

EXAMINING VA'S ON-THE-JOB TRAINING AND APPRENTICESHIP PROGRAM

HEARING

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

OF THE

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EXAMINING VA'S ON-THE-JOB TRAINING AND APPRENTICESHIP PROGRAM

Wednesday, November 18, 2015

COMMITTEE ON VETERANS' AFFAIRS,
U. S. HOUSE OF REPRESENTATIVES,
Washington, D.C.

The Subcommittee met, pursuant to notice, at 2:01 p.m., in Room 334, Cannon House Office Building, Hon. Brad Wenstrup [Chairman of the Subcommittee] presiding.

Present: Representatives Wenstrup, Costello, Takano, Rice, and McNerney.

Also Present: Representative Coffman.

OPENING STATEMENT OF BRAD WENSTRUP, CHAIRMAN

Mr. WENSTRUP. Good afternoon, everyone. I want to welcome you all to the Subcommittee on Economic Opportunity's hearing today entitled "Examining VA's On-the-Job Training and Apprenticeship Program."

Before we begin, I want to ask unanimous consent that our colleague, Mr. Coffman, be allowed to sit up at the dais and ask questions. And he will be here shortly.

Hearing no objection, so ordered.

Expanding employment and training opportunities for veterans is the core mission of this Subcommittee, and today we are here to review what I believe is one of the best but unknown and underutilized programs designed to help veterans achieve economic success.

By using VA's OJT and Apprenticeship Program, veterans are able to supplement their incomes with both the living stipend payments from the VA for the Post-9/11 GI Bill benefits, as well as the wages from their employer while they are a trainee, and at the end of their training program, they are able to step right into a beneficial career. I don't know of many majors or programs at institutions of higher learning that can promise a job at the end of their programs, and that is what makes this program so special.

Despite the many positives of using this program, very few veterans have used this benefit, which caused the Subcommittee and our colleague, Mr. Coffman, to be concerned that VA has room for improvement in promoting this program at TAP or through their marketing materials for the Post-9/11 GI Bill. That is why we asked GAO to conduct their study and issue the report that is the focus of the hearing today.

Unfortunately, GAO confirmed what this Subcommittee believed and found that for those who find out about these programs it is very beneficial. However, most veterans don't realize that this type

of program even exists and VA is not doing a sufficient job of educating transitioning veterans on the option of using the OJT and Apprenticeship Program.

I was troubled to read that the administration of this program seems to be trapped in basically 20th century methods. GAO found that OJT payments are still completed in a paper-based system that is inefficient and burdensome, to quote them, and relies on participating training programs to mail or fax in certification forms that allow veterans to be paid. In fact, GAO's report found that almost half of the employers they interviewed had to resubmit monthly certifications because VA officials had lost them or not received them.

Ladies and gentlemen, it is no wonder that the VA has had a hard time finding businesses that want to participate in this program if they are forced to fax or mail in forms to the VA. I simply don't understand why in the year 2015 we are still relying on the U.S. Postal Service or a fax machine to submit VA paperwork. So I am interested in hearing from VA on how it plans to address this issue and join the 21st century.

Equally troubling is the finding in this report that the VA does not track any type of outcomes for veterans who use the OJT and Apprenticeship Program. GAO found that VA has not even considered requesting to use State wage records to track performance. I know the VA has done a lot of work to begin tracking performance outcomes of students going to traditional higher education programs, but I think they also need to step up to the plate and begin tracking some of the outcomes of this program. This is basic government 101 and I think it needs to be addressed pretty quickly.

I have said it before and I will say it again, VA has to figure out what type of sensible metrics will be used or Congress will make them up for you. And you probably don't want that. And we would rather you do it.

I look forward to hearing from our witnesses today about how we can improve this program that I believe has the potential to help many veterans for generations to come.

And with that, I recognize the Ranking Member, Mr. Takano, for his opening remarks.

OPENING STATEMENT OF MARK TAKANO, RANKING MEMBER

Mr. TAKANO. Thank you, Mr. Chairman.

Today's hearing will focus on the GAO's report on the VA's On-the-Job Training and Apprenticeship Program. In studying this program, GAO found that most veterans who have used their GI benefits to participate in VA's on-the-job training and apprenticeships have had positive experiences as they transition back into civilian life. That is the good news here today.

The bad news is that there were so few veterans to survey about their experiences. More veterans should be participating in this valuable program. In addition to identifying the high satisfaction combined with low participation, the GAO has provided a helpful roadmap that shows how to expand the OJT and Apprenticeship Program while maintaining the transparency and accountability that this Committee demands.

In this case, we have what appears to be a very promising avenue for transitioning veterans to find satisfying, long-term employment. Our goal today is to consider GAO's recommendations and ensure that VA can articulate its plan to implement these recommendations sooner rather than later.

When we look down the road to a future Economic Opportunity Subcommittee hearing on this same topic, I hope VA will be able to report on the program's success based on clear, measurable outcomes that demonstrate the benefit of OJT and apprenticeships for transitioning veterans.

Thank you, Mr. Chairman. I yield back.

Mr. WENSTRUP. Thank you, Mr. Takano.

I welcome our only panel to the table. With us today we have Mr. Andrew Sherrill, Director of Education, Workforce, and Income Security for the U.S. Government Accountability Office; Dr. Joseph Wescott, Legislative Director for the National Association of State Approving Agencies; General Robert Worley, Director of VA's Education Service; and Mr. Eric Seleznow, Deputy Assistant Secretary for DOL's Employment and Training Administration.

I thank you all for being here today. Your complete written statements will be made part of the hearing record. And you will be recognized for 5 minutes for your oral statement.

So let's begin with Mr. Sherrill. You are now recognized for 5 minutes.

STATEMENT OF ANDREW SHERRILL

Mr. SHERRILL. Thank you, Chairman Wenstrup, Ranking Member Takano, and Members of the Subcommittee. I am pleased to be here today to discuss the findings from the report we issued last week on the Department of Veterans Affairs' Post-9/11 GI Bill on-the-job training and apprenticeship programs.

Post-9/11 GI Bill benefits were initially available only for higher education, which may not be the best path for every veteran. But in 2011, provisions were enacted that expanded benefits to cover OJT and apprenticeships. For those who may not be interested in higher education, OJT and apprenticeships offer an opportunity to work full-time while training. In addition to the wages they earn from their employer as a trainee or apprentice, veterans receive a tax-free monthly housing payment from VA.

For our report, we analyzed VA program data and surveyed State officials in all 44 States responsible for overseeing these programs. We conducted nongeneralizable surveys to collect information from veterans, as well as employers and apprenticeship sponsors who participated in these programs. We also analyzed information about these programs on the VA and Department of Labor Web sites and in their outreach materials.

In summary, the veterans we surveyed said that Post-9/11 OJT and apprenticeship programs have helped them transition to civilian life. But program data show relatively few veterans have participated. Over two-thirds of the veterans we surveyed specifically noted that receiving supplemental income helped them cover living expenses while transitioning to civilian life. About half of the veterans responding to the survey reported that the programs allowed

them to use their GI Bill benefits even though college was not a good fit for them.

We also found that since the OJT and apprenticeship programs became available in 2011, about 27,000, or 2 percent, of the 1.2 million veterans who received GI Bill benefits have participated in these programs.

Our report identified three areas in which the programs could be improved. First, we found that a key challenge is lack of awareness of these programs. For example, State approving agencies in 39 of the States that administer the programs reported that veterans' and employers' lack of awareness of these programs is a primary challenge.

VA provides information about the OJT and apprenticeship programs through mandatory Transition Assistance Program briefings for transitioning servicemembers. However, these briefings generally emphasize higher education. For example, out of the 77 total pages in the TAP facilitator guide and briefing slides for the mandatory VA Benefits I and II courses, there is only one reference to the OJT and apprenticeship programs.

In discussing Post-9/11 GI Bill benefits, the briefing slides generally refer to "education, tuition, school," and "student" and do not refer to employers, OJT, or apprenticeship opportunities. Similarly, we found the information provided on VA's Post-9/11 GI Bill Web page and on its OJT and apprenticeship Web pages lacks enough detail for users to reasonably understand how to use their GI Bill benefits for these programs.

We recommended that VA identify and implement appropriate cost-effective actions to increase awareness of OJT and apprenticeship benefits. VA agreed and said it will develop a guide for employers and apprenticeship sponsors about these programs.

A second area for improvement we identified is the administrative burdens associated with processing monthly benefit payments. Over half of State officials we surveyed cited challenges related to VA's current paper-based payment processing system, which requires employers to fax or mail monthly forms to VA in order for a veteran to receive benefits. In addition, 11 of the 15 employers and apprenticeship sponsors we interviewed said the process is burdensome or inefficient, and 7 said they often had to resubmit monthly certification multiple times because VA officials said they had not received them.

VA is developing a new data system called VA-CERTS to address these issues, but VA officials said the system may not be implemented until 2017 at the earliest. So in the interim, administrative challenges could hinder program participation, and we recommended that VA identify and implement cost-effective steps to ease administrative challenges as it is developing this VA-CERTS system. VA agreed and said it would develop a plan to ease these challenges.

A third area in which the program could be improved is measuring program performance. We found that little is known about the performance of VA's OJT and apprenticeship programs because VA does not measure program outcomes, such as whether participants retained employment after completing the program. Without such measures, VA is limited in its ability to assess its programs

and veterans may not be well positioned to determine which GI Bill benefits are most suitable for them.

We recommended that VA establish measures to report on outcomes for these programs, including considering relevant data sources and seeking legislative authority to gain access to data if necessary. VA agreed with this recommendation and said it will develop a plan to determine the feasibility of collecting and publishing program outcome data for these programs.

That concludes my statement. I would be happy to answer any questions you might have.

[THE PREPARED STATEMENT OF ANDREW SHERRILL APPEARS IN THE APPENDIX]

Mr. WENSTRUP. Thank you, Mr. Sherrill, for your constructive remarks.

