high-tech solution to linking employers with servicemembers that need jobs.

As General Watson talked about, she talked about case management. One of the areas that we are working on, and our 4,800 volunteers help with that, is working the one-on-one piece.

Our servicemembers need help in taking their military skill sets and putting them in civilian vernacular. And the ESGR committees and each of these leaders has instituted programs within their particular states that is doing just that with the employee assistance workshops, working with DoL VETS and those are working very well.

And then they are linking those servicemembers needing jobs with the Yellow Ribbon Reintegration Program and quite honestly the numbers look good.

The program down in Texas where over 900 have found jobs, it is that one-on-one approach. And as I said when I was in uniform, every servicemember counts. Every one of these servicemembers counts and it takes some personal attention.

It takes leaders who recognize that people in their squads do not have jobs. It takes mid level NCOs that understand that they have a squad to take care of. They took care of them when they were in theater. Now they need to take care of them when they are back home.

So it is becoming a peacetime army and getting engaged with those NCOs and those leaders and watching over their servicemembers. A marine for life, that type of a scenario.

So thank you very much.

Mr. BILIRAKIS. Thank you very much.

I yield back, Mr. Chairman. Appreciate it.

Mr. STUTZMAN. Okay. Thank you.

This question would be directed towards Major General Haston or Brigadier General Washburn and Major General Orr.

Looking at this chart, we see that there is a direct correlation between unemployment, weekly pay, and education. And I know that some states have already done some work within their own states.

What have you all done or do you have anything in your states that would provide any additional education to our guardsmen?

General HASTON. Sir, in Tennessee, we 2 years ago started the Tuition Assistance Program and it is where legislation in Tennessee provided resources to the military department to assist with in-state tuition.

The army guard has through its program tuition assistance, but the air national guard did not. And so these resources that I get that is allocated that I put in my state budget and that I present to our state legislator gives us those resources to do that. And that has been a huge success within our young members of the Tennessee air national guard.

As state budgets get smaller across the board, we have had to argue harder for those resources. And the language in the law allows me as the adjutant general and the commissioner of the military department to set the parameters of how those resources are disbursed.

And so what I have done is I have focused that purely on tuition for soldiers or airmen to get their GED if they did not have that and to get a bachelor's degree or an associate degree. It is not provided for officers because by and large they already have a degree to be an officer or to extended education such as, you know, master's or doctoral programs. And that has been a success thus far.

Also, we have worked with some private universities, David Lipscomb College in Nashville, for example, that has what works with soldiers to get their GI Bill and then works with private corporations to get the additional resources to continue their education, to make up the difference of that.

So across Tennessee working with the board of regents and the Land Grant University and working within our units and our education through our J9, we have been pretty successful and having those opportunities available.

General ORR. Sir, in Iowa, we have a very similar program. We call it the NGEAP, the National Guard Education Assistance Program.

I think, you know, in addition to our mobilization soldiers that also qualify for the Post-9/11 GI Bill and the other benefits, where these really become significant is for the young men and women who have not deployed and our air national guard members that are right along with us.

There is no Federal program for the air members, so, you know, I am proud to say in Iowa, like many of the states that have this program, is we provide this semester up to 90 percent of tuition assistance towards a state university, community college equivalent that can be used. And I think it is a very successful program.

This week, the first bill signed by the governor this week was an additional \$1.4 million by the legislature to fund us to 90 percent. Because of the amount of soldiers and airmen that came into college after the deployment, we were down to a 50-percent tuition assistance. And through their efforts, the first bill passed.

So you talk about support for the men and women in our state, that is a great testament right there.

Mr. STUTZMAN. Thank you.

General Washburn, any comments?

General WASHBURN. We have these programs in Indiana as well. What we are looking to do is to improve the utilization of them, more outreach to use the tuition assistance that is available, and to apply for the grants that are available, the grants and the scholarships that are available. That is what we would like to see. Other than that, our programs are the same as Iowa and Tennessee.

Mr. STUTZMAN. Okay. Very good. Thank you.

Mr. Braley, anything further?

Mr. BRALEY. I just want to make an observation about this incredibly critical component of every national guard unit and that is the tuition assistance which not only helps recruit new members but gives those existing members of those guard units some sense that their country believes in them and wants to invest in them.

Yet, sadly when you have a unit that had served the longest combat deployment in Iraq and they come home and somebody at the Pentagon cuts their orders short by one, two, three, four, or five days, so they are ineligible for a \$250 a month additional tuition bump under the GI Bill, it sends a horrible message.

And it should not take Members of Congress to get that problem solved when it is initiated from the Pentagon. And I think that we have seen so much sacrifice by our guard units and we saw historically why they are playing such a critical role in our overall defense strategy that we need to think these things through seriously before we put them in a position where they doubt whether their government is standing with them.

So I just want to offer that editorial comment.

Mr. STUTZMAN. Okay. Thank you very much to all of you for being here and thank you in particular for your service to our country and to our guardsmen as well. And we will excuse you all.

And we will call up our last and final panel. The final panel has just one witness and it will be the Acting Assistant Secretary of Labor for Veterans' Employment and Training, Ismael Ortiz.

Okay. Thank you.

Mr. Ortiz, welcome, and we appreciate your work that you have been assigned to. And we know that you are an integral part of the many ways that we help our veterans and to also help create solutions and increasing employment opportunities for all our veterans including the members of the guard and the reserves.

So you are also responsible for helping implement the Vow to Hire Heroes Act, so no pressure for you, right? And so thank you for being here and you are recognized for five minutes.

STATEMENT OF ISMAEL ORTIZ, ACTING ASSISTANT SECRETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR

Mr. ORTIZ. Thank you, sir.

Good morning, Chairman Stutzman, Ranking Member Braley, and distinguished Members of the Subcommittee.

As you know, my name is Junior Ortiz, Department of Labor's Veterans' Employment and Training Service. Thank you for the invitation to testify today and for holding this important hearing on lowering the unemployment rate of our national guard.

I would like to provide an overview of the work VETS is doing to lower this unemployment rate and our efforts to educate mem-

bers of the military, guard, reserve, as well as employers about the provisions of the Uniformed Services Employment and Reemployment Rights Act.

The military transitions approximately 160,000 active-duty servicemembers and demobilizes approximately 95,000 reserve and national guard servicemembers annually.

One of the department's programs aimed at meeting this need is Job for Veteran State Grants which funds our DVOPs and LVERs Program.

These employment specialists provide outreach and intensive employment services through nearly 3,000 one-stop career centers across the country. These services benefit both active duty and reserve components.

Last year, JVSG provided service to nearly 600,000 veterans of which more than 200,000 veterans found jobs.

Another important VETS program is the Transition Assistance Program which provides employment workshops and direct service for separating servicemembers including members of the national guard and reserve.

In fiscal year 2011, over 144,000 transitioning servicemembers and spouses attended the TAP employment workshop. Of those attendees, 2,249 were guard and reservists.

VETS has also taken steps to provide transition assistance and employment services to demobilizing members in the guard and reserve in the event that they are not located near the 272 locations where TAP is normally provided.

VETS state directors work with the stay behind element of the units and coordinate requested support as part of the planning process when units are in their area being demobilized.

Let me share a couple of examples. VETS in the Oregon employment department have partnered with the Oregon national guard and others to address the employment needs of returning guards and reservists. This past year, while the 3rd 116th Cav Unit was deployed to Iraq, the commander surveyed the employment status of the deployed personnel. The information was used to coordinate Skype employment interviews with local employers. Upon return from the deployment, 51 of the 113 original soldiers surveyed found jobs after their release from military service.

When I testified before the Committee in December, Congressman Walz mentioned the Red Bull brigade combat team project in Minnesota. The project intends to hire two LVERs and three DVOPs to work specifically with this brigade.

In partnership with ESGR, pre-deployment interviews were held with each member to identify employment and training needs. Five hundred and fifty servicemembers are either unemployed or underemployed. Thus, a referral process is being developed to provide these servicemembers assistance immediately upon their return.

Similar efforts are happening all across the country. Our DVOPs are working closely with JVSG staff, several other organizations, some of whom were here today, to coordinate as many services to the veterans and reserve components as possible in their states.

To complement the core programs of our service, we have also provided intensive service and on-line initiatives such as the gold card, the veterans' job bank, and my next move for veterans.

We are working together with private sector to increase employment to our veterans and returning servicemembers. As of this point, as Mr. Young mentioned, Chamber of Commerce in partnership with ESGR and VETS has hosted numerous hiring fairs with more than 84,000 veterans and military spouses have been given the opportunity to meet with 4,300 different employers. And as a result, more than 7,300 veterans and military spouses and 60 wounded warriors have found employment.

Lastly, I would like to discuss DoL's efforts to educate and enforce the provisions of USERRA. VETS investigates complaints filed by veterans and other protected individuals, assesses complaints alleging violations to statutes requiring veterans' preference in Federal hiring, and implements and collects information regarding veterans' employment by Federal contracts.

Outreach and education are the best ways to ensure that our servicemembers' and veterans' rights are protected under USERRA. Having said that, VETS will continue its aggressive public campaign not only to our servicemen and women but employers, attorneys, and human resource professionals as well.

VETS conducts mobilization and demobilization briefings to all guards and reserve units and provides direct technical assistance to returning and deploying servicemembers and their families.

Since September 11th, VETS has briefed nearly one million individuals on USERRA. We plan to continue our outreach activities and remain confident in our abilities to provide timely and accurate information to the veterans we serve.

VETS is fully committed to fulfilling our mission and with the help of our stakeholders and partners, we will continue to work to improve the services and programs we provide.

Chairman Stutzman, Ranking Member Braley, Members of the Subcommittee, this concludes my statement. Thank you for the opportunity to testify today and I would be pleased to answer any of your questions, sir.

[The statement of Ismael Ortiz appears on p. 62.]

Mr. STUTZMAN. Thank you, Mr. Ortiz, and thank you for your testimony.

In your written testimony, you state that VETS often provides the three core components of TAP to guard and reserve units at the unit commander's request.

How many of these type of briefings does a VETS complete in a year? And then I will ask you the same question I asked the previous panel. Is it time to make TAP mandatory for guard and reserve units?

Mr. ORTIZ. Sir, we provide briefings not only into TAP and USERRA and everything else in conjunction with ESGR when the individuals are mobilizing and demobilizing. The specific number I do not know, but I will find out.

As far as making TAP mandatory, we have provided the services to our reserve and national guardsmen to date again with the help of ESGR and the partnerships that we have with the tags.

We will continue to do whatever needs to be done. If it becomes mandatory, again, sir, we are standing by to make that happen.

Mr. STUTZMAN. Also, you had stated that TAP includes labor market information. As part of that, as each participant is given

information on the specific labor market in the area where the participant intends to live—I am sorry. Let me restate that.

As part of that, is each participant, are they given information on the specific labor market in the area in which they intend to live?

Mr. ORTIZ. Congressman, what we normally do is, depending on the state, for the national guard and reserve, it is pretty easy because, I mean, the majority of them will stay in that area. So, of course, yes. When we give information on the market, the market information is usually within that area.

However, if the individual decides to go to other places, it depends exactly on a one-on-one basis, but the majority of the time, to answer your question, yes, sir, we do. We provide market information within that specific area.

Mr. STUTZMAN. And when a guardsman is moving to another area, that information is included as well for—

Mr. ORTIZ. If we find out and, again, depending on how you work with the unit commander, how you are working not only with the unit commander but the individual units themselves, specifically if we have onesies and twosies that come in and say, hey, instead of being in Indiana, I am going to go to Iowa, at least being able to find out what those particulars are, being able to pass it off, if you will, to our DVET in that specific area or our one-stop career centers in that specific area also can give that kind of information.

Mr. STUTZMAN. Have you heard about the Pipeline Program that was mentioned earlier by Ms. DeRocco?

