

**WHAT CAN THE FEDERAL GOVERNMENT LEARN
FROM THE PRIVATE SECTOR'S SUCCESSFUL
APPROACH TO HIRING VETERANS?**

HEARING

BEFORE THE

OF THE

COMMITTEE ON VETERANS' AFFAIRS

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WHAT CAN THE FEDERAL GOVERNMENT LEARN FROM THE PRIVATE SECTOR'S SUCCESSFUL APPROACH TO HIRING VETERANS?

Tuesday, January 28, 2014

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

The committee met, pursuant to notice, at 9:57 a.m., in Room 334, Cannon House Office Building, Hon. David Roe presiding.

Present: Representatives Roe, Flores, Denham, Benishek, Wenstrup, Walorski, Michaud, Brown, Takano, Brownley, Titus, Kirkpatrick, Negrete McLeod, Kuster, O'Rourke, and Walz.

OPENING STATEMENT OF ACTING CHAIRMAN DAVID P. ROE

Mr. ROE. Good morning. The committee will come to order. Chairman Miller regrets he is unable to be here today but I will be standing in for him during his absence, and welcome.

As we begin the committee's work for the second session of the 113th Congress I believe it is appropriate to examine one of the top priorities of this committee since 2011, improving employment opportunities for veterans. According to the U.S. Bureau of Labor Statistics the unemployment rate for all veterans in December of 2013 was 5.5 percent. This is in sharp contrast to December of 2010 when the unemployment rate for all veterans was 8.3 percent. This equates to a difference of over 369,000 jobs and more veterans finding work.

While I believe that programs like the G.I. Bill and VRAP have helped to position veterans to obtain the skills needed to get a job in today's tough economy, the most significant factor in the drop in the unemployment rate has been that American corporations, and most importantly small businesses, have truly stepped up to the plate and have made it a priority to recruit, hire, and retain veterans. These companies and trade associations have made hiring veterans a priority not out of charity but because it is simply a good business decision. They have learned that the soft and hard skills as well as the incredible work ethic that veterans bring to the table are unmatched and make them excellent employees.

Today's panel of witnesses represent companies and associations that are among the best when it comes to hiring and promoting the hiring of veterans. These companies have not only launched initiatives to train and hire veterans but they have

worked within their own industries and across the private sector to bring innovative approaches to increasing employment in the veteran population. I hope that listening to their testimony and having the opportunity to ask some questions will give members a better understanding of the commitment these companies have to veterans and countless others who share this commitment in each of our districts.

I am also very interested to hear the panel's opinions on federally funded training and hiring programs for veterans that Congress funds every year. As many of you know improving the performance of these programs has been and will continue to be a focus of this committee, and I am looking forward to learning what programs if any the private sector finds to be the most successful, in short what works and what does not work.

While great strides have been made in reducing veterans' unemployment rate I think that we all agree that much more is needed to create the best environment for job creation and growth as our men and women continue to transition from active duty service into civilian life. I remain concerned that over taxation, crushing business regulations which increase costs and reduce competitiveness, as well as well documented concerns and uncertainty surrounding the implementation of the Affordable Care Act threaten the hard work of our panelists and many others in making it a priority to hire our veterans. I look forward to hearing from each of our panelists today of how Congress can promote pro-growth policies that will help create new jobs for veterans and all Americans alike.

At this time I yield to the distinguished Ranking Member Mr. Michaud.

[THE PREPARED STATEMENT OF CHAIRMAN DAVID ROE APPEARS IN THE APPENDIX]

OPENING STATEMENT OF MIKE MICHAUD, RANKING MINORITY MEMBER

Mr. MICHAUD. Thank you very much, Mr. Chairman, for having this very important and timely hearing this morning. Providing veterans with an opportunity for employment is a top priority of this committee. In the tough economy we want to make sure we are doing everything that we can to help our veterans succeed in making that transition from active duty to serving the communities and making employment gains in their respective areas.

This is especially important as we look to future servicemembers leaving the military in greater numbers. Any employer should be proud to have the employee with the resiliency, leadership, and collaboration, and ability to do the fundamental part of their job. Far too often these experiences are not readily translated and to match the needs of the private sector. It takes imagination and a bit of work. But in the end the effort is worth it. Businesses can get access to highly skilled and motivated individuals and veterans can build careers that can benefit their families and their communities.

This morning I look forward to hearing about the successes and challenges our witnesses have faced and their recommendations when it comes to hiring veterans. I look forward to hearing how

public and private entities can better work together to provide a better transition to the servicemembers entering the workforce. I look forward to hearing from our witnesses regarding best practices and how they can be used to inform the private and public sectors in helping veterans find jobs. But most of all I look forward to hearing from our friends in the private sector about how our country's veterans are continuing to serve this nation by contributing their skills and talent as they move forward in helping these companies be prosperous companies.

Maintaining our nation's economic leadership in the decades ahead will require highly skilled and educated employees who will lead the technology change. Veterans have proven their leadership and can-do quality in service to our country. They represent an untapped resource to provide the next generation of employees.

Our job on this committee and in this Congress is to find ways to explore new and innovative ways to assist veterans and the businesses that hire them. This includes identifying what works and what does not work; what can be modified and what must be looked at differently. So I look forward to hearing all of the witnesses today. And Mr. Chairman, once again thank you very much for having this very important hearing today. And I yield back the balance of my time.

[THE PREPARED STATEMENT OF HON. MICHAEL MICHAUD APPEARS IN THE APPENDIX]

Mr. ROE. I thank you, Mr. Michaud. At this time I would like to introduce our first and only panel today, and I want to thank each and every one of you for being here with us this morning.

First we have Retired Brigadier General Gary Profit, Senior Director of Military Programs at Wal-mart . And thank you for your service. Mr. Sean Kelley, Naval Academy Graduate, Senior Staffing Director for the Cloud and Enterprise Group as well as Military Recruiting at Microsoft Corporation. And Ms. Maureen Casey, the Managing Director for Military and Veterans Affairs at JP Morgan Chase. We next have Mr. Jim Amos, Captain Amos, I think two tours in Vietnam, the Chairman of the Tasti D-Lite and Planet Smoothie. A little cool for that today, Captain, but I would take one if you offered it. He is here on behalf of the International Franchise Association. Lastly we have Mr. Ross Cohen, the Senior Director of Hiring Our Heroes at the U.S. Chamber of Commerce Foundation. Each and every one of you, thank you for being here.

Your complete written statements will be made part of the hearing record and each of you will be recognized for five minutes. And we will not cut you off right as the red light goes off, but try to begin wrapping up your testimony at that time. Let us begin with General Profit, sir. You are now recognized for five minutes.

STATEMENT OF GENERAL GARY M. PROFIT

General PROFIT. Chairman Roe and Ranking Member Michaud, and members of the House Committee on Veterans' Affairs, on behalf of Wal-mart Stores, Inc. I want to thank you for the opportunity to join you today to talk about veteran hiring.

Wal-mart has a rich history with veterans, those continuing to serve, and military families. Arguably it begins with Captain, U.S.

Army, Sam Walton, who founded Wal-mart over 50 years ago. Through the years the legacy has been enriched by countless others and the 100,000 veteran associations and 150,000 veteran and military family associates who are part of the current generation at Wal-mart . At Wal-mart we are thankful for their service and sacrifice and we strive to support their heroism. Right now we know that one of their biggest needs is employment and gaining the tools necessary to prepare for a career outside of the military.

Besides being the right thing to do, veteran hiring is also good for business, as you said Mr. Chairman. We believe veterans and military families represent the largest diverse talent rich pool in the world and are an essential of the next generation at Wal-mart . Their value begins with a rock solid foundation, a proxy for which might be the seven Army values I lived for over 31 years: loyalty, duty, respect, selfless service, honor, integrity, and personal courage. It is complimented by the nation's huge investment in skills training and leader growth and development. Frankly, who would not want to hire them?

But there must be a sense of urgency associated with all of that. 2.6 million post-9/11 veterans have left the service and in the next five years one million more will leave. About half of them are between the ages of 18 and 34 and unemployment for these younger veterans has often been more troubling than for their non-veteran counterparts.

So at Wal-mart we decided to do our part and launched the Veterans Welcome Home Commitment last Memorial Day. Veterans who meet the job requirements and have been honorably separated from active duty within the last 12 months have a job at Wal-mart if they want one. Wal-mart has a host of opportunities at our stores and clubs across the country as well as select opportunities in our distribution centers and main offices. If you served and sacrificed for your country you should not have to fight for a job when you get home. We believe that in the course of the next five years we will hire more than 100,000 veterans.

Since full implementation on Memorial Day we have hired nearly 30,000 veteran associates. These jobs range from part-time hourly, to salaried management, from Wal-mart stores and Sam's Clubs, to distribution centers and transportation offices, and to the corporate headquarters.

One aspect of this commitment of which we are most proud is the Veteran Champion Program. This program is a six-week onboarding process to support the transition and integration of the new veteran associates into their new work environments. It is guided by an associated drawn preferably from a similar experiential portfolio.

In addition to employment we also strive to understand and address some of the specific and special unmet and undermet needs faced by veterans and families. Through the Wal-mart Foundation we are committed to a \$20 million campaign through 2015 and are focused on access to education, job training, and reintegration resources. Additionally as part of our holiday giving we announced on Veterans Day a \$1.5 million grant to Operation Homefront Home for the Holidays Program and a \$500,000 grant to the Fisher House Foundation Sponsor a Family Program. The grants provided

toys, meals, and lodging to military families in greatest need of support and helped hundreds of active duty servicemembers come home for the holidays.

We salute America's heroes. We are honored to have the opportunity to employ them, to learn from them, and to support them and their families in every way we can. Through career training and job opportunities we are helping prepare our troops for successful professional lives both during and after their service to the military.

Thank you and I appreciate your leadership and for holding this hearing. I appreciate the opportunity to testify and am prepared to answer any questions.

[THE PREPARED STATEMENT OF GARY M. PROFIT APPEARS IN THE APPENDIX]

Mr. ROE. Thank you, General Profit. Mr. Kelley, you are recognized for five minutes.

STATEMENT OF SEAN KELLEY

Mr. KELLEY. Thank you, Chairman Roe, Ranking Member Michaud, and members of the committee. It is an honor to testify today to discuss how companies like Microsoft partner to maximize civilian career opportunities for our returning veterans.

My name is Sean Kelley and I am the Senior Staffing Director for the Cloud and Enterprising Engineering Group at Microsoft and the leader of our company wide military recruiting efforts. As a military veteran and third generation Navy family member I share this committee's passion and commitment to support employment opportunities for military veterans.

