

**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 Arrington, Ranking Member O'Rourke and members of the Subcommittee on Economic Opportunity, I am pleased to appear before you today on behalf of the 50 member state agencies of the National Association of State Approving Agencies (NASAA) and appreciate the opportunity to provide comments on "How to Improve Access to GI Bill Approved Apprenticeship Programs and How these Programs Benefit Veterans." We particularly look forward to discussing with you how State Approving Agencies (SAAs) interact with the Department of Veterans Affairs (VA) and Department of Labor (DOL) as well as apprenticeship providers, to approve and administer Programs. We also wish to discuss ways in which we, and the VA, could better inform eligible men and women about the advantages of using their GI Bill benefits in an approved apprenticeship program. Finally, we will suggest ways to remove hurdles and how we can work together with our partners and Congress to improve this important program, while better ensuring meaningful employment through apprenticeship programs for veterans.

For hundreds of years, Apprenticeship (APP) and On-the Job (OJT) type training has been an important means of educating family members and new employees. Our nation has a long history of valuing "learning by doing" that stretches back to young Benjamin Franklin in the colonial era and includes Booker T. Washington's efforts at then Tuskegee Institute in the last century. The impact of that training on our people's lives and upon our nation's history needs no further 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. One 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 remained a mystery. Hence, OJT and Apprenticeship are methods of training that our military population is well acquainted with, and for many of them, the type of instruction from which they can best benefit.

Mr. Chairman, we heartily agree with you that, working with our VA and DOL partners, we can improve in real and substantive ways the manner we approve and administer apprenticeship programs. Likewise, we know there are ways that we can better inform eligible men and women about the apprenticeship and On-The-Job training programs. We will address outreach and information sharing first.

## **Informing our Veterans**

We strongly agree that outreach efforts need to be improved and we still believe that State Approving Agencies can provide a major part of that effort. SAAs are already a part of the process in that we approve and oversee all non-federal OJT and apprenticeship programs. With an adjustment in our contractual requirements, we could 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 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, particularly compliance surveys, the number of approved active facilities decreased. In FY 2015, there were only 3,551, or 1,700 less than Fiscal Year 2011. And in FY2016, the number of facilities was only 4,221, or 1,064 less than the high point of 2011. We believe the reason for this decrease is that in the past several years, we and our VA partners have been tasked with focusing 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 a marked increase in the interest of training providers in offering approved programs, our ability to approve programs, supervise facilities, and conduct meaningful outreach has been constrained by limited resources and our joint focus on oversight. While we are deeply appreciative of this Congress, and particularly the leadership in this Committee, in providing additional funding for SAAs, it is important that we now renew our focus on outreach to our nation's veterans (and potential employers) about this unique program.

In the past several years, despite limited time and resources, 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 other than college. And one that could prove equally rewarding. For example, the Missouri SAA continues to produce and distribute 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 357 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. Another example is Ohio. 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.

Further, the Washington SAA is an active participant in the Veterans Resource Employment Group (or VERG), aimed at promoting employment of veterans and program approval of Apprenticeships and OJT programs in State Government along with regular participation at the Washington Department of Labor and Industry Apprenticeship Council Meetings. As a result of

these connections, several new innovative registered Apprenticeship programs have been recently approved in Washington State. APPRENTI (based in Seattle)—which provides training in the high demand (and high paying) careers of Database Administrator, IT Support Professional, Network Security Administrator, and Software Developer—was approved in February 2017 and recently enrolled its first veteran apprentice. As stated on APPRENTI’s website: “Your paid training will be specifically tailored to you and a high-tech position will be waiting for you when you finish. If you thought your dream job was out of reach, think again.” We need to get the word out to transitioning veterans about these new high tech apprenticeships. In a different, but equally innovative vein, the Washington SAA has also recently approved Medical and Dental Assistant Apprenticeships for the Washington Association of Community & Migrant Health Centers. These non-traditional apprenticeships are aimed at serving culturally diverse populations in rural and urban communities with limited access to healthcare. This Registered Apprenticeship program provides a paid training alternative to a college certification program.

Meanwhile, in Arizona, the SAA Director holds a seat on the Western Apprenticeship Coordinators Association of Arizona Council (WACA). Through the WACA Council the SAA provides guidance on the SAA approval and certification process to the approved Apprenticeship programs and seeks feedback on problems institutions are having with the VA certification process. The Arizona SAA also solicits any non-approved Apprenticeship programs by meeting directly with employers and discussing the benefits of approval. All state legislative changes for Arizona’s Apprenticeship programs are shared and discussed at WACA and the Steering Committee meeting. Already this year, this SAA has followed up on and issued approvals for at least 30 new entities to date.