Mr. ORTIZ. Yes, sir, we have. Matter of fact, we are presently having a meeting, I think it is next week, to hear all the particulars with DoD on exactly what they have to offer and all the specifics on it, sir.

Mr. STUTZMAN. Okay. And then also General Orr had stated that in Iowa, they have placed employment kiosks to assist guardsmen in armories throughout the state.

Is it common, first of all, in any other states that you are aware of and then is this something that should be replicated throughout other state workforce agencies around the country?

Mr. ORTIZ. Actually, sir, I was not aware of that. However, after talking with General Orr on those, it would be a very helpful tool because it gives information on everything that is available there.

And along those same lines, I mean, you can look at some of the initiatives that DoL has actually put out there, whether it be the job bank or whether it be my next move for veterans, to be able to at least go in there and put in that information so that way, they can find out specifically what their MOS is, specifically how that translates to a civilian job.

So to answer your question, sir, I think it would be a great idea.

Mr. STUTZMAN. Yes, I agree. I think, too, it is a good idea.

Ms. DeRocco also mentioned that manufacturers have little interaction with the state employment services. You want to comment on that? I mean, we have seen this before in the hearings that we have had that there is a disconnect between the DVOP and LVERS and those offering employment services around the country.

Mr. ORTIZ. Sir, I am not going to comment on specifically what she put out as far as how she is doing it. The basic premise behind

this is our LVERs are going out there to outreach to employers. They are going to find out what is available out there in order to help our veterans that come in because as they come in, we are able to say, hey, these are your skill sets, this is where we are at, these are the opportunities that are available out there.

If for some reason, as she stated, she said it is up to the manufacturer who turns around and wants to go and let people know what is available, that defeats the purpose. If you have a facility, and I will put it in the simplest terms, is if you have some place that you can put information that is going to help attract the individuals that you are trying to attract, then by God use it.

I cannot speak to why they would not do it or anything. I can only speak that we have one-stops across the country that actually help in being able to provide that information to our veterans, whether it be national guard, reservists, or veterans across the board, on opportunities that are out there.

If I do not know what those opportunities are, I cannot turn around and continue to push that on.

Mr. STUTZMAN. You know, as I think about this and where we are putting the dollars, there comes a point when we have to look at the value that we are getting from DVOPs and LVERs.

Would we be better off at some time putting more of those dollars into educating those who are transitioning back into the workforce? I mean, you understand?

If they would get the education that they need, it gives them the tools that they need rather than focusing on placement because it seems like we have a disconnect that we continually hear about. And, is it a problem that can be resolved and fixed?

Mr. ORTIZ. If I understand your question correctly, sir, we are talking about our transitioning servicemembers or our veterans across the board coming out and having the specific information on areas.

Unfortunately, and as, you know, as a parent of someone who transitioned out, sometimes our transitioning servicemembers are not really aware of exactly where they want to go. We have some that know exactly what they want, how they are going to achieve it, and they go for it.

To be able to kind of give them a general purpose, which is what the transition assistance workshop is trying to do, to give them an idea and the tools they need to be able to get that program together, if you will, their individual transition plan, to go forward so that way they can find it and then go to a specific entity that is going to help you achieve that goal, that may be the one-stop. That may be education. That may be a combination of things.

I think to be specific in the area unless you get a one-on-one kind of thing with a specific individual, transitioning member, which is what, I mean, honestly, sir, that is what the gold card initiative is supposed to do, once that individual comes out to be able to go right with them and have 6 months of an individual one-on-one.

As the tags told you, if we have a one-on-one kind of thing, hey, I can place anybody. But to make that a completely big statement, sir, you are talking about a transition employment workshop or a transition process, if you will, that would take a lot longer.

Mr. STUTZMAN. And I understand that. And I guess that is why I am questioning, at some point, do we need to reevaluate?

And, the value that we are receiving, because that is a tough job, it is a big job, would we be better off at some point saying we need to make sure that we are providing enough education assistance for the guardsmen or for the soldier coming out of the military focusing our attention on that part and then, hoping that that will naturally give them the tools that they need to transition into the workforce because they have those tools and not counting on placement help from DVOP and LVERs, that is really a tough challenge to accomplish?

Mr. ORTIZ. I am in agreement with you, sir. I mean, it is a matter of how we wanted to reevaluate certain things. I think what we are trying to do now as far as transitioning our servicemembers to get them to a point where they at least have the tools to be able to do exactly what you are saying, sir.

Mr. STUTZMAN. I just want to make sure we get the best bang for our buck and, you know, making sure that our men and women who come out of the military are getting that I think is important.

Mr. ORTIZ. I am in agreement with you, Chairman.

Mr. STUTZMAN. Thank you.

Mr. Braley.

Mr. BRALEY. Mr. Ortiz, welcome back.

Mr. ORTIZ. Thank you, sir.

Mr. BRALEY. Mr. Lara, Minority O&I Subcommittee Staff Director, and I have one very pressing question for you.

Mr. ORTIZ. Sir.

Mr. BRALEY. Why Junior? I told him I think it is because everybody trusts a guy named Junior.

Mr. ORTIZ. You know what, sir? If I was in rural America, you are absolutely right.

Mr. BRALEY. I have a question for you about the Guard Apprentice Program initiative that you discussed in your testimony. And you wrote continues to build relationships with employers and colleges to facilitate civilian apprenticeship and employment opportunities for national guard and reserve component members.

My question to you is, are you also partnering with labor unions which have existing apprentice programs and have many veterans who are members?

Mr. ORTIZ. Actually, sir, yes, we have. And we have been doing that for many years. You know, helmets to hard hats is a perfect example.

I will talk to you about a specific one, welders, a welder's program, pipe fitters and welders out in California where the services have actually come and we joined with them to do certain things. The marines actually were doing this.

So to answer your question, yes, sir, we have. And I think now it is getting even more involved because the skills that these young men and women bring out there, especially as an example, navy individuals, Heltecs. Heltecs are plumbers, pipers, you know, can weld, can do things like that, RCBs from the navy side of the house or, for that matter, in the army or the air force, those technicians that actually work on a lot of those things.

The unions out there see that as a great piece. So, yes, sir, we have. And we cannot specifically turn around and tell a person go and see so and so or go do this. However, at the one-stop centers, those individuals are told about specific entities.

So I think it helps them at least identify what their capabilities are. Our DVOPs and LVERs can actually do that for them.

Mr. BRALEY. Is that a more common practice in states that have large military installations in their states than it is in states like mine that do not?

Mr. ORTIZ. Congressman, I cannot answer that, sir, because I do not know.

Mr. BRALEY. Okay.

Mr. ORTIZ. And I would be remiss if I told you, yes, sir, that is what it is.

Mr. BRALEY. You also testified that transitioning servicemembers often do not know where they want to go which is something we have seen and heard at some of our hearings. We never really talk a lot about small business entrepreneurs because a lot of young people have never really had an adult job because they have either enlisted before they had that opportunity or they have gone to college and then they get deployed in a guard unit and they come home and that is their first real opportunity to decide what are they going to do with the rest of their life.

Are we doing anything for those individuals who may want to be the ones giving the orders and running their own small businesses to help them understand what it takes to be successful small business owners and how they put together a business plan and how they put together a finance plan and how they get capital to start a small business?

Mr. ORTIZ. Presently as far as DoL, our transition assistance, our employment workshop talks about the generalities of that. What we are doing in the task force, the DoD/VA task force that hopefully will be giving you information on some of those things, there are four areas that they are looking at also, education, entrepreneurship, employment obviously, and technical.

So, yes, we are finally understanding that there are young men and women that come out that through the time that they have been in the service have actually gotten their degrees, have actually worked really hard or as an example our phenomenal mechanics and they want to open up a bike shop or a shop that would be able to do stuff like that. We have some great diesel mechanics who would really like to do that, especially for 18-wheelers and things of that nature.

So, yes, now we understand the services have finally understood that there is a need for these young men and women to be able to have a track, if you will, along those same lines. The VOWAC basically tells us our mandatory piece is the employment workshop, the VA benefits, and, of course, the services giving us their information as far as making sure that that individual transitions out.

The secondary piece to that is to have them have the capability of going back and finding out what their educational opportunities are, what entrepreneurial opportunities there are and things of that nature.

So, yes, sir, we are actually looking at it. And the services have actually made the, how do you say, the needed move to try and make that happen because they are seeing the same thing, sir.

Mr. BRALEY. I just have two quick questions about two of the programs you identified in your statement, one the veterans' job bank and the gold card. And I realize that the jobs bank bill was just signed into law November of last year.

But are you getting any sense from people who are using that resource, and I am not talking about just visiting and checking it out, but actually using it and deriving some benefit from it in terms of whether it is meeting its stated objective or not?

Mr. ORTIZ. Actually, sir, last Thursday, I was in New Orleans with the National Association of State Workforce Agencies, NASWA, and I asked the same question. I said, hey, you know, we know how many people are actually downloading the gold card, and specifically for the gold card, sir, are downloading the gold card and they are looking at different aspects.

I said have you all been receiving this. We had a lot of the states turn around and say yes, as a matter of fact, we have and, in fact, it is working really well.

I cannot turn around and tell you, sir, the specifics on how many, but the anecdotal information that I got from the actual state workforce agency members as part of the NASWA Committee, they told me that it was being effective because they are able to talk to the person one on one and be able to kind of get that feeling of exactly what they need and how to guide them in the right direction. And their DVOPs and LVERs have been tremendous in that thing.

The specific states, Texas was one of them. Connecticut told me that they are moving along real well. I was not sure of Indiana or Iowa or any of those, but I know that a letter, every one of them were aware of it and they actually are working it.

So, you know, it appears anecdotally, sir, that the system is actually working and that kids are finally getting something out of it.

As far as the job bank is concerned, I cannot tell you the results as how many have actually gotten jobs. But as far as visiting the site and working through it and everything else, we have gotten pretty good response, sir.

Mr. BRALEY. Mr. Chairman, maybe with your permission, we could set a goal of a 6-month review and get an update on what has been happening and which states are sort of setting the curve on that so we can continue to push for results as well.

And with that, I will yield back.

Mr. STUTZMAN. Yes, I would agree to that as well.

And I have no further questions at this time. I just want to thank you again, Mr. Ortiz, for being here and for your work. I know you have a big job to handle and we want to be here to help and make sure that our vets are getting the services that they need.

So any further closing comments?

[No response.]

Mr. STUTZMAN. Okay. Well, with that, I ask unanimous consent that all Members have five legislative days in which to revise and extend their remarks on today's hearing. Hearing no objection, so ordered.

Again, I just want to thank each of the witnesses for being with us today and I look forward to continuing this dialogue we have begun. And I realize that it is a tough job and this job is only going to get more challenging as the wars wind down thankfully. But we do want to address these problems as best as we can.

So with that, this hearing is adjourned.

[Whereupon, at 12:59 p.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Chairman Stutzman

Good morning.

Welcome to the first Subcommittee on Economic Opportunity hearing of the second session. There is a good reason why I chose this as the first topic.

Shortly after the end of the Vietnam War, the United States defense policy changed to transition the National Guard and Reserves from a strategic reserve to an operational reserve. There were several reasons for doing this ranging from the perception that a reliance on the Reserve Components would lessen the likelihood of military actions in the future to reducing the cost of our defense forces. Regardless of those reasons, members of the Guard and Reserves have borne a significant share of the combat since 9/11. Clearly, they are no longer “Weekend Warriors.”

That also means that employers—especially small businesses—have experienced labor challenges not seen since World War II and by and large, have supported their employees. Unfortunately, active duty call-ups, combined with a bad economy, have created historically high unemployment rates among the Guard and Reserves. Even more unfortunate, you will hear today that some employers have used what I believe are less-than-ethical tactics to terminate members of the Guard and Reserves.

