# TESTIMONY OF MARGARITA DEVLIN, DEPUTY ASSISTANT SECRETARY VETERANS' EMPLOYMENT AND TRAINING SERVICE U.S. DEPARTMENT OF LABOR BEFORE THE COMMITTEE ON VETERAN AFFAIRS UNITED STATES SENATE

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### Introduction

Chairman Tester, Ranking Member Moran, and distinguished members of the Committee, on behalf of the Department of Labor (DOL), I want to thank you for the opportunity to address veteran employment and education opportunities and challenges faced during the pandemic. I am truly honored to be before you and am encouraged by the work this Committee does on behalf of our Nation's veterans. I am also grateful for the efforts of the Veterans' Employment and Training Service (VETS) team, including our grantees, stakeholders and partners across the United States, for their tireless efforts to support the employment needs of transitioning service members, veterans, and their spouses. In Fiscal Year 2020, our VETS' team of over 2,800 DOL and DOL VETS funded employees served over 370,000 Veterans and military spouses across all VETS programs. Finally, I am proud of VETS for taking an inward-looking approach at our activities and programs to determine if barriers exist that limit access for underrepresented veterans, while prioritizing outreach efforts to these populations.

After 26 years serving veterans, service members and their families at the Department of Veterans Affairs (VA), I am honored to continue to serve in my role as Deputy Assistant Secretary for Operations and Management at VETS. I am passionate about veteran employment and getting the military to civilian transition right for our service members. One of the most crucial success factors in that transition is preparing for and obtaining employment. I believe it is critical that we provide the highest quality services to enable veterans, service members and military spouses to achieve their highest potential. On a personal note, my oldest son, who is currently an active duty Marine, is scheduled to separate next year. So this is also close to home for me.

# **COVID-19 Impacts and Partnerships**

The impacts of the COVID-19 pandemic have significantly challenged the effort to reduce the veteran unemployment rate. VETS was alarmed by the unemployment rate increase from 2.5 percent in April 2019 to 11.9 percent in April 2020. Thankfully, the most recent data available indicates the seasonally adjusted unemployment rate has decreased to 4.8 percent, though there is more progress to be made. The COVID-19 pandemic is a reminder of just how dynamic the American economy is and how quickly the environment can change due to unforeseen

<sup>&</sup>lt;sup>1</sup> https://www.dol.gov/agencies/vets/latest-numbers

<sup>&</sup>lt;sup>2</sup> Bureau of Labor Statistics (2021 September), "The Employment Situation." Economic News Release. <a href="https://www.bls.gov/news.release/pdf/empsit.pdf">https://www.bls.gov/news.release/pdf/empsit.pdf</a>

circumstances. However, it is often in times of uncertainty and great hardship that we realize we have the ability to adapt and overcome adversity. I share the pride in knowing that VETS' relationships with numerous partners have been reinforced during this difficult period in American history.

As we build back the economy, we cannot simply recreate the same structures that have alienated and failed to adequately serve many Americans in the past, including veterans from diverse racial and socioeconomic backgrounds. This pandemic has exacerbated existing economic inequalities. For example, the average African American veteran unemployment rate in 2020 was 7.5 percent, while the average unemployment rate for white veterans in 2020 was 6.1 percent. To build back better, VETS is taking a proactive approach by reaching out to underserved veteran communities, such as LGBTQ veterans, veterans of color, and female veterans, who have not traditionally interacted with DOL and other segments of the federal government at the same rate as other veteran communities. By engaging with new partners, we will increase awareness of VETS programs and work towards removing barriers to equitable access.

The pandemic initially had a system-wide impact on many of VETS' grantees under our Homeless Veterans Reintegration Program (HVRP) and Jobs for Veterans State Grants (JVSG) program. The closure of government and partner offices, such as American Job Centers, where JVSG employees work, significantly limited access to services and resources, resulting in decreased referrals to over 150 HVRP grantees across the United States. However, many HVRP grantees developed new methods to continue providing services and simultaneously leveraged new or reinvigorated relationships in the fight against veteran homelessness. For example, a Florida Human Resources professional and U.S. Army veteran, who lost his job during the pandemic due to downsizing, was able to connect with an HVRP grantee through the Department of Veterans Affairs' (VA's) Supportive Services for Veteran Families. This led to his hiring as a full-time senior recruiter at a nearby company, where he now makes \$50 an hour.

VETS has maintained ongoing collaboration during the pandemic with VA and the Department of Defense (DOD) on how best to continue and improve the Transition Assistance Program (TAP). The Department also collaborated with VA on initiatives such as Veteran Readiness and Employment apprenticeships, the Veteran Rapid Retraining Assistance Program, and veteran employer referrals. In addition, our State Directors of Veterans' Employment and Training have coordinated with VA on their Economic Development Initiatives in locations such as Puerto Rico, Washington, and Texas, as well as provided competent candidates in support of VA's efforts to hire more veterans.