Dr. Wescott, you are now recognized for 5 minutes.

STATEMENT OF JOSEPH W. WESCOTT

Mr. WESCOTT. 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 agencies of the National Association of State Approving Agencies and appreciate the opportunity to provide comments on examining VA's On-the-Job Training and Apprenticeship Program. I am accompanied today by Mr. Dan Wellman, the NASAA president.

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 strongly agree that outreach efforts need to be improved, and we 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 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, due to our contractual focus on oversight and our constrained funding, the number of approved active facilities in fiscal year 2015 has fallen to only 3,551.

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. 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.

Mr. Chairman, we recommend that VA conduct national outreach efforts concerning these programs, while the SAA should remain focused on State and local outreach. We would encourage the VA to place more emphasis on their Web site regarding apprenticeship

and OJT opportunities. Likewise, we would suggest outreach efforts by the VA and SAAs should focus on all current chapters of the GI Bill. We would also like to be able to conduct annual supervisory visits to apprenticeship/OJT programs. During these visits, we are able to discuss the approval and administration of the program with the certifying officials and we can provide assistance to veterans enrolled in these programs. Ultimately, supervisory visits strengthen outreach activities in the field.

Additionally, current law limits the abilities of SAAs to be reimbursed under their contract for outreach efforts. NASAA recommends 38 USC 3674 be modified to add an additional category of reimbursement for outreach and marketing.

NASAA has long sought the automation of the apprenticeship/OJT process and claims processing. 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 the number of active apprenticeship/OJT programs and how many veterans are actually enrolled in the program.

NASAA recommends that until the VA is able to establish an electronic system for apprenticeship/OJT payments, the VA should consider reducing the administrative burden on employers with approved programs by allowing them to certify all veterans enrolled in the program on one enrollment form. NASAA also stands ready to implement a jointly administered pilot project in one of our larger apprenticeship/OJT States to test this suggested change in policy. Nonetheless, a reliable and valid automation system remains critical to the eventual improvement of this program.

While we understand the challenges the VA faces in developing outcome measures for this program, we concur with the GAO on the need for these measures. We would strongly recommend that the VA partner with us in the development of these measures.

Mr. Chairman, the OJT and apprenticeship programs provide a tremendous opportunity to put our Nation's veterans back to work immediately in meaningful and rewarding careers that are needed in our economy. We applaud the efforts of this Committee, our VA partners and stakeholders, and the GAO to improve the administration of the VA apprenticeship/OJT program. I thank you again for this opportunity, and I look forward to answering any questions that you and the Committee may have.

[THE PREPARED STATEMENT OF JOSEPH W. WESCOTT APPEARS IN THE APPENDIX]

Mr. WENSTRUP. Thank you, Dr. Wescott.

General Worley, you are now recognized for 5 minutes.

STATEMENT OF MG ROBERT M. WORLEY II USAF (RETIRED)

General WORLEY. Thank you, Mr. Chairman.

Good afternoon, Mr. Chairman and Ranking Member Takano and other distinguished Members of the Subcommittee. I am pleased to be here today to discuss the Department of Veterans Affairs' education benefit programs. My testimony will focus on VA's administration of on-the-job training and apprenticeship programs under the Post-9/11 GI Bill.

Public Law 111-377, which was signed into law on January 4th of 2011, amended the Post-9/11 GI Bill by expanding eligibility for certain individuals, modifying the amounts of assistance available, and increasing the types of approved programs which included OJT and apprenticeships.

Both OJT and apprenticeship programs are available to veterans using their VA education benefits under the Post-9/11 GI Bill. These programs allow veterans to learn a trade or skill through training on the job instead of attending formal classroom instruction at an institution of higher learning or at a vocational school. Eligible veterans pursuing training under the Post-9/11 GI Bill OJT and apprenticeship programs, in addition to their wages, receive a monthly housing allowance which decreases in 6-month increments as wages are increased. Participants also receive up to \$83 a month for books and supplies.

Of 725,000 new Post-9/11 GI Bill beneficiaries added between fiscal year 2012 and fiscal year 2015, approximately 35,000, or about 4.8 percent, pursued training through OJT or apprenticeship programs. Today, there are over 3,500 active OJT and apprenticeships, and in fiscal year 2015 alone 22,000 veterans pursued training through these programs.

In September of 2014, VA and the Department of Labor sent a joint letter to approximately 10,000 registered apprenticeship sponsors encouraging them to recruit and hire veterans into their apprenticeship programs. The letter informed them of VA's deemed approved status for any DOL-registered apprenticeship program and provided information on the streamlined process to obtain approval through their State approving agencies.

VA has conducted two targeted online marketing campaigns to promote OJT and apprenticeship programs under the Post-9/11 GI Bill, one in 2011, after Public Law 111-377 was enacted, and one in 2013. There is significant information on the GI Bill Web site and VA recently has enhanced its Transition Assistance Program curriculum in the Benefits I and the career technical track regarding OJT and apprenticeship opportunities.

The recently released GAO report includes three major recommendations: That VA take action to increase awareness of OJT and apprenticeships, that VA take steps to ease the administrative challenges in submitting paperwork or receiving payments, and that VA establish measures to report program outcomes for OJT and apprenticeships. The VA agrees with these recommendations.

VA is already taking action to implement them. Specifically, VA has developed a guide for employers and sponsors on VA benefits for OJT and apprenticeship programs. The guide is now available on the GI Bill Web site and will be available on the eBenefits Employment Center in the near future. Today, the VBA's Office of Economic Opportunity is sending out an email blast to thousands of recipients regarding OJT and apprenticeship opportunities. Also, this morning, the VA posted a note on its Facebook page, again about OJT and apprenticeships. This page has about a million followers. We will do this on a more regular basis to keep the awareness going.

Additionally, we have established a working group to expeditiously explore cost-effective options to ease the administrative

challenges for employers and veterans in submitting the paperwork and receiving payments until the new VA-CERTS system is in place.

VA also agrees that program performance measures are important and should be developed to report on program outcomes for Post-9/11 GI Bill OJT and apprenticeship programs. As you mentioned, Mr. Chairman, over the past 3 years, the VA has actively collaborated with the Department of Education, the Department of Defense, and many others to establish outcome measures for the Post-9/11 GI Bill in accordance with Executive Order 13607 and Public Law 112-249. VA has for the first time published those veteran-specific outcome measures on the GI Bill Web site. Those measures are graduation rates, certificate completion, retention, persistence, and transfer out rates. That happened in September of this year.

VA, in collaboration with the Department of Education, is currently exploring the collection of post-graduation data related to employment rates and average salary for graduates.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to appear before you today. And I am pleased to answer any questions you or the Committee may have.

[THE PREPARED STATEMENT OF GENERAL WORLEY APPEARS IN THE APPENDIX]

Mr. WENSTRUP. Thank you, General. I appreciate it.

Mr. Seleznow, you are now recognized for 5 minutes.

STATEMENT OF ERIC SELEZNOW

Mr. SELEZNOW. Thank you very much. Good afternoon, Chairman Wenstrup, Ranking Member Takano, and other distinguished Members of the Subcommittee. I am pleased to be here today to discuss the Department of Labor's apprenticeship and on-the-job training programs and how they assist veterans and transitioning servicemembers.

Prior to joining DOL, I worked in the local workforce system for about 20 years in Montgomery County, Maryland, and I worked at the Governor's Workforce Investment Board in the State of Maryland. Through those experiences, I worked directly on our American Job Service Centers, worked with veterans, worked with stakeholders, and understand how this works at the point-of-service retail level, if you will.

Today's discussion is particularly appropriate as DOL recently celebrated the first-ever National Apprenticeship Week November 1 through 8, just a couple of weeks ago. It was a big success. We had all sorts of apprenticeship opportunities for leaders in business, labor, education, and other partners who expressed their support in activities for registered apprenticeship.

Under the Workforce Investment Act, 14 million people complete DOL programs annually, mostly through our 2,500 American Job Centers across the country. Of those 14 million people, about a million of those are veterans, and over half of those veterans end up getting jobs.

American Job Centers are the cornerstone of our unique Federal, State, and local partnerships that comprise the public workforce

system of not only Workforce Innovation and Opportunity Act programs, but also an array of local partners, including veteran services. Any American looking for work can walk through the doors of an American Job Center, visit our Web site for all the information and help and assistance they need to get started. That includes veterans.

American Job Centers provide a wide range of career and training services for all job seekers, including career counseling, career planning, resume assistance, job placement, education and training, including OJT and apprenticeship, and access to referrals for numerous other services. And American Job Centers offer veterans and eligible military spouses priority of service for all of our DOL-funded programs.

American Job Centers also house business services teams that go out and do outreach with employers in the community, a critical part of our job-driven training strategy. And they often partner with local veterans employment representatives in that outreach to offer a range of employer services, including outreach and development of new OJT opportunities and registered apprenticeship. These staff help match DOL OJT participants to employers and employers can get between 50 and 75 percent reimbursement on a trainee's wages in order to reimburse some of the extraordinary costs associated with training new staff.

DOL has prioritized OJT strategies because we know they work. We have been using them for over 15 years in the local workforce system. It significantly increases the chances of finding work and leads to better retention and higher average wages.

As part of our outcome measures, States are required to report using wage records on employment, retention rates, and post-program earnings. In program year 2013, almost 85 percent of the veterans who participated in our OJT programs were employed in the first quarter after exiting the program, almost 90 percent retained those jobs after 6 months, and the 6-months earning average for veterans on OJT was more than \$17,000, close to about \$35,000 per year.

In 2014, approximately 2,000 veteran apprentices completed their apprenticeship in the 25 States managed by DOL. But DOL does not track employment outcomes specifically for veterans in apprenticeship programs. We do aggregate that data. And over 91 percent of our apprenticeship participants who completed their apprenticeship were employed in first quarter after exiting the program. Just as importantly, a high number of participants, 91 percent, completed their apprenticeship and remained in those jobs for 6 months. The 6-months average earnings for these participants was roughly \$30,000 or \$60,000 per year, which is higher than our average participant in other workforce development programs.

