

**STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES**

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Introduction

Chairman Wenstrup, Ranking Member Takano and members of the Subcommittee on Economic Opportunity, I am pleased to appear before you today on behalf of the over 55 member state agencies of the National Association of State Approving Agencies (NASAA) and appreciate the opportunity to provide comments on “Examining VA’s On-the-Job Training and Apprenticeship Program.” We particularly look forward to discussing with you the Government Accountability Office report entitled, “Increasing Outreach and Measuring Outcomes Would Improve the Post-9/11 GI Bill On-the-Job Training and Apprenticeship Programs.” I am accompanied today by Mr. Dan Wellman, NASAA President. As a part of our review of the report, we will address the recommendations and outcomes of the report as well as suggest ways to make the programs more accessible to veterans and transitioning service members.

For hundreds of years, On-the Job and Apprenticeship type training has been an important means of educating family members and new employees. In our nation’s colonial era, two well-known examples of apprentices were Paul Revere and Benjamin Franklin. The impact of that training on their lives and upon our nation’s history needs no explanation. Such impact continues today in the successful transition of our military service members to civilian life. In fact, for those of us who served, OJT or “hands on” training played a critical role in our preparation as soldiers. You could read and discuss the assembly and disassembly of the M-16 A1 Rifle, but until you actually performed it, for most of us, it was a mystery. Hence, OJT and Apprenticeship are methods of training delivery that our military population are well acquainted with, and for many of them, the type of instruction from which they can best benefit.

Mr. Chairman, we agree with the GAO that there are three main areas surrounding the OJT and Apprenticeship program that need improvement. They are Outreach, Administrative Challenges and Outcome Measures. We wish to address each of these separately.

Outreach

We strongly agree that outreach efforts need to be improved and we equally believe that State Approving Agencies can be a major part of the solution. SAAs are already a part of the process in that we approve and oversee all non-federal OJT and apprenticeship programs. With adequate funding or an adjustment in our contractual requirements, we can provide a more robust outreach

to potential employers of veterans and their dependents. For example, from Fiscal Year 2008 until Fiscal Year 2011, SAAs, working with our VA partners, increased the number of approved Apprenticeship and OJT (APP/OJT) facilities with at least one active veteran or eligible dependent from 4,471 to 5,285. However, since then, due to our shared focus on oversight and constrained funding (SAA's have not had an increase in funding in the past 8 years and there are no outreach monies in our contract), the number of approved active facilities in FY 2015 was only 3,551, or 1,700 less than Fiscal Year 2011. In the past several years, we and our VA partners have focused heavily on oversight of institutions. This valuable work has been accomplished somewhat at the expense of our ability to provide outreach for the OJT and Apprenticeship Program. As you can see, during a time of unprecedented growth in the utilization of GI Bill benefits and interest in training providers to offer programs, our ability to approve programs, supervise facilities, and conduct meaningful outreach has been constrained by limited resources and our joint focus on oversight.

Even in this constrained environment, SAAs have been creative and innovative in attempting to reach employers and veterans with the message that there is another path to employment for them in addition to college. And one that could prove equally rewarding. For example, the Missouri SAA under Director Chad Schatz produces a CD, aptly titled, "The GI Bill-It's Not Just for College." This 8 minute CD reflects the perspective of the veteran, the employer, the VA and the SAA and it is used by many National Guard units, employers and SAAs across the nation. Prior to the recent restructuring of the Transition Assistance Program, this CD was a staple at many TAP briefings in the Central and Eastern regions. In addition, like many SAAs, Missouri publishes a monthly newsletter. And Missouri is not alone. Illinois, which had 336 approved and active apprenticeship and OJT facilities last year, has a vigorous outreach program involving add-a-stop visits to employers, along with presenting to statewide apprenticeship meetings and to every law enforcement and correctional officer academy class in Illinois. The Illinois SAA is also actively involved in Illinois Joining Forces, a consortium of employers, not-for-profit organizations, and state agencies interested in ensuring veterans make a successful transition from the military to the civilian world. They have also tied into the state of Illinois employment system identifying when veterans have been hired into state government jobs requiring a training program. The Ohio SAA performs outreach by sitting as an advisor on their State Apprenticeship Council and by providing briefings during the Ohio State Apprenticeship Annual Conference. Finally, NASAA has also worked closely with the certifying official organization, the Association of Veteran Education Certifying Officials (AVECO), seeking to connect the higher education community and employers with the VA APP/OJT program. Recent approval actions with national employers initiated by member SAAs effecting many states include Edward Jones, General Dynamics, Union Pacific and Time Warner Cable.

Mr. Chairman, we recommend that VA conduct national outreach efforts concerning these programs, while the SAAs should remain focused on state and local outreach efforts, which best meet the needs of their particular state. We would encourage the VA to place more emphasis on their website regarding the use of the GI Bill for APP/OJT opportunities. Likewise, we would suggest that outreach efforts by the VA and SAAs should focus on all current chapters of the GI Bill. In several states, such as Illinois, more veterans in APP/OJT programs ostensibly use other chapters such as Chapter 30, 1606 and 1607 rather than just Chapter 33, the Post 9/11 GI Bill. In certain instances, Chapter 30 provides a higher monthly benefit payment than the monthly

housing allowance and books and supplies stipend provided under Chapter 33. It is important to understand that what makes Chapter 33 more attractive at an IHL, the fact that the veteran's institution may receive payments for tuition and fees, is not a factor with OJT and Apprenticeship programs. We would also like to be able to conduct more supervisory visits, and indeed we have begun doing some. The phrase "Add-A-Stop", developed by the Missouri SAA, refers to a practice used by SAA's for over 15 years. An "Add-A-Stop" is an extra stop to a potential APP/OJT facility while traveling to a currently approved education or training facility for approval or oversight purposes. This practice maximizes efficiency in travel costs while increasing the VA/SAA footprint for the APP/OJT program.

