

The Honorable Charles S. Ciccolella, Assistant Secretary for Veterans' Employment and Training, U.S. Department of Labor

TESTIMONY OF
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ASSISTANT SECRETARY FOR
VETERANS' EMPLOYMENT AND TRAINING
U.S. DEPARTMENT OF LABOR
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. SENATE
MARCH 16, 2006

Mr. Chairman and members of the Committee:

Thank you for the opportunity to discuss our Homeless Veterans' Reintegration Program (HVRP) and its relationship to other agencies' programs for homeless veterans. We appreciate the leadership of the Senate Committee on Veterans' Affairs in supporting programs to help our Nation's veterans.

The Veterans' Employment and Training Service (VETS) has the mission of providing veterans with the resources and services they need to succeed in the 21st century workforce by maximizing their employment opportunities, protecting their employment rights, and facilitating their smooth transition from the military into civilian employment.

Homelessness Among Veterans

According to the Department of Veterans Affairs (VA), on any given night, less than 200,000 veterans are homeless. Veterans, for many reasons, some of which are not fully understood, are disproportionately represented in the homeless population. In fact, VA estimates that about a third of adult homeless men and nearly a quarter of all homeless adults have served in the armed forces. VA has a very large and integrated network of programs and services to help address the treatment, rehabilitation and residential needs of our Nation's homeless veterans.

Importance of Collaboration

The Department of Labor (DOL) works cooperatively with the VA on many veterans' issues, including in the specific area of addressing the needs of homeless veterans. We actively support the VA's substantial assistance programs. I have served on the VA's Advisory Committee for Homeless Veterans for the past five years. The homeless service programs VA provides through their collaboration with Federal, State and Local partners

represent a coordinated range of services for homeless veterans. These programs have made a tremendous difference in the lives of many, many homeless veterans.

I cannot overemphasize that last point. When agencies and organizations work together to get the job done, which is what you see happening today with programs that address the needs of homeless veterans, we are much more likely to see meaningful results.

I applaud the leadership of Secretary Chao, Secretary Nicholson and former Secretary Principi and their commitment to ending homelessness among veterans.

Department of Labor Targeted Assistance for Homeless Veterans

DOL's targeted assistance program for homeless veterans, the employment-focused VETS Homeless Veterans' Reintegration Program (HVRP), is an important, successful intervention and prevention initiative for veterans who find themselves without a permanent place to call home.

The intended purpose of the HVRP program is to expedite the reintegration of homeless veterans into the labor force. This is accomplished through competitive grants nationwide that are awarded to States, local governments, Workforce Investment Boards, and nonprofits, including community- and faith-based organizations. In FY 2005, 84 competitive HVRP programs were funded.

HVRP grantees working collaboratively with the Departments of Veterans Affairs, Housing and Urban Development (HUD), Health and Human Services (HHS), and State and community organizations, and nonprofit organizations have a proud history of providing meaningful assistance to our nation's homeless veterans. HVRP is highly successful because 1) it focuses on job training and employment assistance, 2) it helps put homeless veterans on the path to self-sufficiency, and 3) it is well integrated with the VA's continuum of care for homeless veterans.

Administration and Budget of the Homeless Veterans' Reintegration Program

HVRP is administered on a Program Year (PY) basis. The funds are awarded through a competitive grants process. The authorizing legislation for HVRP expires December 31, 2006.

H.R. 3665, currently under consideration in the Senate, would reauthorize HVRP. The Administration supports extending authorization of HVRP for an additional three years.

VETS is planning to announce the FY 2006 HVRP Solicitations for Grant Applications (SGAs) by the end of this month. We plan to conduct three (3) competitions (Urban, Non-Urban, and an SGA for New Grantees) seeking to serve both urban and non-urban homeless veterans. We are conducting a separate competition for new grantees in order to increase the geographic coverage of the program nationwide, and to provide an opportunity for applicants who have not previously been awarded an HVRP grant.

The FY 2006 HVRP appropriation is \$21,780,000. This will fund approximately 92 grants. Over 16,000 homeless veterans will be served by these HVRP grants and approximately 10,000 homeless veterans will enter employment. The FY 2007 requested budget is \$21,838,000.