As the owner of a small business, I understand the pressures on employers that the loss of a critical employee creates. But in the end, the question I always ask is, who is making the greater sacrifice, the employer or the servicemember who is literally going in harm’s way and that member’s family who must cope with all the stresses of a deployment?

You will also hear today from the National Association of Manufacturing about the over 600,000 manufacturing jobs going unfilled because of skill shortages. With that kind of information we must ask ourselves, what are we as a nation doing wrong?

For example, taxpayers are providing a generous GI Bill education and training program and the Department of Education offers numerous Title 4 financial assistance programs. In many cases, the states are also offering generous education and training benefits to members of their state’s National Guard as well as veterans in general. Additionally, the recently passed VOW to Hire Heroes Act focuses on renewing the skills of unemployed veterans between the ages of 35 and 60 by providing up to a year of Montgomery GI Bill benefits. Veterans also have priority access to all Department of Labor Workforce Investment Act or WIA (WEE–A) programs. All of these education and benefit programs offer opportunities to acquire skills needed by today’s employers. So where are we going wrong, where are the gaps and I look forward to some concrete ideas here today to help us. I would note that none of the government’s witnesses have made any such suggestions in their written testimony.

I am pleased to see that manufacturers are increasing their role as you will hear in Ms. De Rocco’s testimony and I believe that increasing initiatives by the employer side of the equation is an area that offers significant leverage in developing and matching skills with job vacancies. In the end, it will likely be up to employers to take actions at the local level rather than moving jobs overseas. I know that many companies work with community colleges to develop the skills needed in their company and I suspect that expanding that model is an area we need to explore further.

Before I yield to the Ranking Member, as everyone knows, the Transition Assistance Program is an integral part of transition. In fact, I believe that every one of today’s witnesses mentions TAP in their written testimony. In preparing for this hearing, the staff asked the Administration for a briefing on the redesign of the Transition Assistance Program or TAP. Unfortunately, that briefing has been delayed pending release of a study done for the White House. While I commend the Administration for doing the study, delaying its release—for whatever reason—does not help either the Congress or the Administration to get on with revitalizing an important program and I urge the White House to release the study.

Once again, welcome and I now recognize the distinguished Ranking Member, Mr. Braley for his opening remarks.
Thank you.

**Prepared Statement of Hon. Bruce L. Braley,
Ranking Democratic Member**

First, I would like to thank Major General Timothy Orr, The Adjutant General of the Iowa National Guard and Dick Rue, State Chair of Iowa ESGR for joining us to testify in this hearing today. I know they have both been hard at work trying to decrease unemployment among returning Iowa National Guard and Reserve members.

In October, Chairman Stutzman and I traveled to Waterloo, Iowa, and Ft. Wayne, Indiana to hear first-hand about unemployment issues from veterans and Guard and Reserve members. One of the things we kept hearing was the need to help servicemembers translate their military skills to the civilian jobs they were seeking, as well as getting assistance in interview techniques.

Over 600,000 members of the National Guard and Reserve have been mobilized since the attacks of September 11, 2001, and nearly 15,000 Iowa National Guard members have served their country at home and across the world in that same time period. Just this past summer, 2,800 Iowa National Guard members returned from a deployment to Afghanistan. This means that thousands of individuals volunteered to leave their jobs to serve their country, with the uncertainty of knowing what would be waiting for them once they returned.

Coming home after fighting overseas is difficult enough, but veterans often struggle to find good-paying jobs after leaving the service. It is estimated that approximately one out of every four combat veterans from Iraq and Afghanistan are out of work. That's unacceptable. Fortunately, progress is being made. Because of the work of various organizations in Iowa, the unemployment rate for recently returned Iowa National Guard members has dropped considerably, from around 25 percent in August to around 10 percent today. And I expect that this rate will continue to drop because of their efforts.

The uncertainty of knowing when a deployment will occur can affect employment. Our Reservists and Guardsmen are a pool of talented and dedicated individuals—men and women who have an education and real-world employment experience. These warriors have full-time civilian jobs while they proudly serve on the weekends. They return from deployment to their civilian jobs, only to face the reality of being deployed once again, which can be emotionally draining for our troops and their families.

According to the statements made during the field hearings in October, some National Guard members deemphasized their service to their country because of fears that employers would not want to hire them, knowing they could be deployed at any minute. They did not want to discourage prospective employers from hiring them. Although the Uniformed Services Employment and Reemployment Rights Act (USERRA) provides protections from employment discrimination based on military service, some Reserve members have lost their employment.

It is our responsibility to create a culture where all American businesses recognize the important service of their employees who have answered the call to duty. Employers are vital to empowering employees who are members of the National Guard and Reserves. We want all of our veterans to succeed and we want their employers to do well also. Employers' support and encouragement allow these warriors to serve their country without the concern of losing their job or being unemployed when they return home.

Men and women who've put their lives on the line for our country deserve to have every opportunity when they return home. This hearing will help us find better ways to open new doors for veterans, particularly Iowa National Guard and Reserve members who have recently returned from service in Iraq and Afghanistan.

Prepared Statement of Theodore L. Daywalt

EXECUTIVE SUMMARY

Despite the impression from press reports, the employment situation of veterans as a group has always been positive. In fact, the unemployment rate for ALL vet-

erans has always been lower than nonveterans and lower than the national unemployment rate.

While the national unemployment rate for all veterans was only 7.7 percent (CPS) in December 2011, there is an unemployment issue for young veterans, but it is not as many think because the young veterans lack skills or served in the current wars. The unemployment rate for young veterans had historically been comparable to the national unemployment rate until 2007, at which time the 18 to 24 year old veteran unemployment rate and to some degree the 25 to 29 year old unemployment rate started rising rapidly. The rise in the young veteran unemployment rate is a direct result of a DoD call up policy implemented in January 2007. The call up policy caused employers to not want to hire members of the National Guard which led to the high unemployment rate in young veterans.

The information and data in this testimony will demonstrate the high unemployment rate of young veterans is a direct result of their participation in the National Guard and Reserve and the current call up policy. Due to the constant activation of the National Guard, upwards of 65 percent of employers will not now hire as a new employee anyone who is an active member of the National Guard. The result is the exceptionally high unemployment rate of young veterans. The unemployment rate of 18 to 24 year old veterans in November 2011 was 37.9 percent, comprising 95,000 veterans and fell to 31.0 percent in December, comprising 74,000 veterans. While BLS statistics do not distinguish between veterans and active members of the National Guard, the data presented in this report leads me to believe the bulk of these unemployed veterans are in the National Guard.

If a veteran has totally separated from the military, retired, or is a wounded warrior, they are for the most part finding employment. This is not to say some are not having difficulties in this rough economy. One can always find an exception. But if a veteran remains active in the National Guard, they are having a difficult time finding meaningful employment due to the constant call ups and deployment schedules.

Young veteran unemployment in the National Guard will become worse as they try to compete against veterans who will be downsized from the active duty forces. Young veteran unemployment in the National Guard could reach 50 percent if there is not a change in policy.

Veterans do very well in the following disciplines: information technology, project management, consulting, sales, linguists, logistics, transportation, human resources, education, construction, manufacturing, engineering, finance, banking, health care, senior executives and expatriates.

WRITTEN TESTIMONY

Good morning, Chairman, members and staff of the Subcommittee on Economic Opportunity of the House Committee on Veterans Affairs (HVAC).

I am very pleased the HVAC is addressing the issue of National Guard unemployment. The National Guard unemployment problem is intertwined with the Federal Reserve forces unemployment.

VetJobs (www.vetjobs.com) has a unique vantage point on these discussions as by the nature of our business over the last 13 years, VetJobs deals with veterans and their family members on a daily basis who are pursuing employment. We deal with all veterans, including Officer and Enlisted, Active Duty, Transitioning Military, Reservists, Veterans and Retirees of the Air Force, Army, Coast Guard, Marine Corps, Merchant Marine, National Guard, Navy, NOAA and Public Health Service, DoD civilians and their family members. VetJobs has been fortunate in being successful in assisting them in finding employment for 13 years.

Our interest in the National Guard and Reserve became heightened when the 20 to 24 year old young veteran unemployment rate doubled when it went from 10.4 percent in 2006 to 22.3 percent in 2007 following the introduction of the current call up policy in January 2007. That increase was the initial warning bell that there would be significant increases in employment problems for members of the National Guard and Reserve directly related to the change in the call up policy.

In order to solve a problem one must effectively analyze, define and identify the problem and its causes. If one does not understand the sources of the problem, well-meaning solutions that are chosen will not work, or worse, will not address the problem at all.

Working on a solution to the National Guard and Reserve unemployment problem is important. I am convinced that there are those at DoD who were aware this problem existed, but for various bureaucratic and political reasons have been trying to pretend the issue does not exist and have been kicking the can down the road for someone else to deal with in the future. That might be good for a bureaucrat's ca-

reer, but the young members of the National Guard and Reserve who have families to support should be given better treatment. The component members are being made to suffer from bureaucratic policies, and that is not a fair thing to do to the very people who have been fighting for our country and freedoms.

For example, in a discussion with a former head of a Reserve force, I was told that not one of his Reservists was having a problem finding a job. He was parroting policy, but it was a flawed policy because at the time many Reservists were having problems finding employment due to the call up policy. The same issue affects the National Guard.

What follows is a discussion of my observations of the National Guard and Reserve unemployment issue with an emphasis on the National Guard. My observations are as a former drilling Navy Reservist and as a businessman managing the leading military related internet employment site that interacts with state and Federal agencies, corporations, nonprofit organizations, and businesses seeking to hire transitioning military, veterans, National Guard, Reservists and their family members.

Due to the myths and misunderstandings in the press regarding veteran unemployment, I present the following documentation about what is actually happening and why the National Guard in particular is where the true veteran unemployment problem exists.

Following the discussion I offer potential solutions for consideration. Having studied this issue for nearly a decade, I have found there is no silver bullet that will solve the National Guard unemployment problem. But a combination of policy changes and utilizing existing public and private sector resources will go a long way towards assisting those members of the National Guard who need help.

While this testimony is concentrating on the National Guard, the Federal Reserve faces many of the same issues.

I want to emphasize from the outset that I am very supportive of an operational National Guard and Reserve. In the later years of my time as a drilling Navy Reservist in the Naval Reserve Intelligence Program we stressed making our Reserve Intelligence units operational, which proved very beneficial during the first Gulf War. Having an operational National Guard and Reserve makes the United States stronger on the national stage. But the use of the National Guard and Reserve needs to be done in such a way as to still let the component member maintain a continuum of civilian employment.

Prepared Statement of Emily DeRocco

Chairman Stutzman, Ranking Member Braley and Members of the Subcommittee, thank you for the opportunity to testify on behalf of The Manufacturing Institute at this hearing on Lowering the Rate of Unemployment for the National Guard.

My name is Emily DeRocco, and I am the President of The Manufacturing Institute. We are the non-profit affiliate of the National Association of Manufacturers (NAM), and our mission is to support the Nation's manufacturers through solutions and services focused on education, workforce development and innovation acceleration.

Over the past few months, manufacturing has enjoyed something of a national spotlight. Organizations all across Washington, from the White House and Congress to major think tanks and government agencies, have been discussing the manufacturing industry and what America must do to maintain and grow its manufacturing base.

Manufacturing is certainly deserving of the recognition it is now receiving because it is an industry that is truly vital to our economic security. Manufacturing is the leader in generating wealth from overseas, contributing 57 percent of the total value of U.S. exports. Of course, manufacturing also plays a vital role in our national security, building the equipment, machines, and armor that equip and protect our servicemen and women.

The American public understands how important manufacturing is to our country. Each year we conduct a public perception survey to understand how Americans feel about our industry. Not only do they believe that manufacturing is critical to our economic and national security, but when given a choice of selecting any industry to create 1,000 jobs in their backyard, the number one choice is manufacturing.