One successful veteran is a fellow by the name of Dan Healy. Dan was a Marine. He was a machinist. He went to our Web site to get information on these services. He ended up at Sebewaing Tool, an engineering company in Michigan, and he was very successful in transferring his military skills to an apprenticeship. The opportunity gave him and his family opportunities, gave his employer a very good employee for the long term.

The President has challenged us to double and diversify the number of apprenticeships, ensuring that more Americans from all backgrounds benefit from this proven training model. And we have increased by 70,000 the number of apprenticeships over the last year and a half.

In 2014, we worked closely with the VA to develop a streamlined system for the GI Bill that General Worley already talked about. We look forward to continued collaboration with them.

And, finally, the President's fiscal year 2016 budget also proposes to spend \$100 million to expand American apprenticeship grants to support the efforts of States, employers, and enhance apprenticeships across the country, and that will certainly benefit the veterans that we serve in our local service system.

So thank you for the opportunity to appear before you today. I would be please to respond to any questions.

[THE PREPARED STATEMENT OF ERIC SELEZNOW APPEARS IN THE APPENDIX]

Mr. WENSTRUP. Thank you all very much for your testimony here. I appreciate that.

Mr. Seleznow, let me just start with you, because that was a lot of information you packed into 5 minutes and I appreciate that. And you are getting good data, you are acquiring good data, and you are really being able to estimate the outcomes.

How far out do you go typically? I mean, I know it is hard to track people for the rest of their lives. But, you know, to find out are you still employed 5 years later or 3 years later, how far are you able to go?

Mr. SELEZNOW. Typically our first check-in is 6 months after completion of a program. So we might be working with somebody for 6 months or maybe working with him a year. Through an apprenticeship program, it could be 2, 3, or 4 years. So 6 months after completion of the program is the first check. And we can also do it at 4 quarters after exit as well. We usually do it the second quarter after exit and we do it at the fourth after exit.

Mr. WENSTRUP. But usually not beyond a year.

Mr. SELEZNOW. Not beyond a year in most cases, except for research and evaluation purposes. We have a robust Chief Evaluation Office where we are looking at a lot of these programs. So it is possible to look farther beyond that.

Mr. WENSTRUP. Yes. So if you can get it at 6 months, would it be pretty easy to get it at a year or 2 years?

Mr. SELEZNOW. A year, yes. Any more than that, I wouldn't be the expert in the data collection strategies. We could get that for you, whether we have the possibility to do that. I am sure we have some capacity.

[THE ATTACHMENT APPEARS IN THE APPENDIX]

Mr. WENSTRUP. I was just wondering if the methodology allowed for that, because that is good information, you know. Obviously 6 months is nice, but, you know, we would love to know where you are 5 years from now and that type of thing.

As far as getting people aware of the program, I get the challenge. I mean, TAP is in overload, right? So how do you get in the

process anywhere where somebody will say, Oh, how could you miss the OJT component of what there is to offer? And that is a challenge, and so I want to ask you about that. We heard some ideas, Facebook and this and that. But how can we really get more people involved, considering that there is a lot of information being put out to veterans as they come out? How can you find yourself standing out? If anybody wants to take that question.

Mr. WESCOTT. I will start, Mr. Chairman.

General WORLEY. I think it takes a breadth of avenues to do that. I mean, it starts with the information we send to servicemembers in the period before they actually transition. Then it goes into TAP where, as I mentioned, there have been enhancements in the Benefits I briefing. But, again, it is not like there is 20 pages dedicated to OJT in Benefits I because so much is required to be put into that briefing.

The career technical track has also been enhanced. There are several, much more discussion about apprenticeships and OJT in the career technical training. Of course, that is an optional track that a veteran needs to choose to do. But it is being used quite significantly.

And then it becomes a matter of all the other things that we try to put out there with respect to the breadth of opportunities, the incredible breadth of opportunities that the GI Bill provides, from institutions of higher learning all the way to the vocational schools to OJT/apprenticeship, correspondence, flight, all those avenues, to give them their just due, if you will, with respect to the representation of them on our Web sites.

Mr. WENSTRUP. Just for a second, let me ask you, do we require any kind of a survey after TAP or at the end of TAP where maybe we ask some questions, do you feel you understand this, do you feel you know where to look for this information?

General WORLEY. I am not the expert on the post, the checkup of TAP. But I will tell you that the DoD and VA, as you know, have been working significantly on TAP for many years. And part of the discussion that has been, that I have been a part of as well to some degree, is exactly what you are talking about, measuring the effectiveness of TAP overall with respect to, in my case, the education piece. Do people who go to TAP, for example, choose the education option or go one way or another?

And these are measures that are not in place yet that require a significant amount of data sharing and interface between DoD and VA. But those discussions are going on and we are making progress, but it will be some time, I believe, before we will have those kind of measures in place.

Mr. WENSTRUP. Maybe a simple survey after people complete TAP to really see how much they picked up. You know, not a pass/fail, no one can fail, but you get information from that.

Going to the costs and modernization and things like that, I mean, it doesn't cost more to do email. It doesn't cost more to go online. It costs more to snail mail things. It costs more to fax things. And it delays things.

I did appreciate when you talked about having one enrollment form. You know, we have got to look at what we can do to make it easier for people that want to participate. And that has come out

today, and I hope that we continue to pursue that. But I am not necessarily buying that we need more funding for this to simplify the process. Actually simplifying it should reduce costs.

And I really want to see us going in that direction. I don't think there is any reason why we can't. I mean, every one of us does far less snail mail in our life because we can go online and do these things that cost us nothing. It saves us the stamp. It saves us the paper. We can do that on a larger scale and we need to do that.

But I do see great potential here, and I want to keep pushing in this direction and follow-up with you again to see where we are. I commend GAO for the report that you gave us because it is very constructive information on how we can move forward and do a better job for our veterans, which of course is our goal.

And with that, I yield back. Mr. Takano, you are recognized.

Mr. TAKANO. Thank you, Mr. Chairman.

One of the VA programs that has really impressed me the most recently, and I think also our Chairman, is the VetSuccess on Campus, or VSOC, Program, where students have access to counselors.

Do veterans choose to use their GI benefits to pursue OJT or apprenticeships rather than attending college have access to similar guidance by a counselor or mentor and access to a similar community that they might have, say, on a campus vet center? Is there a similar sort of support system for veterans who seek the OJT track?

General WORLEY. Not specifically, Congressman Takano. Obviously, the VetSuccess on Campus office and those counselors are there to serve the folks that are in the academic programs there. There isn't a corollary focused counselor per se just for OJT and apprenticeships.

Mr. TAKANO. Okay. Thank you.

Dr. Wescott, the State approving agencies, can you tell me just how much the State of California participates? Or any of the panelists who would know how much California participates in this program?

Mr. WESCOTT. I would have to get back to you on that.

Mr. TAKANO. Okay. That is fine.

[THE ATTACHMENT APPEARS IN THE APPENDIX]

Mr. WESCOTT. I apologize.

Mr. TAKANO. One of the areas that we are all facing challenges in is replenishing the number of our building tradesmen in our building trades, right? And I know that the building trades unions invest a lot of their own resources into training centers. I personally toured a carpenters' training facility not far from my district. To what extent do the trades participate in these sort of programs for the veterans, the OJT?

Mr. WESCOTT. Well, there is a great deal of participation, you know, carpentering, plumbing, electricians. Programs are set up for all of those. And that is one area where we are anxious to be more involved, is in outreaching to those unions and reaching out to those individuals who are participating in that.

I mentioned, you know, the Missouri CD that is shared. But also, like in our State of Illinois, in that State they have 336 approved and active-apprenticeship and OJT facilities. They have a vigorous

outreach program where if they are out visiting with an employer that is training electricians and there is another employer close by, we might go and visit with that particular employer and tell them about the program and the opportunity that veterans who are employed there might have to be engaged in it.

Ohio is providing briefings to the Ohio State Apprenticeship Annual Conference and sits as an adviser on their State Apprenticeship Council.

So there are these opportunities to provide outreach. We want to do more to the various sorts of people and careers you mentioned.

Mr. TAKANO. So, for instance, the kind of centers I am talking about, like the carpenters training center that is run by the carpenters union, you would like to see more participation?

Mr. WESCOTT. Exactly.

Mr. TAKANO. How can we do that? What are the steps to take, or what are the things standing in the way to our getting that participation?

Mr. WESCOTT. Well, I would think certainly one of the things that we would like to do is to have the opportunity to actually send a program specialist or consultant out to that center and meet with those directors and talk about the opportunities that veterans could have. Because one of the sad things that occurs and has occurred in recent years is veterans just aren't aware, especially in those type of settings.

One of the things that NASAA has done is we have even become engaged with certain certifying official associations so that even school officials could become aware of the fact that we have this other path to a job in the GI Bill, another opportunity for veterans beyond the education setting.

Mr. TAKANO. Any other comments?

Mr. SELEZNOW. So in our national apprenticeship program, we work with building trades and we are trying to diversify into other fields, like IT, cybersecurity, health care, and really expand apprenticeship. You know, there is the helmet to hardhats program, wounded warrior programs, vets in piping programs, some of our national partners who we very much like to work with—

Mr. TAKANO. Well, the helmets to hardhats program, for example, does that interface at all with this veterans' program at all? Is there any interface?

Mr. SELEZNOW. I don't know about their particular programs. We meet with them. We are briefed with them. We do work with them, either our Veterans Employment and Training office or on the local or State level on apprenticeship or reaching out to employers.

Mr. TAKANO. All right. Well, thank you, Mr. Chairman. I yield back.

Mr. WENSTRUP. Mr. Coffman, you are recognized for 5 minutes.

Mr. COFFMAN. Thank you, Mr. Chairman.