Microsoft has had a longstanding commitment to supporting veterans. Our military community has grown into a vibrant organization which now boasts seven chapters nationwide. This organization advises Microsoft leadership on broad ranging topics, from benefits for our Guard and Reserve employees, to special events. This spirit of community has fueled the success of our military recruiting initiative, which we have branded We Still Serve.

In the community we have been early participants in public private partnerships seeking solutions to the challenges of veteran unemployment. Through our Elevate America Initiative, Microsoft partnered with six non-profit organizations to provide skills training, job placement, and support services to veterans and their spouses. Microsoft's commitment to this effort totaled \$12 million in cash, software, and other services.

Also, Microsoft partnered with the U.S. Department of Labor to distribute 10,000 free technology skills training and certification packages to veterans around the country. These industry recognized certifications provide portable job credentials.

But what I am most excited about today is Microsoft's Software and Systems Academy. Any career transition is difficult but as veterans approach the end of their military careers it is not always clear to them how their skills will apply to jobs in the private sector. Thanks to the Vow to Hire Heroes Act of 2011 sponsored by Chairman Miller and Senator Murray, servicemembers may begin the transition process before their separation from the military,

much sooner. The Microsoft Software and Systems Academy is designed to meet such demand.

The goal of the academy is to create a seamless and successful military to employment transition at no cost to the servicemember. It provides industry certification testing and college credit for those in service while they are still in the early phase of transition from their military to their civilian careers. For the curriculum Microsoft partnered with a local university to create a rigorous 16-week technical training course that military members are enrolled in while still on active duty. Soft skills, interview practice, and resume preparation are taught, and each student receives a mentor from a corporate sponsor and exercises to practice their new skills. MSSA operates on base in conjunction with DoD education and transition program partners. With command authorization servicemembers attend the course at their place of duty during their transition phase.

I am happy to report that servicemembers who completed the MSSA pilot program were offered high paying career opportunities, many six figures, at either Microsoft or Launch Consulting, a veteran-owned business partner. Alternatively some graduates use their new skills to find technology jobs on their own or to pursue a four-year degree in computer science.

As the program reaches additional bases around the country we will guarantee job interviews to those who successfully complete it, a critical step between acquiring any certification and acquiring meaningful employment. We are confident that graduates of the program will be well prepared to compete for jobs in the vibrant growing sector of the economy.

Each time I look into the eyes of a transitioning servicemember I am that much more motivated to find new ways to open doors to technology for my fellow veterans. Here are a few recommendations to enhance the private sector's ability to employ more of our veterans, which I explain in detail in my written testimony.

First, enhance the G.I. Bill language and funding for STEM and computer science related degrees. Provide access to contact information of veterans attending college on the new G.I. Bill through a confidential opt in solution to encourage stronger employment opportunities and alignment to STEM degrees. Broaden the impact of programs like MSSA around the country by encouraging top down support from all service branches for on base programs. Encourage uniformity in tuition assistance across military branches to reduce the complexity and road blocks for servicemembers.

In closing let me emphasize that military veterans are a national treasure. Microsoft is fully committed, as am I, to continue to innovate, invest, and participate in the circle of solutions that bring our military veterans to family waged careers of the future. Now is the time to act to accelerate progress by aligning our resources behind proven concepts that lead to high paying jobs in the new economy.

Thank you for your commitment to veterans. I look forward to answering your questions, and I thank you for allowing me to share my story and Microsoft's commitment to our nation's veterans.

[THE PREPARED STATEMENT OF SEAN KELLEY APPEARS IN THE APPENDIX]

Mr. ROE. Thank you, Mr. Kelley. Ms. Casey, you are recognized for five minutes.

STATEMENT OF MAUREEN CASEY

Ms. CASEY. Thank you. Chairman Roe, Ranking Member Michaud, and distinguished committee members, thank you for the opportunity to testify about JP Morgan Chase's military and veteran employment initiatives. There is no group our firm holds in higher regard than servicemembers and veterans. We cannot thank them enough for their service.

This hearing comes at a critical time. Given the rising tide of transitioning servicemembers, JP Morgan Chase has dedicated significant resources to build a comprehensive program focused on veteran employment, education, and housing. Since 2011 JP Morgan Chase is extremely proud to have hired more than 6,300 veterans, and still counting. The private sector has learned a great deal about the benefits of hiring veterans and we are delighted to share four lessons we have learned about how we do it.

First, public and private sector collaboration is crucial. Second, it is critical to bridge the knowledge gap between civilian and military cultures. Third, we must help newly hired veteran employees develop a connection to our firm from the very start. And lastly, education and training are critical to employment success. I will summarize these points from my written testimony.

First, collaboration is critical. JP Morgan Chase launched the 100,000 Jobs Mission in March, 2011 with ten other companies. Our goal to hire 100,000 veterans by 2020 has already been surpassed. In less than three years the coalition has hired nearly 117,500 veterans. Given the momentum we have doubled our goal to 200,000 hires by 2020. Today the coalition is 131 companies strong, representing virtually every industry. Our goal is to significantly grow the coalition and the response has been overwhelmingly positive. Employers can join by visiting our *veteranjobsmission.com*, where leading practices can also be found.

Second, bridging the knowledge gap. JP Morgan Chase's veteran employment program focuses on the entire continuum, recruiting, mentoring, and retention. To bridge the knowledge gap we established a military recruiting team, many of whom are former military and current Guard and Reserve members. This team helps to translate applicants' experience and offer interview advice. Public sector programs are also very important to our recruitment strategy. We work with national and state programs through the Departments of Defense, Labor and Veterans Affairs, the service branches, and the National Guard and Reserve. While not an exhaustive list we have hired candidates through each of these partnerships. Notably JP Morgan Chase recently hosted a constructive private sector coalition meeting with Defense Secretary Hagel to discuss ways to better align transitioning servicemember initiatives.

Thirdly, developing an organizational connection from the start. Mentorship programs are vital to successful transition. JP Morgan Chase programs include our employee networking group "Voices for Employees that Served" where veterans help veterans understand

corporate culture; Pathfinder, inspired by military specialists who navigate unknown terrain to help veterans establish career goals; Body Armor to Business Suits, to help new hires build an immediate connection to our company. Importantly our employee programs include military spouses who also shoulder the servicemember's sacrifice. And we know the knowledge gap is a two-way street, so we developed Military 101 to teach our civilian colleagues, including senior leadership, about military culture.

Finally, supporting veteran education is another key element to our strategy. JP Morgan Chase co-founded Syracuse University's Institute for Veterans and Military Families. The program offers tuition free training and certification in technology, human resources, and other studies.

As we know, veterans can face unique challenges in educational settings. With this in mind I am extremely proud to announce today that JP Morgan is committing \$1 million to expand veteran programs at educational institutions. Initially, grants are being awarded to Florida State College at Jacksonville, the University of Texas at Arlington, University of South Florida, and San Diego State University.

Ultimately our collective success will be measured by how well the private and public sectors can work together to help transitioning servicemembers and veterans. JP Morgan Chase looks forward to continuing our work with Congress to position veterans and their families for long term success.

Thank you very much for your attention to this important and timely issue. I look forward to your questions.

Mr. ROE. Thank you, Ms. Casey. And Captain Amos, welcome home. And you are recognized for five minutes.

STATEMENT OF JIM AMOS

Mr. AMOS. Thank you very much, Chairman Roe, Ranking Member Michaud, members of the committee. Thank you for inviting me to testify today on successful private sector programs for hiring veterans. My name is Jim Amos. I am Chairman of Tasti D-Lite and Planet Smoothie. I am a veteran of the franchise industry with past experience as CEO of Mailboxes, Etc., now the UPS Store, and other franchise companies. I am also a military veteran, a former Marine Corps Captain with combat tours in Vietnam, and past Chairman of the International Franchise Association. And it is on their behalf that I am sharing these comments with you this morning.

With nearly one million veterans transitioning out of the military service over the next five years, it is more important than ever that we help veterans reintegrate into the civilian economy. It is both an economic necessity and a moral obligation for our country, in my view. Franchising is a large and diverse business community that operates using the franchise business model or business format franchising. And franchising entrepreneurs open their own businesses and they purchase the rights to use trademarks, products, and business strategies of a proven franchise business. Franchise owners are typically highly motivated individuals who are natural problem solvers and successful franchise owners normally

exhibit excellence in the execution of business plans. Above all else veterans possess the leadership skills and the ability to execute plans that are necessary to run a successful business and incidentally to persevere through difficult economic times, as we have recently experienced.

For nearly 40 years I have been privileged to both create and support programs for hiring veterans. And what I have learned is that these young men and women are clear examples of American exceptionalism. They are true American heroes who bring back security clearances and training and character and passion and dedication and a get it done mentality that frankly any company should appreciate and want to have as a human asset. I have learned in my own career that spreadsheets and net present values can tell you the history of a company when you are doing due diligence on the business itself. But it is the people that is going to tell you its future.

Recognizing that franchising is a great fit for entrepreneurial veterans the International Franchise Association launched the Veterans Franchising Initiative, or VetFran, in 1991. VetFran is an industry wide initiative to encourage franchise companies to both hire veterans as team members and recruit them as franchise owners. As part of VetFran 618 franchisors offer special incentives to qualified veterans who purchase franchises. And these incentives can range from thousands of dollars in inventory to special financing for equipment, discounts on initiative franchise fees, and many other broad benefits. As an example, when I first became Chairman and CEO of Mailboxes, Etc. I followed the guidance put in place by VetFran and as a result we focused on hiring programs and programs to create benefits and incentives for veterans. And as a results hundreds of veterans became part of the MBE/UPS community.

So before I go into the general results I would like to offer a couple of things just to level set the problem. There are roughly 23 million veterans today in our country, 3.7 million are under the age of 39, and 1.5 million roughly are on active duty, another 1.2 million in the Guard and Reserve.

There are 2 million children in these households with 95 percent being under the age of 12. And I can tell you as all of the folks sitting here on this panel that repatriating these men and women, the challenges that are associated with it, and the needs within their family levels are just absolutely enormous. A survey of VetFran members reveals that the program itself has achieved some significant results. In 2011 IFA launched Operation Enduring Opportunity that campaigned to hire and recruit as franchise business owners 85,000 veterans, wounded warriors, and their spouses by 2014. In a report on Veterans Day in 2013 we saw that the franchise industry had nearly doubled its hiring target and since 2011 we have hired over 151,000 veterans that have started careers in franchising including 5,192 veterans that have been recruited as franchise owners.

To assist veterans in opening franchise small businesses, Congressman Bill Flores introduced the Veterans Entrepreneurs Act of 2013, legislation that provides a tax credit to qualified veterans worth up to 25 percent of the initial franchise fee. When coupled

with the incentives offered by franchise systems as part of VetFran, this tax credit will go a long way towards helping veterans open new businesses. The franchise community has already demonstrated a record of success in implementing veterans hiring programs and this legislation will help veteran entrepreneurs realize their dreams of owning a small business.