But while manufacturing enjoys the support of policymakers and the public, manufacturing companies face a serious challenge—they are unable to find workers who are qualified to step in and contribute to their operations. In a survey that the Institute just completed, over 80 percent of manufacturers reported a moderate-to-seri-

ous shortage in skilled production workers. Eighty percent. Nearly 75 percent of manufacturers say that this shortage has negatively impacted their ability to expand, costing us an incredible number of jobs at a time when jobs are desperately needed. Perhaps most alarming though is that, because much of the current workforce is quickly approaching retirement, over two-thirds of manufacturers actually expect the situation to get worse in the next couple of years.

This has led to a situation where 5 percent of all jobs in manufacturing are unfilled because companies cannot find workers with the right skills. In real terms, that is 600,000 open jobs today in manufacturing.

Those are some frightening results and make clear the threat that a lack of a skilled workforce poses to manufacturers.

It is widely accepted that the skills obtained in the military, from personal effectiveness attributes such as integrity and professionalism to more technically defined skills such as process design and development, are in abundance among separating military personnel. However it has traditionally been a challenge to directly align the skills developed during military service to the job codes in the private sector. In addition, the services offered through the Transition Assistance Program vary base by base . . . command by command. Traditionally the military has focused on retaining members, not helping them transition out.

So we have two problems . . . The Transitional Assistance Program is inconsistent and often outdated in its attempt to help separating military and manufacturers who want access to a highly skilled labor force.

Fortunately, we now have a new system that will help with both of these challenges. In partnership with a company called Futures, The Manufacturing Institute has created an online tool that we're calling the U.S. Manufacturing Pipeline. It will provide the information for separating military to learn about careers available in advanced manufacturing, locate the schools and programs that teach additional applicable skills, and find available jobs at manufacturers in every region of the country.

And for manufacturers, it will be the place to find the skilled workers they need to close the skills gap and expand their operations. Pipeline can allow individual companies to send a message to any individual that has, for example, welding skills, and lives within a certain distance of their facility and invite them to apply for an open position. This really is a powerful tool that can change the way manufacturers find and recruit talent, facilitating access to separating military.

Though the Pipeline platform has only been in operation for a short time, and no significant marketing campaign has occurred, over 35,000 servicemen and women are now using the site for their career and employment searches. This is entirely through peer-to-peer and viral marketing and demonstrates the quality of the product. And this number is set to increase dramatically.

The Defense Department is preparing a major advertising campaign to reach over 1 million Armed Forces Reserve and National Guard personnel and encourage them to sign up with Pipeline. By demonstrating success with this group of servicemen and women, we hope that, through our partnership with Futures, we can engage with the Transition Assistance Programs for each of the services to reach all active duty personnel who are nearing their transition date, offering manufacturing jobs as an immediate career opportunity for all men and women who have served in uniform.

Finally, our longer term strategy for the U.S. Manufacturing Pipeline includes engaging with community colleges across the country that offer programs that provide national industry skill certifications. This will allow transitioning military personnel to easily find any additional education and training needed to work in manufacturing.

I'm certainly excited about this and believe we are very close to a National Talent Solution for manufacturing. Our manufacturers need the skilled workforce to compete. Our separating military need good jobs. And our country needs manufacturing for this to be another great American century.

Thank you for the opportunity to join you today and I'm pleased to take any questions.

Prepared Statement of Terry M. Haston

Chairman Stutzman, Ranking Member Braley, and distinguished Members of the Subcommittee; I am honored to appear before you today on behalf of the more than 14,000 men and women serving in the Tennessee Army and Air National Guard,

and I would like to begin by expressing my sincere appreciation for the outstanding support of this Subcommittee.

Since the tragic attacks on our homeland on September 11, 2001, more than 27,000 brave Tennessee National Guard Soldiers and Airmen have deployed both at home and abroad protecting the freedoms that we all enjoy.

Tennessee National Guard Unemployment Statistics

These men and women of the Volunteer State have answered the call of this Nation without hesitation or reservation. Most return home after defending this great nation and resume the civilian lifestyle they left, renewing relationships with family and friends and returning to their civilian workplace; but all too often many return to an uncertain future. The issue of Soldiers and Airmen facing unemployment in the civilian sector is paramount in our concerns for the well-being of our troops.

In Tennessee, about 20–25 percent of our National Guard strength is either unemployed or under employed, with about 3.5 percent of those identified as full-time students. This compares to an 8.7 percent unemployment rate for Tennessee as a whole. We owe these volunteers our very best efforts in helping them gain employment. But to effectively combat this problem, we have to know the enemy. We have to look beyond the reported numbers that may, in fact, demonstrate a “false positive”. To understand the magnitude of the problem, we have to determine an accurate number of Guard members who are actively seeking employment. We also have to determine if their deployment caused them to be unemployed, or were they unemployed before deploying. In Tennessee, we continually encourage the unit commanders and leadership to identify these individuals in order to assist them however we can. Simply, we must know what the *true objectives* are before we can attack them.

Tennessee National Guard Initiatives and Transition Assistance

In Tennessee, we are striving to identify those true objectives. In conjunction with the Employer Support of the Guard and Reserve, we are conducting Employment Assistance Workshops about once each month. This 3-day event provides one-on-one career counseling addressing issues such as writing an effective resume, guidance in preparing for, and how to conduct an interview. On the final day, employers, such as FEDEX, Verizon Wireless, Hospital Corporation of America, Dollar General, AT&T and a multitude of other employers are on hand to interview prospective employees. Hopefully, through this process the employers will find and hire a quality Guard member that brings a great deal to the table, offering that employer a motivated, disciplined, drug-free asset with the training and potential for leadership within their company.

We have sponsored or supported 18 Job Fairs in the past 17 months with 415 participants. Of those participants, 111 have responded to inquiry, and 37 percent of the respondents have found employment.

This program, along with our Yellow Ribbon initiatives, unemployment counseling at Soldier out-processing upon their return, and our outstanding relationship with the Tennessee Department of Labor are all positive steps in reducing the number of unemployed Guard members in Tennessee.

Closing Remarks

I’ve often heard it said that the Soldiers and Airmen of our National Guard are the best America has to offer. These men and women are willing to put their lives on hold, and without hesitation . . . without reservation, walk away from family, community, and their civilian occupation to defend and protect this great nation. We owe them no less than our very best.

Thank you for allowing me to address this Subcommittee, and I stand ready to answer any questions you may have.

Prepared Statement of Margaret Washburn

Chairman Stutzman and honorable Members of the Subcommittee; on behalf of MG R. Martin Umbarger, The Adjutant General of Indiana, I am honored to appear before you today to represent our 14,314 Army and Air National Guard Servicemembers. I would also like to begin by expressing my sincere appreciation to the Subcommittee for its tremendous support over the past several years, and for your

concern with the well-being of the outstanding men and women serving in our Nation's National Guard.

Indiana National Guard Unemployment Information/Statistics

Indiana also faces the challenge of unemployment and underemployment for our Guardsmen. Indiana has deployed over 17,693 servicemembers since 9/11. Based on the Department of Defense Civilian Employment Information database, it is estimated that nationally 20 percent of returning National Guard Soldiers and Airmen are unemployed. The current rate of unemployed Indiana National Guard members is roughly 23 percent, which is over twice our current state rate of 9 percent unemployment. Thus, we estimate roughly 3,300 Indiana Guardsmen and women are unemployed.

As we conduct more detailed analysis, we find these numbers slightly skewed by the number of servicemembers just completing high school or currently enrolled in higher education. Furthermore, in Indiana, we also chose to track and assist unemployed spouses, when identified, believing that getting at least one of the family members employed significantly improves overall servicemember household well being and readiness.

Indiana National Guard Initiatives

In 2009, MG Umbarger created the Indiana National Guard Employment Coordination Program. The objectives of this program are to identify, track, and reduce unemployment within the Indiana National Guard. These objectives are accomplished through working directly with each unemployed servicemember to increase their marketability, collaborate with Indiana employers for the hiring of our members, and quality assurance checks with these businesses on the servicemembers they have already hired. Direct hands on assistance includes Resume writing, active Job Search training, Interview Skills, and Job Preparedness training. Developing a servicemember's marketability includes education, skills training, Vocational rehabilitation, and even near term financial assistance for such things as reliable transportation to their new employment.

Our Employment Coordination Program works individually with each identified servicemember throughout all phases of the deployment cycle. We actually define a servicemember's needs while the member is still in theater and are present at the demobilization station when the servicemember returns so we may initiate actions required to improve their marketability or educational needs. We have now placed over 1000 servicemembers and spouses in jobs. Some of these jobs were Active Duty Operational Support (ADOS), temporary positions, and a combination of education with part time employment. The Employment Coordination Program has also assisted in completion of 2443 resumes, has 484 jobs openings currently posted, and submitted 2050 job applications.

Another initiative is the Indiana National Guard—Business Partnership. We currently have over 125 businesses involved with this partnership. This partnership includes a reciprocal support process designed to provide both the employer and employee with resources and assets to complete successful hiring and sustained job performance. We have placed 172 servicemembers in jobs within these 125 businesses.

Another initiative is MG Umbarger's Executive Business Meetings. These monthly meetings give key business and community leaders a greater understanding of the National Guard experience and what our servicemembers have to offer the state workforce. These leaders are encouraged to consider a veteran for any open position, especially those returning from deployment and those negatively impacted due to economic challenges in their local communities.

Our Adjutant General also created a J9 Civil-Military Affairs Directorate. This Directorate brings all support programs including Family Programs, Yellow Ribbon Reintegration, Employer Support of the Guard and Reserve, Transition Assistance Advisors, and Employment Coordination Program under one supervisor. It affords these programs a level of "unity of effort" that did not exist when they were working independently. The J9 Directorate also serves as the community outreach platform creating new relationships with community resources and developing increased servicemember and family access to these resources.

The Indiana National Guard also participates in all Employer Support of the Guard and Reserve activities, the Job Connection Education Program (JCEP), job fairs, town hall meetings, network and social media programs.

Needs Assessment

Funding and Manning are needed to allow these programs to maintain success. We believe long term job placement is potentially greater with our holistic approach to the employment process. Thus there is greater value to the National Guard workforce by including education, skills training, and improved marketability over just sending in a resume.

Closing Remarks

Our National Guardsmen have proven themselves to be ready, reliable, and accessible here at home and worldwide. Many of them have answered the call to duty and spent multiple deployments away from their families and employers. The Indiana National Guard is working hard to insure these heroes return to a lifestyle and family wellness deserving of the sacrifices they have made. The strength of the Indiana National Guard rests in its citizen soldiers and airmen. The strength of these citizen soldiers and airmen rests in their employment and productivity to their communities. Indiana employers are military and veteran friendly and many desire to hire our talented, experienced, and reliable servicemembers. We need to help make that connection possible. Once again, I thank you for recognizing this issue and holding this hearing. I look forward to responding to your questions.

Prepared Statement of Timothy E. Orr
Opening Remarks

Chairman Stutzman, Ranking Member Braley, and Members of the Subcommittee:

It's a great privilege to be here today representing the 9,400 Soldiers and Airmen of the Iowa National Guard in this important discussion to maximize employment opportunities for National Guard members. Thank you for the opportunity to testify on this topic and provide perspective on the State of Iowa's initiatives to address this important issue.

The Iowa Experience

First let me begin by saying that Iowa is unique in many ways. Thankfully, our state and region currently have lower unemployment rates than those seen in other parts of the country. The employers in our state are military and veteran friendly and we enjoy incredible support from our communities. The level of cooperation between our employment and education partners, including private sector job creators, Employer Support of the Guard and Reserve (ESGR), Iowa Work Force Development, Job Connection Education Program, the Iowa Department of Education, community colleges, and the Society of Human Resource Managers is outstanding. In addition, Governor Branstad has provided key leadership to drive employment opportunities for our National Guard members.