Mr. Sherrill, just one question. I know in my State of Colorado that it is very difficult for—first of all, the awareness among veterans leaving Active-Duty is almost zero about this program. And then when employers do need veterans, such as someone who was a Humvee mechanic into an auto mechanic in a service department, it is just so difficult to navigate this program.

It would seem to me that you have got two, the Department of Labor and you have got Dr. Wescott's group, that one of them should be contracted with in terms of the implementation of this and probably even the reimbursement. Can you comment on that?

Mr. SHERRILL. Well, the State approving agencies do for the most part handle the outreach for the program at the State level. VA does do some of the outreach at the Federal level. Here is a quote from a veteran that participated in one of these programs: "This is a hidden program that should be more prominent in availability. I would not have known I could use the OJT program if not for word of mouth from another employee." And we found a lot of veterans saying word of mouth is how they heard about it.

Now, in terms of some of the things that veterans told us might help would be learning about the program during recruitment as a possibility. Some of the veterans also said that having more concrete examples would be helpful, not just knowing a program exists for OJT and apprenticeship, but concrete examples of how veterans have used the program, and highlighting those kinds of things.

Mr. COFFMAN. I went through the Vietnam Era GI Bill, served one enlistment in the United States Army. And what I know or remember, in comparison to the veterans now, is we were a younger population, less likely to have families. I think the veterans coming out today are older, better educated, more likely to have families, more likely to want to go to work directly into employment and, in my view, utilize one of these programs. And the numbers ought to be much higher than they currently are.

Dr. Wescott, can you comment on what role, an enhanced role, I think, that your organization might be able to play to expand this opportunity in terms of maybe a contractual relationship with the VA or a stronger one?

Mr. WESCOTT. Certainly, Mr. Coffman, and welcome the opportunity to do so.

First off, we need funding for outreach. We need a line in our contract that allows us to actually perform some of these marketing functions at the local area. We want to reach out to veterans. We want to do it by way of bulletins, by, again, connecting on a more regular basis with the other agencies that serve this population, making additional stops, add-a-stops we call them, so that we can actually talk to folks who might be interested in this program.

I agree that we are missing an opportunity with a more mature population coming out today who may already have degrees and are now looking for a job opportunity. And this is a great program to connect them with that.

Mr. COFFMAN. Mr. Seleznow, I wonder if you can comment on, could you see a greater role for the Department of Labor in terms of doing this?

Mr. SELEZNOW. Yeah. Particularly one observation just about TAP, for example, because I used to work with veterans through our American Job Center with TAP. They have a lot on their minds when they are transitioning through and so it may be mentioned and they are not always remembering that because there is just so many things as they transition back to their community. So I think what we can do to help is to continue to reinforce that in our Amer-

ican Job Centers, through our LVER outreach people and all of our workforce staff to help increase that outreach and participation.

Our Web site is pretty robust when it comes to veterans. You can sort of get to a lot of different places when you get to our vets apprenticeship one-stop. We do a lot of marketing and outreach with that.

And also I am just reminded that our U.S. Military Apprenticeship Program, also serves 95,000 military apprentices today who when they do transition out of the military we can work with them on getting reconnected in their communities.

Mr. COFFMAN. So what funding source? So you don't tap into the Post-9/11 GI Bill, though, when you do that. That is a separate program.

Mr. SELEZNOW. That would be separate for when they are in the military. But certainly when they get out, we really enjoyed that connection with VA to utilize the GI Bill. I think our employers like it, our apprentices like it. I think it is a great connection.

Mr. COFFMAN. General Worley, how long have you been in this position?

General WORLEY. I have been in this position since April of 2012, sir.

Mr. COFFMAN. April of 2012. So tell me about why you have not moved to electronic communications at this point.

General WORLEY. I guess to go back a little bit historically, it is symptomatic, I would say, sir, of the individual stovepipe technology systems that we have that we are operating today. As you know, Public Law 111-377 is where the Post-9/11 GI Bill began to be able to do OJT and apprenticeships starting in October of 2011. At that time, we were in the middle of the development of a long-term solution and we had to, because of that law and being able to implement it, there was a significant revector of the development. But all of that had to do with the processing of claims.

An OJT and apprenticeship claim, once it is put into the system, is processed by the Long Term Solution that was developed over the last 3 or 4 years, but the upfront piece is a completely different system in schools called VA-ONCE, a system by which schools submit their enrollment data.

Mr. COFFMAN. It is unacceptable. I think you would agree that it is unacceptable.

General WORLEY. Yes, sir.

Mr. COFFMAN. And the fact that people have to—the employers have to kind of reapply to the process and it is burdensome.

It is amazing to me how somebody can come from the private sector into the VA, like Secretary McDonald or yourself from the United States Air Force, as a leader in the Air Force, and all of a sudden fit right into this culture. Because if this were a report that came down on your organization in the United States Air Force, you would be relieved. But yet it is all acceptable here.

I yield back, Mr. Chairman.

Mr. WENSTRUP. Mr. McNerney, you are recognized for 5 minutes

Mr. MCNERNEY. I want to thank the Chairman.

General Worley, would a partnership between the VA and the VSOs or the Department of Labor, would that benefit the outreach program and the spread of information on the OJTs?

General WORLEY. Yes, Congressman. I think stronger partnerships would. We have partnerships with the Department of Labor and very strong partnerships with the VSOs and with our State approving agencies. More focus on outreach with respect to OJT and apprenticeship programs is an opportunity that is there and we will pursue that in the future.

Mr. MCNERNEY. Do you see a pathway to improve those partnerships?

General WORLEY. Yes, sir.

Mr. MCNERNEY. Can you explain it?

General WORLEY. Well, I mean, just the testimony that my partner here from the Department of Labor has given provides opportunities that we can talk about with respect to outcome measure databases, how we measure things, and outreach through their American Job Centers.

Mr. MCNERNEY. Well, you said that the VA is considering gathering postgrad data. It is not doing that now?

General WORLEY. The focus in implementing the executive order and Public Law 112-249 has been to focus on the institutions of higher learning and vocational schools. So the outcome measures that we have for the first time published back in September have to do with 2-year schools, 4-year schools, and vocational schools.

So we believe that these outcome measures are important for OJT and apprenticeships. We don't measure post-graduation information yet, but we are exploring those avenues with the Department of Education and we will pursue those with the Department of Labor.

Mr. MCNERNEY. Is there enough data, is there enough postgrad data to be significant? Or is it mostly just ad hoc at this point?

General WORLEY. With respect to employment or salaries or what?

Mr. MCNERNEY. Outcomes of the—

General WORLEY. We have data, we have completion data on those going to school. We would need to develop ways to collect that information with respect to OJT and apprenticeship completion and then post-completion success in their employment.

Mr. MCNERNEY. Dr. Wescott, you mentioned that you would need funding to do additional outreach. Are there private sources? I mean, you are going to be helping employers potentially, right, by training folks. Is there private money that would be useful or available or accessible somehow?

Mr. WESCOTT. Well, Congressman, I am not sure about that. But certainly we would love to have the time and opportunity to seek some of that out. We do work closely with our universities and colleges, et cetera, in our States when we are talking about approving programs. Certainly being able, being given the time and the opportunity to work more with employers, we might be able to make some connections whereby we could look at some type of State government connection between us and employers.

The other thing that we would, of course, look for the opportunity to do is to work with the State Veterans Affairs agencies in our States in these areas as well. But as far as awareness of any funding at the present time, I am not.

Mr. MCNERNEY. So you need money to find out if there is money?

Mr. WESCOTT. Well, not so much the need of money, but if we could spend a little more time in the apprenticeship and OJT world, we might could increase our marketing.

Mr. MCNERNEY. Okay. Mr. Seleznow, you mentioned the workforce development act. Are there provisions in there for GIs or for veterans specifically?

Mr. SELEZNOW. Yeah, the Workforce Innovation and Opportunity Act that was signed last July calls out, eligible veterans, military spouses, certain eligible military spouses, and it calls out apprenticeship programs. It also talks about OJT. So all of these things are within our authorized activities under the Workforce Innovation and Opportunity Act.

Mr. MCNERNEY. So are you able to follow through with those requirements?

Mr. SELEZNOW. Yeah. I mean, our system is a State and Federal local partnership. So you have the local workforce boards and the American Job Centers that are providing these services at the local level. There is our local veterans employment representatives and disabled veteran outreach workers in those working hand in hand with our State staff and local staff.

It is sort of a customized program when people walk in the door. Not everybody needs an apprenticeship or an OJT program, right? We do some classification, some sorting, and referring people to the appropriate treatment, the appropriate tool, or the appropriate effort, especially for veterans that walk in those centers.

Mr. MCNERNEY. Mr. Chairman, I yield back.

Mr. WENSTRUP. Thank you.

Mr. Costello, you are recognized for 5 minutes.

Mr. COSTELLO. Thank you, Mr. Chairman.

Can you tell us why there was a short CD that was once promoted in the OJT and Apprenticeship Program and my understanding is, that is no longer being handed out in TAP classes? Is that correct? And if it is, could you share why that is?

Undergirding that question is the concern that there might be so much contained in the TAP classes that part of the reason why people aren't aware is because of just how much is consumed or absorbed in the TAP class. There is probably like three or four questions in that one question.

General WORLEY. I don't think the timing of the video was such that—I think that was pre-TAP. I would defer to the State approving agencies.

Mr. COSTELLO. The CD was?

General WORLEY. If it was developed after TAP, then I will have to take that for the record, Congressman. I don't know the reason why we may or may not have distributed that video.

[THE ATTACHMENT APPEARS IN THE APPENDIX]

Mr. WESCOTT. I think I can speak some to that, Congressman. Certainly prior to the new Transition Assistance Program being developed, State approving agencies were more involved in the actual TAP briefings. And so there was that opportunity for us to share some of the promotional materials that we had.

When that was restructured—at the present time I am not aware of any State approving agencies that are involved in the TAP brief-

ings. That is all completely run by the, I assume, DoD and VA or the Federal partners. So I assume that is when this occurred, was when we no longer had the opportunity to be involved in those briefings and we were no longer able to share that CD such as the one I mentioned.