The franchise community has been successful in hiring and recruiting veterans but there is still a great deal of work to do to serve these veterans who have served us honorably. Far too many veterans are unemployed and others lack the support they need to successfully transition into the civilian economy. It is an imperative that the private sector continue to build on its recent success and work as best it can with policy makers here in Washington to improve hiring veterans.

And then I just might add as an aside that for my brothers and sisters that came home from Vietnam, we came home to a nation that was really interested in leaving an unpopular War behind, and by proxy we left the veteran behind. And I do not think we should ever do that again. And that really is what the focus of these program in my view should be. I want to just thank you for the opportunity to testify today and I look forward to answering any questions you may have.

[THE PREPARED STATEMENT OF JIM AMOS APPEARS IN THE APPENDIX]

Mr. ROE. Thank you, Mr. Amos. I now recognize Mr. Cohen for five minutes.

STATEMENT OF ROSS COHEN

Mr. COHEN. Good morning, Chairman Roe, Ranking Member Michaud, and distinguished members of the committee. My name is Ross Cohen. I serve as the Senior Director of the U.S. Chamber of Commerce Foundation's Hiring our Heroes Program, and am an Army veteran of Operation Enduring Freedom. Thank you for providing us this opportunity to share our experiences regarding successful approaches to hiring veterans and military spouses.

Since 2011 Hiring Our Heroes, working with many of the partners who are testifying with me today, have connected more than 21,600 veterans, transitioning servicemembers, and military spouses to meaningful jobs through more than 660 job fairs hosted in all 50 states, the District of Columbia, and Puerto Rico. Through employment workshops at these fairs we have provided expert job search and readiness training to 8,000 more men and women.

In March, 2012 we launched the Hiring 500,000 Heroes Campaign with a goal of getting business of all sizes to commit to hiring half a million veterans and military spouses by the end of 2014. I am pleased to report that more than 1,400 businesses of all sizes have committed to hire 361,000 veterans and spouses and to date 247,000 hires have been confirmed.

We are also developing a suite of online services to assist in the transition to the civilian sector. From our resume engine and eMentor programs, to Fast Track, and our military spouse LinkedIn networks, these tools make it easier for veterans to identify and achieve career opportunities.

From the beginning we knew that our success hinged on two critical factors. First, the effort had to be driven at the community level. And through the Chamber's vast federation of state and local chambers of commerce we were able to reach employers of all sizes throughout the nation. Second, we had to work closely to bring these communities together by working with a wide array of public, private, and non-profit entities, including partners across multiple federal agencies and local governments, and other non-profit veteran and military family service organizations. Indeed we have forged key partnerships with the White House's Joining Forces Initiative, the U.S. Departments of Veterans Affairs, and Labor VETS, and several Department of Defense entities, including the Military Spouse Employment Program, the Army's Installation Command, and many others. More recently we collaborated with the VA to create a National Guide to Hiring Veterans that points employers to the most valuable resources available to assist them in the process of hiring and retaining veterans and military spouses.

The value of these partnerships becomes evident at our hiring fairs where the entire community comes together. State and local chambers work hard to bring jobs from local businesses. Military officials, including from the Guard and Reserve components, frequently open up their facilities to host these events. The VA plays a critical role by making sure that veterans are utilizing their benefits. DOL and the American Job Centers provide ongoing assistance. And the Employer Support at the Guard and Reserve, the American Legion, and so many others provide invaluable resources in every state. And together we are making a difference.

When we began our work in March, 2011 the employment situation was bleak. Post-9/11 veterans faced an unemployment rate greater than 12 percent. For veterans under 25 it was closer to 30 percent. One in four military spouses was unemployed. There is no doubt that for some the situation has started to improve. We have seen post-9/11 veteran unemployment fall below 10 percent, and unemployment for veterans under 25 is down 10 points to approximately 20 percent. According to a 2012 Department of Defense report, however, one in four military spouses remain unemployed. Indeed, we have a long way to go. The fact is 800,000 veterans were unemployed at the beginning of 2013 and we are about to see an unprecedented number of departures from the military, not including spouses. So the private sector needs to step up even more. Hiring Our Heroes is ready to answer this call. Not only will we host more than 200 hiring fairs across the country this year, we will focus our efforts by targeting communities with the greatest need and by continuing to develop our suite of online services so that veterans and employers anywhere in the world can utilize them. We will also strengthen our private public partnerships.

One upcoming example is occurring next week where we will take part in a two-day veterans job summit at Fort Bliss, Texas. Hosted by the Army and in partnership with the VA and Department of Labor, the summit will feature seminars on the transition process, tools and best practices for employers looking to hire, and presentations from key private sector, military, and governmental agencies. The summit will culminate with a job fair for transitioning soldiers, veterans, and their spouses.

Over the last three years Hiring Our Heroes has been proud to serve as a community catalyst bringing together our partners and our common mission. We will continue working together to achieve change in veteran and military spouse unemployment.

Chairman Roe, Ranking Member Michaud, and members of the committee, I thank you again for the opportunity to testify and look forward to answering your questions.

[THE PREPARED STATEMENT OF ROSS COHEN APPEARS IN THE APPENDIX]

Mr. ROE. Thank you, Mr. Cohen, and all the panelists for your testimony. I will now yield myself five minutes. And I want to start just by reading a paragraph of Mr. Amos' testimony. "When my brothers and sisters returned from Vietnam we were met by a nation so anxious to leave an unpopular War behind that by proxy we left the veterans behind as well. We should ensure that this never happens again." Amen to that statement.

And I think it is not. I think this is a testimony to the fact that it is not. And I thank you all. Many times I will come to these hearings and leave in a depressed mood. This actually has elevated my mood and in Washington, that is doing something if you can elevate somebody's mood.

I thank you for what each of your companies and the coordination you are doing with other companies that are not here that are equally responsible for that. I guess a couple of things that I want to ask about, and it is going to start sort of from the back door because as I left to be deployed I left a wife and a 12-week-old child behind. And you know, if I had not had some family support, so the spouses are an integral part. And much of the problem I think we have with PTSD and other issues are family issues and money issues. And a spouse having a job, or a veteran having a job, those problems go away. Many of those issues just go away. So I think that what you all are doing speaks volumes.

I think one of the things that I, through all the testimony I read, that are the spouses not wanting to work? Or they cannot find work? Or they do not have the skills? Could somebody, maybe Mr. Cohen, you mentioned it twice, that that is the one thing that had not moved, the needle had not moved on the spouses. And I think that is where when you are deployed a lot of family issues begin to erupt and so forth. So anybody can take that question.

Mr. COHEN. Thank you, Mr. Chairman. I think that it is a core issue that the private sector has really taken up in the past year, two years, this issue of military spouse employment. I would not put myself as an expert on the issue but I think some of the core issues are frequent moves and having to, as you said, sort of take care of the family while your loved one is deployed makes it more challenging. But I do think this is being, it is noted and I think being addressed aggressively now.

Mr. ROE. Okay. Could any of you all take this question? What programs have we as a Congress passed that you all find very effective? And which are the ones that are not effective and maybe should as we go through this next year's appropriations process move the resources around to things that actually work? So I will just open it up to anybody that wants to jump on that.

General PROFIT. If I could follow, sir, on Ross' comment. First of all, I would be remiss in not telling you, if I did not talk about military spouse and family issues I probably could not go home to my wife of 42 years who followed me around the world for many years and struggled to maintain a career despite the same kind of values foundation and skills clearly that I had. And one of the things that we have done at Wal-mart is to institute something that we try to take jobs for military families to careers and it is called the Military Family Promise. And basically it says that if your spouse is moved as a result of a military permanent change of station, we will find you a new job at that location. And I think what the attempt has been with the breadth of our corporate footprint to turn those military spouse jobs into actual careers. And one of the things that, a face on that is a young woman who has been with us for I think 18 or 20 years now and has served in different Wal-mart roles from Hawaii to New York. And so I think that that is testament to a commitment to those spouses and families that also serve our nation.

Mr. ROE. Thank you. Anyone on the programs that we currently have out there? What you think is working and not working?

Ms. CASEY. Yes, Mr. Chairman, I would take that question. One of the programs that we at JP Morgan Chase are working with is Department of labor VETS and their American Job Centers. I think one of the things that as you have heard my colleagues speak to is really understanding what the challenges and needs are, whether we are talking about transitioning servicemembers, veterans, or spouses, and then trying to connect them to the opportunities that exist. So what we have done is through our work with the Department of Labor VETS looked at key opportunities that JP Morgan Chase may have, whether we are talking about in Texas or California or Florida, or Arizona, providing them with those key jobs. They will then utilize the resources that they have in those centers that are dedicated to veterans to scan the pool of talent that is there and then make referrals to us so that we can then connect them to opportunities in our company.

Mr. ROE. Okay, I have just one brief thing and no answer because my time is expired. Is that one of the things is how do we make sure that the transitioning veterans that are going to separate know about this? Because I can tell you when Captain Amos and I left the military they said, "Son, be sure the gate does not hit you, you know, where on the way out the front door." Nobody said where are you going, what are you doing, do you have a job, is there anybody home? Nothing. So we have got to be sure that we have a way to make sure that the separating servicemember knows where to get this incredible amount of resources that are sitting in front of our committee. My time is expired. I now yield to Ranking Member Michaud.

Mr. MICHAUD. Thank you, Mr. Chairman. This question is for Mr. Kelley. And I want to thank all the panelists once again for your testimony today. How many locations does Microsoft anticipate establishing an MSSA program?

Mr. KELLEY. Well Congressman, our current intention is that by the end of this calendar year we would be in five locations around the United States. We are currently looking at how do we take this

program to be a program that through the community college system and online could also be accelerated to, you know, far reaches of the U.S. that perhaps are not collocated with a base location.

Because we are in the early phase right now what we were concentrating on in the pilot was to prove the concept that we could train members before they exit the service and employ them all, which we accomplished in the first cohort. And now we are looking at how fast can we replicate the model and take it nationwide.

Mr. MICHAUD. Thank you. In your testimony today each of you described outstanding and highly successful programs that support veterans employment. Most of these programs you discussed are new programs. While veterans issues are at the forefront today in people's minds here and in Congress' mind, these programs, you know, will endure while they are at the center. But what happens when veterans fade away and are no longer on the front page of the papers? You know, the federal government, you know, has not, as you heard earlier, has not treated our veterans kindly, particularly the Vietnam Era veterans. And once it is no longer on the front page my big concern is what will happen beyond the current Wars in Iraq and Afghanistan? And what does the industry feel that we should do in Congress, or what should the industry do to make sure that Congress does not let our veterans fall behind and become a back page story instead of a front page story? And I would ask each of the panelists if they could briefly make a comment.