While we remain focused on those with employment challenges, we are fortunate to have seen tremendous improvement in overall employment numbers for those who have returned from the state's largest deployment since World War II. We currently estimate, based on data collected during our deployment outprocessing and reintegration events, that the unemployment rate of our returning warriors fell from a high of 25 percent in August 2011 to a current rate of just under 10 percent. Though we still have work to do in this area, we are very happy to see this remarkable improvement among our returning warriors.

Working Together

I truly believe the success we've seen in this area is a result of steps we took long before the 2,800 members of our brigade combat team deployed to Afghanistan. Because of its size and scope, we knew this deployment would have a significant effect on our state including our families, our employers and our communities. Through a series of "Lunch & Learn" engagements, townhall meetings, predeployment briefings and other public engagements we initiated an information awareness campaign to build support and deepen understanding between servicemembers and employers regarding the Uniformed Services Employment and Reemployment Act (USERRA). In conjunction with ESGR, we initiated a series of employer bosslifts, bringing employers to our Annual Training and post deployment training sites to witness first-

hand the important and complex work their Citizen-Soldiers were doing in preparation to deploy overseas.

From the beginning, we knew we had to work together to minimize the disruption and confusion caused by such a significant deployment on our state's employers. I invited Dick Rue, our state ESGR Chair, to stand with me to help answer questions about the rights and responsibilities of both employers and their Citizen-Soldiers during our press conference announcing the deployment. We often talk about the service and sacrifice of our servicemembers and their families. In Iowa, we know employers also sacrifice when their Citizen-Soldiers deploy and we work hard to acknowledge that through ESGR engagements and employer recognition events.

Tool Box Solutions

Though this information campaign was important we knew it would not be enough based on what other states experienced following large deployments. Opening up our "Tool Box" we started looking at ESGR, National Guard Bureau and other state and Federal employment programs designed to assist returning warriors. One of the most important steps we took was to nest our employment and education counselors in order to emphasize these areas during the demobilization process. Working together, they counseled returning warriors on employment and education programs and benefits available to assist with their transition from active duty. Thanks to this integration, an additional 900 of our returning warriors indicated their intent to enroll in school than were students when the deployment began. We screened members as they out processed and attended reintegration events to identify those struggling with employment issues and link them up with assistance through our Jobs Connection Education Program and online job search and application programs.

Working with our employment partners, we developed a one-day course designed to assist our unemployed or underemployed warriors. We help them write résumés and cover letters that translate their military experience into meaningful civilian skills. We work on interviewing techniques and skills in order to prepare them for job fairs and interviews.

Through our partnerships with Iowa Workforce Development, we placed computers kiosks in our armories to assist our warriors with finding and applying for job openings. Last October we supported, with other state and Federal agencies, a Veterans' job fair and began posting job openings, targeting veterans on Web sites like the National Guard's Jobs Connection Education Program and Employer Partnership.

The Iowa Department of Education and the U.S. Department of Veterans Affairs have teamed up to develop a program designed to assist veterans and their dependents by allowing them to learn a trade or skill through participation in apprenticeship or on-the-job training rather than by attending academic classes. Veterans and servicemembers eligible for the GI Bill may use these benefits for apprenticeship or on-the-job training. This program allows a military veteran or servicemember to enter into a training contract for a specific period of time with an employer or union and then after the training period, the trainee is given job certification or journeyman status. In most cases, the veteran trainee receives a salary from the employer or union while participating in the program. As they progress through the program and their skill level increases, so does their salary. The U.S. Department of Veterans Affairs (VA) provides monthly GI Bill payments for veterans or servicemembers in approved programs. This is another great example of the team approach we have taken in Iowa to assist our returning warriors.

While we still have a lot to do to ensure employment opportunities for all of our returning warriors, we have made significant progress. We will continue to work to enhance our tool kit to help our warriors like working with our state legislature to assist with legislation that better aligns state licensure requirements with military specialty skills and working with our employment and private sector partners to continue to identify job opportunities for our warriors.

Closing Remarks

Our Iowa National Guard Soldiers and Airmen continue to be "Mission Focused and Warrior Ready". Over 15,000 Iowa National Guard members have served and sacrificed in support of ongoing contingency operations here at home and across the world, many on multiple occasions. They, along with their families and employers, have borne a heavy burden to help ensure our Nation's safety and security. They did so willingly and have asked little in return. Working together, at every level, we have a responsibility to assist those struggling with unemployment issues re-

lated to their military service. I greatly appreciate the Subcommittee's work on this issue and I look forward to your questions on our efforts to help our returning warriors.

Prepared Statement of Richard A. Rue

Chairman Stutzman, Ranking Member Braley, and Members of the Subcommittee:

It is a privilege to be here today representing the Iowa ESGR team in this important discussion to maximize employment opportunities for members of the Guard and Reserve. Thank you for the opportunity to testify on this topic and provide the Iowa ESGR perspective and initiatives to address this important issue.

The primary mission of Employer Support of the Guard and Reserves (ESGR) is to promote a culture in which all American employers support and value the military service of their employees. We accomplish this through advocating relevant initiatives, recognizing outstanding support, increasing awareness of the law (USERRA) with our employer and military outreach programs and resolving conflicts through mediation when requested. Under our advocate role, in FY 11 ESGR educated, provided consultation to, and assisted with reemployment challenges for employers, National Guard members, and Reservists. The Employment Initiative Program (EIP) was added to our mission in the fall of 2010 and is designed to facilitate employment opportunities for unemployed and underemployed servicemembers and their spouses. This program is an outgrowth of our ESGR Employer and Military Outreach Programs and complementary to the current economic realities in our state and aligned with our President's New Veterans Employment Initiative.

The essence of my written testimony is that in Iowa, we feel that we have made positive advancements toward successfully lowering the rate of unemployment of our National Guard. This has been accomplished by effective planning to ensure that the multiple resources in existence to support the National Guard and employment of National Guard and Reserve members have worked in harmony towards this common purpose. It is easy for varying organizations to work independently and thus diminish the opportunity for success in achieving this important common goal. As the result of our state National Guard leadership, Major General Orr and his command staff, from the earliest public notification of pending deployment all related resource partners worked together to ensure that planning, execution and follow-up was in place to support the needs of the 2nd Brigade Combat Team.

My written testimony outlines in more detail the support, resources and access that the members of the Iowa ESGR volunteer team received during pre-mobilization, during deployment and during post-mobilization up to and including the present. The key element of our ability to achieve success has been communication and cooperation between and among the multiple resource partners (the Iowa National Guard, Iowa ESGR and Iowa Employers) and our support organizations (Iowa Workforce Development, DOL-VETS and Job Connection Education Program (JCEP)). As per my written testimony, this cooperation allowed for hands-on personal engagement by the Iowa ESGR team with soldiers for both education and support purposes. Enhanced communications and greater efficiencies across agencies yielded Employment Assistance Training targeting approximately 400 self-identified unemployed servicemembers from the 2nd Brigade Combat Team. Information regarding upcoming employment events is regularly emailed to these unemployed individuals, the command and staff of all Iowa National Guard and Reserve units, all Guard and Reserve members returning from deployments, and Iowa ESGR's military outreach volunteers. Additionally, the support received by all the organizations I just mentioned was effectively channeled towards Iowa employers through the pre, during and post mobilization time frame via multiple events and touch points.

Now, with the Employment Initiative Program, our associated partnerships within the state and the continued support of the Iowa National Guard leadership, Iowa ESGR is well prepared to continue our history of assisting servicemembers and employers to connect more effectively than ever before.

Iowa ESGR and our Partners

The primary mission of Employer Support of the Guard and Reserves (ESGR) is to promote a culture in which all American employers support and value the military service of their employees. We accomplish this through advocating relevant initiatives, recognizing outstanding support, increasing awareness of the law (USERRA) with our employer and military outreach programs and resolving con-

flicts through mediation when requested. Under our advocate role, in FY 11 ESGR educated, provided consultation to, and assisted with reemployment challenges for employers, National Guard members, and Reservists. The Employment Initiative Program (EIP) was added to our mission in the fall of 2010 and is designed to facilitate employment opportunities for unemployed and underemployed servicemembers and their spouses. This program is an outgrowth of our ESGR Employer and Military Outreach Programs and complementary to the current economic realities in our state and aligned with our President's New Veterans Employment Initiative.

I will focus my comments of the Iowa ESGR support directed primarily towards the Iowa Army National Guard's 2nd Brigade Combat Team's recent deployment and return to Iowa in three parts: Pre-mobilization, mobilization, and post mobilization.

Pre-mobilization: Prior to the 2nd Brigade Combat Team (2BCT) leaving the state the National Guard provided work space for our staff to set up computer stations during all pre-mobilization briefing events. ESGR was given the opportunity to partner with the Department of Labor VETS providing a USERRA and ESGR briefing to all servicemembers to ensure that they were aware of their rights and responsibilities with regard to employment and re-employment. Additionally, the computer work stations provided every soldier the opportunity to update their Civilian Employment Information (CEI) with ESGR staff there to assist with the sometimes difficult navigation of the Web site; this ensured that we, Iowa ESGR, had the most current possible information with regard to our employer communication focus. The National Guard made this station a requirement to ensure that this DoD requirement was accurately completed prior to their deployment. We believe the approach to this data collection process greatly contributed to improved accuracy of the pre-mobilization information regarding employment status.

In an effort to be proactive, ESGR requested the CEI data information "by unit" to better determine the number of soldiers that were not employed and also identify those that were students. As the 2 BCT prepared for deployment, the Iowa economy continued in an economic downturn and there was a National emphasis on the unemployment status of our troops. The CEI report from December 2010 showed that 630 soldiers considered themselves "not employed" and 267 as "students". With these numbers in mind, Iowa ESGR and the Iowa National Guard began to jointly discuss and develop an appropriate plan to assist these members upon their return. Proactive planning was our plan for success.

Mobilization: Iowa ESGR has hosted regular employer outreach events statewide for several years; however during mobilization, with the current emphasis on employment needs of our Reserve Component members, these events were revised to emphasize re-employment rights and employment opportunities. Iowa ESGR partnered with DOL-VETS on the planning and facilitation of several events with the primary focus around educating employers on USERRA and to provide awareness of resources like ESGR and DOL-VETS, which are available to employers and not just for the benefit of servicemembers. Additionally, ESGR provided an overview of the unemployment outlook for our returning National Guardsmen and encouraged employers to actively hire these qualified individuals upon their return. Once engaged, employers began sending their job opportunities to ESGR and several employers provided volunteer H.R. representatives for the Employment Assistance Training (EAT) events that Iowa ESGR subsequently conducted in coordination with DOL-VETS and Iowa Workforce Development.

Post-mobilization: In July 2011 the Iowa ESGR staff, as requested by the Iowa National Guard, traveled to Fort McCoy, Wisconsin as the 2 BCT transitioned from their overseas deployment back to the United States. The purpose of ESGR's presence was to provide a refresher briefing to all troops on USERRA as well as to facilitate the collection of survey data regarding employment status. Of particular interest was the unemployment and student status change's that occurred during the deployment. ESGR and the Iowa National Guard partnered together in developing a survey to capture up-to-date information on the 2 BCT return. ESGR collected, tabulated and presented the survey results to the Iowa Guard Command.

During the 90-day post mobilization events, the Iowa National Guard again provided work space to us and required all troops to visit the ESGR station where they updated the Civilian Employment Information (CEI) data previously collected. It was clear upon review of the collection results that our Brigade returnees had success finding jobs within their communities. Statistics have not been gathered from other elements of the Iowa National Guard or other service branches in the state, leaving a large portion of the Guard and Reserves population with an unknown employment status at this time.