Mr. COSTELLO. Thank you. I yield back.

Mr. WENSTRUP. Miss Rice, you are recognized for 5 minutes.

Miss RICE. Thank you, Mr. Chairman.

General Worley, I just want to continue along the lines of my colleague, Mr. Coffman, because I think he makes a really excellent point. There have been people from the private sector who have been very successful in other endeavors coming to, being brought to the VA to see if they can kind of change the inept culture. I don't think that is too descriptive a word, I think it is pretty accurate.

So what is it about, just to continue along the lines of Mr. Coffman's question, what wall did you hit in terms of being able to implement that system?

General WORLEY. Congresswoman Rice, I would challenge the description of inept culture with respect at least to the education side of what we do. When I started the job in 2012, in September 2012, our pending log without full automation was over 200,000. By the time we implemented the full automation of Long Term Solution, today our average pending workload is in the 30,000 range, as we speak today. Timeliness has gone from a month for an original claim to 11 or 12 days. For a supplemental claim, timeliness has gone from 18 or 19 days to 6. There has been huge, huge advancement with respect to automation and processing of claims.

What we are talking about is one specific program, OJT and Apprenticeship, which does not have the entry technology capability for submitting the information electronically today. The form can be accessed online and filled out online.

The law requires that there be two certifications on that form certifying the hours that the employee worked. That is the employee's signature and the employer's signature. And there is PII in this certification. So you have a situation where you have to have the proper security setup to do this electronically. That will happen when we have VA-CERTS implemented in 2017. But until that time, it is a paper process, sent in and faxed.

Can we do that by email? Yes, ma'am, we can. And we are going to pursue both that option and other ways to relieve some of the administrative burden going on with respect to this program in the meantime. But when we get to the VA-CERTS, which is an upgraded system that we have on contract under development today, that should be completed by early 2017, we will have a full electronic way of submitting the hours and we won't have this paper process anymore.

Miss RICE. Mr. Sherrill, is there any aspect of your report that looked into DOL or was it just VA-based?

Mr. SHERRILL. Our report did include looking at Department of Labor with regard to the element of measuring performance, because since we didn't have any data from VA on the OJT and apprenticeship programs in terms of what we know about how well they are performing in terms of outcomes, we did look at Department of Labor data. And while the programs have some differences,

for the Department of Labor's OJT and Apprenticeship programs, we did find that these models have shown the ability to demonstrate positive outcomes.

For example, just to give you a few quick examples for Department of Labor OJT, the Department of Labor tracks outcomes for veterans. So for post-9/11 era veterans who received OJT, 85 percent of them entered employment within 3 months of completing their on-the-job training and 86 percent of those retained employment over the next 6 months.

This is a snapshot in time. Obviously, it is not necessarily representative of VA and its programs. But it does show the potential for these programs because we are really talking about job-driven training programs for both on-the-job training and apprenticeship really focusing to meet in-demand occupations, having certifications, and industry-recognized credentials that are really tied into what employers need.

So there is a heavy promise here for these models of job training. That is why we think it is especially important. Since veterans under the GI Bill have choices to make about which options are best for them, having outcome data would really help inform veterans about what might be the best fit for them.

Miss RICE. I couldn't agree more.

Mr. Seleznow, recently I had the pleasure of hosting Secretary Perez out in my district. And I thank the Secretary and really your entire Department for your passionate support of on-the-job training. We were actually looking at an apprenticeship program at a specific project in my district.

So the fact that there are distinctions at all between DOL and VA as it relates to on-the-job training and apprenticeship programs, how can that be? And how do you coordinate better with the VA so that the quality of the services that are rendered by both Federal agencies are equivalent?

Mr. SELEZNOW. So we have been doing both apprenticeship and OJT and a range of other workforce programs for a very long time. We have been doing our apprenticeship program since 1937 and we have been trying to transform it over the last 2 years into the kind of program we want to see over the next 20 years, which is a big jump right now. And so apprenticeship is getting a lot of action across the country, a lot of the attention as a result of Secretary Perez's advocacy on that, as you know.

Our OJT program we have done for 20, 25 years. It goes back to JTPA. Local areas do it. We do it by contract. We have a system across the country that has been trained in it for many years. We operate it differently than the VA, we have probably a lot different capacity to do that through our American Job Center, a one-stop system.

But we have a cadre of people across the country who know how to do those at the local level. They are approved at the local level, sometimes they are approved at the State level, but it is done quickly and efficiently at that level and it goes into our robust data system.

So we have just been doing it a lot longer. Happy to collaborate with General Worley and his folks about how to strengthen some of the things they do.

We operate our programs a little bit differently, a little bit different, but I think there is a great example, a collaboration that we did with the GI Bill, an apprenticeship program, our outreach on that. I think it will yield great results and great benefits for the veterans who participate in it.

Miss RICE. Well, I think that should be a high priority so we can ensure that whatever program a veteran is accessing is one that is going to help them and that there are measurable outcomes for that.

Thank you all very much.

I yield back, Mr. Chairman.

Mr. WENSTRUP. You know, I think that when it comes to the marketing side of things as far as with our troops, part of marketing is to get someone's attention. And there is no better way, and I think, General, you will agree, of having someone's attention when they are in uniform and mandated to do something. And so that would be the area where I think we focus on our troops and not afterwards. As far as employers, that is a different story and we can discuss that further at some time.

But I do also want to recommend that if you find stumbling blocks that require some legislative proposals that need to be changed, then they need to be brought to our attention so we can work with you in trying to make things better.

But if there are no further questions, you are all excused. But I do want to thank you all for being here today. I think it was a constructive conversation. We all have got some homework to do. And I look forward to getting back with you at another time.

It is clear that this is an invaluable program for our veterans, it is something that guarantees them a job at the end of their training. I hope VA addresses GAO's recommendations and makes an honest effort to market this program to more veterans as they transition out of the military. I hope they strive to put an emphasis on tracking outcomes, that is, I think, very important for future participants as they recently have for other education programs.

With that, I ask all Members have 5 legislative days to revise and extend their remarks and include any extraneous material in the record of today's hearing.

Hearing no objection, so ordered.

Mr. WENSTRUP. If there is nothing further, this hearing is adjourned.

[Whereupon, at 3:05 p.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Andrew Sherrill

Chairman Wenstrup, Ranking Member Takano, and Members of the Subcommittee:

I am pleased to be here today to discuss our November 2015 report on the Department of Veterans Affairs' (VA) Post-9/11 GI Bill on-the-job training (OJT) and apprenticeship programs.¹ As the military draws down its forces over the next few years, tens of thousands of servicemembers are expected to transition into civilian life. To better prepare themselves for meaningful employment, many will seek educational and training opportunities, which include OJT and apprenticeship programs. Post-9/11 GI Bill benefits were initially available only for higher education, which may not be the best path for every veteran, but in 2011 provisions were enacted that expanded benefits to cover OJT and apprenticeships.² For those who may not be interested in higher education, OJT and apprenticeships offer an opportunity to work full-time while training.

Under the Post-9/11 GI Bill, veterans can receive benefits for an OJT program lasting from 6 months to 2 years, or for an apprenticeship as long as 36 months.³ In addition to the wages they earn from their employer as a trainee or apprentice, veterans who choose to apply their Post-9/11 GI Bill benefits to an eligible OJT or apprenticeship program receive a tax-free, monthly housing payment from VA. The amount of the benefit is based on the basic allowance for housing (BAH) paid to servicemembers.⁴ The Department of Labor (DOL) offers OJT services and a Registered Apprenticeship program separate from the VA Post-9/11 GI Bill programs which follow similar models but differ from VA's programs in several key ways. For example, while all veterans who served for at least 90 days after Sept. 11, 2001 are entitled to Post-9/11 GI Bill benefits, local workforce development staff must determine that DOL OJT participants-civilians and veterans alike-need additional services to obtain employment.

My statement summarizes the findings from our November 2015 report, which addresses (1) how selected veterans and employers have used the Post-9/11 GI Bill OJT and apprenticeship programs and to what extent the programs have been used; (2) to what extent VA and states have taken steps to inform veterans and employers about these programs; (3) what challenges veterans and employers reported facing in using the programs, and (4) to what extent VA has assessed the performance and effectiveness of the programs.

For our November 2015 report, we analyzed VA program data, assessed their reliability, and determined they were sufficiently reliable for our purposes. We also reviewed relevant federal laws, regulations, and other documents. We surveyed state officials in all 44 states responsible for overseeing these programs.⁵ In addition, we

¹ GAO, VA BENEFITS: Increasing Outreach and Measuring Outcomes Would Improve Post-9/11 GI Bill On-the-Job Training and Apprenticeship Programs, GAO 16 51 (Washington, D.C.: Nov. 12, 2015).

² Post-9/11 Veterans Educational Assistance Improvements Act of 2010, Pub. L. No. 111-377, § 105(b), 124 Stat. 4106, 4113-17 (2011) (codified at 38 U.S.C. § 3313(g)).

³ 38 U.S.C. § 3677(c)(2) and (3).

⁴ 38 U.S.C. § 3313(g)(3)(B)(i). Specifically, the law states that eligible veterans are to receive the equivalent of the BAH for a service Member with dependents in pay grade E-5. Military pay grades determine both the BAH, which varies by ZIP code, as well as basic pay while in the military.

