

STATEMENT OF
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COMMITTEE ON VETERANS’ AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

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Good morning Chairman Stutzman, Ranking Member Braley, and distinguished members of the Subcommittee. Thank you for your invitation to participate in today’s hearing on the implementation of the VOW to Hire Heroes Act of 2011 (VOW). This legislation is an integral part of President Obama’s efforts to ensure that America fulfills its obligations to our returning Service Members, veterans, and their families. The VOW Act also incorporates several important components of the American Jobs Act, including the Wounded Warrior and Returning Heroes Tax Credits. The bill garnered broad bipartisan support in Congress and the President signed it into law on November 21, 2011.

Although recent data from the Department of Labor’s Bureau of Labor Statistics shows that payrolls have climbed and the unemployment rate has dropped to a two-year low, we need faster economic growth to put Americans back to work. Moreover, high unemployment rates among veterans remain an area of concern. The VOW Act is intended to lower the unemployment rates of veterans by providing a broad array of new and expanded services to assist them in acquiring the enhanced skills needed to compete in today’s labor market and thus facilitate veterans’ return to work.

The Department of Labor (DOL) has various responsibilities under the VOW Act; however, per the Subcommittee’s request, my testimony today will focus— on section 211, the “Veterans Retraining Assistance Program” (VRAP), and section 233, “Training and Rehabilitation for Veterans who have Exhausted Rights to Unemployment Compensation under State Law”. I am particularly grateful for this opportunity to discuss

DOL's collaborative efforts with the Department of Veterans Affairs (VA) to implement and administer these two provisions in a coordinated and cost-effective way that will facilitate eligible veterans' access to the valuable services available under the law.

The VOW Act recognizes that providing comprehensive services to veterans requires Federal agencies to work together, leverage collective resources, and streamline processes. The Department is fully committed to working with our Federal partners to implement the Act. We believe that this commitment is demonstrated not only by DOL and VA's recent collaboration on sections 211 and 233 of the VOW, but also by other ongoing efforts in support of our Nation's veterans. Therefore, before I turn to a discussion of the VOW Act, I want to update you on some of our other recent work with the VA.

On November 7th, 2011, the President and DOL announced the "Gold Card Initiative" which offers a set of intensive services to post-9/11 veterans through DOL's nationwide network of approximately 3,000 One-Stop Career Centers. The goal of this initiative is to jump-start the job search process for post-9/11 veterans through enhanced in-person services that help them reconnect to the civilian labor force. In order to maximize outreach, DOL partnered with the VA to ensure that the promotion of the Gold Card was visible through both DOL and VA resources, including posting easy-to-access links on our respective Web sites.

On the same day, the Administration launched a new Veterans Jobs Bank, an easy-to-use tool to help connect veterans looking for jobs with employers looking to hire them. It already allows veterans to search nearly one million job postings and is still growing. In a few easy steps, employers can make sure the job postings on their own Web sites are part of this Veterans Jobs Bank. The Veterans Job Bank is found at www.nrd.gov, the National Resource Directory, which has been a successful joint effort and example of past collaboration among DOL, VA, and the Department of Defense.

Interagency collaboration is an essential component in ensuring that the public workforce system effectively implements the requirements of this legislation. For example, DOL plans to consult with the VA in preparing guidance related to the recent revisions to the Post-9/11 GI Bill. This guidance will be issued to the One-Stop Career Center line staff and Disabled Veterans Outreach Program Specialists and Local Veterans Employment Representatives so that they are familiar with these revisions. The guidance will also help them tap into the resources made available in the GI Bill to better direct veterans to training and other such services critical to helping veterans attain the credentials necessary to secure employment.

The Veterans Retraining Assistance Program

Section 211 of the VOW establishes the Veterans Retraining Assistance Program (VRAP) for unemployed veterans aged 35 to 60. The VRAP, which entitles eligible veterans to retraining assistance for up to 12 months when they pursue a qualified program or training, must be up and running no later than July 1, 2012. The VOW Act specifies that VA and DOL will jointly administer the process for determining veterans' eligibility for VRAP. Specifically, DOL will be responsible for determining applicants' initial eligibility based on age, employment status, and previous participation in other job training programs. Following DOL's determination, the VA is required to certify applicants based on several additional criteria, such as the conditions of the applicants' discharge and eligibility for other forms of assistance. Other DOL-specific requirements include identifying the high-demand occupations that will be the focus of VRAP training, and contacting veterans within 30 days of completing or terminating the VRAP training to inform them of the employment placement services that are available to them. The VOW Act also requires DOL to work with VA to establish a process for resolving appeals of eligibility determinations made by the agencies. DOL and VA are still discussing the processes and systems that will be used to carry-out the VRAP program but it is very likely that the One-Stop Career Center System will play a key role.