General PROFIT. Well first of all I share your concern and the sense of urgency that we should all feel about achieving something that certainly we did not do when those returned from Vietnam. If I could offer one I believe that we would be well informed by a national strategy that better leverages the very real complementary value that the private and non-profit sectors bring to the public private partnership and the responsibility to support those who have served and sacrificed for all of us. And despite the real advances in robusting that partnership, I do not believe we have achieved an optimum level of integration and synchronization that would actually support our interest in renewal in the economy and the interests of those who have served and sacrificed so much for this nation.

Mr. KELLEY. Congressman, there are two suggestions that I have and both of them come from my lens as a talent acquisition leader in the technology industry. And I would say first continue to focus on investment in education. So any G.I. Bill enhancements, support for STEM education that would encourage long term pipelining of talent into what really is all industries are becoming technology industries now, and I think that that has a long term payoff, that education investment.

The second is upon transition I believe that the military veterans are the most codified human resource asset we have on the planet. And today we still allow that resource to walk out the door and we lose this amazing asset of information that could drive the economy. The specialties that people have learned, the education, their experiences. And if we could find a way to harness that and channel our veterans over the long term toward high paying jobs, ways

to contribute to the nation's success and economic prosperity we think those would be two areas that would have big payoff.

Ms. CASEY. Congressman, thank you. I think hearings such as this are a great opportunity to continue the dialogue and highlight this issue. I think the other thing that we need to remember is that servicemembers and their families do not come home to a federal agency, they come home to our communities. And JP Morgan Chase, we are in 25 states. We have 5,400 branches nationwide. And we know that these servicemembers and their families are coming home to our communities. So what can we do to continue to raise awareness? Mr. Chairman, you spoke about that awareness issue. How do we ensure that they are informed consumers and also that our communities are prepared to provide the support and services that they need when they return? So we are trying to do that throughout all of our markets to really take it down to the branch level and work within our communities to make folks aware that things like *veteranjobsmission.com* exist, where 131 companies have committed to hiring veterans. And that there are resources available to spouses. But I think that all of the work that you do in forums like this is very helpful to keep it on the front pages. Thank you.

Mr. AMOS. Congressman, I would like to thank you for the question because I think it is the seminal question. And I think the needs are both organizational and they are about communication. Nearly 40 years ago when I walked out the back gate at Quantico, Virginia I felt like Captain America on one side of the gate and on the other side I did not know who I was or where I was going. I do not think we had the technology capacity to track a veteran, specifically to your question, at that point. But I will tell you this, I had a conversation with General Shinseki just a few months ago and we do not have that capacity today. We still cannot find these young men and women when they leave to help them meet some of the challenges that they have.

So I would say this having spent the last 35 years in meetings and listening to veterans, their spouses and children in programs, there are hundreds, hundreds of organizations trying to meet the individual needs of returning veterans around this country, including what our government is doing. They are all disparate. They are all funded separately. Some are non-profit, some are profit. There are egos involved. There are organizational egos involved. So there are a lot of challenges to really, truly meeting the need of the veteran. Because this cause sounds great to everybody, and everybody wants to participate until, as Chairman Roe pointed out, the guns go silent. And then often the support goes silent.

And so what I would suggest like Mr. Reagan did in 1982 with small business, hold a summit. Pull all these disparate pieces together and talk about coordinating this effort so that there is a clearinghouse that when a veteran walks out the gate he or she can press a button and find all the needs there in terms of someone to talk to. The needs we are talking about for these families? When we deployed, we deployed for 13 months at a stretch. During World War II it was for the duration. Now these young people are going back five and six tours at a time. You talk about jobs for the spouses and homes that they go to, I moved eight times in nine

years in the Marine Corps. Now they are doing that, I mean, it is just so difficult to hold these families together. They need jobs, number one. They need career counseling. They need marital counseling. They need a lot of help. And I think we need to try to coordinate the organization and the communication for these people in one place if at all possible so they can get that immediate need. Thank you.

Mr. COHEN. Thank you. Congressman, I will conclude by saying I am cautiously optimistic. And the reason I am cautiously optimistic that when the guns go silent we will still have the energy to address this issue. Because the folks who are on this panel here representing some of the largest, most influential companies and associations in the country. And the experiences of the past 2 years, I think to some of the points made, I think cannot be lost. So our challenge is, our opportunity is, for all of the reasons people have said, this is not a hard sell. People want to hire veterans. They know that veterans and military spouses make outstanding employees. And we have learned a lot of lessons over the past several years, over the past decades. The challenge we have now is making sure that those lessons get deeply, deeply embedded in local communities across the country over the next months and years to come.

Mr. ROE. Okay, thank you Mr. Michaud. Mr. Denham, you are recognized.

Mr. DENHAM. Thank you, Mr. Chairman. Let me first start by thanking Wal-mart . Two years ago Mr. Walz and I, along with Senators Manchin and Kirk, started the Veterans Jobs Caucus and Wal-mart was one of the first companies to step up and really show a huge impact in hiring veterans. And while we have 250,000 servicemen and women returning home every year for the next 5 years, 100,000 is a huge, huge goal and we thank you for your commitment in doing that.

Let me ask you, you know, as you are looking at hiring veterans, what is the generational breakdown that you are looking at? Are they mostly post-9/11 veterans? Or are you seeing older veterans that are looking to come to Wal-mart for the first time and start a new career?

General PROFIT. Thank you very much for recognizing the important work that we think we do with the Caucus. As was said before, we are in this for a long haul. We have been in this since the company was founded. And I think it is important work.

Our focus, because we think they are the most vulnerable, is on those from 18 to 34. With that said, we know that joining our ranks over the course of time and certainly since the inception of the Veterans Welcome Home Commitment on Memorial Day that we have had people from every generation join us. And so we are not dismissive of any of them. Wal-mart is a really big place and we essentially have an appetite for talent across our enterprise. And so we welcome all that think that they can play a role in the next generation.

Mr. DENHAM. Thank you. And let me briefly discuss how I think, at least the vision that I would see as helping our veterans to find work. You know, when I left active duty I was amazed to find out that as a crew chief, as somebody who could work on some of the

most sophisticated aircraft in the world that it was going to take me 3 years of training to be able to work at any airfield across the nation on less sophisticated aircraft. Because we just did not credential our military. Somehow that was going to create a competitive disadvantage for our recruiting offices.

We passed that bill and I am proud to see that that is implemented into law. We are credentialing them. We are allowing them to utilize the skills that they gained on active duty. But I would say the next part of that vision would be once you get them credentialed to actually give you guys the ability to go out and market to those specific career fields. Understanding which career field you are looking for and contact those men and women 6 months before they transition. So I think part of our challenge is we are always trying to find out where somebody has been discharged, what state they have been discharged from, and where they go afterwards and do they come back to our home state? Rather than being able to market to them before they leave active duty, finding talent and really I think encouraging those men and women that they are going to have a job, they are going to have a home, they are going to be able to have a family as soon as they leave active duty.

And so I think that is the next step. But I did have a question for Microsoft. What you are doing is a little different from what we have been trying to do internally. So rather than credentialing on the inside you are looking at private credentials and integrating backwards into that training process. Could you explain a little bit more on the differences between the two?

Mr. KELLEY. Absolutely, Congressman, thank you. The program itself, this was actually a very targeted effort around software testing jobs that, you know, unfortunately we did not have servicemembers that were ready for that specific discipline area. And my focus as a recruiting leader was to find, to bring all of the intangibles that come with military service, add a thin slice of, you know, essentially a crash course. And the beauty of this program is in 16 weeks whether you have a degree or not, regardless of the discipline that you had in the military, if your aspiration is to be working in the technology industry this opens that door. And one of our significant challenges, many servicemembers look at the banner called Microsoft, or pick any other technology company, and they do not see themselves as part of this industry. And we thought this would be a huge paradigm breaker in that regard. And, you know, with our leadership, to be able to see that we took a mechanic, to take somebody who is an aircraft commander, or somebody who was maybe an IT operations person in the military, and really just concentrate the learning and turn that into a job has been a breakthrough both just for people's belief that there are military members who can be participants in the STEM discipline areas at Microsoft or any other technology company. But we also have, you know, people get their Microsoft developer certifications while on active duty, and we have participated in the White House IT certification efforts. So that is still another pipeline. We just felt like there was an opportunity, particularly pre-departure, to put this polishing on people's technology coding skills, which is a hard science area that we need for a lot of the jobs that we have.

Mr. DENHAM. And if I could conclude with just a brief follow up, is it a shotgun approach of anybody who is interested in Microsoft? Or are you looking at ASVAB tests and specific career fields to say that is somebody that we know would succeed here?

Mr. KELLEY. Well what we, we definitely mapped out the bases around the nation, looked at more technical areas specifically and, you know, identified over 30,000 military members that we believe are, you know, easily able to go into this program and transition into the technology industry. So we did have targeting. But we also looked at frontline units that had very elite selection criteria, Airborne, other units, too, because we knew that there was rapid learning capability there for us to be able to target the accelerated learning path that we were, you know, putting in front of the participants. But we look at ASVAB scores, math testing, and then a selection process to get into the program.

Mr. DENHAM. So an Air Force crew chief might have actually had a shot?

Mr. KELLEY. Absolutely.

Mr. DENHAM. Thank you, I yield back.

Mr. ROE. Ms. Brown, you are recognized.

Ms. BROWN. Thank you. First of all, let me just thank each and every one of you for your service and your commitment to our veterans. For decades the Federal Government has been the key gateway for veterans and good jobs and security but that is not the case anymore. I am pleased that Ms. Casey and JP Morgan Chase has announced that my hometown college, the Florida State College at Jacksonville will be one of the recipients of the grant to fund higher education programs for the U.S. military. And I need to do a disclaimer. Before I came to Congress I worked for the College for 16 years. And I know the community of Jacksonville's and of course the College's commitment to veterans. So I want to thank you and I want you to expound a little bit about that program in a minute. Because one of the problems that, let us say spouses are experiencing, because they have to move, maybe they are a teacher or a nurse, and they are certified in Florida. But if they have to go to another state, they have to go through the process again. So we need to work to make sure the certification will transfer. And of course I want to ask Wal-mart, and thank you all of you for your employment, but Wal-mart a lot of business, and you have a lot of private small business, what kind of program do you have to help those veterans do business with you? Because you buy everything. And so I am interested in that.