How the HVRP Grants Operate

HVRP grantees provide a "holistic" approach to serving the homeless veteran. Proper assessment and case management is essential, as is skills training and job search assistance. We place emphasis not only on the veteran getting a job, or "entering employment," but also on the veteran keeping the job, or "retaining employment." In Program Year 2004, ending June 30, 2005, the program's entered employment rate was 65%, and the 90-day retained employment rate was 72% of the 65% who enter employment. We are placing emphasis on employment retention at the 90 and 180 day mark in order to ensure participants are placed into quality jobs that provide better opportunities for achieving self-sufficiency.

Grant recipients are required to enhance employment and training opportunities through linkages, networking, and coordination with community based organizations, as well as Federal, State, and Local agencies, veteran service organizations, and America's workforce investment system. In fact, we require grantees to link their services with the Disabled Veterans Outreach Program (DVOP) specialists, who provide employment-focused case management services in One-Stop Career Centers.

In support of the DVOP involvement, we encourage out-stationing of DVOPs at HVRP locations, as your staff observed last week at the Maryland Center for Veteran Employment and Training, or "MC VET" HVRP in Baltimore. In addition, each HVRP grantee is assigned a DVOP specialist. Local Veterans Employment Representatives (LVERs) also are available to assist homeless veterans and HVRP grantees, providing job development, placement and

supportive services. LVERs are located in One-Stop Career Centers, and are able to link homeless veterans to One-Stop services and their partner programs.

Additional Features of HVRP Programs

Two other initiatives, funded under the HVRP program, complement our ongoing efforts to address the needs of homeless veterans.

? Homeless Stand Downs: In FY 2005, HVRP also funded homeless veteran Stand Down activities at 34 locations. Over 5,300 homeless veterans received on-the-spot services and referrals for support services. Stand Downs are always collaborative efforts with the VA, HUD, local workforce agencies and other community service providers. Most are multi-day events where homeless veterans are provided medical treatment, VA benefit eligibility services, and employment

focused case management by DVOPs and LVERs. On average, over 150 homeless veterans were served at each of these Stand Down events.

? Incarcerated Veterans' Transition Program Grants: In accordance with the Homeless Veterans Comprehensive Assistance Act of 2001, approximately \$2,000,000 HVRP dollars are used to support seven Incarcerated Veterans' Reintegration Demonstration (IVTP) programs, which are conducted jointly by DOL and the VA. These grants serve transitioning incarcerated veterans and are designed to reintegrate these veterans into society and the workforce, reducing the high recidivism rates among former prisoners.

A Related DOL Program: The Veterans' Workforce Investment Program

In addition to the targeted HVRP and IVTP programs, VETS funds competitive grants through the Veterans' Workforce Investment Program (VWIP), authorized under Section 168 of the Workforce Investment Act of 1998. Although it does not specifically target homeless veterans, VWIP grants focus on assisting veterans with overcoming barriers to employment, including recently separated veterans, and are extremely valuable for preventing homelessness. VWIP grants emphasize delivery of training and facilitation of occupational credentialing, so that successful participants are prepared to meet employers' needs for workers in demand occupations within high-growth industries. There are currently 17 VWIP grantees serving 2,500 participants ? 65% of whom are expected to enter into employment.

Summary

Mr. Chairman, VETS views HVRP as a model program for reintegrating homeless veterans into society and the workforce. For a relatively small investment, the HVRP program is successfully putting veterans on a path to self-sufficiency and ending the cycle of homelessness.

We have attached several charts that show HVRP funding levels, participation, entered employment levels and wages for recent years.

This concludes my testimony. I will be pleased to respond to your questions.

Fiscal Year

* = Planned for period ending June 30, 2006

Homeless Veterans' Reintegration Program

\$10.00 \$9.80 \$9.60 \$9.40 \$9.20 \$9.00 \$8.80 \$8.60 \$8.40 \$8.20 Avg Wage @ Placement

2000 2001 2002 2003 2004 2005*

Fiscal Year

* = Planned for period ending June 30, 2006