⁵ State Approving Agencies (SAA) are state agencies designated by the state's governor that evaluate, approve, and monitor education and training programs for the GI Bill. Not all SAAs are involved in the approval and supervision of apprenticeship and OJT programs; in some states the VA has this responsibility because those states chose not to contract with VA to administer aspects of the program themselves. VA is currently acting as the SAA for OJT and apprenticeship approvals in six states -- Alaska, Connecticut, Hawaii, Maryland, Rhode Island, and Vermont - and the District of Columbia.

conducted three non-generalizable surveys to collect information from (1) veterans, (2) employers and apprenticeship sponsors who have participated in the programs, and (3) veterans who received Post-9/11 GI Bill benefits while enrolled in a non-college degree program, such as a trade school. We conducted site visits in 2 states and interviewed state officials from an additional 11 states selected to reflect a range in the number of OJT and apprenticeship programs and in geographic location. We also interviewed federal officials and staff from veterans service organizations. In addition, we analyzed VA and DOL website information, as well as VA and DOL outreach materials, to examine the extent to which they included information on the Post-9/11 GI Bill OJT and apprenticeship programs. Lastly, we examined DOL outcome data for its related OJT and apprenticeship programs. We assessed the reliability of these data and found them sufficiently reliable for our purposes. A more detailed explanation of our methodology is available in our full report. The work upon which this statement is based was conducted in accordance with generally accepted government auditing standards.

Veterans in Our Review Said the Post-9/11 OJT and Apprenticeship Programs Helped Them Transition to Civilian Life, but Relatively Few Veterans Have Participated

In our November 2015 report, veterans we surveyed said the Post-9/11 GI Bill OJT and apprenticeship programs have helped them transition to civilian life, but program data show relatively few veterans have participated. Most veterans who replied to our survey (125 of 156) cited more than one benefit to the program. Many specifically noted that receiving supplemental income helped them cover living expenses during their transition to civilian life (112 of 156).⁶ About half of the veterans responding to the survey (80 of 156) reported that the program allowed them to use their GI Bill benefits even though college was not a good fit for them. In addition, employers and apprenticeship sponsors who responded to our survey cited a number of benefits to participating, particularly those related to recruitment and retention.

We also found that since OJT and apprenticeship benefits became available in 2011, about 27,000-or 2 percent-of the 1.2 million veterans who have received Post-9/11 GI Bill benefits have participated in these programs. Occupations among those most frequently pursued by participants were police officer and sheriff; correctional officer and jailor; truck driver; electrician; firefighter; air traffic controller; immigration and customs inspector; veterans service representative; carpenter; and plumber, pipefitter, and steamfitter.

VA and States Provide Varying Levels of Information and Outreach to Veterans and Employers

VA primarily provides information about the OJT and apprenticeship programs through mandatory Transition Assistance Program (TAP) briefings for transitioning servicemembers and on its website.⁷ However, these sources generally emphasize higher education and lack sufficient detail for veterans to reasonably understand how to use their GI Bill benefits for OJT and apprenticeships. For example, federal, state, and veterans service organization officials we interviewed identified TAP as one of the primary ways that veterans can learn about the Post-9/11 OJT and apprenticeship programs. However, out of 77 total pages in the TAP facilitator guide, and in briefing slides for the mandatory VA Benefits I and II courses, there is only one reference to the OJT and apprenticeship programs.⁸ In discussing Post-9/11 GI Bill benefits, the briefing slides generally refer to “education,” “tuition,” “school,” and “student,” and do not refer to employers, OJT, or apprenticeship opportunities, although these options are also available. Similarly, we found the information provided on VA’s Post-9/11 GI Bill web page and on its OJT and apprenticeship web page lacks enough detail for users to reasonably understand how to use their GI Bill benefits for the OJT and apprenticeship programs. The Plain Writing Act of

⁶In 2015, this supplemental income ranged from \$896 to \$3,923 per month for the first 6 months, depending on the location of the employer or apprenticeship sponsor.

⁷TAP was originally established by the National Defense Authorization Act for Fiscal Year 1991. Pub. L. No. 101-510, Sec. 502(a), § 1142, 104 Stat. 1485, 1552-55 (1990). The purpose of TAP is to prepare servicemembers leaving the military for their transition back into civilian life. It has recently been redesigned through the Veterans Employment Initiative and the VOW to Hire Heroes Act of 2011. Exec. Order No. 13,518, 74 Fed. Reg. 58,533 (Nov. 13, 2009) and Pub. L. No. 112-56, § 221, 125 Stat. 711, 715-18. The redesigned TAP is also known as Transition Goals, Plans, Success (Transition GPS).

⁸All servicemembers participating in TAP must take VA Benefits I and II courses, which discuss available benefits and services, including education benefits.

2010⁹ established requirements for clear and meaningful communication with the public regarding any federal benefits, and federal standards for internal control state that management should ensure there are adequate means of communicating with external stakeholders when there could be a significant effect on the agency achieving its goals.¹⁰ Further, VA's strategic goals include empowering veterans to improve their well-being, and managing and improving VA operations to deliver seamless and integrated support.¹¹ If VA does not provide sufficient detail regarding the OJT and apprenticeship programs, veterans may not be able to fully understand these benefits, and VA may not be able to fully meet its goals of serving this population. We recommended in our November 2015 report that the Secretary of Veterans Affairs identify and implement appropriate, cost-effective actions to increase awareness of OJT and apprenticeship benefits under the Post-9/11 GI Bill. VA concurred and said it will develop a guide for employers and apprenticeship sponsors about Post-9/11 GI Bill OJT and apprenticeship benefits. VA also said it will publicize this guide and make it available on VA's GI Bill website. Further, VA said it will send veterans and stakeholders information on OJT and apprenticeship benefits via an email blast and by posting information to the Employment Center section of VA's eBenefits website.

In addition, most state officials we surveyed reported that they reach out to veterans using direct methods, such as attending job fairs and providing briefings and presentations to veterans' groups. Fewer state officials reported using broader outreach methods, such as radio or television advertisements, to raise awareness of the programs. Some state officials said that they devote considerable staff time to outreach efforts. For example, a state program director in one state told us his agency created a video titled "OJT: It's Not Just for College" to distribute to stakeholders, a monthly newsletter on veterans' employment issues, and program fact sheets and brochures to be displayed in job centers and higher education veterans' offices. Our survey results also indicate that the level of outreach conducted varies by state. Specifically, officials in five states we surveyed indicated that, due to resource constraints, they were unable to engage in more intensive outreach efforts for veterans or employers.

Lack of Program Awareness and Administrative Burdens Have Challenged Veterans and Employers, According to State Officials and Program Participants

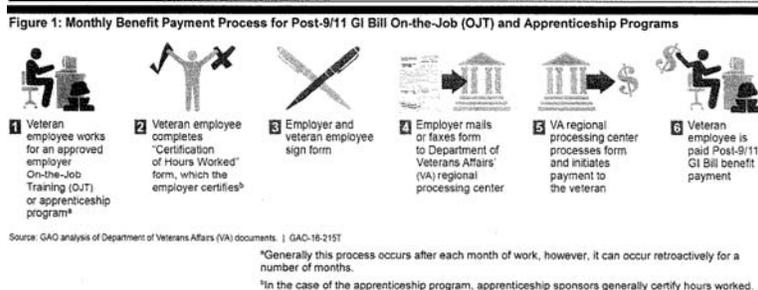
We also found that key challenges faced by veterans and employers in using the Post-9/11 GI Bill OJT and apprenticeship programs include lack of awareness and administrative burdens, according to state officials, veterans, and employers we surveyed. Most state officials surveyed reported that lack of awareness about the programs is a primary challenge they face in facilitating veteran (39 of 44) and employer (39 of 43) participation. In addition, most state officials (39 of 44) reported that veterans' lack of understanding regarding how they can use these benefits to pursue career goals was a top challenge. State officials we surveyed also cited some of the same challenges that we identified in our review of VA's information resources, as discussed above. For example, 36 of 44 responding state officials pointed to the emphasis on education in Post-9/11 GI Bill materials rather than on OJT or apprenticeship as a challenge in facilitating veteran participation.

Further, over half of state officials surveyed (24 of 42) cited challenges related to VA's current paper-based payment processing system, which requires employers to fax or mail monthly forms to VA in order for a veteran to receive benefits (see fig. 1).

⁹Pub. L. No. 111-274, §§ 3(3) and 4(b), 124 Stat. 2861, 2161-62 (codified at 5 U.S.C. § 301 note).

¹⁰GAO, Standards for Internal Control in the Federal Government, GAO/AIMD 00 21.3.1 (Washington, D.C.: Nov. 1, 1999).

¹¹Department of Veterans Affairs, Department of Veterans Affairs FY 2014-2020 Strategic Plan.



In addition, 11 of the 15 employers and apprenticeship sponsors we interviewed said the process is burdensome or inefficient, and 7 said they often had to re-submit monthly certifications multiple times because VA officials said they had not received them. Six of the 28 veterans we interviewed said their benefits have sometimes been delayed. VA is developing a new data system, called Veterans Approval, Certification, Enrollment, Reporting and Tracking System (VA-CERTS), which will update the systems for certifying program approvals and monthly hours worked, and for processing educational benefits, including those for OJT and apprenticeship, according to VA officials. However, VA officials said this system may not be implemented until 2017 at the earliest. In the interim, administrative challenges could hinder program participation. We recommended in our November 2015 report that the Secretary of Veterans Affairs identify and implement cost-effective steps to ease administrative challenges in submitting paperwork or receiving payments as the new automated VA-CERTS system to process program approvals and benefit payments is being developed and implemented. VA concurred and stated it will explore the feasibility of cost-effective options and will develop a plan to ease challenges for employers and veterans to submit paperwork and receive payments.

Little Is Known about the Performance of VA's OJT and Apprenticeship Programs

In addition, we found little is known about the performance of VA's Post-9/11 GI Bill OJT and apprenticeship programs because VA does not measure program outcomes, such as whether participants retain employment after completing the program. Federal standards for internal control call for establishing and reviewing performance measures to allow an agency to evaluate relevant data and take appropriate actions.¹² Without such measures, VA is limited in its ability to assess its programs. We recommended that the Secretary of Veterans Affairs establish measures to report on program outcomes for Post-9/11 GI Bill OJT and apprenticeship programs, including considering relevant data sources and seeking legislative authority to gain access to data, if necessary. VA concurred and said program performance metrics should be developed to report on program outcomes. VA said it will develop a plan to determine the feasibility of collecting and publishing program outcome data for the OJT and apprenticeship programs. VA set a target completion date of June 2016 for all actions set forth in response to our recommendations.