With increased resources and personnel, we would like to be able to visit each active On-the-Job or Apprenticeship training program on an annual basis. During these visits, we are able to discuss the approval of the program, the goals of the program, and assist programs with VA paperwork issues and veteran payment issues. We also speak to veterans enrolled in these programs, providing them with the opportunity tell us how their training is going or if they are having any issues with payments. Ultimately, supervisory visits strengthen outreach activities in the field of On-the-Job and Apprenticeship training programs, as these visits provide employers and veterans with the confidence to recommend this program to other employers and veterans.

Additionally, current law limits the ability of SAAs to be reimbursed under their contract for outreach efforts unless it can be linked to a travel expense. Standard outreach and marketing strategies such as media advertising and social media advertising cannot be reimbursed. NASAA recommends 38 USC 3674 be modified to add an additional category of reimbursement for outreach and marketing.

Administrative Challenges

NASAA has long sought the automation of the APP/OJT process and claims processing. Hence, we strongly concur with the concerns raised in the GAO report regarding the need to ease administrative challenges. Automation would provide VA and SAAs with the ability to accurately track how many veterans are enrolled in approved APP/OJT programs and how many active APP/OJT programs (a program where a veteran has received a payment) are in the system. To illustrate the present situation, according to the GAO report, there were 2700 employers and apprenticeships sponsors approved to train Post 9/11 Bill veterans, but meanwhile there were over 3500 active approved facilities, roughly during this timeframe according to VA records. These numbers are submitted by SAAs and confirmed by the VA. This number also supports our earlier statement that many veterans enrolled in APP/OJT programs use other chapters of the GI Bill, not just the Post 9/11 GI Bill. Moreover, the VA frequently contacts SAAs to determine the name of a veteran in an APP/OJT program, as their manual systems for tracking veterans are so cumbersome to search. In the end, both of these examples illustrate the need for the VA to automate APP/OJT claims processing.

NASAA recommends that until the VA is able to establish an electronic system for APP/OJT process and payments, the VA should consider reducing administrative burdens on employers with approved APP/OJT programs by allowing them to certify all veterans enrolled in the GI Bill program on one enrollment form, instead of separate forms for each veteran. The use of such a form would provide employers with immediate relief from the administrative burdens of the

APP/OJT claims processing system. This sheet should be a protected form requiring only the certifying official's signature. The current form requires both the certifying official and veteran's signature, which has resulted in veterans acquiring the form, and in a few cases self-certifying themselves for benefits. Moreover, the use of such a form would reduce the amount of paperwork required to be processed by the VA. NASAA stands ready to implement a jointly administered pilot project in one of our larger APP/OJT states to test this suggested change in policy. However a reliable and valid automation system remains critical to the eventual improvement of this program.

Outcome Measures

While we understand the challenges the VA faces in developing outcome measures for this program, we concur with the GAO that outcome measures need to be developed. We would strongly recommend that the VA, as they have done in other areas, partner with NASAA in the development of these outcome measures. This would certainly be an opportunity for our collaborative Joint Advisory Committee, comprised of representatives from both VA and NASAA, to undertake and oversee this project. Once again, NASAA stands ready to implement a jointly administered pilot project in one of our larger APP/OJT states for this purpose. Such efforts would provide all stakeholders with solid data to see if the anecdotal evidence that already exists is true. That anecdotal evidence suggests when compared to other forms of education and training, those who engage in OJT and Apprenticeship programs have higher completion rates, higher placement rates, and higher retention rates. All at a fraction of the cost associated with many four-year degrees.

Conclusion

Mr. Chairman, the OJT and Apprenticeship programs under the various chapters of the GI Bill provide a tremendous opportunity to put our Nations veterans back to work immediately in meaningful and rewarding careers that are needed in our economy. We applaud the efforts of the GAO, this Committee, and our VA partners and stakeholders to increase outreach, improve administrative challenges, and develop outcome measures. We look forward to collaborating and partnering with our VA partners in support of many of these GAO recommendations.

Today, fifty-five SAAs in 49 states (some states have two) and the territory of Puerto Rico, composed of approximately 175 professional and support personnel, are supervising over 10,000 active facilities with 100,000 programs (including over 3500 APP/OJT programs). We remain strongly committed to working closely with our VA partners, VSO stakeholders and education and training facilities to ensure that veterans have access to quality training programs delivered in an appropriate manner by reputable employers. For we all share one purpose, a better future for our veterans and their dependents. Mr. Chairman, I pledge to you that we will not fail in our critical mission and in our commitment to safeguard the public trust, to protect the GI Bill and to defend the future of those who have so nobly defended us." I thank you again for this opportunity and I look forward to answering any questions that you or committee members may have.