

**TESTIMONY
OF
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VETERANS' EMPLOYMENT AND TRAINING
U.S. DEPARTMENT OF LABOR**

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

MARCH 25, 2014

Introduction

Good afternoon, Chairman Flores, Ranking Member Takano, and distinguished Members of the Subcommittee. As the Assistant Secretary for Veterans' Employment and Training Service (VETS) at the Department of Labor (DOL or Department), I am honored to testify before you. I am accompanied today by the Department's Chief Evaluation Officer, Demetra Nightingale.

Thank you for the opportunity to provide the Department's views on pending legislation and for your continuing support of our Nation's veterans, transitioning service members, and their families. The Department will continue to work with the Members of the Committee to ensure that the men and women who serve this country have the employment support, assistance, and opportunities they need and deserve to succeed in the civilian workforce.

While this hearing is focused on numerous bills pending before the Subcommittee, I will limit my remarks to those pieces of legislation that have a direct impact on DOL, including: H.R. 3614, the Military Skills to Careers Act; and H. R. 4150, the Veterans Employment and Training Service Longitudinal Study Act of 2014. DOL respectfully defers to the Department of Veterans Affairs (VA) on the remaining pieces of legislation.

H.R. 3614 — The Military Skills to Careers Act

The first piece of legislation that I will address is H.R. 3614, the Military Skills to Careers Act. H.R. 3614 would require that a State establish a program under which the State administers an examination and issues a license or credential to a veteran, without requiring any training or apprenticeship, if the veteran: (1) receives a satisfactory score on the relevant State examination; (2) has been awarded a military occupational specialty that is substantially equivalent to, or exceeds, the State requirements; (3) has engaged in the occupation for at least two of the five preceding years; and (4) pays any fees required by the State. H.R. 3614 would require the State to establish such a program as a condition of a contract or grant from DOL to hire and support Disabled Veterans' Outreach Program (DVOP) Specialists or Local Veterans' Employment Representatives (LVERs).

Each State would be required to submit a description of the results of the exams administered to the Secretary of Labor (Secretary), who would summarize those results in a report to Congress and the Secretary of Defense at least once a year. H.R. 3614 would also allow the Secretary to waive the requirement to establish such a program if the State certifies that, in issuing licenses or credentials, the State: (1) takes into account previous military training; (2) permits veterans to completely satisfy, through examination, any training or testing requirements for which a veteran has previously completed military training; and (3) for any credential or license for which a veteran is unable to completely satisfy such requirements through examination, substantially reduces the required training time based on the military training received by the veteran.

The Department supports the intent of H.R. 3614 and looks forward to working with Members of Congress to ensure that separating service members and veterans are able to successfully translate their military training and experience to civilian occupations. DOL also supports efforts to encourage States to apply consistent measures when awarding credit for military training and experience towards certain occupational licensing requirements. Greater uniformity will help enable a comparison of military training and experience to nationwide requirements for licensure.

However, withholding funding that supports DVOP and LVER staff is not the right approach to achieve this goal. That approach could have the unintended consequence of penalizing veterans and States who rely on these critical personnel to help them attain employment. A better and more practical approach would be to provide assistance to States that are working hard to make progress in streamlining licensing and credentialing processes for veterans and disseminate best practices to other States. At the same time, States should continue to be funded by DOL to employ veteran-employment specialists to provide services to veterans and conduct outreach to employers to encourage the hiring of veterans.

In addition, the Department is concerned that, by including all licenses and credentials issued by a State, H.R. 3614, as currently drafted, is overly broad. Some States issue hundreds of different licenses and credentials. For instance, Illinois has close to 400 different occupational licenses and California has 350 occupational licenses. In fact, more than half of the States, thirty-four of

them, have over 100 different occupational licenses. As a result, the administrative burdens could be significant. Moreover, State licensing boards use a variety of mechanisms and methods that are specific to each industry and State in establishing licensing criteria. As a result, DOL recommends that the legislation authorize DOL to provide Technical Assistance to assist the States and to establish any necessary reporting systems.

The majority of States have adopted legislation aimed at supporting service members who seek to qualify for licenses and credentials based on their military education, training, and experience. There are a variety of different legislative and regulatory approaches that have been adopted and proved successful in different States. The Administration will continue to work with States to develop and implement solutions that work at the State and federal level to assist veterans.

The Department, in collaboration with the Department of Defense, has been working with States to help improve their licensing and certification practices. Two such projects are currently under way: one to analyze and compare transferable skills from military training to civilian credentials for a set of key military occupations; and a second to provide information and technical support to selected States to award credit for military training and experience toward State occupational licensing requirements. The latter demonstration project provides assistance to efforts in six States to facilitate and accelerate licensing of veterans for selected occupations (EMT/Paramedic; Licensed Practical Nurse; Physical Therapy Assistant; Registered Nurse; Police Patrol Officer; and Commercial Bus and Truck Drivers).

