

**TESTIMONY OF  
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U.S. DEPARTMENT OF LABOR**

**BEFORE THE**

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

**July 21, 2020**

**Introduction**

Chairman Levin, Ranking Member Bilirakis, and distinguished Members of the Subcommittee, thank you for the invitation to testify today. I commend the Subcommittee for its efforts to promote economic opportunities for America's veterans through these challenging times. Rapid change defines our nation's experience with the coronavirus (COVID-19). In a single month, we went from record-low unemployment to record-high unemployment filings. But now, as recent jobs reports illustrate, rapid change is once again trending in a positive direction. The Department of Labor (Department) is working closely with our federal and state partners to help workers, including our veterans, transition back to the workforce and into a once-again thriving economy.

It has been an honor to lead the Veterans' Employment and Training Service (VETS) for the past six months, and I have been truly impressed by the talented and committed VETS team. The vision of VETS is to enable all veterans to reach their full potential in the workplace. Living up to full potential does not just mean getting a job; it means maximizing the value of one's unique capabilities. By focusing on the military-to-civilian transition process and harnessing America's collective support for our veterans, we can help our veterans reach their full potential. Achieving this vision not only helps veterans, their families and the organizations they serve, but it is also good for America's prosperity and security. Veterans embody one of the most capable and resilient talent pools in the nation, and they will help rebuild our economy so that it can continue to thrive.

Prior to the COVID-19 crisis, the contribution of veterans to the American economy reached a historic milestone. Under President Trump's leadership, unemployment among veterans fell to 3.1 percent in 2019, the lowest annual veteran unemployment rate since 2000. While the recent jump in the unemployment rate due to the impact of COVID-19 is alarming, the employment data from last month provided proof of the value of veterans in the workplace. In June, the veteran unemployment rate was 8.8 percent. The non-veteran unemployment rate was 11.1 percent. It is clear that America's employers understand the value of veterans to the workforce.

When our Nation faces crises, we turn to the United States military and those who have served for their leadership skills and resilience. Many have likened the COVID-19 pandemic to war. In some ways, the analogy is fitting. On the battlefield, military units with the agility to “improvise, adapt, and overcome” put the odds in their favor. For businesses attempting to succeed in the COVID-19 operating environment, the ones that pivot and adapt the quickest will emerge in the best position. Veterans spend formative years learning how to excel in challenging and dynamic environments. We should let them help us win this war.

### **Meeting the Challenge of COVID-19**

The Department is working with the Department of Defense (DOD), the Department of Veterans Affairs (VA), other interagency partners, and the state workforce agencies to take all necessary actions to combat COVID-19 while keeping our service members, veterans, and their families safe and their economic prospects intact. VETS is part of a network of government and non-government organizations serving our military, veterans, and their families with well-coordinated resources. VETS aims to leverage this collective energy to the advantage of the military community and the American economy. VETS’ ability to conduct its mission throughout the pandemic has not been compromised, and its transition to remote work was nearly seamless, while helping to identify areas for IT-related improvement.

In just a couple of weeks, our nation went from recognizing historically low unemployment rates to purposeful and necessary economic disruption to combat the coronavirus that left many veterans temporarily out of work. As more and more Americans are given the all clear to return to work safely, many veterans who were temporarily unemployed will return to their previous employers. For those veterans who will not be able to return to their previous workplaces, VETS is using information technology to drive how we conduct business and deliver services as well as to provide the data needed to make policy decisions that are evidence-based and driven by the needs of our customers.

### **Transition Assistance Program**

In VETS, our highest priority is getting the transition right for service members who are completing their military duties and transitioning to civilian life. COVID-19 has not changed this priority; if anything, it makes the priority more urgent. Last year, as a member of the interagency Transition Assistance Program (TAP), our agency provided in-person employment workshops to 172,000 service members at over 200 military installations worldwide. TAP – for separating and retiring service members and their spouses, provided under 10 U.S.C. § 1144 – assists transitioning service members to set the employment trajectory that will inform the rest of their lives. As the consequences of a successful or unsuccessful transition compound over time, it is critical that we provide service members with the resources and opportunities necessary to get the transition right.

After DOD suspended all in-person TAP workshops due to COVID-19 until deemed safe for the participants and staff, VETS immediately started offering virtual delivery alternatives to the Armed Services. Through the Army’s Virtual Center and other web-based platforms, the Department’s TAP instructors continue to deliver employment workshops, fulfilling all virtual

and in-person classroom requests received from the Services. Service members can also use the self-paced online course available through DOD's Joint Knowledge Online (JKO) platform and download workshop guidebooks. A new and improved edition of the self-paced online course will be available in August.