The VETS Compliance Office, which administers the Uniformed Services Employment and Reemployment Rights Act (USERRA), also has a strong partnership with DOD's Employer Support for the Guard and Reserve (ESGR). USERRA protects veteran employment rights and seeks to reduce the number of USERRA violations. The VETS Compliance Office conducts outreach and education programs, including with DOD's Employer Support for the Guard and

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<sup>&</sup>lt;sup>3</sup> Bureau of Labor Statistics (2021 March 18), "Employment Situation of Veterans News Release." Economic News Release. https://www.bls.gov/news.release/vet.htm

Reserve, to provide technical assistance to the public, military units, and professional organizations.

During the COVID-19 emergency, VETS engaged with ESGR to provide technical assistance to its Ombudsmen and career staff in dealing with issues arising pursuant to military deployments related to COVID-19 relief efforts. VETS and ESGR maintained a collaboration to address organization- and individual-level emergency situations, and published guidance for military unit personnel, employers, and the general public to use and resolve issues before they became formal complaints. That guidance was well received, and VETS has not seen an increase in formal USERRA complaints during the COVID-19 crisis.

I am impressed with the integration and partnerships that VETS has established and continues to develop at the local, state, and national level. The decline in the monthly seasonally adjusted veteran unemployment rate from 11.9 percent in April 2020 to 3.9 percent in September 2021 is due in part to the work by VETS and its partners to connect employers – eager for the skills and value our veterans provide – to our nation's service members, veterans, and their spouses, who have proven their resiliency time and time again.<sup>4</sup>

## **Ongoing Transition Assistance Program Initiatives**

Despite the pandemic challenges, I am pleased to inform you that 6,487 virtual instructor-led and 9,088 in person TAP workshops that VETS conducted, between March 1, 2020 and September 30, 2021, provided service to more than 242,000 transitioning service members and spouses. To be able to improve, track, and publicly report TAP outcomes, the Administration continues to deploy several pilot initiatives that aim to determine whether they improve employment outcomes, including employment and earnings rates after program exit, for transitioning service members and their spouses.

Recognizing the evidence base on apprenticeships, on April 1, 2020, VETS launched an Apprenticeship Pilot at 8 military installations to provide transitioning service members, and their spouses, opportunities to be hired into apprenticeship positions, including Registered Apprenticeships, prior to separation, in industries and locations that match their interests. Apprenticeship Placement Counselors (APC) leveraged their networks of prospective employers, industry associations, and stakeholders to connect pilot participants to opportunities across the country. Due to the COVID-19 pandemic, VETS shifted this pilot to virtual delivery, in conjunction with our virtual TAP workshops, to meet the needs of transitioning service members and their spouses, as well as to strengthen employer connections.

During the pilot that concluded on March 31, 2021, APCs received a total of 371 apprenticeship applications from 275 applicants. In total, 79 transitioning service members and 3 military spouses were placed into apprenticeships. We continue to maintain a virtual APC capacity to assist service members and spouses still active in the program, and as of September 30, 2021, 152 transitioning service members and spouses have been placed into apprenticeship programs.

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<sup>&</sup>lt;sup>4</sup> https://www.dol.gov/agencies/vets/latest-numbers

VETS also launched a career workshop curriculum for transitioning military spouses known as the Transition Employment Assistance for Military Spouses (TEAMS). The TEAMS workshops are designed to help military spouses plan and prepare for their job search in pursuit of their employment goals. Including components such as resume development, career exploration, and interview techniques, four workshops have been offered since February 2021, and an additional five workshops were piloted during May 2021. VETS began offering the full suite of these instructor-led virtual workshops in October, with the option for installations to host in-person workshops, beginning this fall. For more information on TEAMS, please visit: <a href="https://www.dol.gov/agencies/vets/programs/tap/teams-workshops">www.dol.gov/agencies/vets/programs/tap/teams-workshops</a>.

On April 1, 2021, the Department announced the launch of the Employment Navigator and Partnership Pilot (ENPP) at 13 military installations to enhance its ability to provide transitioning service members and their spouses with personalized assistance outside of the traditional workshops. This pilot is being conducted to analyze the impact of ENs on the employment outcomes of transitioning service members. Specifically, VETS will obtain, analyze, and publicly report outcome data for this EN pilot, including employment outcomes for those who receive services from Employment Navigators, as well as those who do not. Additionally, key measures including employment placement, retention, and quarterly/annual earnings data will be reported, which will come from the National Directory of New Hires (NDNH) and be matched to existing participant information.