We note that the Department of Transportation (DOT) has worked with the States to obtain a waiver of the road test for veterans, to facilitate the process of obtaining Commercial Driver's Licenses. DOT also has responsibilities for Emergency Medical Service occupations although other health occupations would be relevant to the Department of Health and Human Services. Results and promising practices will be disseminated to assist the efforts of other States. We look forward to sharing the results of the Department of Labor efforts with the Committee as they become available.

H.R. 4150 — The Veterans Employment and Training Service Longitudinal Study Act

H.R. 4150, the Veterans Employment and Training Service Longitudinal Study Act of 2014, would direct the Secretary to enter into a contract with a non-government entity to conduct a statistically valid longitudinal study of veterans and the job counseling, training, and placement services for veterans provided by the Department. In addition, H.R. 4150 would give the Secretary access to the National Directory of New Hires information.

I'll first note the provision that would make the National Directory of New Hires available to the Secretary. At this time, DOL does not have authority to readily access earnings data nationally, and for that reason, we strongly support the provision. Without such authority, the process of obtaining earnings data involves timely and costly negotiation with States and significant delays in studies often occur. The Department looks forward to working with the Committee to provide technical assistance. In particular, the Department recommends that the legislation amend Section 453(j) of the Social Security Act to provide DOL the same authority to access the NDNH that other federal agencies currently have.

The Department also looks forward to conducting the type of longitudinal study called for in the legislation. The Department welcomes the opportunity to have a survey to better understand the impact of our services on the employment outcomes of veterans. We look forward to working with the Committee to ensure that the legislation, and the resulting study, is appropriately crafted.

The bill calls for a survey of the following groups: (1) veterans who received intensive services through the Department's programs; (2) veterans who received services but did not get an intensive service; and (3) veterans who did not seek or receive services from the Department's programs. The study could be done by either following the same cohorts of individuals within each group over five years or conducting a survey sample of these three groups of veterans each year. Under both approaches, the Department recommends a mixed-method study that uses a combination of administrative data and surveys.

Based on DOL's conversations with Congressional staff, we understand that the intent of this legislation is to create a longitudinal study of the same veterans in each of these three groups over five years. Therefore, a survey would be the primary source of information. A nationally representative sample of individuals in the three groups would be surveyed each year over the course of the study, starting in year two. This type of study would assess the short-, medium-, and long-term outcomes of veterans, based on their responses to questions about whether they had received these services at specific times and would follow up on their employment, educational activities, income, and other meaningful measures of well-being.

The survey would also ask veterans their opinions about the services they sought or received. A complementary statistical analysis of program administrative data could be done to analyze the characteristics of veterans served in the programs and their outcomes, although it may not be possible to directly link the program data to the longitudinal survey. The Department would provide yearly reports to Congress on the outcomes of the three cohorts of individuals in the survey beginning after the first year during which the survey will be developed and tested.

Another approach would be to create a cross-sectional study that looks at a representative sample of veterans each year for each of the three groups. This type of study would require a slightly different mixed-method approach. The characteristics and outcomes of veterans would come from program administrative data and a survey would be conducted periodically, say every two years, of samples of veterans in each of the groups. Again, the survey would include questions about the veteran's use of services and their opinions of the usefulness of the services they received. In this type of study, it may be possible to link administrative program earnings data to the survey data for a richer analysis. We would deliver results to Congress each year, based on the data-collection schedule.

Either approach to the survey has challenges that could affect the timeline for reports to Congress. The Department would need to determine whether it can obtain reliable contact information to draw a representative sample from each group in a timely manner, and whether the sample should select from the entire nation or from selected States. Access to the National

Directory of New Hires and cooperation from States and partner agencies with necessary information will be essential.

The estimated cost of the study is \$10 million. This cost includes a longitudinal study of outcomes across the above dimensions for five years as well as three surveys of the same 12,000 veterans, 4,000 in each group, over the course of the study. The cost also includes the production of yearly reports to Congress, as well as a larger report that includes the results of the survey.

The Department believes that this type of study could be a tremendous opportunity to learn about the impact of the Department's services for veterans. By studying the three groups of veterans over time, the Department could obtain more complete data on the long-term outcomes of veterans who receive services from the Department and the key factors influencing those outcomes. In addition, the study would allow the Department to examine trends in program satisfaction and the long term employment and standard of living outcomes. The results would allow the Department to better tailor services to services to assist veterans with their immediate and long-term employment needs.

Conclusion

Mr. Chairman, Ranking Member Takano, and Members of the Subcommittee, this concludes my Statement. Thank you again for the opportunity to testify today on these bills. I am pleased to answer any questions you may have.