

**STATEMENT OF
JOSEPH C. SHARPE JR., DIRECTOR, NATIONAL EMPLOYMENT & EDUCATION
DIVISION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
SECURING HIGH-DEMAND JOBS FOR VETERANS**

February 2, 2022

Chairman Levin, Ranking Member Moore, and distinguished members of the Economic Opportunity Subcommittee, on behalf of our National Commander Paul E. Dillard and our nearly 2 million members, we thank you for the opportunity to discuss the Department of Veterans Affairs' Veterans Technology Education Courses (VET TEC) and Veteran Rapid Retraining Assistance Program (VRRAP).

The high-skilled labor shortage has been a longstanding issue that has only been exacerbated by the COVID-19 pandemic. As of November 2021, employers continue to face difficulty filling positions, with more than 10 million vacant jobs.¹ Strategic industries such as construction and manufacturing are especially vulnerable. Numerous contributing factors aggravate the persisting skill gap imbalance. A leading factor is the retirement of skilled employees aged 55 and older, who account for 25% of the current manufacturing workforce.² Likewise, there is a lack of equally skilled younger workers to preserve the lost institutional knowledge due to a perception problem toward strategic industries.³ Younger generations cite automation, jobs being shipped overseas, lack of rewarding career experience, and the allure of high-technology jobs as reasons for not wanting to enter manufacturing.⁴ Lastly, low unemployment in conjunction with high demand for skilled labor further forces employers to recruit and retain scarce talent.⁵ Addressing the gap by providing workers with reskilling and upskilling opportunities through certifications can mitigate the skills deficit by having a near-term workforce to take up available jobs.⁶ Military training and

¹ Bureau of Labor Statistics. "Job Openings and Labor Turnover - November 2021." BLS News Release, 4 Jan. 2022. <https://www.bls.gov/news.release/pdf/jolts.pdf>. Accessed 25 Jan. 2022.

² Dowell, Earlene. "Manufacturing Faces a Labor Shortage as Workforce Ages." United States Census Bureau (November 2020). <https://www.census.gov/library/stories/2020/11/manufacturing-faces-labor-shortage-as-workforce-ages.html>. Accessed 25 Jan. 2022.

³ Egan, Matt. "American factories are desperate for workers. It's a \$1 trillion problem". CNN (May 2021). <https://www.cnn.com/2021/05/04/economy/manufacturing-jobs-economy/index.html>. Accessed 25 Jan. 2022

⁴ Deloitte. "US Manufacturing Skills Gap Could Leave As Many As 2.1 Million Jobs Unfilled By 2030, Deloitte and The Manufacturing Institute Study Finds." Deloitte Press Release, 4 May. 2021. <https://www2.deloitte.com/us/en/pages/about-deloitte/articles/press-releases/deloitte-manufacturing-skills-gap.html>. Accessed 25 Jan. 2022.

⁵ Prudential. "Pulse of the American Worker Survey: Is This Working?" Prudential Press Release, 6 Apr. 2021. <https://news.prudential.com/presskits/pulse-american-worker-survey-is-this-working.htm>. Accessed 25 Jan. 2022.

⁶ Holtz-Eakin, Douglas. "Projecting Future Skill Shortages Through 2029." American Action Forum (July 2019). <https://www.americanactionforum.org/research/projecting-future-skill-shortages-through-2029>. Accessed 25 Jan. 2022.

talent are also poised to serve industry needs as servicemembers and veterans transition to the civilian sector with various technological proficiencies and soft skills that employers require.⁷

Many veterans use their GI Bill education benefits to undertake 4-year academic career paths at colleges or universities to find gainful employment. However, this is not the path for all veterans, nor the pipeline for many fast-developing high technology employment fields. To be marketable candidates in the 21st-century workforce, veterans need training opportunities that are affordable, flexible, and applicable to their desired industries.

The Veteran Employment Through Technology Education Courses (VET TEC) program, initially authorized in the Harry W. Colmery Veterans Educational Assistance Act of 2017⁸ as a five-year High Technology Pilot Program, was launched in April 2019.⁹ VET TEC connects student veterans with Department of Veterans Affairs (VA)-approved training providers to acquire high-demand skills and certifications, in-person or online, leading to gainful employment in technical areas such as information science, computer programming, and data processing.¹⁰ Unlike four-year college degree programs, VET TEC courses range between 40-700 training hours.

The program benefits participants by providing non-active-duty students a housing stipend and subsidized tuition by the VA, while preserving GI Bill eligibility. According to the VA, 4,700 veterans participated with an 88% graduation rate and a 72% employment rate.¹¹ Program graduates typically find employment within 67 days, with an average starting salary greater than \$59,000.¹² The Isakson and Rowe Act of 2020 further bolstered VET TEC. In response to high demand, the VA program's annual budget tripled from \$15 million to \$45 million, allowing more veterans to partake in the program. Additionally, Isakson and Rowe expanded eligibility, enabling transitioning servicemembers to apply within 180 days of separating from active duty. The American Legion applauds the pilot program's success in fostering gainful employment pathways for veterans through reskilling and upskilling, as reflected through *Resolution No. 338: Support Licensure and Certification of Servicemembers, Veterans, and Spouses*.¹³

While VET TEC has shown to be a good model, The American Legion finds much to be done in order to expand program access. To this end, The American Legion calls on Congress to increase VA training programs offerings and access throughout the nation and its territories, as only 16 states currently have approved training providers available. Additionally, Congress should require

⁷ Libby, Oliver. "How The Military May Hold a Key to the Skills Gap Paradox." *Forbes* (May 2019). <https://www.forbes.com/sites/oliverlibby/2019/05/09/how-the-military-may-hold-a-key-to-the-skills-gap-paradox%E2%80%A8/?sh=28dbae3d4d1e>. Accessed 25 Jan. 2022.