The Employment Assistance Training (EAT) was created through a partnership with the Iowa ESGR, DOL-VETS, and Iowa Workforce Development as a one day

training event. These workshops were designed to teach job search skills to job seekers. Topics included the Transition Assistance Program (TAP), résumé writing, job interview skills training, and online job search techniques. Additionally, civilian human resource representatives volunteered to provide constructive critiques on resumés and provided practice interviews for participants with immediate feedback of their interview skills. The Society of Human Resource Managers (SHRM) and the Employers Council of Iowa supported the training events by providing many of the H.R. volunteers. The Iowa National Guard and Reserves also supported this effort by ensuring that their members were aware of the program and encouraged their participation. Since September 2011, ESGR and Iowa Workforce Development have offered seven Employment Assistance Training events in communities identified as having the highest number of unemployed Guard members. These locations were selected based on the survey results acquired in July during soldier out-processing at Ft. McCoy, WI. Unfortunately only three of the seven events took place, as the remaining 4 were canceled due to low RSVP numbers. Individuals interested in attending the cancelled sessions were given the option to schedule individual sessions with the local Veterans Representatives at Iowa Workforce Development. One possible cause of the low participation may be scheduling the employment events too soon after their return home. After deployment, these soldiers were not in a duty status and may have simply wanted a break from the military or had made a decision to enroll in college or other skilled trade courses. They may have also just felt that they were not ready to think about finding employment while decompressing after a long deployment.

Iowa ESGR is currently working with Iowa National Guard and Reserve units to promote job training events and job fair opportunities throughout the state. ESGR volunteers continue to brief Guard and Reserve members and their families regarding job search opportunities, training events and USERRA during Yellow Ribbon post-mobilization events (reintegration briefings and activities) and during regular unit annual briefings as part of our Military Outreach program. Information regarding upcoming employment events is regularly emailed to all of the 400 unemployed individuals currently identified. We also ensure that the employment event information is disseminated throughout the command and staff of all Iowa National Guard and Reserve units, to all Guard and Reserve members returning from deployments, and to all of our ESGR military outreach volunteers who regularly visit all units throughout the state.

When contacted by Guardsmen or Reservists regarding employment opportunities, ESGR staff regularly refers individuals to the Employer Partnership of the Armed Forces Web site, Yellow Ribbon's Hero 2 Hired Web site, and local employment coaches who offer free services to members of the Reserve Components and Veterans. Additionally, Iowa ESGR developed and maintains a strong relationship with the Iowa Workforce Development and the Job Connections Education Program (JCEP) staff and regularly refers job seekers to their resources.

Closing Remarks

ESGR, within the state of Iowa and throughout the Nation, has a long and successful history of helping National Guard and Reserve Servicemembers and their employers to better understand their rights and responsibilities under the Uniform Services Employment and Reemployment Rights Act (USERRA). Our Iowa National Guard and Reserve commands have demonstrated tremendous support for successful conduct of our mission and I wish to publically thank them, as it takes a team to win and they have certainly been team players with Iowa ESGR and all supporting agencies within our state. Now, with the Employment Initiative Program and associated partnerships, we are well prepared to continue our history of assisting servicemembers and employers to connect more effectively than ever before.

Prepared Statement of Ronald G. Young

Chairman Stutzman, Ranking Member Braley, and Members of the Committee, thank you for your invitation to participate in this hearing and share what we in Reserve Affairs have been doing in support of RC servicemembers, their families and their employers. My full testimony, submitted for the record, covers four major areas:

First, the latest statistics on the troubling rate of unemployment among Reserve Component servicemembers. The Bureau of Labor Statistics report that the December 2011 unemployment rate among all Post-9/11 veterans is at 13.1 percent and

the most recent Status of Forces survey (January 2011), junior enlisted servicemembers in the Reserve Components self-reported their unemployment rate at 23 percent. With very limited data on the unemployment rates of Guard and Reserve members, we believe more analysis is required to understand the actual unemployment rate, particularly for the 18–24 year old population. Let me assure you that we in the office of the Assistant Secretary of Defense for Reserve Affairs view civilian employment as an important piece of a Reserve Component servicemember's readiness, and see the current high rate of unemployment as a threat to the readiness of our force. I look forward to sharing with you the ways in which we are addressing this problem.

Secondly, the type of transition assistance that is provided to these servicemembers. This is primarily provided by the Yellow Ribbon Reintegration Program, a Congressionally initiated program that connects National Guard and Reserve servicemembers and their families with resources throughout the deployment cycle. The types of information that these events give access to are health care, financial, and legal benefits, as well as education and training opportunities. Also, Yellow Ribbon post deployment training events provide employment services to servicemembers.

Third, the efforts of the Employer Support of the Guard and Reserve (ESGR) office and our 4,800 volunteers nationwide to help educate both members of the Guard and Reserve and employers about the rights afforded to servicemembers under the Uniformed Services Employment and Reemployment Rights Act (USERRA). In Fiscal Year 2011, ESGR saw successes such as 45,150 signed statements of support from employers across the country; resolving 79.8 percent of the 2,884 USERRA cases referred to us; and educating nearly 500,000 servicemembers regarding their rights and responsibilities under USERRA.

Finally, my testimony covers the initiatives taken by the Department of Defense to reduce unemployment rates among the Reserve Components and minimize underemployment. It is important to note that this is a unique population, as these servicemembers are not retiring or separating from service. They are still continuing to serve and are seeking employers who are willing to facilitate their continued participation in our military. Military members must serve 180 continuous days on active duty to receive "Veteran" status. By this standard, certain Reserve Component members may be statutorily ineligible to receive services from DOL–VETS or the VA. Our goal is to ensure these servicemembers still receive specialized assistance. ESGR and YRRP have partnered under the umbrella of the Employment Initiative Program addressing employment issues across the country, while working with the U.S. Chamber of Commerce to execute nearly 70 mega-hiring fairs across the country.

In December 2011, OSD-Reserve Affairs launched "Hero2Hired", better known as H2H. H2H is a comprehensive, multi-faceted program targeted to support Reserve Component servicemembers and help them connect to and find jobs with military-friendly companies that seek employees with specific training and skills. Through an electronic job and career web platform, mobile applications and *Facebook* integration, virtual and physical career fairs, and a national marketing and management effort, H2H can reduce the DoD's unemployment benefits cost as well as the stress and financial hardships faced by unemployed Reserve Component servicemembers and their families.

Together, Yellow Ribbon and ESGR are delivering meaningful services to assist Reserve Component servicemembers' transition into the civilian workforce, providing full spectrum assistance by assisting with the employment search via H2H, and continuing the support by promoting positive employer relations through USERRA education. We should anticipate that both ESGR and Yellow Ribbon will continue to play a critical role with the enhanced access to Reserve Component servicemembers as articulated in Title 10 USC Sec 12304. With the changes to the law in the last National Defense Authorization Act, we anticipate continued utilization of the Reserve Components, the desire of these Servicemen and women to participate, and the need to continue providing support to servicemembers, their families and their civilian employers.

In closing, thank you for this opportunity to testify on behalf of everyone that comprises the Family and Employer Programs and Policy Team and most of all, ESGR's more than 4,800 volunteers located in all 50 States, Washington, D.C., Guam, Puerto Rico and the U.S. Virgin Islands, and thank you for your continued support of the Reserve Components.

Prepared Statement of Ismael “Junior” Ortiz

Good morning Chairman Stutzman, Ranking Member Braley, and distinguished Members of the Subcommittee. Thank you for the invitation to testify today and for holding this important hearing on “Lowering the Rate of Unemployment for the National Guard.” I commend you all for your tireless efforts to honor the brave Americans who have worn the uniform of the United States of America and have risked so much to keep America safe.

We ask so much of these men and women: to put their careers on hold, leave their loved ones behind and embark on dangerous missions across the world. Yet the men and women that serve in America’s active, National Guard, and Reserve forces do so willingly and without hesitation. They selflessly serve their country and are a shining example of America at its best as President Obama remarked in his recent State of the Union address. At the Department of Labor (DOL or Department), we strive to honor their contributions every day. We do this by putting the full weight of our department behind programs to ensure rewarding careers are waiting for them when they come home. We must serve our returning Servicemembers and Veterans as well as they have served us.

That’s especially true now that the Iraq war has officially ended and we are winding down our presence in Afghanistan. Our returning Servicemembers deserve a hero’s welcome and a chance to utilize their unique skills to help rebuild our economy. Yet they often face a difficult transition back to civilian life. This is particularly true for the men and women of our National Guard and Reserve forces who are often unintentionally overlooked or underserved. According to the Bureau of Labor Statistics (BLS), in 2010, recent Veterans who served during the post-9/11 era had an unemployment rate of 11.5 percent, compared to a 9.4 percent rate among civilian non-veterans. Unemployment rates were particularly high among recent Veterans who have served or continue to serve our Nation in the National Guard and Reserve forces. These Veterans had an unemployment rate of 14 percent in July 2010, almost five points above the civilian unemployment rate.

Our Nation has a sacred obligation to help these men and women overcome unemployment and get the good jobs and benefits that they’ve earned. We at DOL believe that this obligation includes providing them with the opportunity to utilize their unique skills to help rebuild our Nation’s economy. Through the Veterans’ Employment and Training Service (VETS), we provide Veterans and transitioning Servicemembers with the resources and services to succeed in the workforce by maximizing their employment opportunities, protecting their employment rights, and meeting labor market demands with qualified Veterans.

I would like to begin by discussing the work we are doing to decrease the unemployment rate for our Veterans, National Guard and Reservists, focusing on the issues you asked me to address, including the Department’s efforts to decrease the rate of unemployment, the need for additional employment services to areas of high unemployment among members of the Active and Reserve Components, and DOL’s efforts to educate about and enforce the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).

Jobs for Veterans State Grants Program

The U.S. military services transition approximately 160,000 active duty Servicemembers and demobilize approximately 95,000 Reserve and National Guard Servicemembers annually. Transition assistance and employment services for Veterans are essential to help our servicemen and women reintegrate into the civilian labor force.

One of the Department’s programs aimed at meeting this need and decreasing the rate of unemployment among Veterans is the Jobs for Veterans State Grants (JVSG) program. Through JVSG, VETS provides funds for two types of Veterans’ employment specialist positions in the states: (1) the Disabled Veterans’ Outreach Program (DVOP) and (2) the Local Veterans’ Employment Representatives (LVER) program. DVOP specialists provide outreach services and intensive employment assistance to meet the employment needs of eligible Veterans. LVER staff conducts outreach to employers and engages in advocacy efforts with hiring executives to increase employment opportunities for Veterans, encourages the hiring of disabled Veterans, and generally assists Veterans to gain and retain employment. These services are provided primarily through nearly 3,000 One-Stop Career Centers across the country and benefit both the active and Reserve Components. Last year, the JVSG provided services to nearly 589,000 Veterans, and 201,000 Veterans found jobs.

Transition Assistance Program (TAP)

Another important VETS program is the Transition Assistance Program (TAP), which provides Employment Workshops and direct services for separating Servicemembers, including members of the National Guard and Reserve. TAP is an inter-agency program delivered via a partnership involving the Departments of Defense, Labor, Veterans Affairs, and Homeland Security. As part of this effort, VETS provides an Employment Workshop, which is a comprehensive two and a half day program during which participants are provided relevant skills and information, such as job search techniques, career decision-making processes, and current labor market conditions.