But I cannot let this opportunity go by not to commend one of the companies in my district, CSX. They have twice been honored by the Employers Support from the Guard and Reserve for their hiring commitment to veterans. And in fact the railroad industry has a great record of hiring veterans. Twenty-five percent of the industry is veterans. And the Obama administration, along with the Joint Forces Initiative, and the VA, and the Department of Veterans Affairs, have started a program, Veterans Transportation Careers. And you know they have a lot of the logistical skills. And we are going to work to translate that to the workforce. So can you answer those questions? First of all, more about that program initiative, the education initiative?

Ms. CASEY. Thank you very much, Congresswoman. Yes, we are quite excited about this program as well. In developing these education grants we really looked at what the needs of transitioning servicemembers and veterans are. So it really goes back to bridging the gap. How do we make sure that they are prepared to be students again? Number two, how do we ensure that they have the support services they need to succeed? And number three, how do we educate the administration and the faculty about the needs of returning student veterans? And so the particular program at Jacksonville is really focused on professional development for the faculty and administration so that they can understand the military culture, understand what some of the needs might be. And then also building out their support services for veterans to position them for success. So whether that is additional tutoring services, other kinds of counseling and support services, anything that will position these veterans for long term success.

Ms. BROWN. Thank you. Wal-mart , businesses?

General PROFIT. Thank you, Congresswoman, for the question. First of all one of the elements of the Veterans Welcome Home Commitment was the notion that Wal-mart can do a lot but Wal-mart cannot do as much as if we all work together. And we recognize the importance of our supplier network and those with whom we do business and I think have importantly begun work in our supplier diversity function to take a look at veteran-owned businesses particularly and how we can include them as an important segment in that particular supplier base. So I think there is very important work being done both to track them and encourage them to become our suppliers.

Ms. BROWN. Thank you. I think that is about all the time I have. Once again, I want to thank all of you all for your service. But as I mentioned before, I want to just share with you all, I went to a restaurant. Let us just say it was a waffle house. And someone knew that I was in there and they told the lady that was serving me. The lady was a veteran. She told me she was homeless. And it just broke my heart. And she had no place to stay. And veterans like her need more than just finding a place to stay. The system is broken. And still, this lady still has not gotten the kind of help that she needs, even though I referred her. She needs more than a house. She needs the counseling component. She needs the educational component. So it really does take the whole team. So I want to thank you again.

Mr. ROE. Thank you for yielding. Mrs. Walorski, you are recognized.

Mrs. WALORSKI. Thank you, Mr. Chairman. And I just wanted to also thank and commend every one of you for sitting here and for what you are doing to lead the nation in this comeback of jobs for veterans. I am from Indiana, and we have a proportionately higher number of veterans in Indiana with the fourth largest Guard in the country. And Hoosiers definitely take up the call when called. But one question I have is when we hear about best practices and we hear a lot about, I call them P3s, we have used them a lot in Indiana, public private partnerships, they have worked and I have traditionally been a huge supporter of them. In our district, in Northern Indiana, we are heavy manufacturing, one of the largest manu-

facturing districts in the country. And 80 percent of those are small companies. So from your perspective, you folks are all representing large, huge companies. And I guess what can we take and translate down to smaller companies that would incentivize them to be involved? Because in my district many times when you say I am here, I am from the government, I am here to help, they are like, no thank you, shut the door, leave me alone, get off my back, and we will do fine. But when we talk about things like, the tax credit from Representative Flores and things like that, is this really something that can be federally driven? Things that will help incentivize smaller companies? Or how do you see it, since you are the experts here in the field? Anybody?

Mr. AMOS. Well first of all I would like to point out that when you talk about franchising although there are significantly large companies, billions and billions of dollars, they are all built on the premise of independent franchise owners. So all of it is small businesses. And all of the hiring that has been accomplished here through these VetFran programs have been done at the small business level. There is some employment that takes place at the corporate level in these businesses, but clearly the logwood here comes from small business. So any programs that can provide the relief for a small business owner, I mean, the Affordable Care Act was mentioned without discussing obviously the employer and employee mandate, but essentially if you want to respond broadly any tax relief at that level, any relief of the burden on the regulatory level for small business, the ability to hire, the incentive to hire. If I am a small businessman, or woman, and it appears to me that I have a Hobson's Choice, as an example—

Mrs. WALORSKI. Mm-hmm.

Mr. AMOS [continuing]. Between paying a penalty or providing healthcare at that level, I am obviously going to matriculate to that place where I have more free capital to invest in my business that involves hiring as well as many other things, including opening new locations which create new employment and new tax dollars and new revenue. It is, to me, as a relatively simple individual in terms of how small business operates, that is not rocket science. It is just opening the way, which is why I talked about the summit on small business a while ago in conjunction with what we are talking about here. Because I think that is the way you offer relief and create incentives—

Mrs. WALORSKI. Mm-hmm.

Mr. AMOS. [continuing]. For hiring to take place.

Mrs. WALORSKI. Anybody else?

General PROFIT. And if I could just offer, when Bill Simon talked at the National Retail Federation a year ago about American renewal, and he followed that up just the other day by talking to the U.S. Council of Mayors. And a very important element of that was our focus on U.S. manufacturing.

Mrs. WALORSKI. Mm-hmm.

General PROFIT. And we think that the time is right to put a special emphasis on U.S. manufacturing and we think we are investing in it and importantly have some very important goals that we want to meet. And so I think that to place a special focus and a special emphasis on that is very well timed. And we would cer-

tainly be willing to join that public private partnership and frankly think we already have.

Mrs. WALORSKI. That is great.

Ms. CASEY. And I would just offer Congresswoman——

Mrs. WALORSKI. Yeah?

Ms. CASEY [continuing]. That the other half of that equation goes back to a recurring theme that we have heard here today is around ensuring that veterans are informed consumers. We know that more than 50 percent of veterans are going to go to work in small business.

Mrs. WALORSKI. Mm-hmm.

Ms. CASEY. So how do we do a better job at creating, matching the supply to the demand? Creating that connection of those that are transitioning out with knowledge and information about where the job opportunities are? So I think there is definitely room for improvement in that regard.

Mrs. WALORSKI. I appreciate it. And General, let me just say that one of your colleague institutions, Sam's Club, does a phenomenal job in my district, in a place called Goshen, Indiana, they do veteran days. And I was grateful to participate in one a couple of years ago where it was, you know, refreshments and discounts and all kinds of things to attract in veteran families, highlighting things that families would need and be in need of, that were, you know, specifically reduced for folks that had a veteran card type thing. And celebrating that they were a veteran, with red, white, and blue decorations in the store, and cake, and all kinds of things for their kids. It was awesome. And it is just one of the ways, I think, to your point, Mr. Amos, and continually educating and advocating for veterans coming home that they have done the job we have asked them to do. So to all of you, I just, I so much appreciate your comments and how we can translate them back into our districts. Thanks so much for being here. Thank you, Mr. Chairman.

Mr. ROE. I thank the gentle lady for yielding. Mr. Takano, you are recognized for five minutes.

Mr. TAKANO. Thank you, Mr. Chairman. I will start off with Mr. Kelley. Mr. Kelley, as a former community college trustee for 23 years and also as a teacher in the high schools, you know, this is where I come from. Do you think our servicemembers are receiving enough counseling and information about their futures and transitions out of the service? And are they receiving this counseling and information early enough?

Mr. KELLEY. Congressman, thanks for the opportunity to comment. Definitely not. I think this is one of those long standing issues that has gotten a lot better with the VOW Act. But I think we have this opportunity to make it part of the leadership responsibility of the military to understand that everyone is going to transition. And, you know, we have had such pressure on those unit leaders to be mission ready and we need to transition that thinking to say that it is part of our opportunity to counsel our young members of the military, or those that are nearing retirement, that the planning needs to start 18 months out in order to align for their transition.

Mr. TAKANO. Thank you. So we need to begin not with a crash course at the end, but at the beginning and throughout. Can you

talk about the partnership you have started with community colleges and how you would like to expand this partnership? And what makes community colleges logical partners?

Mr. KELLEY. In our experience, we have worked with community colleges in our Elevate America Program, with Project Succeed at Bellevue Community College right near Microsoft. We are looking at partners in the community college system because we, particularly with our 16-week academy program, there is more flexibility with the leaders in the community college system at this time to look at a unique program and responsiveness at the pace we are trying to roll this out. And the locales near our bases, many of them are already on our military installations, which is an accelerator as well.

Mr. TAKANO. Wonderful. Wonderful. Thank you for that. Mr. Amos, I want you to know that I am, as the ranking member on the Subcommittee on Economic Opportunity I am also the lead co-sponsor of Mr. Flores' bill to provide the tax incentive for franchising. I am a great admirer of franchising. I think it is a great, entrepreneurship with training wheels, it gives people some guidance. Along the lines I asked Mr. Kelley, the question that I asked Mr. Kelley, that I posed to Mr. Kelley, about preparation throughout the servicemember's career, could we do more in terms of getting entrepreneurship in the minds of these servicemembers? For instance, is there a way for us to also, I know we can use our tax sheltered deductions, first of all get the servicemembers to be thinking about that sort of saving, but is there currently a way for a servicemember to parlay those savings, part of them, with their contributions into maybe a down payment on a franchise?

Mr. AMOS. Well there are incentives that were created through programs like VetFran. I think that that path is almost unintelligible to the person who is living in the military today, however. And so the education that you are talking about that should begin ahead of time, in all likelihood does not. And I would like to point out that sometimes the military has the ability, no pun intended here, to shoot themselves in the foot in these issues as well. And I would say the reason why is because the mission orientation is so intense and so focused that if you are a regular officer, as I was, or someone that is in the military as a career, or an intent to have a career, all of the infrastructure within the military is designed to focus on people who, and get people to stay in and make it a career. And so there is very little discussion of people that are leaving. And they are not set up to have that discussion. And when the decision is made to leave internally if people were going to be perfectly honest about themselves it is almost as if their back has turned on someone who has decided they are not going to have the same goal. And I am just suggesting that internally inside the military itself there is almost an implicit lack of attention paid to people when they choose to leave.

Mr. TAKANO. So there is not a discussion about a certain amount of deduction each month, and the compounded gain could someday be used on a down payment on a franchise?

Mr. AMOS. No.

Mr. TAKANO. So you do not have a choice, you know, there is choices other than transition into a salaried job, you could own a

business someday. We do not get them to think about this early on in their career?

Mr. AMOS. Not today. Not in the present environment.

Mr. TAKANO. Yeah. Okay, great. Thank you.

Mr. ROE. I thank the gentleman for yielding. Mr. Wenstrup?