ENs will assist transitioning service members to identify employment opportunities through career exploration and connections to available resources from governmental and non-governmental partners. Following the completion of self-assessments, skills testing, and high-demand occupation exploration, ENs will assist the participants in selecting career pathways and connecting them to partners and resources. To date, 1,302 transitioning service members, and 90 military spouses, have received services from Employment Navigators. Of the 1,302 transitioning service members, 168 were warm handover connections from DOD. The ENPP will run through spring 2022 at military installations worldwide with the intent to expand Employment Navigator services to other installations as time and budget allow.

In FY 2022, the Department will complete the development of and implement a transition assistance curriculum designed specifically to address the employment needs of wounded warriors. In coordination with the Department's Office of Disability Employment Policy, VA, the service's various wounded warrior programs, and stakeholders serving the disabled veteran population, the curriculum will focus on job accommodation resources so wounded warriors are able to realize their potential in the workplace despite injuries they incurred in service. Additionally, recent legislation extends existing authority to conduct an off-base transition training (OBTT) pilot. VETS is in the planning stage of this pilot.

### **VETS Grant Programs**

VETS administers two grant programs: JVSG and HVRP. JVSG, as authorized under Title 38 United States Code § 4102A(b)(5), is a formula grant available to 54 State Workforce Agencies to fund 1,510 employees in FY 2021 across three staffing categories at American Job Centers: Disabled Veterans' Outreach Program specialists, Local Veterans' Employment Representatives,

and Consolidated Positions who perform a combination of both services. In FY 2021, JVSG funds 988 Disabled Veterans' Outreach Program specialists who provide individualized career and training-related services to veterans with significant barriers to employment, with prioritized emphasis directed toward serving veterans who are economically or educationally disadvantaged. Veterans with significant barriers to employment include those:

- with a 30 percent or higher disability rating;
- experiencing homelessness;
- recently separated and who have been unemployed for 27 or more consecutive weeks;
- incarcerated and released in the past 12 months;
- lacking a high school diploma or GED; or
- with low income.

In FY 2021, JVSG funds 466 Local Veterans' Employment Representatives who conduct outreach to employers and business associations, as well as engage in advocacy efforts with hiring executives to increase employment opportunities for all veterans.

HVRP is a competitive grant program administered by VETS and has two core objectives:

- provide services to reintegrate veterans experiencing homelessness or at risk of homelessness into employment; and
- stimulate the development of effective service delivery systems that address the complex challenges facing veterans experiencing homelessness.

To expedite the reintegration of veterans experiencing homelessness or at risk of homelessness, HVRP grantees provide counseling, placement services, and job training targeted to industries, occupations, and skills that are in demand locally.

Similar to our JVSG response, VETS maximized communication and transparency with HVRP grantees by conducting frequent virtual conferences alongside the National Veterans' Technical Assistance Center, which is funded by VETS, to clarify policies and procedures in light of the pandemic and to share best practices among grantees. Many grantees were able to adjust the delivery of services to veterans experiencing homelessness by coordinating with other federal and community partners.

In Fiscal Year 2021, the Department awarded \$52 million in HVRP grants. In Performance Year 2020, HVRP recipients placed 62 percent of exiting participants in employment making on average over \$16 an hour while also providing services to over 14,500 veterans who were experiencing homelessness or at risk of homelessness.<sup>5</sup>

# **HIRE Vets Medallion Program**

<sup>&</sup>lt;sup>5</sup> The public announcement of the FY 2021 grants can be found here: <a href="https://www.dol.gov/newsroom/releases/vets/vets20210601">https://www.dol.gov/newsroom/releases/vets/vets20210601</a>

The Honoring Investments in Recruiting and Employing American Military Veterans Act (HIRE Vets Act), signed into law 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. The program was officially implemented in 2019 and accepted 433 applications from which 427 employers received the HIRE Vets Medallion Award. In 2020, VETS accepted 683 applications, a nearly 60 percent increase from the prior year, and 675 employers were awarded. This year, over 870 employers, from across the nation, submitted award applications and the official awards announcement will be made at a virtual ceremony on November 10, 2021.

All transitioning service members and veterans looking to improve their employment situation should check out HIREVets.gov and use the interactive map to find employers who have proven their commitment to hiring and retaining veterans.

### Conclusion

The state of the entire U.S. economy will influence how veteran unemployment rates trend in the future. Through the great recession and the COVID-19 pandemic, veteran unemployment rates have consistently been lower than those of non-veterans, but tend to follow general population trends. Strong partnerships and productive collaborations have sustained our collective efforts and contributed to our effectiveness during the COVID-19 pandemic. As we transition from response to recovery in an evolving economy, I trust that we will arrive at the most effective solutions to serve the needs of our veterans. Employment is our core mission and competency.

As the lead Federal agency on veteran employment, VETS looks forward to working with this Committee and our many partners and stakeholders to create opportunities that ensure all veterans can have a good job and opportunity for advancement. I thank the Committee for the opportunity to testify today and am happy to answer any questions you may have.