Before the VOW Act was enacted, DOL and VA had already initiated planning to get a head start on implementation of this critical legislation. During the next seven months

leading up to the July 1, 2012 deadline for the commencement of VRAP, we will accomplish the following milestones that will be jointly-managed by DOL and VA:

- Establish a Memorandum of Agreement and a Project Charter delineating agency specific processes and responsibilities covering participants' initial intake through completion of the VRAP program;
- Seek consultations on process design with veterans employment and training experts in state and local workforce agencies and other appropriate stakeholder organizations representing veterans' interests;
- Design, test and implement customized application processing systems to manage DOL and VA's joint responsibilities under the VRAP program;
- Develop, test and implement enrollment and participant tracking system(s) to enable the agencies to report program results; and
- Develop and execute outreach and technical assistance strategies to both stakeholders and program delivery staff.

We have identified two major operational and implementation challenges which will need to be addressed over the next few weeks as we complete the Project Charter and Memorandum of Agreement. First, we must find a way to connect, and facilitate a successful interaction between the public workforce system – a decentralized, nationwide network of approximately 3,000 One-Stop Career Centers managed through a combination of Federal, state, and local partnerships – and the VA's Federally-centralized GI Bill system. Second, we need to develop a mechanism to enable DOL and VA to appropriately access each other's administrative and performance data systems, so that we can ensure the successful execution of the VRAP, while also protecting the agencies' respective privacy and data sharing agreements and requirements.

Expanded Benefits for Veterans with Service Related Disabilities

Section 233 of the VOW amends current law to allow individuals with service-connected disabilities who have exhausted Unemployment Insurance (UI) benefits under state law to seek assistance from additional rehabilitation programs specified in the legislation.

The VA is primarily responsible for the administration of this provision; however, DOL will have a key role in developing the eligibility determination process. To avail themselves of the assistance provided for under section 233, applicants must have exhausted their rights to regular compensation under State law and must not be receiving unemployment compensation under Canadian law. Because there is currently no single unified system that can be used to determine whether a person has exhausted his or her rights to regular compensation under State law, we expect that State UI agencies would be involved in making this determination. DOL is exploring possible operational methods to successfully execute this provision. In particular, we are examining the process utilized in other Federal benefit programs, such as the Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP), that would allow state UI agencies to be reimbursed for the workload in making the necessary determinations.

Additionally, while we can determine if someone is receiving unemployment benefits based on wages in both the United States and in Canada, we do not, at present, have the ability to determine if an individual is eligible for Canadian unemployment benefits solely based upon the wages the person earned in Canada. DOL anticipates that we will need to review Canadian confidentiality laws to ascertain if there are any existing, reasonable methods to reliably obtain that information.

Other Provisions of Note

In addition to sections 211 and 233, the VOW contains several provisions that are designed to enhance the Department's current activities and programs targeted towards veterans. These enhancements include, but are not limited to: (1) required participation in the Transition Assistance Program, which designed to increase veterans' awareness and utilization of the employment, education, and training programs that are available to them; (2) increased veterans' access to apprenticeship and pre-apprenticeship programs; (3) clarified priority of service reporting requirements within the public workforce system; (4) identification of skill equivalencies between military and civilian occupations; and (5) amendment and expansion of the categories of veterans eligible for

the Work Opportunity Tax Credit. The Department, working in collaboration with other Federal agencies, as needed, is actively developing a strategic plan to implement these provisions within the timeframes contained in the VOW Act.

Conclusion

Mr. Chairman, as I stated earlier, both DOL and VA are committed to the full and speedy implementation of the VOW to Hire Heroes Act of 2011 in support of veterans' success in the civilian labor market. We will keep you and the Subcommittee apprised of implementation milestones through regular briefings, as requested.

Members of the Committee, this concludes my statement. I would be pleased to answer any questions you may have.