To further improve the transition experience of our service members, several new VETS initiatives will facilitate improved employment outcomes, to include:

- Specialized curricula for service members and military spouses,
- An "Employment Navigator and Partnership" pilot to provide in-person employment assistance beyond the classroom for the first time in program history,
- A data matching project with the National Directory of New Hires (NDNH) to analyze the most influential factors to transitioning service members' civilian wage outcomes,
- A Veteran Employment Challenge ([challenge.gov](http://challenge.gov)) for the private sector to develop a new job-matching tool that uses all the capability of modern technology to better connect transitioning service member and employers, and
- An apprenticeship pilot program that links DOL, DoD, VA, public and private sector resources to help interested service members enroll in apprenticeship programs prior to separation.

The President's Budget Request for Fiscal Year 2021 includes a number of items that will provide additional support to transitioning service members and their families. These items include a new curriculum program specifically tailored to the needs of wounded warriors and resources to better track and analyze employment outcomes with the National Directory of New Hires.

### Curricula

To improve TAP, President Trump signed H.R. 5515, the "John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year 2019," (Pub-Law 115-232), into law on August 13, 2018. In response, DOL altered the delivery of its employment-related workshops to align with the new legislative requirements. With a focus on improved outcomes, VETS revised the employment course curricula to provide a one-day employment preparation workshop that is mandatory for all transitioning service members, an optional two-day workshop for career exploration and technical career preparation and an optional two-day workshop for general employment preparation. DOL's optional workshops comprise two of the four elective courses that service members participating in TAP must choose from. These changes to TAP were designed to help transitioning service members make the best career choices among those available to them, taking into account individual skills and high-demand career fields.

Of course, our veterans have not served their country alone. In recognition of as much, VETS is currently developing a course curriculum specific to military spouses who are transitioning with their service member out of the service or to another installation. The course curriculum will use components of the current curriculum for service members, such as resume development and interviewing techniques, and also include components more specific to the needs of military spouses as a result of their frequent moves and the complexities associated with state licensing

and credentialing requirements. As an example, last year DOL developed a military spouse web portal where military spouses can efficiently search for specific points of contact, guidelines, and state laws on professional licensing, including information on how occupational licenses from one state can be recognized in another. While developing the new course curriculum in coordination with DOD's Military Spouse Employment Partnership, VETS continues to evaluate delivery options with DOD to determine the most effective and efficient format -- likely hybrid models that allow face-to-face programming and digital delivery.

In FY 2021, VETS plans to develop a transition assistance curriculum designed specifically to the employment needs of wounded warriors. The curriculum will pay special attention to job accommodation resources developed in coordination with the Office of Disability Employment Policy, so that wounded warriors are able to realize their full economic potential and a life of purpose despite the injuries they incurred in service to all of us.

### **Employment Navigator and Partnership Pilot**

To provide a more individualized transition to civilian employment, VETS is developing an employment-outcome-based pilot program to help service members better leverage partner resources. Inspired and informed by the model many colleges use to provide career counseling and placement offices on campus, Employment Navigators will be piloted on select military installations in Fiscal Year 2021 to determine whether they effectively and efficiently assist transitioning service members find a suitable career path and become connected to partner resources to help them reach their goals.

### **Employment Outcomes / National Directory of New Hires**

To assess the effectiveness of the "Employment Navigators" as well as to improve and publically report on TAP performance as it relates to future employment outcomes, we are arranging a memorandum of understanding with Health and Human Services in order to use the National Directory of New Hires to properly track and analyze employment outcome data. VETS receives data on transitioning service members daily from DOD. This growing database contains demographic information, highest education level achieved, military base geographic data, and a full list of all the courses each service member participated in during the transition process. By matching the data with the National Directory of New Hires, we will be able to analyze the most influential factors to a successful transition and report on those outcomes.

### **Veterans Employment Challenge**

Using America Competes Act authority, in December 2019, VETS, with in-kind support in testing and review from DOD and the VA, established the Veterans Employment Challenge. The Veterans Employment Challenge invited private sector organizations to compete to develop a better job-matching tool for transitioning service members and veterans. After three phases that included more than 50 competitors, three finalists conducted field testing in the challenge's fourth phase. The finalists, Eightfold, LinkedIn, and Square Peg Hires, presented their software solutions to transitioning service members from various Army installations through virtual TAP

workshops. The transitioning service members evaluated their user experience and provided feedback as part of the competitive review process.

