

**STATEMENT  
OF  
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VETERANS' EMPLOYMENT AND TRAINING SERVICE  
U.S. DEPARTMENT OF LABOR  
BEFORE THE  
COMMITTEE ON VETERANS' AFFAIRS  
U.S. SENATE**

**May 13, 2015**

**INTRODUCTION**

Good afternoon, Chairman Isakson, Ranking Member Blumenthal, and distinguished Members of the Committee. Thank you for the opportunity to participate in today's hearing. I would like to thank the Commission, which was assigned to develop the Military Compensation and Retirement Modernization (MCRMC) Report, for all its hard work. As President Obama indicated, the report's recommendations "represent an important step forward in protecting the long-term viability of the All-Volunteer Force," and "improving quality-of-life for service members and their families." As Deputy Assistant Secretary for Policy at the Veterans' Employment and Training Service (VETS) at the Department of Labor (DOL or Department), I appreciate the opportunity to discuss the Department's views on pending legislation and proposals impacting veterans.

The Department's charter, for over 100 years, has been to "foster, promote and develop the welfare of working people, to improve their working conditions, and to enhance their opportunities for profitable employment." The Department's collective resources and expertise are integrated with state workforce agencies and local communities to meet the employment and training needs of all Americans, including veterans, transitioning service members, members of the National Guard and Reserve, their families, and survivors.

As the Federal government's leader on veterans' employment, VETS ensures that the full resources of the Department are readily available for veterans and service members seeking to transition into the civilian labor force. VETS' mission is focused on four key areas: (1) preparing veterans for meaningful careers; (2) providing them with employment resources and expertise; (3) protecting their employment rights; and, (4) promoting the employment of veterans and related training opportunities to employers across the country.

While this hearing addresses several legislative proposals, the Department limits its remarks to those legislative proposals that have a direct impact on the programs administered by the Department, specifically, the "21<sup>st</sup> Century Veterans' Benefits Delivery Act," and the legislative proposals based on MCRMC Recommendations 11 and 12.

## **S. “21<sup>st</sup> CENTURY VETERANS BENEFITS DELIVERY ACT”**

The draft Senate bill, “21<sup>st</sup> Century Veterans Benefits Delivery Act,” seeks to amend title 38 of the U.S. Code, to improve the processing by the Department of Veterans Affairs (VA) of claims for benefits under laws administered by the Secretary of Veterans Affairs, and for other purposes.

### **Section 101**

Section 101 would amend section 1144 of title 10 of the U.S Code, adding subsection (f) to require modifications to the VA’s eBenefits website, which would ensure that service members, veterans, and their spouses have access to the Transition Assistance Program (TAP) online curriculum, as administered by the Secretary of Labor, the Secretary of Defense, the Secretary of Homeland Security, and the Secretary of Veterans Affairs. The Department believes that it has already met the intent of this proposal. DOL has worked with the Department of Defense (DoD) and VA to host the TAP curriculum online. Currently, service members and their spouses are able to access the entire Transition GPS curriculum online via DoD’s Joint Knowledge Online, the VA’s eBenefits website, or DOL VETS’ website. Section 101 also states: “An individual subject to a requirement under subsection (c) may not satisfy such requirement by participating in the program carried out under this section solely through an Internet website.” DOL appreciates the intent of this statement and notes that the vast majority of service members who attend our employment workshop do so in person. We defer to DoD on the impact of this requirement, and to the VA on the inclusion of our Veterans Service Organization (VSO) partners.

## **LEGISLATIVE PROPOSALS FROM THE MCRMC REPORT**

The Administration has indicated its general support for Recommendations 11 and 12, in the Presidential Memorandum issued on April 30, 2015. As DOL recently shared with the staff of this Committee, the Department has initiated many of the Commission’s recommendations prior to publication of the Commission’s report. Accordingly, any legislative proposal to implement these recommendations should be modified to reflect these recent VETS program improvements, as well as to ensure continued access to unemployment benefits for service members who need income support, while availing themselves of educational and training programs.