Given the absence of performance measures for VA's programs, we examined DOL outcome data for its related OJT and apprenticeship programs. The data indicate the potential for positive outcomes for these training models. For example, according to 2013 DOL program data, 85 percent of Post-9/11-era veterans who received OJT services entered employment within 3 months of completing their training, and 86 percent of these veterans retained employment over the subsequent 6 months. Additionally, Post-9/11-era veterans who used OJT services earned 25 percent more in the second and third quarters after finishing their OJT services than they had earned prior to receiving services. While these data indicate the potential for positive employment outcomes for an OJT approach, they do not necessarily reflect outcomes for veterans in VA's programs.

Chairman Wenstrup, Ranking Member Takano, and Members of the Subcommittee, this concludes my prepared remarks. I would be happy to answer any questions that you may have.

GAO Contact and Staff Acknowledgments

¹²GAO, Standards for Internal Control in the Federal Government, GAO/AIMD 00 21.3.1 (Washington, D.C.: Nov. 1, 1999).

For further information regarding this testimony, please contact Andrew Sherrill at (202) 512-7215 or sherrilla@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Individuals who made key contributions to this testimony include Laura Heald (Assistant Director), Susan Aschoff, James Bennett, Mindy Bowman, Amy Buck, David Chrisinger, Sheila McCoy, Jean McSween, Almeta Spencer, Michelle Loutoo Wilson, and Craig Winslow.

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Prepared Statement of Dr. Joseph W. Wescott

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.

Prepared Statement of MG Robert M. Worley II USAF (Ret.)

Good afternoon, Chairman Wenstrup, Ranking Member Takano, and other distinguished Members of the Subcommittee. I am pleased to be here today to discuss the Department of Veterans Affairs (VA) education benefit programs. My testimony will focus on VA's administration of on-the-job training (OJT) and apprenticeship programs under the Post-9/11 GI Bill.

The Post-9/11 GI Bill (Chapter 33) was enacted with the passage of Public Law (P.L.) 110-252, and greatly expanded education benefits, effective August 1, 2009. The Chapter 33 program provides Veterans, Servicemembers, dependents, and survivors with educational assistance, generally in the form of tuition and fees, a monthly housing allowance, and a books-and-supplies stipend to assist them in reaching their educational or vocational goals. P.L. 111-377, which was signed into law on January 4, 2011, amended the Post-9/11 GI Bill by expanding eligibility for certain individuals, modified the amounts of assistance available, and increased the types of approved programs, which included OJT and apprenticeships. The Post-9/11 GI Bill is the most utilized of VA's educational assistance programs.

Background on VA OJT and Apprenticeship Programs

Both OJT and apprenticeship programs are available for Veterans using their VA education benefits under the Post-9/11 GI Bill. These programs allow Veterans to learn a trade or skill through training on-the-job, instead of attending formal classroom instruction. A Veteran generally enters into a training contract for a specific period with an employer, and at the end of the training period, the Veteran gains job certifications or journeyworker status. Employers must pay Veterans at least 50

percent of the journeyworker wage at the start of the VA OJT or apprenticeship programs.

Eligible Veterans pursuing training under Post-9/11 GI Bill, OJT, or apprenticeship programs receive a monthly housing allowance (MHA) in addition to their OJT or apprenticeship wages. The MHA is a percentage of the Department of Defense (DoD) Basic Allowance for Housing (BAH) for an E-5 with dependents (based on the location of the employer), payable at the rate of 100 percent of the MHA during the first six months of training; 80 percent during the second six months; 60 percent during the third six months; 40 percent during the fourth six months; and 20 percent during any remaining months of training. Participants also receive up to \$83 per month for books and supplies pro-rated similarly to the MHA.

Approval and Participation in VA OJT and Apprenticeship Programs

The law provides that VA may pay educational assistance to Veterans and other eligible individuals while they pursue approved training programs. An OJT program may be approved if the requirements and approval criteria found in Section 3677 of Title 38 of the United States Code (U.S.C.) are met. The Department of Labor's (DOL) Registered Apprenticeships are "deemed approved," as are those approved by recognized State Apprenticeship Agencies, subject to the requirements in Section 3672(b)(2)(A)(iii) of Title 38 U.S.C., and unregistered apprenticeship programs may be approved as long as the criteria in Section 3687 of Title 38 U.S.C. are met. State Approving Agencies (SAAs), that oversee education and training programs for Veterans, are responsible for approving non-Federal OJT and apprenticeship programs in their respective states, while VA has authority to approve OJT and apprenticeship programs offered by agencies of the Federal government.

Approximately 1.5 million individuals used their Post-9/11 GI Bill education benefits since inception of the program in August 2009 through fiscal year (FY) 2015. Approximately 35,000 Veterans pursued training through OJT or apprenticeship programs from FY 2012 through FY 2015. About half of those Veterans participated in OJT opportunities, while the other half pursued apprenticeship programs. In FY 2015 alone, approximately 22,000 Veterans pursued training through OJT or apprenticeship programs.

Partnership with Department of Labor

In September 2014, VA and DOL sent a joint letter to approximately 10,000 Registered Apprenticeship sponsors, encouraging them to recruit and hire Veterans into their apprenticeship programs. The letter informed them of the VA "deemed approved" status of any DOL-approved Registered Apprenticeship program, and provided information on the streamlined process to obtain approval through their SAAs. The letter also encouraged Registered Apprenticeship sponsors to include information in their job openings that the positions, upon approval by the SAA, are "approved for the GI Bill."

Outreach

VA has conducted two targeted online marketing campaigns since 2011 to promote OJT and apprenticeship programs under the Post-9/11 GI Bill. Specifically, in 2011, VA conducted an online advertising campaign highlighting changes to the Post-9/11 GI Bill that were effective October 1, 2011, as a result of P.L. 111-377. These changes expanded the use of the Post-9/11 GI Bill to include OJT, apprenticeships, vocational flight, correspondence, and non-college degree training programs. Advertising was targeted to Veterans age 22 to 34 and 35 to 45 who lived in Indiana, Michigan, Minnesota, Montana, and Tennessee - the states with the highest Post-9/11 Veteran unemployment rates at that time. Approximately 354,000 unique individuals visited the web page detailing those changes to the Post-9/11 GI Bill. The second campaign was conducted in 2013 and targeted the next five states with the highest Post-9/11 Veteran unemployment rates - California, Georgia, Illinois, Pennsylvania, and Texas. Over 76,000 people visited the web page during the second campaign.

To help ensure that Servicemembers are aware of the OJT and apprenticeship opportunities, VA recently enhanced its Transition Assistance Program (TAP) curriculum. The curriculum includes the full spectrum of Post-9/11 GI Bill benefits that also covers OJT and apprenticeship opportunities. Additionally, VA enhanced the Career Technical Training Track (CTTT) in 2015 to provide Servicemembers an opportunity to utilize assessment tools to determine possible employment/career direction.

VA will continue to enhance outreach efforts to individuals potentially eligible for the Post-9/11 GI Bill to promote OJT or apprenticeship training opportunities.

GAO Report

The draft GAO report, “Increasing Outreach and Measuring Outcomes Would Improve Post-9/11 GI Bill On-the-Job Training and Apprenticeship Programs” (GAO-16-51, November 2015), includes three major recommendations. First, it recommends VA identify and implement appropriate, cost-effective actions to increase awareness of OJT and apprenticeship benefits under the Post-9/11 GI Bill. Second, it recommends VA identify and implement cost-effective steps to ease administrative challenges in submitting paperwork or receiving payments as VA develops and implements its new system, VA-CERTS, to automate the processing of program approvals and benefit payments. Finally, it recommends VA establish measures to report program outcomes for OJT and apprenticeship programs under the Post-9/11 GI Bill, specifically noting that VA should consider relevant data sources and should seek legislative authority to gain access to data if necessary.

VA agrees with these recommendations. VA is already taking action to implement the first recommendation to increase awareness of OJT and apprenticeship benefits under the Post-9/11 GI Bill. Specifically, VA is developing a guide to VA Benefits for OJT and apprenticeship programs for employers and sponsors. The guide will be published and available for viewing and download on the GI Bill website. Information on OJT and apprenticeship benefits will be provided to Veterans and interested stakeholders via a mass email notification and will be posted to the employers page of the Veterans Employment Center section of the eBenefits website.

Additionally, VA will explore the feasibility of cost-effective options and will develop a plan to ease the administrative challenges for employers and Veterans to submit paperwork and receive payments until the new automated VA-CERTS system is in place.

VA also agrees that program performance metrics should be developed to report on program outcomes for Post-9/11 GI Bill OJT and apprenticeship programs. Over the past three years, VA has actively collaborated with the Department of Education (ED) and the DoD to establish outcome measures for the Post-9/11 GI Bill in accordance with Executive Order 13607 (Establishing Principles of Excellence) and P.L. 112-249 (Comprehensive Policy on Providing Education Information to Veterans). VA published initial outcome measures on graduation, retention, persistence, and transfer-out rates on its GI Bill website. VA, in collaboration with DoD and ED, is currently exploring the collection of post-graduation data related to employment rates and average salary for graduates. VA will determine the feasibility of collecting and publishing this data for OJT and apprenticeship programs. VA’s target date for implementing GAO’s recommendations is June 1, 2016.

Conclusion

Mr. Chairman, this concludes my statement. Thank you for the opportunity to appear before you today. I would be pleased to respond to any questions that you or the other Members of the Subcommittee may have.

Prepared Statement of Eric Seleznow

Good afternoon, Chairman Wenstrup, Ranking Member Takano, and other distinguished Members of the Subcommittee. As Deputy Assistant Secretary for the Employment and Training Administration (ETA), I am pleased to be here today to discuss the Department of Labor’s (DOL) apprenticeship and on-the-job training (OJT) programs, and how they assist veterans and transitioning service Members. Today’s discussion is particularly appropriate as we just observed Veterans’ Day, honoring those who have served and sacrificed for our Nation, and it coincides with DOL’s recent celebration of the inaugural National Apprenticeship Week.