On July 10, the Department announced a pilot prize of \$300,000 to eightfold.ai. Eightfold.ai advanced to the Challenge's final phase to demonstrate its job-matching platform to transitioning service members, TAP instructors, and employers from July 27, 2020, to August 21, 2020. If successful, VETS will incorporate the job-matching platform into TAP for use by nearly 200,000 transitioning service members annually and for the potential benefit of millions of veterans looking to improve their employment situation.

### **Apprenticeship Pilot**

Apprenticeships offer effective pathways to gain critical job skills and connect talented workers with employers. VETS recently launched an Apprenticeship Pilot at eight U.S. military installations to offer transitioning service members, and their spouses, opportunities to be hired into apprenticeship positions in industries and locations that match their interests prior to separation. From April 1, 2020 to March 31, 2021 Apprenticeship Placement Counselors will draw on their networks of prospective employers, industry associations, and stakeholders to connect the participants to viable apprenticeship opportunities across the country.

Apprentices receive relevant paid workplace experience; classroom instruction; and a portable, nationally recognized credential. According to the Department's Office of Apprenticeship, ninety-four percent of apprentices retain employment after completing their program, and the average annual starting salary for apprenticeship graduates is \$70,000. Transitioning service members are well equipped to become apprentices as they are goal-oriented, hard-working, responsible, and have proven leadership skills. VETS looks forward to providing the Committee with an evaluation of the pilot and incorporating lessons learned and best practices into the employment navigator pilot and broader transition assistance portfolio.

### **National Veterans Training Institute**

The National Veterans Training Institute (NVTI) was established in 1986 to increase the level of proficiency and training of staff that provide employment services to veterans. NVTI provides training to state veteran service providers and VETS' staff who provide or oversee grant services and perform compliance and enforcement activities under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and the Veterans' Employment Opportunities Act.

Due to COVID-19, VETS' NVTI has been delivering classes virtually since March. Virtual classes are live, instructor-led events where students have a dynamic, engaging, and collaborative experience that mirrors closely in-person classroom events. Virtual classes benefit from support staff who assist with technical issues helping to ensure a smooth learning experience for students.

We continue to closely monitor the COVID-19 situation and state re-opening plans to determine when it is appropriate to resume in-person classes. Our plans to return to regularly scheduled in-

person classes will align with the guidance provided by the federal government, including establishing near- to mid-term processes that allow for normalcy while maintaining safety protocols and practices.

### **Jobs for Veterans State Grants**

With a current appropriation of \$180,000,000, VETS funds employment and training services for veterans at state workforce agencies nationwide through the Jobs for Veterans State Grants (JVSG), as authorized under 38 U.S.C. § 4102A(b)(5). This program assists veterans with significant barriers to employment and other eligible individuals to help them attain family-sustaining careers, and to assist employers in filling their workforce needs with job-seeking veterans. The JVSG program funds two types of state employees, Local Veterans' Employment Representative (LVER) staff and Disabled Veterans' Outreach Program (DVOP) specialists. LVER staff and DVOP specialists are located within each state's workforce system and operate out of the approximately 2,400 American Job Centers across the nation. Complete program information and performance data can be found in VETS' Annual Report to Congress, located at <https://www.dol.gov/agencies/vets/resources/updates>.

Though some American Job Centers closed to in-person services, most Centers stayed open with online resources throughout the COVID-19 pandemic. The JVSG program continued to operate by adhering to social distancing guidelines, connecting veterans—especially those recently unemployed—to available job openings. Many state workforce systems reassigned staff to process unemployment insurance (UI) claims as a result of the coronavirus pandemic, and many DVOP specialists and LVER staff pitched in as UI Claim Specialists. VETS will continue to work with the states to best maximize available resources and flexibilities.

Consistent with President Trump's Executive Order 13924, establishing national policy "to combat the economic consequences of COVID-19 with the same vigor and resourcefulness with which the fight against COVID-19 itself has been waged," VETS is responding to the needs of our grantees and the veterans they serve, including expanding virtual service delivery capabilities to grantees so that they can continue to serve veterans in need of employment assistance. Additionally, VETS has issued fact sheets and "frequently asked questions" documents, and engaged in daily interactions with grantees to answer questions and provide assistance.

VETS grantees have been advised to follow Center for Disease Control (CDC) and state and local government guidance in making determinations related to how staff should conduct grant operations, and to consider the environment in which the work is being conducted and the possibility for virus transmission. VETS provides flexibility to grantees in how they provide services, and grantees can choose the best delivery of program services while mitigating the spread of COVID-19. Other considerations include the security of participant data and the ease of participant access.