We also are proud of the recent approval actions with national employers—such as General Dynamics, Union Pacific and Spectrum—that have been initiated by member SAAs that affect many states. NASAA is excited about those opportunities, but, Mr. Chairman, we would suggest that VA conduct national outreach efforts, 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 and we can do likewise on our State SAA websites. Additionally, we should continue to work closely with State Departments of Veterans Affairs and other local agencies or institutions. In North Carolina, recently I met with the President of our community college system to talk about how we might partner with them to promote apprenticeships affiliated with the community colleges. Further, 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 and 1606 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 like to be able to conduct more outreach and technical assistance visits, and indeed we have begun doing some. Earlier, in discussing the Illinois SAA’s outreach efforts, I used the

phrase “Add-A-Stop.” The phrase “Add-A-Stop” refers to a practice used by SAAs for over 15 years. An “Add-A-Stop” is an extra stop at 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 an appropriate shift in our focus, SAAs would like to be able to visit more active On-the-Job or Apprenticeship training programs on a regular basis. During these visits, we would be 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 could speak to veterans enrolled in these programs, providing them with the opportunity to tell us how their training is going or if they are having any issues with payments. Ultimately, such 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, as well as provide us with information about companion industries or companies that might also be interested in hearing more about the Apprenticeship/OJT programs.

We must point out, however, that current law limits the ability of SAAs to be reimbursed under their contract for outreach efforts unless the effort can be linked to a travel expense. Standard outreach and marketing strategies such as news media advertising and social media advertising cannot be reimbursed. NASAA recommends 38 USC 3674 be amended 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. We certainly understand and empathize with the challenges faced by our VA partners in the automation arena, but it is truly time to replace the fax machine and the US Postal Service as the means of delivering claim forms. Some headway has been made with the recent addition of apprenticeship and OJT enrollment certifications to the VA ONCE online system, but it is still impossible for employers to submit monthly certifications electronically. Complete automation would not only provide veterans with a more timely payment of benefits, but 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. Two years ago, a GAO report stated that there were 2700 employers and apprenticeship sponsors approved to train Post 9/11 GI Bill veterans. But during this same time frame, numbers submitted by SAAs and confirmed by VA indicated that there were roughly over 3500 active approved facilities. This SAA/VA number 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 challenges faced by the VA given their present level of automation and their continued need for further automation of APP/OJT claims processing.

NASAA recommends that until the VA is able to establish a full-fledged electronic system for APP/OJT processing 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 document 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 inappropriately 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 and mitigate potential fraud. NASAA recommends eliminating the statutory requirement for two signatures on monthly time sheets found in 38 U.S.C. section 3680(c). A reliable and valid automation system remains critical to the eventual improvement of this program.

### **Pending Legislation and Recommended Innovation**

NASAA supports the efforts of Congress to modify existing law to clarify the authority of State Approving Agencies to approve registered apprenticeship programs that are based or headquartered in their respective state with job sites in multiple states. This model already exists within our Joint Apprenticeship and Training Committee (JATCs) as well as in the manner we approve distance education institutions, and the proposed legislation in Congress now simply represents a common sense extension of the model. NASAA has worked closely with Congressman Ro Khanna from California's 17<sup>th</sup> congressional district and we are excited about the potential of this new legislation to remove hurdles facing national apprenticeships, while continuing to provide SAA oversight and protections for veterans enrolled in these training programs.

NASAA recommends that Congress provide parity between public and private sector employees by eliminating wage progression requirement for OJT programs that are 24 months or less. NASAA further recommends that language be added to 38 U.S.C. section 3680A(4) to exempt the related training portion of an OJT or apprenticeship program. Many of our currently approved training programs utilize high-quality, industry-recognized related training that may meet the strict definition of independent study and would need to be disapproved. Clearly, this was not the intent of Congress and we seek their assistance in clarifying this section. NASAA recommends that Congress clarify that a starting wage equal or greater than a journeyworker wage does not disqualify someone from participating in the program. Indeed, the trainee does not have a marketable skill until the training is completed, regardless of amount of the hourly wage. We believe it was the intent of Congress to provide this benefit throughout the training program, as benefits remain available to use, until that training has concluded.

We would strongly recommend that the VA, as they have done in other areas, partner with NASAA in the development of better outreach and a refocusing of our joint efforts to reach veterans with the message of the value of these programs. 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 as we have in the Mercedes Benz program. Such efforts would provide all stakeholders with solid data to see if the anecdotal evidence that already exists is true. That anecdotal evidence suggests that 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. We also believe that programs such as the Mercedes Benz pilot program are beneficial to our veterans and communities and we wish to point out that it is imperative that the approved standards for these programs meet all applicable requirements of Title 29 U.S.C. and 29 CFR, in particular 29.2 Definitions and 29.5 Standards of Apprenticeship.

## **Conclusion**

Mr. Chairman, the Apprenticeship (and OJT) programs under the various chapters of the GI Bill provide a tremendous opportunity to put our Nation's veterans back to work quickly in meaningful and rewarding careers that are needed in our economy. We applaud the efforts of this Committee, and our VA partners and stakeholders to improve administrative capabilities, overcome challenges to innovation, and to increase outreach. We look forward to collaborating and partnering with the VA in support of many of these recommendations.

Today, fifty SAAs in 48 states and the territory of Puerto Rico, composed of approximately 175 professional and support personnel, are supervising over 14,494 active facilities with 115,000 programs (including over 4,221 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.