⁸ U.S. Congress. House. *Harry W. Colmery Veterans Educational Assistance Act of 2017*. HR 3218. 115th Cong. <https://www.congress.gov/bill/115th-congress/house-bill/3218/text>. Accessed 25 Jan. 2022.

⁹ VET TEC Program. *Militarybenefits.info*. <https://militarybenefits.info/vet-tec/>. Accessed 25 Jan. 2022.

¹⁰ Department of Veterans Affairs. "Veterans technology education courses." <https://www.va.gov/education/about-gi-bill-benefits/how-to-use-benefits/vettec-high-tech-program/>. Accessed 25 Jan. 2022.

¹¹ R. Da Silva (personal communication, January 14, 2021). Department of Veterans Affairs

¹² Carraway, Schnell. "VET TEC student Veterans poised to join the fast-growing tech industry." *Vantage Point* (November 2021). <https://blogs.va.gov/VAntage/96715/vet-tec-student-veterans-poised-to-join-the-fast-growing-tech-industry/>. Accessed 25 Jan. 2022.

¹³ The American Resolution No. 338 (2016): *Support Licensure and Certification of Servicemembers, Veterans and Spouses*. <https://archive.legion.org/bitstream/handle/20.500.12203/5656/2016N338.pdf?sequence=1&isAllowed=y>. Accessed 25 Jan. 2022.

a report detailing demographic, geographic, and Diversity Equity and Inclusion (DEI) metrics of applicants rather than just age to ensure the program is best positioned to serve an increasingly diverse veteran population.

VET TEC has been an effective workforce development resource for eligible veterans; however, many are unable to qualify due to exhausted GI bill benefits. The Veteran Rapid Retraining and Assistance Program (VRRAP) serves as another avenue for veterans lacking education benefits and made unemployed due to the global pandemic to reintegrate back into the labor market.

3,600 veterans to date have taken advantage of the program's benefits providing tuition and housing for nearly 1,000 associate degrees and certificates from qualifying institutions across the country.¹⁴ These short-term opportunities allow veterans to gain high-demand skills quickly for rapid reintegration into the workforce. This program is especially useful for veterans who have exhausted their GI Bill benefits or are not GI Bill eligible. Through *Resolution No. 305: Support the Development of Veterans On-The-Job Training Opportunities*¹⁵, The American Legion commends the VRRAP for its initiative to provide job training to veterans who have experienced unemployment because of the COVID-19 pandemic.

The American Legion is pleased with the outcome of VRRAP participants, but is concerned with the lack of veterans taking advantage of the program. VRRAP is scheduled to sunset on December 11, 2022, or reaches its funding/participant limit.¹⁶ Currently, VA has only allocated \$108.9 million of the \$386 million funding limit, while only 3,674 participants are enrolled out of 17,250.¹⁷

To boost veterans engagement in VRRAP, Congress should work with the VA, Department of Labor, and American Job Centers to increase program outreach to meet the funding or participant limits. Additionally, Congress should eliminate the VRRAP program eligibility age of 66 to provide older veterans access to this vital benefit. Finally, Congress should ask the VA to specifically outline what defines unemployment specifically attributable to the COVID-19 pandemic since such a classification is ambiguous and may lead to qualified veterans believing they are ineligible for the program.

Conclusion

Chairman Levin, Ranking Member Moore, and distinguished members of the Subcommittee, The American Legion thanks you for your leadership and for providing us the opportunity to express the position of the nearly 2 million veteran members of this organization on the importance of these programs. Please contact Mr. John Kamin, Legislative Associate at The American Legion's Legislative Division, at (202)-263-5748 or jkamin@legion.org for additional information or questions regarding this testimony.

¹⁴ Da Silva, Ricardo. "GI Bill Stakeholders Meeting." Veterans Benefits Administration. PDF File. Jan 20. 2021.

¹⁵ The American Resolution No. 305 (2016): *Support the Development of Veterans On-The-Job Training Opportunities*
<https://archive.legion.org/bitstream/handle/20.500.12203/5620/2016N305.pdf?sequence=1&isAllowed=y>. Accessed 25 Jan. 2022.

¹⁶ [Veteran Rapid Retraining Assistance Program \(VRRAP\) | Veterans Affairs \(va.gov\)](#)

¹⁷ Da Silva, Ricardo, GI Bill Stakeholders Meeting, Veterans Benefits Administration. PDF File. January 20, 2021