### **Recommendation 11**

Recommendation 11, “Safeguard education benefits for Service members by reducing redundancy and ensuring the fiscal sustainability of education programs,” is primarily directed toward DoD and VA, who administer a myriad of benefit programs for service members. The Department generally supports Recommendation 11. The sub-recommendation of interest to DOL would prevent individuals receiving housing stipend benefits under the Post-9/11 GI Bill from simultaneously receiving unemployment insurance (UI). This sub-recommendation would amend title 5 of the U.S. Code, at section 8525, on Unemployment Compensation for Ex-Service members (UCX), as well as any other regulation and policy pertaining to section 8525. The

MCRMC's companion legislative proposal to implement this sub-recommendation is contained in Section 1109, Unemployment Insurance.

To achieve the goal of safeguarding education benefits of service members, it is necessary that service members have adequate income support to take advantage of these programs. The Department would like to ensure equitable treatment for service members compared to their civilian counterparts, who also are seeking UI benefits for approved training. The receipt of other benefits, such as the Post-9/11 GI Bill retraining incentives or housing benefits, currently do not prevent veterans from taking advantage of the same provision given to regular (civilian) unemployment insurance (UI) recipients when training is approvable/approved under state law.

Providing income support for service members eligible for UCX helps to ensure that their retraining leads to employment in a more sustainable labor market after specialized military service. Unemployment insurance is designed to provide benefits for workers to enable their successful transition to new employment; it is affirmatively intended to provide for costs of living beyond housing. Additionally, State UI laws contain requirements regarding an individual's availability for work, which entails being ready, willing, and able to work. This includes the requirement that a claimant receiving UCX register with the public employment service. Thus, receipt of UCX benefits connects veterans to reemployment services through the public workforce system, which in conjunction with receiving GI Bill benefits, helps to more effectively support the individual's successful reentry to civilian employment. Therefore, preventing GI Bill beneficiaries from receiving unemployment compensation may be a detriment to their successful reemployment. While the Department does not favor Section 1109 as currently drafted, we would be willing to continue discussions with Congress and the Department of Veterans Affairs on this issue.

### **Recommendation 12**

Recommendation 12, "Better prepare Service members for transition to civilian life by expanding and granting states more flexibility to administer the Jobs for Veterans State Grants Program," seeks to expand service members' knowledge of educational benefits, improve Transition GPS, and improve the Jobs for Veterans State Grant (JVSG) program. The Department generally supports Recommendation 12; for purposes of this hearing, the Department will focus specifically on the following sub-recommendations:

- 1) *The Congress should require DoD, VA, and DOL to review and report on the core curriculum for Transition GPS to reevaluate if the current curriculum most accurately addresses the needs of transitioning Service members. This report should include review of the current curriculum; the roles and responsibilities of each Department and whether they are adequately aligned; and the distribution of time between the three departments in the core curriculum and whether it is adequate to provide all information regarding important benefits that can assist transitioning Service members. This review should indicate whether any of the information in the three optional tracks should be addressed instead in mandatory tracks. It should also include a standard implementation plan of long-term outcome measures for a comprehensive system of metrics. This review should identify any areas of concern regarding the program and recommendations for addressing those concerns.*

DOL notes that processes already in place address the intent of this proposal, and would be pleased to share our curriculum review results with this Committee. The MCRMC's companion legislative proposal to implement this sub-recommendation is contained in Section 1204, Transition GPS Program Core Curriculum Review and Report.

In Fiscal Year (FY) 2014, as a member of the TAP Senior Steering Curriculum Working Group with DoD and VA, the Department began an annual curriculum evaluation. This evaluation included analysis of results from the web-based Transition GPS participant survey instrument developed by DoD, and input from various stakeholders. Based on this evaluation, the Department revised the TAP Employment Workshop curriculum to include Equal Employment Opportunity and Americans with Disability Act content, the Veterans Employment Center content, and enhanced information on Workforce Investment Act training, dislocated worker training, and Registered Apprenticeship programs.

The FY 2015 curriculum review began in April 2015, in conjunction with the TAP Senior Steering Curriculum Working Group's planned review of the entire Transition GPS curriculum. Any changes that may result from this review should be available to transitioning service members in November 2015. Additionally, the Department will address this sub-recommendation before the TAP Senior Steering Group for consideration in the FY 2015 curriculum review.