### **Homeless Veterans Reintegration Program**

The Homeless Veterans' Reintegration Program (HVRP), authorized under 38 U.S.C. § 2021, provides services to help veterans experiencing homelessness obtain meaningful employment

and to develop effective service delivery systems to address the complex problems they encounter. Funds are awarded on a competitive basis to eligible applicants, including: state and local workforce development boards, public agencies, for-profit/commercial entities, and nonprofit organizations including faith- and community-based organizations. In the last program year, VETS' grantees served nearly 20,000 homeless veterans through HVRP, with a 65 percent job placement rate. Complete program information and performance data can be found in VETS' Annual Report to Congress, located at <https://www.dol.gov/agencies/vets/resources/updates>.

On July 1, 2020 VETS announced \$26.6 million in new HVRP grants to the organizations helping homeless veterans get back on their feet with gainful employment. An announcement of the selected grant recipients is available at <https://www.dol.gov/newsroom/releases/vets/vets20200701>.

The National Veterans' Technical Assistance Center (NVTAC) provides technical assistance to HVRP grantees. To help grantees operate safely throughout the pandemic, NVTAC has posted COVID-19 resources at <https://nvtac.org/topic/covid-19-resources/#post-3569> and I hosted a virtual Town Hall with the HVRP community on June 12 to hear directly from grantees on the challenges they are facing and opportunities for program improvement. Grantees are regularly reminded of Veterans' Program Letter (VPL) 05-19 (<https://www.dol.gov/sites/dolgov/files/VETS/legacy/files/VRE-05-19.pdf>) that allows HVRP grantees to provide emergency services outside of their location.

### **Uniformed Services Employment and Reemployment Rights**

With National Guard and Reserve forces mobilized in response to COVID-19, VETS is leveraging partners, such as DOD and the Employer Support of the Guard and Reserve, and disseminating technical and compliance assistance resources, such as a recent COVID-19 USERRA fact sheet and a USERRA Employment Laws Assistance for Workers and Small Businesses Advisor to help service members understand their rights and responsibilities and to help the regulated community comply with USERRA. We are modernizing our case management system to improve the quality and efficiency of our investigations as well as to identify trends that can be addressed through more targeted assistance. VETS is further professionalizing the program by incorporating investigative series personnel whose primary focus will be investigating the claims filed by service members against their employers. Our goal is always to mitigate the challenges faced when employees must leave their civilian employment to serve their country in order to preserve and maintain the employer-employee relationship. The USERRA Annual Report to Congress for Fiscal Year 2019 was delivered to Congress on Friday, July 17.

### **HIRE Vets Medallion Program**

The Honoring Investments in Recruiting and Employing American Military Veterans Act (HIRE Vets Act), signed by the President on May 5, 2017, required the Secretary to establish a program by rule that solicits voluntary information from employers to recognize employer efforts to

recruit, employ, and retain veterans. In 2018, VETS conducted a limited HVMP Demonstration Program, accepting 300 applications and awarding the HIRE Vets Medallion to 239 employers using the same criteria as in the rule. The demonstration raised awareness of HVMP, enabled VETS to test its ability to process applications, and allowed more employers to prepare to successfully complete the application in 2019. After the 2018 HVMP Demonstration Program, HVMP officially launched in 2019 and accepted 433 applications from which 427 employers were awarded the HIRE Vets Medallion. In 2020, VETS accepted 683 applications, a nearly 60 percent increase from the prior year. The official awards announcement will be made on or near Veterans Day 2020, as required by the Act.

All transitioning service members and veterans looking to improve their employment situation should check out [HIREVets.gov](https://hirevets.gov) and use the interactive map to find employers who have proven their commitment to hiring and retaining veterans in their workforce.

### **Conclusion**

The Department looks forward to working with the Subcommittee to ensure that our transitioning service members and veterans have the resources and training they need to be successful in the civilian workforce. This is a challenging time, but it creates opportunities to increase American prosperity for everyone. Enabling veterans to live up to their individual potential helps the veterans, their families, and the organizations they serve. Furthermore, as veterans consistently prove their capacity for production in the workforce, they can hasten the American recovery and allow our country to reach new heights.

Chairman Levin, Ranking Member Bilirakis, and Members of the Subcommittee, thank you again for the opportunity to highlight the important work VETS' is doing to generate positive employment outcomes for the men and women who have served our country. I am happy to answer any questions you may have.

DOL resources to help workers and employers stay safe from COVID-19 are available at <https://www.dol.gov/coronavirus>.