As you know, VETS is currently in the process of redesigning and transforming the Employment Workshop, the first significant redesign of the program in 19 years. The redesign, which is based on established best practices in career transition, will create experiential, effective, and enduring solutions for a successful transition from military to civilian life and employment. Among other things, the redesign will provide career readiness assessments to help returning Servicemembers translate their military experience into civilian job qualifications. Currently, VETS uses a mix of contractors, VETS Federal staff, Disabled Veterans Outreach Program (DVOP) specialists, and Local Veterans Employment Representatives (LVERs) as TAP facilitators. In the future, however, VETS will transition to all skilled contract facilitators, with DVOPs continuing their involvement in the workshops as subject matter advisors. In FY 2011, over 144,000 transitioning Servicemembers and spouses attended a TAP Employment Workshop at one of 272 locations world-wide. Of that number of attendees, 2,249 were Guard and Reservists.

With 95,000 Guard and Reserve members demobilizing each year, VETS has taken steps to provide them with transition assistance and employment services in the event they are not located near any of the 272 locations where TAP is normally provided. For example, we have organized the regular two and half day Employment Workshop into separate modules, including the program's three core components (overview of USERRA rights, current labor market information, and explaining the roles of DVOPs and LVERs at One-Stop Career Centers), along with other basic courses such as resume writing and interview techniques. We often provide the three core components, and any additional modules, to Guard and Reserve units at the unit commander's request. Further, we have committed to provide any requested TAP modules at the 30, 60, and 90-day Yellow Ribbon Reintegration programs, a Department of Defense effort to promote the well-being of National Guard and Reserve members, their families and communities, by connecting them with resources throughout the deployment cycle.

DOL is also working in partnership with the Department of Defense and the Department of Veterans' Affairs on the "Guard Apprenticeship Program Initiative," which continues to build relationships with employers and colleges to facilitate civilian apprenticeship and employment opportunities for National Guard and other Reserve Component members.

Our State Directors for Veterans' Employment and Training (DVETS) are part of the planning process when units in their area demobilize. They work with the stay-behind element of the unit and coordinate requested support. Let me share with you a few examples:

- VETS and the Oregon Employment Department (OED) are partnering with the Oregon National Guard Yellow Ribbon Reintegration and Joint Transition Assistance Program (JTAP) staff to jointly address the employment needs of returning National Guard and Reservists. During the Oregon LVER/DVOP training conference in October 2011, OED hosted a joint training session to determine how we will partner together statewide to ensure Veterans are aware of the employment services available to them. This past year, the Oregon Army National Guard (3-116 Cav) deployed to Iraq in support of Operation New Dawn. While in-country, the military unit commander stressed the importance of addressing Servicemembers' future employment needs and took the initiative to conduct employment status surveys of all deployed personnel. This employment information was shared with Employer Support of the Guard and Reserve (ESGR), Yellow Ribbon JTAP and Oregon Employment Department Management, including LVERs, and used to coordinate "Skype employment interviews" with local employers, such as Boise Cascade. Upon return from deployment and at the 60 day interval, the OED provided aggregate data to the JTAP on the number of Guard and Reservists who found employment to the JTAP. Initial estimates found that of the original 113 soldiers who registered for employment in late May while deployed in Iraq, 51 have found jobs since their release from

military duty. This does not account for the 26 soldiers who registered but do not live in the state.

- Congressman Walz mentioned the 34th Infantry Division “Red Bull” Brigade Combat Team (BCT) Project in Minnesota during our last hearing in December. This project intends to hire 5 Veteran staff (2 LVER & 3 DVOP) to work specifically with this BCT. One LVER has already been hired and the remaining staff will be hired in April with the anticipated return of the BCT being May of 2012. In partnership with ESGR, pre-deployment interviews were held with each Servicemember to identify employment and training needs. Five hundred and fifty Servicemembers are either unemployed or under employed. A referral process is being developed to get these Servicemembers the appropriate employment assistance immediately upon their return.
- In June 2010, Tennessee’s DOL (TNDOL) started working with the Tennessee ESGR Chair to help the high number of unemployed Veterans returning from deployments. It was discovered that most of the unemployed Servicemembers were just out of high school or just graduating college and returning from their first deployment and had never held a traditional job. As a result, a committee of individuals was formed from different agencies, including the VA, USDOL, TNDOL, ESGR, Yellow Ribbon, TN National Guard Command Staff and a few others. The Committee met several times and decided to try a TAP employment workshop. The first workshop was 2 days and was facilitated by contract facilitators. The workshop was open first and foremost to unemployed soldiers and their spouses and Servicemembers were put on orders to help with the cost of travel. After holding several workshops and a committee meeting, the Committee decided to go to the traditional 2½ day employment workshop but also added a job fair at the end of each TAP workshop. Only employers with current openings who were looking to fill them were invited to the job fairs. To date, the Tennessee ESGR has hosted 18 workshops for 415 participants. Today that committee has grown to include other reserve units, and Commanders are calling asking for weekend drill TAP workshops for their unemployed soldiers.

Similar efforts are happening across the country. VETS State Directors (DVETS) work closely with the JVSG staff and partner with several other organizations to coordinate as many services to the Veterans and Reserve components as possible in their state. In Kentucky, for example, LVERs and DVOPs are fully integrated into Yellow Ribbon demobilization events across the Commonwealth, providing local labor market information and general One-Stop Career Center employment services. There is also direct coordination between the transition representatives at Camp Atterbury, Indiana—the local National Guard and Reserve demobilization point—where listings of individuals transitioning out and to Kentucky are provided to the Veterans Program Coordinator, who coordinates contact with a local LVER or DVOP. Through coordination with the Kentucky Guard command, LVERs and DVOPs have contacted local Guard units in their respective areas to offer direct employment assistance, either during normal Career Center business hours or, if necessary and more beneficial for all involved, during weekend drills.

To compliment our core programs and services, we are involved with a few other initiatives that provide additional employment resources in an effort to decrease the rate of unemployment of Veterans of the active and Reserve Components.

Veterans Jobs Bank

On November 7, 2011, President Obama announced a new Veterans Job Bank at www.nrd.gov, the National Resource Directory Web site. This job bank, a partnership among the Departments of Defense, Labor, and Veterans Affairs, is an easy-to-use tool that enables Veterans to find job postings from companies that are looking to hire them. It already searches nearly one million job postings and is growing. In a few easy steps, companies can make sure the job postings on their own Web sites are part of this Veterans Job Bank.

The Gold Card

Post-9/11 Veterans can now go to the DOL Web site and download a Gold Card, which provides them 6 months of intensive job counseling and personalized case management services at one of the Labor Department’s 3,000 One-Stop Career Center locations across the country. These services include career assessments, direct referrals to open jobs, interview coaching, resume assistance and training referrals.

My Next Move for Veterans

The Labor Department also launched a new Web site called My Next Move for Veterans. It can be accessed at www.dol.gov/vets. This Web site allows our Veterans to enter their military occupation code and discover civilian jobs where their skills translate. They can browse more than 900 career options. The benefit of these on-line tools is they can be accessed from just about anywhere.

Employer Partnerships

We are also working with the private sector to increase the employment of our Veterans and returning Servicemembers. The first of these initiatives is our work with the U.S. Chamber of Commerce. The Chamber, in partnership with VETS and ESGR, will have conducted 100 hiring fairs exclusively for Veterans, transitioning Servicemembers and their spouses between March 2011 and March 2012. Through this partnership, the Chamber and its affiliates secure the participation of employers, while the VETS team and ESGR focus on participation by Veterans, transitioning Servicemembers, and their spouses. The Chamber hiring fairs have hosted more than 84,000 Veterans and military spouses and given them the opportunity to meet with over 4,300 different employers. As a result, the effort has helped more than 7,300 Veterans and military spouses and 60 wounded warriors find employment.

Additionally, in an initiative sponsored by Microsoft, DOL has facilitated Microsoft's contact with communities across the Seattle, Washington; San Diego, California; Houston, Texas; Northern Virginia; and Jacksonville, Florida regions, to provide Veterans with vouchers for no-cost training that can lead to important industry recognized credentials. Each area's Workforce Investment Board will receive 1,000 vouchers per year for 2 years, totaling 10,000 vouchers, and will distribute them through the One Stop Career Centers.

Uniformed Services Employment and Reemployment Rights Act (USERRA)

The last piece I want to discuss is DOL's efforts to educate about and enforce the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA). VETS' enforcement programs investigate complaints filed by Veterans and other protected individuals under USERRA, assess complaints alleging violation of statutes requiring Veterans' preference in Federal hiring, and implement and collect information regarding Veteran employment by Federal contractors.

In addition to enforcing these rights, we do what we can to educate employers, as well as Veterans, Guard, and Reservists, on USERRA. VETS has long recognized the value of outreach and education as a means for avoiding USERRA disputes. Through the course of our history administering the statute, we have found that the vast majority of employers seek to comply with the law and remain highly supportive of our servicemen and women despite challenges imposed through multiple and repeated deployments. To that end, VETS has engaged in an aggressive public outreach campaign, aimed not only at our servicemen and women but to employers, attorneys, and human resources professionals as well.

In that regard, VETS' outreach to the employer community begins with individual responses to technical assistance requests, which has proven highly effective in resolving disputes before formal complaints are filed. VETS staff has also sought out and given USERRA briefings to a large number of employer groups, professional human resources associations, State bar associations, the American Bar Association, Chambers of Commerce, law schools, and a host of other groups. In addition, VETS has developed online educational tools such as: an interactive USERRA elaws Advisor for both employers and employees that detail the roles and responsibilities for each under the law; Frequently Asked Questions; and USERRA 101 and 102 courses, which are designed to address the more commonly encountered situations and challenges facing employers. Perhaps most importantly, when conducting briefings and providing technical assistance in either a group or individual setting, VETS staff always provide direct contact information to reassure the public that help is just an e-mail or telephone call away.

For example, in the Chairman's state of Indiana, VETS provides workshops on USERRA for Servicemembers stationed at the Camp Atterbury Joint Maneuver Training Center, including members of the Judge Advocate General's Office. And similarly in Iowa, the Ranking Member's home state, VETS and the Iowa Workforce Development (IWD) have undertaken numerous initiatives to assist recently returning Veterans and employers. The IWD Veterans Program partners with ESGR at their Lunch and Learn events for employers across the state. At these events, VETS and ESGR personnel teach employers about USERRA and how to deal with Veteran

employment issues. In addition, IWD Veterans Program personnel train the employers on why they should consider hiring Veterans, how to market their jobs to Veterans, how to interpret Veteran résumés and what to expect from Veteran job applicants.

VEETS is fully committed to fulfilling our mission. And, as I hope my examples, we are doing so through the combined efforts of all of the witnesses today as well as others. We pledge to you and to them to continue to work with them to improve the services and programs we provide.

Mr. Chairman, Ranking Member Braley, Members of the Committee, this concludes my statement. Thank you again for the opportunity to testify today. I would be pleased to answer any questions you may have.

MATERIAL SUBMITTED FOR THE RECORD

**Statement of Reserve Officers Association of the
United States and Reserve Enlisted Association**

On behalf of our members, the Reserve Officers and the Reserve Enlisted Associations thank the Committee for the opportunity to submit testimony on veteran and National Guard employment issues. ROA and REA applaud the ongoing efforts by Congress to address employment problems faced by so many veterans and servicemembers.

As contingency operations continue with ongoing mobilizations and deployments, many of these outstanding citizen soldiers, sailors, airmen, Marines, and Coast Guardsmen have put their civilian careers on hold while they serve their country in harm's way. They share the same risks as their counterparts in the Active Components. Since 9/11, more than 825,000 Reservists and Guardsmen have been mobilized. More than 275,000 have been mobilized two or more times. The United States is creating a new generation of combat veterans that come from its Reserve Components (RC). It is important, therefore, that we don't squander this valuable resource of experience, nor ignore the benefits that they are entitled to because of their selfless service to their country.

ROA would like to thank the Committee and staff for making improvements to the Post-9/11 GI Bill, enhancing benefits for caregivers, and much more.