Mr. WENSTRUP. Thank you, Mr. Chairman. Thank you all for being here and trying to make such an impact on our veterans' lives. I appreciate that. There has been a lot of discussion. I am a Reservist, spent a year in Iraq. And I still drill. I was at Fort Lewis last year doing preventative medicine. I think a lot of the things of what we are talking about here is preventative medicine if we capture them early. I mean, you talk about all the pitfalls and problems of leaving the military and the stresses that are upon you, especially if you do not have a job. And one of the things I was encouraged about when I was at Fort Lewis last year is the effort to try and give some guidance and counseling to servicemembers that are getting out of the military. And, you know, this is the Veterans' Affairs Committee. And that really falls under Armed Services Committee where I think we need to make some changes. And I want your opinions on that because as great as it is to do all these things and we need to continue to do for veterans, you know, of all eras, that have been out there and are struggling, I think that we have greater successes if we capture them while they are still in uniform. Now Captain Amos you referred to the culture of the military as more towards stay in, stay in, stay in. So where do we, where do we start to engage heavily with those that said I am getting out when there is that sort of ideal of keeping them in the military? I mean, I would call it second career counseling, or what have you. And when I talk to veterans that are going to use their G.I. Bill I encourage them to study and make sure you get a skill that will get you a job when you are finished. I know, Mr. Kelley, Microsoft has been engaging with those that are still in uniform, if you care to comment on that. And Captain Amos, your opinion, too, on the dichotomy there, if you want to go ahead?

Mr. KELLEY. Congressman, I will crystallize the example of the graduates out of our program at Joint Base Lewis-McChord with the support of Colonel Hodges there, the Base Commander. You know, of the graduating class a number of them who felt supported, guided by their leadership actually have not become citizen soldiers and have signed up with the National Guard in Washington. I think this underscores the long term thinking that if we had that support in the leadership, and I do think this is an expectation that leaders would accept. It is not their mission focus now, but if we establish a leadership ethos in the military that has the long view, that says my, and I feel like leaders feel that accountability to their soldiers, and to say your long view is to help them have a life plan. We look at their whole life. We look at how their family is doing, their savings, their education. And we do it with concentrated focus while they are on active duty. And we just have to extend that horizon and also show the benefit, which is someone who leaves happily will end up potentially being a drilling Reservist that is also a critical part of our system.

Mr. WENSTRUP. It seems to me this is a conversation we need to have within the Armed Services Committee as well. Captain Amos?

Mr. AMOS. Well I agree with that entirely. And I think it is somewhat of a cultural issue. But I think the mission focus could be focused into a service or a department or an area that is focused on the life counseling. That works hand in glove with the private sector on the outside. Organizations and associations like the International Franchise Association that can talk to people so that there is a full range of discussions and counseling and outcomes that are there for that veteran by punching one button. It goes back to the summit we talked about a while ago, it seems to me. But yes, I, that is, that would be, I think that would go a long way to providing solutions in repatriation and transition.

Mr. WENSTRUP. And just one other quick question. Do you see it possible to truly have a, and I hope you do, an effective clearing-house? You know, that would engage large corporations, small businesses, where people can go and say, hey, I have this skill, is there a job out there for me? And then the other way around? Anyone can take that.

General PROFIT. Yes Congressman, first of all thank you for your continuing service. I think there is some very encouraging work going on the Department of Defense and in the services that suggests that frankly these discussions ought to occur at enlistment or commissioning. Because all of us are going to transition, whether it is at a career stage after many years, or after one enlistment. And I think discussions about how the military fits in to your larger life plan, as many have described, are happening. I do not think they are happening fast enough, and I do not think they are happening with the urgency to recognize the fact that the force is going to look far different in the not too distant future than it looks today. And I think we have to help those folks with the next stages of their lives. And I think the department is seeing the enlightened self-interest in all of that for a lot of economic reasons.

Mr. WENSTRUP. Thank you. And I am out of time, so I yield back.

Mr. ROE. Thank the gentleman for yielding. Ms. Kuster, you are recognized.

Ms. KUSTER. Thank you very much. And I very much appreciate your testimony here today. Thank you all for your service as well. What I wanted to focus on is this issue about translating the skills because that is what I keep running into over and over at home. And I was really encouraged last week in a meeting with some folks from Home Depot on their initiative on hiring veterans. They talked about they have developed a partnership with *Monster.com* that would translate the military skills that are transferable to the civilian workforce. So we know that that is difficult right now because of the different terminology. But they have created a military skills translator available, it is *homedepotmilitary.com*. And you may be familiar with this. The online program allows applicants to enter their service pay grade and military job title and the computer will translate that experience into civilian skills that will allow the applicant to add those skills to a refined search to view available jobs.

It seems to me, and I am very much in favor with my colleagues on both sides of the aisle of this public private partnership. And I

particularly liked your comment, Ms. Casey, they do not come back to a government agency, they come back to our communities. But it seems to me that this is critical. Because a lot of the unemployment and this long term unemployment seems to be exacerbated by the way we do searches now with new employees. It is the computer that is looking at the resume and it is just looking for certain words. And no military person is going to put down teamwork, you know, they are going to put down their rank and the teamwork is going to be obvious. But if the computer is looking for teamwork we have got to help with that transition. I do not know if you have any comments, but is there anything that we can do just with this sort of almost technical problem that people have? And it is particular exacerbating for older workers. Because they are not going to use the words, the types of words that the computer is going to be looking for.

Ms. CASEY. If I may, Congresswoman? I think there is a couple of things. Number one, I think that involving the private sector earlier in the transition assistance process, where they are able to talk about the kinds of jobs that they have available, the skill sets that they are looking for, and inform that process. Right now many of the instructors in our transition assistance programs, and I should say many changes have been made and many advancements have been made in terms of the revitalization and revamping of the transition assistance program. But I think that having some input from the private sector so that they can advise what they are looking for would be very helpful. I think the other thing that we have seen at JP Morgan Chase is that it does take more than a computer program to do this, which is why we have that dedicated team so that we can look at the skill sets of our jobs and also look at the profile of the military talent that will match and then provide that. But it is really heightening the awareness. We talk about that 99 percent, one percent divide. It is educating our folks who are looking at military talent.

We did something as simple as looking at the way we do our job descriptions. The first bullet typically would say, you know, four years of banking experience preferred. Well, many military are going to look at that and pass right through that. So if we make that, put it at the bottom of the pile instead of the top all of a sudden we are starting to see increased candidate applications for some of these positions. So I think it is really looking at all that we are doing across the spectrum in the course of sourcing military talent and making adjustments across the way.

Ms. KUSTER. That is great. Thank you.

Mr. KELLEY. The experience we had in a similar process on your *westillserve.com* Web site in 2009 we went through the process. A volunteer team of veterans at Microsoft spent over 400 hours mapping the MOSs in the military to jobs at Microsoft. And I would say that the outcome of the Web site was a tactical outcome and the real strategic value was we created believers on both sides of that decoder.

Ms. KUSTER. Exactly.

Mr. KELLEY. We were able to go explain to military members that here is a vision that you can dream, and to our leaders and members of our recruiting organization we were able to point out

the translation for them. And of course the tool has helped to make it easier for someone to find a job on our site. But the human connection, the cultural shift that occurred through that education I think was the main value.

Ms. KUSTER. Great. Well my time is up and I just want to thank you. And you can tell it is a bipartisan support. We are here to support you in any way that we can as well. Thank you.

Mr. ROE. Thank the gentle lady for yielding. Ms. Brownley, you are recognized.

Ms. BROWNLEY. Thank you, Mr. Chair. And I have a couple of questions so I will try to be succinct. The first goes back to the chair's opening remarks about military spouse employment and trying to move the needle on that. I am wondering if we have any data on that so we sort of know what the unemployment rates are and the number of veterans who are unemployed. Do we have similar statistics for military spouses?

Mr. COHEN. Congresswoman, there was a 2012 Department of Defense study that demonstrated that military spouse unemployment as of 2012 stood at 25 percent. And that is the most recent data that I am familiar with.

Ms. BROWNLEY. So way higher than—

Mr. COHEN. Yes. And underemployment rates I believe somewhere in the 40 percents.

Ms. BROWNLEY. Very good. The next question I had was wondering if there are any statistics as we, and again thank you all for what you are doing, and as we move forward and move the needle on employing our veterans, are we also collecting data around what the average salaries are? Are veterans transitioning to the private sector and are better off than they were vis à vis their salaries than in the military? Do we have any data on that? No? It sounds like something that we should be collecting data on.

As far as the, I am actually carrying a bill to extend the Work Opportunity Tax Credit. I think probably the whole panel, correct me if I am wrong, but I think you would all agree that it is beneficial. Can you comment on how critical it is to gaining employment for our veterans?

General PROFIT. Congresswoman, thank you for the question. While I do not want to suggest that Wal-mart does not take the Work Opportunity Tax Credit when we realize it is available to us, we do not make hiring decisions based upon the availability of the tax credit. It is too important to get the right people. And so we do not base our decision making in that area on the Work Opportunity Tax Credit availability.

Ms. BROWNLEY. Any other comments?

Mr. AMOS. Well I think that is accurate but that does not mean it is not helpful, and that it does not provide a benefit that is attendant to making the right hiring choice.

Ms. BROWNLEY. I have heard some people say in businesses in my district as well that there are certain obstacles in obtaining it. Any suggestions for streamlining that? No? Well the last question that I have is based on survey results from veterans in franchising and a progress report. One of the key findings indicates that 80 percent of franchises surveyed are not aware of any tax credits

available to employers that hire veterans. And I was just wondering, Mr. Amos, if you might be able to comment on that?

Mr. AMOS. Well I think that it is, first of all it is the newness of the program. And there is some, there is a requirement, I mean, there is not even any statistical support for it that I am aware of yet. So I think that that requires some communication and education to the greater franchising world that IFA will do and is doing today. I think that will help challenge, actually.

Ms. BROWNLEY. Thank you. I yield back.

Mr. ROE. Thank you for yielding. Ms. Titus, you are recognized.

Ms. TITUS. Thank you, Mr. Chairman. Before I ask a question I would just like for the record to point out that there are two companies in my district in Las Vegas that have excellent programs for hiring veterans. They are very innovative. MGM Resorts has Boots to Business that has been very successful, and Caesars Entertainment has Enlisting Heroes. So we are proud of the work that they are doing, which is similar to what you all are doing and I thank you for that.

I would like to focus my question on something that you are doing, Mr. Kelley, and that you commented on in your written testimony. I have been working on trying to get more students involved in the STEM fields, and especially minority students. I think that is the key to good jobs and being competitive in the global economy. And I know that you all certainly do that. And you wrote that you would recommend that the government enhance the rules of the G.I. Bill to incentivize STEM education. I would very much like to work with you on the specifics of that and see if we cannot get that done legislatively. But would you take a minute to kind of summarize for us what some of the recommendations are that you would make to improve that?