- 2) *The Congress should amend the relevant statutes to permit state departments of labor or their equivalent agencies to work directly with state Veterans Affairs directors or offices to coordinate implementation of the JVSG program.*

DOL believes that it has already met the intent of this proposal, which is contained in Section 1202, Coordination with State Departments of Labor and VA. The process this proposal seeks to implement is already in place; the Department's standards of performance for each of the Directors for Veterans' Employment and Training (DVET) specifies in the "duties and responsibilities" section that each DVET must coordinate with state Departments of Labor and Veterans Affairs. Moreover, current law does not prohibit inter-agency coordination with respect to JVSG, including coordination with the VA (title 38, U.S. Code 4102A(b)(3)). In fact, the Workforce Innovation and Opportunity Act, passed in 2014, supports greater inter-agency cooperation. The public workforce system is designed to be a decentralized network of strong partnerships at the Federal, state, local, and regional levels.

- 3) *DOL should require One-Stop Career Centers to track the number of job fairs their employees participate in and the number of veterans they connect with at each job fair. This information should be included in each state's annual report to the DOL, and provided to the Congress.*

The Department does not find American Job Center (AJC) staff attendance at Transition GPS Employment Workshops, job fair participation rates, or the number of transitioning service members and veterans with whom JVSG staff interact to be measures reflective of meaningful outcomes data. Tracking these activities may, in fact, result in the unintended consequence of

incentivizing the quantity of interactions between AJC staff and veterans, rather than the quality and effectiveness of the services AJC staff provide to veterans. Also, this proposal, contained in Section 1201, Job Fair Participation Rates, seeks to amend the Workforce Investment Act of 1998, which has been superseded by the Workforce Innovation and Opportunity Act (WIOA), making it difficult to interpret how it would be executed. Nevertheless, this proposal is not in keeping with Section 116 of WIOA (which replaced section 136 of WIA), which establishes common performance accountability measures that apply across the Department's core employment and training programs to assess the effectiveness of States and local areas in achieving positive outcomes for individuals served by related programs. While JVSG is not a core program under WIOA, 38 USC 4102A requires JVSG performance measures to "be consistent with" those under WIOA. The Departments of Labor and Education on April 16 jointly issued a WIOA Notice of Proposed Rulemaking seeking public comments on such topics as performance accountability to ensure that Federal employment and training program investments report on common performance indicators such as how many individuals, including veterans, entered employment and their median wages. The Departments welcome comments from this Committee on our proposal.

- 4) *The Congress should require a one-time joint report from DoD, VA, and DOL to the Senate and House Committees on Armed Services and Veterans' Affairs regarding the challenges employers face when seeking to hire veterans. The report should identify the barriers employers face gaining information identifying veterans seeking jobs. It should also include recommendations addressing barriers for employers and improving information sharing between Federal agencies that serve veterans and separating Service members, so they may more easily connect employers and veterans. The report should also review the Transition GPS career preparation core curriculum and recommend any improvements that can be made to better prepare Service members trying to obtain private-sector employment.*

The Department supports the intent of this recommendation and looks forward to continuing our work with our Federal partners on this important issue. However, we already have gathered much information from employers on their challenges in hiring veterans. This is provided in recent reports, such as the 2014 RAND report titled, "Lessons from the 100,000 Job Mission." We already are working with agency partners to address many of those challenges. In addition, and given the volume of information and the workload required to obtain additional data, we recommend that we work with our agency partners to develop the information you believe would be helpful in assessing issues related to barriers to employers hiring veterans. We then can meet with you to share the requested material.

#### **OTHER LEGISLATION BEFORE THE COMMITTEE**

The Committee also is considering legislation to encourage companies that contract with the VA to hire veterans. DOL's Office of Federal Contract Compliance Programs (OFCCP) enforces a provision of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), 38 U.S.C. 4212, which prohibits covered Federal contractors and subcontractors from discriminating in employment against protected veterans. This provision also requires these contractors to take affirmative action to employ, and advance in employment, protected veterans. Since the legislation addresses contracting preferences of the VA, DOL defers to that agency

with respect to this bill, and defers to other agencies affected by the remaining pieces of legislation.

### **CONCLUSION**

We at the Department of Labor remain committed to our nation's veterans and we look forward to working with the Committee to ensure the continued success of our efforts. The Department lauds the hard work the Commission placed into their recommendations. It is our hope that the Committee will consider the modifications we have provided and is open to working with the Committee members to provide technical assistance. Mr. Chairman, Ranking Member Blumenthal, and Members of the Committee, this concludes my statement. Thank you again for the opportunity to testify today. I am happy to answer any questions that you may have.