EXECUTIVE SUMMARY

Education:

- Include Title 14 eligibility for the post-9/11 GI Bill.
- Exempt GI Bill earned benefits from being considered income in need-based aid calculations.
- Develop a standard nationwide payment system for private schools.
- Re-examine qualification basis for Yellow Ribbon Program, rather than first-come first-served.
- Enact Uniformed Services Employment and Reemployment Rights Act (USERRA) and Servicemembers Civil Relief Act (SCRA) protections for mobilized Guard and Reserve students, granting academic leaves of absence, protecting academic standing, and guaranteeing refunds.
- Increase Montgomery GI Bill-Selected Reserve (MGIB-SR) to 47 percent of MGIB-Active.
- Include 4-year reenlistment contracts to qualify for MGIB-SR.

Employer Support:

- Continue to enact tax credits for health care and differential pay expenses for deployed Reserve Component employees.
- Provide tax credits to offset costs for temporary replacements of deployed Reserve Component employees.
- Support tax credits to employers who hire servicemembers who served in the Global War on Terrorism.

Employee Support:

- Permit delays or exemptions while mobilized of regularly scheduled mandatory continuing education and licensing/certification/promotion exams.
- Continue to support a law center dedicated to USERRA/SCRA problems of deployed Active and Reserve servicemembers.

Veterans Affairs:

- Calculate years of service, rather than days of active duty, for disability retired pay under section 12732 of U.S.Code Title 10 for Reserve Component members wounded or injured in combat.
- Extend veterans preference to those Reserve Component members who have completed 20 years in good standing, or
- Permit any member who has served under honorable conditions and has received a DD-214 to qualify for veteran status.
- Make permanent Reserve Component Department of Veterans Affairs (VA) Home Loan Guarantees expiring in October 2012.

- Eliminate the 3/4 percent fee differential between Active Component and Reserve Component programs on VA home loans.
- Support burial eligibility for deceased gray-area retirees at Arlington National Cemetery.
- Continue to seek timely and comprehensive implementation of concurrent receipt for disabled receiving retired pay and VA disability compensation.

EMPLOYMENT

ROA and REA are grateful to Congress for the passage of the VOW to Hire Heros Act.

Employment Protections

Veterans and servicemembers are provided protections through the National Committee for Employer Support of the Guard and Reserve (ESGR), the Uniformed Services Employment and Reemployment Rights Act (USERRA), and the Servicemembers' Civil Relief Act (SCRA).

Notwithstanding the protections afforded veterans and servicemembers and anti-discrimination laws, it is not unusual for members to lose their jobs due to time spent away while deployed. Sometimes this is because employers go out of business, but more often, Reservists and Guardsmen are laid off because it costs employers money, time, and effort to reintroduce the employee to the company.

The most recent national example is in the case of *Straub vs. Proctor Hospital* in which Army Reservist Vincent Straub was fired by Proctor Hospital of Peoria due to his service requirements. The Supreme Court upheld Straub's rights under USERRA.

Employer Incentives

Partnerships: The Army Reserve under Lieutenant General Jack Stultz initiated the Employer Partnership Program with civilian employers that is an initiative designed to formalize the relationship between the Reserve and the private sector, sharing common goals of strengthening the community, supporting RC servicemembers and families, and maintaining a strong economy. Over 1,000 companies are currently in various preliminary stages of implementing partnership programs. This sets a model for businesses to hire veterans. The program has its own Web site <http://www.employerpartnership.org/> and provides job search, a resume builder, professional staff support, a list of employer partners and career resources. This program has now been broadened to the U.S. Army.

Periodic and Predictable: Employers need increased notification time in order to better support their personnel. The military services and components should provide greater notice of deployments to RC members, so that they, as well as their families and their employers, can better prepare. Collaboration between industry and the military needs to occur as the military considers deployment cycle models so that the Nation's defense needs are met but its industrial base is not compromised.

Employer care plans should be developed that will assist with mitigation strategies for dealing with the civilian workload during the absence of the servicemember employee and lay out how the employer and employee would remain in contact throughout the deployment.

CNGR: The Commission on the National Guard and Reserve suggested key recommendations including expansion of the Employer Support of the Guard and Reserve (ESGR) committee to be able to work new employment as well as reemployment opportunities, the creation of an employer advisory council, and regular surveys to determine employer interests and concerns over reemployment of Guard and Reserve members. Unfortunately, the budget recommendation is to reduce ESGR's budget.

TRICARE as an employee/employer benefit: An employer incentive is when an employee brings importable health care such as TRICARE, reducing the costs for the employer. Guard and Reserve members as well as military retirees should be permitted to tout the availability of TRICARE as an employee asset, and permit employers to provide alternative benefits in lieu of health care.

Another option is to fully or partially offset employer costs for health care payments for Guard and Reserve members who are employed, especially when companies continue civilian health insurance for servicemembers and/or their families during a deployment. DoD should provide employers—especially small businesses—with incentives such as cash stipends to help offset the cost of health care for Reservists

up to the amount DoD is paying for TRICARE, with the understanding that the stipend is tied to reemployment guarantees upon the serving member's return.

Other incentives: Incentives of various types would serve to mitigate burdens and encourage business to both hire and retain Reservists and veterans. A variety of tax credits could be enacted providing such credit at the beginning of a period of mobilization or perhaps even a direct subsidy for costs related to a mobilization such as the hiring and training of new employees. Employers felt strongly that, especially for small businesses, incentives that arrive at the end of the tax year do not mitigate the costs incurred during the deployment period. Also cross-licensing/credentialing would ease the burden of having to acquire new licenses/credentials in the private sector after having gained them during their military service, and vice versa.

ROA and REA support the concept of H.R. 802 introduced by Ranking Member Bob Filner because it would recognize employers of veterans, but strongly believe that it should be amended to include employers of Guardsmen and Reservists.

While not under this committee's jurisdiction we hope that the House Veterans' Affairs Committee can support specific tax incentives to hire returning veterans and Guard and Reserve members.

ROA and REA support H.R. 865 Veterans Employment Transition Act of 2011, introduced by Rep. Tim Walz and referred to the HASC, that would extend work opportunity credit to certain recently discharged veterans.

ROA and REA further recommend the following:

ROA and REA encourage a rapid implementation of certifications or a form that would inform employers of skills potential veteran and service-member employees gained through their military service.

ROA and REA supports initiatives to provide small business owners with protections for their businesses to be sustained while on deployment, for example a potential program in which a trained substitute is made available to run the business while the member is out country. Further SCRA protection on equipment leases should be included in the law.

EDUCATION

Post-9/11 GI Bill

ROA and REA support Chairman Jeff Miller's bill H.R. 1383 *The Restoring the GI Bill Fairness Act of 2011* which would grandfather in current students who applied for benefits of the Post-9/11 GI Bill under a different set of rules.

Education improves a veteran's chance for employment, and many returning combat veterans seek a change in their life paths. There is still room for more improvement in the Post-9/11 GI Bill that in the long run can make the program more effective and increase utilization. For example, while Title 32 AGR was included for eligibility, Title 14 Coast Guard Reserve was left out.

Other issues that student veterans have raised to ROA and that we recommend include the following:

- Require timely application and submission of documentation by the institution to the Department of Veterans' Affairs (VA) and vice versa.
- Establish dedicated and well-trained officers for student veterans to speak with via the call center.
- Better define the Yellow Ribbon Program to determine what 'first come, first serve' means in context of institutions (such as registration time, enrollment, and official enrollment).
- Allow institutions to give more funds to students with stronger merit and need-base under the Yellow Ribbon Program.
- Align the VA's work-study program for students to work as guidance officers at their institutions to aid other student veterans, to be matched up with institution's academic calendar.
- Safeguard and implement a long term plan for sustaining the Post-9/11 GI Bill.
- Ensure transferability benefits are protected.
- Guarantee that any future changes to the program that could have negative effects on benefits will grandfather in current beneficiaries.
- Pass legislation to disallow institutions including benefits in need-based aid formulations.
- Remove the requirement to have a parental signature.
- Establish parity between FAFSA disclosure exclusion over veterans' educational and non-educational benefits to CSS and all institutions of higher learning.

Institutions of higher learning across the Nation that provide need-based aid often require students to file a Free Application for Federal Student Aid (FAFSA) form and a College Scholarship Service/Financial Aid Profile (CSS) form administered by the College Board.

If an institution abides by the Federal methodology of determining aid levels it uses the FAFSA form and guidelines, but an institution may use an institution methodology (IM) formulated by CSS. By law under the Higher Education Opportunity Act of 1965 (HEA), FAFSA's current need analysis formula, while including some sources of untaxed income, excludes veteran's educational benefits and welfare benefits.

On the other hand, CSS require military servicemembers to disclose their earned educational benefits for the formulation of their need-based aid levels. That disclosure of veterans' educational benefits on the CSS is then often weighed by those institutions that use an IM in the same manner of other traditional untaxed income items such as child support or a contribution from a relative, in the formulation of their aid package.

Disclosing these earned-benefits on the CSS profile serves to bring down servicemembers' financial need level, thus increasing the cost out of pocket, by improperly treating earned benefits as equivalent in nature and function as untaxed income items. Since CSS is not restricted from asking for disclosure of the benefits, institutions use the CSS to add these earned benefits into the aid formulation, shirking FAFSA's and the HEA's intentions.

ROA and REA urge Congress to bar institutions of higher learning from considering veterans' educational benefits in need-based aid calculations and apply the Higher Education Opportunity Act to all financial aid practices of institutions of higher learning.

While many may gain advantages under the changes in law, others are actually negatively affected. For example ROA has received concerning calls and emails from members that feel forsaken as such members signed commitments based on the benefits which they now feel are reduced.

One of the most significant problems that link all issues pertaining to the Post-9/11 GI Bill is the lack of effectively trained customer service representatives. One of the many examples came from two of our members that are married, both serving in a Reserve Component. They wanted to transfer their benefits to their children, but were told that only one parent can register the children in the DEERS system and therefore only one of the parents could transfer the benefits.

After going through a couple back channels ROA found out that the couple needed to go to a DEERS office and request an 'administrative' account for the purposes of transferring benefits.

There are many stories similar to this one which cause unnecessary stress on the families, some of whom give in to the system and give up the benefit because either they are given incorrect and/or incomplete information or the hassles involved are not deemed worthwhile.

It is absolutely necessary that our servicemembers, veterans and families have the ability to access accurate and timely information.

ROA and REA urge Congress to enforce the VA to properly and effectively train their personnel.

Montgomery GI Bill

To assist in recruiting efforts for the Marine Corps Reserve and the other uniformed services, ROA and REA urge Congress to reduce the obligation period to qualify for Montgomery "GI" Bill-Selected Reserve (MGIB-SR) (Section 1606) from 6 years in the Selected Reserve to 4 years in the Selected Reserve plus 4 years in the Individual Ready Reserve, thereby remaining a mobilization asset for 8 years.

Because of funding constraints, no Reserve Component member will be guaranteed a full career without some period in a non-pay status. BRAC realignments are also restructuring the RC force and reducing available paid billets. Whether attached to a volunteer unit or as an individual mobilization augmentee, this status represents periods of drilling without pay. MGIB-SR eligibility should extend for 10 years beyond separation or transfer from a paid billet.

CONCLUSION

ROA and REA appreciate the opportunity to submit this statement, and we reiterate our profound gratitude for the progress achieved by this committee such as providing a GI Bill for the 21st Century and advanced funding for the VA.

ROA and REA look forward to working with the House Veterans' Affairs Committee, where we can present solutions to these and other issues, and offer our support, and hope in the future of an opportunity to discuss these issues in person.

ROA and REA encourage this Committee to utilize the Servicemembers Law Center and the Defense Education Forum and reports, both valuable assets, and to share it with your constituents and other Congressional members.