Mr. KELLEY. Congresswoman, one of the things that we did as we have evaluated what are the best odds to get into large technology companies? And all of us invest heavily, and Microsoft specifically, in hiring our college grads with computer science degrees. I also know, and my colleague Chuck Edward here in the audience runs our college recruiting organization, you know, we canvass hundreds of universities across the country. Our servicemembers actually choose sometimes to go to the least cost option, not the option that would most likely get them to the highest employment opportunity. So our top computer science programs, there is a large gap between what the G.I. Bill will pay for and even the yellow ribbon may not close it. And so we have talked about the yellow ribbon plus for STEM education to make sure that the servicemember is not making a purely short term economic decision. That they are really looking at the fact that these are upon graduation six figure salaried jobs in any of the technology companies. And the competitiveness as a young person, you know, they have five job offers at the time they graduate. And I want our veterans to participate in that very huge opportunity in the technology arena.

Ms. TITUS. Well let us talk about some ways to kind of get that done. Anybody else have suggestions along those lines? Thank you, Mr. Chairman. I look forward to bringing some of that back to this committee.

Mr. ROE. Thank you. Mr. O'Rourke, you are recognized.

Mr. O'ROURKE. Thank you. And I would also like to thank the panel for their service, through them to their companies for what they are doing to hire veterans, and for the testimony today. And I want to thank the leadership of the committee and the staff for giving us this opportunity to hear from you.

I represent the community of El Paso, Texas. At Fort Bliss we have 29,000 active duty. Within the community we also have over 80,000 veterans. And we also have nine percent unemployment. And so what you are saying today is very helpful for me as their representative to think through policy implications, efforts that we need to undertake even in our capacity in our districts to connect more of these veterans with their jobs. And I think the points about what we can do while they are still active duty are spot on. I mean, I think that is where we take it. And Dr. Wenstrup kind of compared it to preventative medicine. You know, taking the necessary steps ahead of time.

And I also understand Mr. Cohen that in your opening testimony you referenced a Hiring Our Heroes event that you are going to have on February 4th at Fort Bliss in El Paso, Texas. So I just want to thank you for the Chamber's efforts in that regard and pose my first question to you. We had an event put on by the El Paso Workforce Board in the Fall of last year for, a hiring veterans event at the County Coliseum. We had somewhere close to 1,400 veterans come to search for a job and as far as we can tell we had only four placements out of that. Now I know that you cannot speak to the specifics of that, but given the success of the Hiring Our Heroes Program what are some best practices or some best outcomes that we should be looking towards? And perhaps apart from your efforts when we at the local level take these initiatives on we can begin to follow those so we can get better results.

Mr. COHEN. Well thank you, Congressman. And I would just like to point out that your staff has been very helpful in getting the word out for the Fort Bliss Veterans Job Summit next week so—

Mr. O'ROURKE. Great.

Mr. COHEN [continuing]. It has been another great example of public private partnerships working together.

One of the things we have learned, and obviously I cannot speak to the event that you are discussing, that we learned early on is the importance of devoting a lot of resources, which we are part of the Chamber of Commerce's Foundation which makes us a 501(c)(3) non-profit, it is challenging to devote a lot of resources to metrics and tracking. So we have instituted a very comprehensive 180-day after any action process with phone calls, surveys, survey monkeys, you know, phone banking, etcetera. And I think it is challenging, I think that would be the first thing someone would have to do is, to really find out what those numbers are. It is, to me it sounds unlikely that only four people of those 1,400 received jobs but it is very difficult to know unless you really are able to dedicate the resources to a comprehensive tracking after the fact.

Mr. O'ROURKE. And to the other members of the panel I know that your businesses, and I think the General made an excellent point, you know, are hiring based on the best fit for that position and are seeking out veterans because it is the right thing to do and you are not doing it in response to a tax break or a benefit to the

company, and I think that is really important for us all to understand. But Mr. Amos in response to a question posed earlier you were asked, you know, what more could we do on the government side to encourage more hiring? And you mentioned tax incentives and regulatory incentives. And I wonder if you and the other members of the panel could speak to some specifics? Perhaps a state that has successfully implemented something where your businesses operate and have found a very competitive environment that has made it easier to hire veterans? Or something that has yet to be proposed that could, again, everyone wants to do this for the right reason but could make it easier for people to do the right thing. So maybe, Mr. Amos, to start with you, you specifically said regulatory burdens. Are there specific burdens that would be lifted that would make this easier?

Mr. AMOS. You know, I think the simple answer is any relief at the line level particular for small business on the tax or regulatory side is enormously beneficial. Every dollar that a small businessman or woman puts back in their pocket can be used to open new businesses, particularly as it relates to the franchising world and small business, and for hiring. The reality is my friend Fred Smith at FedEx as an example likes to say that big business is the engine on the train and small business is the caboose. And he and I from conversations from time to time, I have said to him, look, you know, all business is just not created equal. The reality is every net job in America since the mid-eighties has come from small business. That is where the seeds are planted. So in answer to your question, I could fairly easily at the macro level I think go through some strong suggestions. Restructuring Sarbanes-Oxley, a lot of things that would offer relief at the line level, including issues that relate to energy policies and a lot of other things that do offer relief—

Mr. O'ROURKE. That affect hiring in general.

Mr. AMOS. Absolutely.

Mr. O'ROURKE. And I know my time is up so very quickly for the other panelists, anything specific to hiring for veterans that we could incentivize through federal policy?

Ms. CASEY. I think from our perspective and the theme has been talked about here earlier which is how do we do a better job of allowing the private sector to partner with our military bases and the federal agencies sooner in the process? There are some joint ethics regulations issues and things like that that make it somewhat challenging depending upon the perspective. So I think that anything that can be done to allow for that partnership to happen sooner would be very helpful.

Mr. KELLEY. And I have one very specific recommendation. If we look at the application of a veteran database that has all of the information, we look at the great work that the non-profits that are hosting job fairs can do, the experience of someone walking in that door, it is daunting. So many companies. And the simple application of a dance card that says we have looked at your data, we know what companies are there, these are your six best people to talk to, would just reduce anxiety. The psychology of walking in that room, and I have been to hundreds of job fairs. And every time someone walks up and says, hey, I noticed Microsoft wanted to talk

to me, I do not know why. And I am like you have to believe that this is your future and let me walk you through why I called you. And so if we could build a system that just said this is your dance card. This is who you talk to first. They are waiting for you. And on the other side there is a small list of people. That I think we close the gap in sort of what I call the serendipity of recruiting, which always feels great, I love it too, but it is not the most efficient way for us to get the most people to work. And you know, businesses, especially the small ones, cannot afford the investment that a larger company can make. And so to go stand at a job fair and get one resume, it is just, but if you can say I am going to give you six. If you come talk to those six you are going to hire three, and you can go back to work, it is a win.

Mr. O'ROURKE. Thank you. General, did you want to add anything to this?

General PROFIT. No, I think they captured it. I could not agree more. The earlier we can have a conversation with these young people about their aspirations and their personal brand and where the gaps exist and how to fill them and that we care about them and we would like them to offer their value to us, I think, as I have told my colleagues in the DoD and in the services, back to an original point I made, I think this conversation needs to start at enlistment and commissioning. Because it is about the backside of the life cycle. And I think a lot of benefit would accrue to DoD and the services if we would take a more aggressive stance in that regard.

Mr. O'ROURKE. Thank you. Thank you, Mr. Chair.

Mr. ROE. I thank the gentleman for yielding back. And I now recognize Ms. Brown for any closing comments she may have.

Ms. BROWN. Thank you. Let me just say that for 22 years, I have held one of the largest job fairs in Jacksonville and Orlando. And some of the key things that I have learned, first of all, that to have more success you have to do a lot of preparation prior to the job fair. We have training, working with young people, working with veterans, first doing their resumes, and getting them ready for the interview. And another thing, a lot of the employers want you to go online. So we do some research on the companies and go online prior to the job fair. So it is a lot of work that you have to do prior to the workshop. But I make sure I do not invite anybody that does not have any jobs. And that is the key. Because a lot of companies want to come to be there, but if you do not have any jobs, we do not need you. So it is a lot of work, it is a lot of work that goes to the job fair before the job fair happens. And so I want to thank all of you all for what you all are doing. And if there is anything that we can do to make things better or to see us move forward, I certainly want to be involved in it. Thank you.

Mr. ROE. I thank the gentle lady for yielding. And in completion I think Ms. Brown put a very human face on what we see out there in our districts, where we see a homeless mother as she described, or a homeless veteran. I think one of the saddest things I have heard since I have been in this Congress is any veteran is homeless. And there is a very successful program out there, the HUD VASH voucher program, which allows you to have a voucher to live but you have to find the housing. And the problem we found is we have enough vouchers, the problem is we do not have enough hous-

ing stock to fill. And she and I have talked about some things that we may be able to do to help increase the housing stock.

This also comes with a coordinator, a care coordinator that goes along with that to help you find these programs out there. So the VA is doing a lot of things. I think Dr. Wenstrup may have brought it up. We need to back this up a little bit to DoD, and start this process as it is happening. But I think that is very important.

Another comment I think is, I do not know whether you have looked at a military paycheck, but when I was in the military the capital, I live in Tennessee, was Nashville. I did not have any capital left at the end of my paycheck. There was not any money I could put back to do anything but take care of my family. So I think having access to capital, military paychecks are still pretty thin. And these Soldiers live, and Sailors, Airmen, and Marines live pretty close. And they do not have the money. So finding capital to get into the franchising business.

And Captain Amos, I was sitting here listening to your comments, I think I have actually solved the problem of where the veterans are. We just call the NSA and ask them, they probably can tell us. So I do not think that should be a problem anymore.

I think one of the other comments I think, and Mr. O'Rourke you brought it up, I think the Chamber does a fantastic job. I want to brag on you all about the job you are doing and the job fairs. And Ms. Brown obviously is experienced with these. But there are jobs out there and the problem, there are many jobs out there that are empty because we do not have trained people to be in those jobs. And I think that is what Microsoft and others bring to the table. And I think one of the best things I read in this testimony today, General, was where if you are a veteran, you have honorably served this country, we have a place for you in our business. I know many people that work at Wal-mart and they started maybe stocking shelves or whatever and they are now in a management position. So you, my hats off to each and every one of you. I cannot thank you enough for what you are doing.

And I think what we need to do is spread this word around the country and get the message out and coordinate a little better. That is what I have heard. And that is the difficult part. Because so many people want to help. We just heard Ms. Titus talk about two separate programs in Las Vegas. And I would be remiss not to mention a company in my district, Eastman Chemical Corporation, who is headed by a Navy pilot. He claims landing at night in a jet on an aircraft carrier was hard, I do not know how hard, he seemed to be pretty good at it. And he also ran a tremendous company. And he has just since retired, Jim Rogers, one of the finest men I ever met in my life and had a real commitment to putting veterans because he knew the value they brought.