Prior to joining DOL, I worked for 20 years at the state and local level, where I had the opportunity to serve as Director of Workforce Services for the Montgomery County Department of Economic Development and as Executive Director of the Governor’s Workforce Investment Board (GWIB) in Maryland. As a result, I have had many opportunities to work with states and local stakeholders to strengthen workforce policies and to improve their outreach to veterans.

As many of you know, DOL and the Department of Veterans Affairs (VA) use many of the same programmatic names and terms, but there are some important distinctions concerning how these terms are used in the context of each agency’s programs.

Work-based training, including Registered Apprenticeship and OJT, is a critical component of the Administration’s job-driven training strategy - a strategy to ensure workforce training programs combine strong employer engagement with high qual-

ity training to create pathways for workers into high-growth occupations. The goal is to provide millions of Americans with secure jobs that lead to long-term employment with middle class wages and meet employers' needs. This job-driven strategy complements the President's goal of doubling Registered Apprenticeships across the country over five years.

Likewise, under the Workforce Innovation and Opportunity Act (WIOA), which governs our public workforce system, and through related strategic investments, DOL has emphasized talent development by focusing on the attainment of a "recognized postsecondary credential," using career pathways and successful work-based training approaches, as well as strategically engaging robust partners, such as local workforce development boards, employers, institutions of higher education, apprenticeship agencies, and others to design the necessary training and credentials to build a competitive workforce.

DOL serves over one million veterans annually through the American Job Center (AJC) network- the cornerstone of the unique federal, state, and local partnerships that comprise the public workforce system-and well over half of them get jobs. In addition to providing high-quality one-stop shopping for a range of career and training services, AJCs offer veterans and eligible military spouses priority of service.

AJCs house business service teams, which include or partner with Local Veterans' Employment Representatives (LVERs) to offer a range of employer services, including outreach and development of new OJT opportunities and Registered Apprenticeships. These staff help match DOL OJT participants to employers, who receive up to 75 percent of the trainee's wages in order to reimburse some of the extraordinary costs associated with training new staff.

In Fiscal Year (FY) 2015, ETA's sister agency, the Veterans' Employment and Training Service (VETS), expanded its employer outreach activities at both the national and regional levels. VETS guides employers to business service teams, specifically LVERs. Once linked to their local AJCs, employers are connected with local veterans looking for employment, and are introduced to DOL training programs, including registered apprenticeship programs approved by ETA's Office of Apprenticeship (OA).

Employers utilizing OA's registered apprenticeship programs develop a world-class workforce, enhance a company's bottom line, and help to retain skilled workers. Veterans also benefit as they earn while they learn in a training model combining work-based learning with related classroom instruction using the highest industry standards.

Examples of the benefits accruing from the recent expansion of VETS' employer outreach efforts and coordination with OA can be seen, for example, in the trucking and automobile manufacturing industries. Employers in both of these industries have had apprenticeship programs approved and registered with DOL. These employers have joined a national system of employer-driven on-the-job training made up of over 150,000 employers in more than 1,000 occupations. VETS and the OA continue to expand outreach to new employers and new industries.

DOL Investments in OJT

Since 2010, DOL has prioritized OJT strategies because we know they work. OJT significantly increases the chances of finding work, and moderately increases employment retention; the training also leads to higher paid wages, on average. As part of our outcome measures, states are required to report, using wage records, on employment, retention rates, and post-program earnings. In Program Year (PY) 2013, of those veterans who participated in OJT, almost 85 percent were employed in the first quarter after exiting the program, and almost 90 percent remained in those jobs after six months. The six-month average earnings for veterans receiving OJT was \$17,361.

DOL has leveraged National Emergency Grant (NEG) programs (renamed National Dislocated Worker Grants under WIOA) to promote work-based training models, including Registered Apprenticeship and OJT, where veterans are a priority population. NEGs are discretionary grants awarded by the Secretary of Labor to provide employment-related services for dislocated workers and are intended to temporarily expand service capacity at the state and local levels by providing time-limited funding assistance in response to significant dislocation events, including plant closures and mass layoffs. Funds remaining from this National Reserve appropriation at the end of the fiscal year are used to further support dislocated workers across the country. Examples of these NEG investments in recent years include:

- The On-the-Job Training NEGs, which invested \$75 million in 41 states, three federally recognized Tribes, and the District of Columbia to provide workers affected by layoffs with OJT opportunities;

- The Dislocated Worker Training NEGs, which made available to states up to \$50 million to provide workers with the opportunity to participate in training while acquiring an industry-recognized credential that enables them to obtain a good job. Areas with a higher than average demand for employment and training activities for dislocated military service Members and eligible spouses are eligible for National Dislocated Worker Grants;
- The Job-Driven NEGs, providing up to \$150 million in grants to states to implement new or expanded local and regional job-driven partnerships that will serve more dislocated workers and achieve better employment-related outcomes for this group of workers; and
- The Sector Partnerships NEGs, the most recent NEG investment of up to \$150 million that is helping states develop innovative employment and training services that focus on enhanced regional and industry-specific collaborations.

DOL Registered Apprenticeship

DOL's Apprenticeship services are part of a flexible training system that combines job-related technical instruction with structured on-the-job learning experiences. The "earn and learn" Registered Apprenticeship training model provides the opportunity for workers seeking high-skilled, high-paying jobs to be placed with employers seeking to build a qualified workforce. Upon completion of a Registered Apprenticeship program, participants receive an industry-issued, nationally-recognized credential that certifies occupational proficiency, is portable, and can provide a pathway to the middle class. In many cases, these programs provide apprentices with the opportunity to simultaneously obtain secondary and post-secondary degrees. In 2014, approximately 2,200 veteran apprentices completed their apprenticeship in the 25 states managed by DOL. While DOL does not track employment outcomes for veterans in apprenticeships, over 91 percent of participants who completed their apprenticeship were employed in the first quarter after exiting the program. Just as importantly, approximately 91 percent of the participants who completed their apprenticeship remained in those jobs after six months; the six-month average earnings for these participants was \$30,116.

Expanding Registered Apprenticeship Programs to Veterans

DOL is working to increase the use of apprenticeships nationwide, not only to expand opportunities for workers, but to expand opportunities for businesses, as well. One of the Department's most significant initiatives in this regard is our collaboration with the White House, VA, State Apprenticeship Agencies, State Approving Agencies, and other stakeholders to develop a new outreach campaign to over 10,000 Registered Apprenticeship programs to encourage them to be "Approved for the GI Bill." Use of the GI Bill is a vital way that companies and Registered Apprenticeship sponsors can help veterans meet their expenses during an apprenticeship.

Specifically, veterans learning a trade through Registered Apprenticeship can use their Post-9/11 GI Bill benefits to receive a tax-free monthly living expenses stipend paid by the VA. Generally, this stipend gradually decreases for each six month period spent in the program. Post-9/11 GI Bill recipients can also receive a books and supplies stipend during their Registered Apprenticeship.

To increase companies' access to veterans as apprentices, in 2014, the VA and DOL developed a streamlined system for newly-Registered Apprenticeship programs so that, at the time of registration with DOL, Apprenticeship staff will assist companies with obtaining the VA certification for GI Bill benefits. This new process is providing employers with "one door to the government" for their Registered Apprenticeship and veterans' benefit needs. More companies and Registered Apprenticeship programs than ever will be certified to provide the GI Bill benefits that their veteran apprentices have earned.

American Apprenticeship Grants

In September 2015, President Obama announced 46 winners, selected by DOL, for the single largest federal investment to date to expand U.S. apprenticeships, awarding \$175 million in competitive grants as part of the new American Apprenticeship Grants. The winning grantees have pledged to train and hire more than 34,000 new apprentices in industries as diverse as healthcare, information technology, and advanced manufacturing over the next five years.

These grants are part of a broader commitment from DOL to create more opportunities for hard-working Americans, including veterans and returning service Members and their spouses, by advancing job-driven training initiatives that help them acquire the skills they need to succeed in good jobs that are available now. The 46 grantees have each committed to expanding apprenticeship programs in new and growing industries, to align apprenticeships with further education and career ad-

vancement, and to scale proven apprenticeship models that work, while targeting underserved populations and serving our Nation's veterans.

The San Diego-based, Able-Disabled Advocacy, is among those veterans-focused organizations awarded a grant, receiving \$3.2 million to lead the San Diego Pathways2Paychecks Apprenticeship Program. The program will train 300 workers, 80 percent of which will represent those from underserved populations, including veterans, in IT and manufacturing.

In addition, a \$5 million grant will fund the Wisconsin Apprenticeship Growth and Enhancement Strategies (WAGE\$) project. Veterans will be among 1,000 new apprentices and 542 upskilled incumbent workers in 12 high-growth occupations, including advanced manufacturing, healthcare, and IT industries.

Veterans will also benefit from a program in Brooklyn, New York, called "NPower," which was awarded \$3.3 million to fund an IT apprenticeship program. The project will provide mentorship and guidance for 684 participants in Dallas, TX; Newark, NJ; and San Francisco, CA.

The Administration is working to double the number of apprentices in the United States and ensure that more Americans from all backgrounds can benefit from this proven training model. As part of this effort, we are updating and simplifying the guidelines for employers and other apprenticeship sponsors on how to use best practices to ensure equal employment opportunity in apprenticeship programs for traditionally under-represented groups, including women, minorities, and people with disabilities, as well as veterans, who continue to receive priority of service access to all DOL-funded programs. And, finally, the President's Fiscal Year 2016 budget also proposes to spend \$100 million to build on the American Apprenticeship Grants to support the efforts of states, employers and others to enhance apprenticeship across the country.

Conclusion

Mr. Chairman, Ranking Member Takano, and Members of the Subcommittee this concludes my statement. Thank you for the opportunity to appear before you today. I would be pleased to respond to any questions.

