

The Honorable Mark L. Pryor, United States Senator

## Testimony of Senator Mark Pryor

S. 2416, Veterans Employment and Training Act (VET Act)

Committee on Veterans' Affairs

June 8, 2006

Chairman Craig, Senator Akaka, and members of the Committee, I would like to thank you for this opportunity to testify before you today on legislation that is important to my constituents and young veterans all across America.

Many of our soldiers, sailors, airmen, and Marines coming back from Iraq and Afghanistan are having a difficult time finding work, Mr. Chairman. I find this troubling, and I feel that we have a responsibility to support our returning veterans who are looking for work. Currently, unemployment among veterans between the ages of 20 and 24 is over 15%--nearly double the unemployment for non-veterans in the same age group.

Similarly, many of the fastest growing sectors of our economy are in vast need of an additional skilled labor source. The Department of Labor has identified 14 industry sectors that are expected to experience high growth over the next several years, including trucking, construction, hospitality, and financial services. In fact, the trucking industry, which is very important to my state, currently has a driver shortage of 20,000 drivers. That shortage is expected to grow to 110,000 by 2014. I have a recent article from the Arkansas Democrat-Gazette detailing the shortage the trucking industry is facing in Arkansas. I would like to include it for the record.

We have industries in need of skilled employees and we have many young men and women in need of good, high-paying jobs. Our legislation is intended to help match those with needs through increased training benefits in the Montgomery GI Bill. The GI Bill, established after World War II, was a commitment that Congress made to veterans of that war. We would like to extend that commitment to reflect the job opportunities of our modern economy.

To accomplish this task, I joined with my colleague, Senator Burns, in introducing S. 2416, the Veterans Employment and Training Act--the VET Act. To date, we have a group of seven bipartisan sponsors.

The VET Act would make those sectors identified by the Department of Labor as high growth eligible for accelerated payments under the GI Bill by expanding the number of job training programs covered by the Accelerated Payment Program.

Many of the training programs for employment in the identified sectors are short-but they are often more costly at the beginning. The current structure of the GI Bill only provides veterans with the option of a smaller monthly stipend. This arrangement works well for traditional education institutions, such as two and four-year institutions.

However, this same arrangement is not conducive to the nature of our changing economy and the nature of high growth occupations. A reconfigured and expanded Accelerated Payment Program has the potential to pay big dividends for our veterans and our economy. The Arkansas Employment Security Department estimates that between one-third and one-half of all nonfarm jobs in Arkansas are in sectors that would benefit from this legislation.

For the benefit of my colleagues, let me briefly review a few reasons why I think this legislation is a wise policy decision.

First, I believe the VET Act will help veterans returning from Iraq and the War on Terror. Accelerating GI Bill benefits for training in high-growth occupations will help place veterans faster in good-paying jobs.

Second, passing the VET Act will encourage returning veterans to pursue careers in occupations that will contribute most to the US economy. All fourteen sectors identified by the Department of Labor are expected to add large numbers of jobs to our economy over the next several years. This legislation will assist in matching the available workforce with our needs to keep our economy growing.

Third, the VET Act will help make short-term, high cost training programs more affordable to veterans. GI Bill benefits are paid monthly with a maximum monthly stipend of \$1,000. Many of the training programs for occupations identified by the Department of Labor as high-growth are short term and high cost in nature. Truck

driver training courses typically last four to six weeks, but can cost up to \$6,000. Without this legislation, GI Bill benefits will only cover between \$1,000 and \$1,500 of the cost. Such a low offset discourages veterans from using GI Bill benefits from these types of training programs. Accelerated benefits would cover 60% of the cost, and benefits would be paid in a lump sum.

Last, the VET Act will help place veterans in good-paying jobs at a very low additional cost to the federal government. S. 2416 merely enhances benefits already available?the total cost of the accelerated benefits program for high-tech occupations is only \$5.7 million. This is a very small percentage of total benefits available to veterans already. Any additional cost will be small and incremental compared to the immediate payoff of reducing unemployment among young veterans and enhancing employment opportunities in high-growth occupations.

To date, ten veterans and industry organizations have endorsed our legislation, including the American Legion, AMVETS, American Trucking Associations, Owner-Operator Independent Driver's Association, Associated General Contractors, and the National Restaurant Association, among others. I would like to include a letter of support from some of these groups for the record.

Mr. Chairman, Senator Akaka and members of the Committee, I believe this is good legislation that will benefit our veterans and our economy. I look forward to working with all of you to enact the VET Act and stand ready to assist you in your mission of helping our veterans succeed in civilian life.