And I think the other comment that was made was it is not tax credits. You can get all the tax credits and things you want. That is helpful, no question about that. But even better is a good, a very good employee. Having hired people myself for 30 years, that is the most valuable thing you have is a good employee, well-trained. And the saddest day of my life usually was when my nurse, who had worked with me for ten years, told me she was leaving to go some-

where else. I got depressed with that. Because finding great people in your business, that is what makes you successful.

And I thank you all. I want to finish by just thanking each and every one of you for being here. And in closing we want to be sure that you know that we have five legislative days in which to revise and extend remarks, the members do, and include any extraneous material in the record on today's hearing topic. Hearing no objection, so ordered. Thanks to everyone for being here and this meeting is adjourned.

[Whereupon, at 11:43 a.m., the committee was adjourned.]

PREPARED STATEMENT OF DAVID ROE, ACTING CHAIRMAN

Opening Statement of the Hon. David P. Roe, Acting Chairman

“What can the Federal Government Learn From the Private Sector’s Successful Approach to Hiring Veterans?”

Good Morning, the Committee will come to order.

As we begin the Committee’s work for the second session of the 113th Congress, I believe it is appropriate to examine one of my top priorities of this Committee since 2011; improving employment opportunities for veterans.

According to the U.S. Bureau of Labor Statistics, the unemployment rate for all veterans in December 2013 was 5.5 percent. This is in sharp contrast to December 2010, when the unemployment rate for all veterans was 8.3 percent. This equates to a difference of over 369,000 more veterans finding work.

While I believe that programs like the new G.I. Bill and VRAP have helped position veterans to obtain the skills needed to get a job in today’s tough economy, the most significant factor in the drop in the unemployment rate has been that American corporations, and most importantly small businesses, have truly stepped up to the plate and have made it a priority to recruit, hire, and retain veterans.

These companies and trade associations have made hiring veterans a priority not out of charity, but because it is simply a good business decision. They have learned that the soft and hard skills as well as the incredible work ethic that veterans bring to the table are unmatched and make them excellent employees.

Today’s panel of witnesses represents companies and associations that are among the best of the best when it comes to hiring and promoting the hiring of veterans. These companies have not only launched initiatives to train and hire veterans, but they work within their own industries and across the private sector to bring innovative approaches to increasing employment in the veteran population. I hope that listening to their testimony and having the opportunity to ask them questions, will give Members a better understanding of the commitment these companies have to veterans, and countless others, who share this commitment in each of our districts.

I am also very interested to hear the panel’s opinions on the federally funded training and hiring programs for veterans that Congress funds every year. Many of you know that improving the performance of these programs has been, and will continue to be, a focus of this Committee, and I look forward to learning what programs, if any, the private sector finds to be the most successful. In short, what works and what doesn’t work.

While great strides have been made in reducing veterans’ unemployment rates, I think we all agree that much more is needed to create the best environment for job creation and growth as our men and women continue to transition from active duty service into civilian life.

I remain concerned that over taxation, crushing business regulations, which increase costs and reduce competitiveness, and the well documented concerns and uncertainty surrounding the implementation of the affordable care act, threaten the hard work of our panelists and many others in making it a priority to hire our veterans. I look forward to hearing from each of our panelists today on how Congress can promote pro-growth policies that will help create new jobs for veterans and all Americans alike.

At this time I yield to the distinguished Ranking Member Mr. Michaud to provide his opening remarks.

Thank you Mr. Michaud and I look forward to working with you in the coming year.

At this time I would like to introduce our first and only panel today, and I want to thank each of you for being here with us this morning. First we have General Gary Profit, Senior Director of Military Programs at Wal-mart ; Mr. Sean Kelley, Senior Staffing Director for the Cloud and Enterprise Group as well as Military Recruiting at Microsoft; Ms. Maureen Casey, the Managing Director for Military and Veterans Affairs at JPMorgan Chase; Mr. Jim Amos, the Chairman of Tasti-D-Lite and Planet Smoothie, here on behalf of the International Franchise Association; and lastly we have Mr. Ross Cohen, the Senior Director of Hiring our Heroes at the U.S. Chamber of Commerce Foundation. Your complete written statements will be made part of the hearing record and each of you will be recognized for 5 minutes for your written statement. Let's begin with General Profit, sir you are now recognized for 5 minutes.

Thank you, General Profit. Mr. Kelley.

Thank you, Mr. Kelley. Ms. Casey.

Thank you, Ms. Casey. Mr. Amos.

Thank you, Mr. Amos. Mr. Cohen.

Thank you. I will now yield myself five minutes for questions.

I now recognize the Ranking Member for his questions.

I want to thank our witnesses for their informative testimony and for being here today.

In closing, I want to acknowledge the good work that has been done by this Committee and our VSO partners in improving employment opportunities for veterans. From the Committee's improved oversight over Federally funded veteran training and employment programs, the enactment of the VOW to Hire Heroes Act of 2011, which created the Veterans Retraining Assistance Program, and the Committee's Veteran Employment Summit, we have and will continue to focus on this important matter together.

Finally, I move that all members have five legislative days in which to revise and extend their remarks and include any extraneous material in the record on today's hearing topic. . . . hearing no objection so ordered.

Thanks to everyone for their attendance today, this hearing is now adjourned.

PREPARED STATEMENT OF MICHAEL MICHAUD, RANKING MINORITY MEMBER

Thank you, Mr. Chairman for holding this important and timely hearing this morning.

Providing veterans with opportunities for employment is a top priority for this Committee. In a tough economy, we want to make sure we are doing everything we can to help our veterans succeed in making the transition from active duty to securing gainful and meaningful employment.

This is especially important as we look to future servicemembers leaving the military in greater numbers.

Any employer should be proud to have an employee with the resiliency, leadership and collaboration skills that are fundamental to all our service men and women. Far too often, these experiences are not readily translated to match the needs of the private sector. It takes imagination, and a bit of work, but in the end the effort is worth it: businesses can get access to highly skilled and motivated individuals, and veterans can build careers that can benefit their families and their communities.

This morning I look forward to hearing about the successes and challenges our witnesses have faced, and their recommendations when it comes to hiring veterans. I look forward to hearing how public and private entities can better work together to provide a better transition to servicemembers entering the workforce. I look forward to hearing from our witnesses regarding best practices and how these can be used to inform the private and public sector in helping veterans find jobs.

Most of all, I look forward to hearing from our friends in the private sector about how our country's veterans are continuing to serve this nation by contributing their skills and talents to these forward-leaning companies.

Maintaining our Nation's economic leadership in the decades ahead will require highly skilled and educated employees who will lead the technological charge. Veterans have proven their leadership and can-do qualities in service to our country. They represent an untapped resource to provide this next generation of employees. Our job, on this Committee and in this Congress is to find ways to explore new and innovative ways to assist veterans, and the businesses that wish to hire them. This includes identifying what works and what doesn't, what must be modified and what must be viewed anew.

Thank you Mr. Chairman and I yield back the balance of my time.

PREPARED STATEMENT OF HON. BILL FLORES

I want to thank Chairman Jeff Miller and Ranking Member Michael Michaud for holding this hearing regarding what the public sector can learn from private companies about recruiting and employing our nation's veterans. I believe that we should help our veterans gain the tools for success once they have transitioned from service. These men and women made commitments to selflessly serve our country and we should provide them an effective transition into the civilian workforce.

This hearing today is an expansion of a similar hearing I held last year in Waco, TX with my fellow Subcommittee on Economic Opportunity colleague Rep. Mark Takano. That hearing entitled "Texas' Innovative Approaches to Jobs and Employment for Veterans" highlighted the employment opportunities for veterans in Texas, specifically demonstrating the fertile and versatile employer environments, hiring programs and educational opportunities that exist in my state. We heard from companies, educational institutions, and state agencies on what they have been doing to facilitate the hiring of Texas Veterans.

We are lucky that the unemployment rate for veterans in Texas was 3.6 percent for the month of December, which is well below the national average of 5.5 percent.

This difference is due, in part, to our great state's focus on pro-growth policies, low taxes, and efficient and innovative government programs that partner with the private and non-profit sector to give unemployed veterans the little boost they need to be successful.

Texas has long standing commitment to the military and those who have served which is another major reason for our success. This is shown not only in the priority our small and large businesses place on hiring veterans, but on the policies, programs, and benefits our institutions of higher learning offer to these heroes.

It is exceptional that our hearing demonstrated the laudable efforts of the private sector, and has resulted in a hearing looking at the national efforts from our five witnesses today. Not only did our hearing in Texas result in valuable information and demonstrated how Texas can be a model for other states, but it also resulted in outstanding legislation that can help employ veterans.

During our hearing in Texas, Ms. Mary Thompson, Dwyer Group member and local owner of Mr. Rooter's plumbing services, testified that many veterans encounter difficulties when faced with excessive start up fees required with starting a franchise. To address these obstacles, Rep. Takano and I introduced the bipartisan H.R. 3725, the Veterans Entrepreneurs Act.

This legislation will assist veteran entrepreneurs in transitioning to the private sector after their military service by reducing both the red tape and the costs of starting a franchise to help them become small business owners. It will make it easier for veterans to own small business franchises by establishing a tax credit for veteran franchisees equal to 25 percent of the franchise fee incurred. This tax credit will help offset the initial start up costs for a franchise business which is often out of reach for many veterans.

With self-starting and "know-how" skills all veterans are trained with, many are especially well suited for business ownership and self employment. Given these qualities, the franchise model with its ready-made clientele and proven track record of success provides a great opportunity for our veterans looking to open a small business. While upwards of 70 percent of pure startups fail within the first 10 years, investing in one's own franchise with its training, established customers, and model has a much greater probability of success.

We must continue to promote private sector efforts to hire veterans as well as look for innovative ways to empower veterans to

be entrepreneurs and small business owners. The more veterans we have acquiring and creating jobs, the more our economy will continue to grow benefiting both our veterans and our nation

Again, I am excited about the hearing and testimony today. As a former businessman myself, I know that jobs for veterans start and end with continued commitment from American enterprise.

PREPARED STATEMENT OF GARY M. PROFIT

On behalf of Wal-mart Stores, Inc. (Wal-mart), thank you Chairman Miller, Ranking Member Michaud and Members of the House Committee on Veterans' Affairs, for the opportunity to join you today to talk about veterans hiring.

Wal-mart has a rich history with veterans, those continuing to serve, and military families. Arguably, it begins with Captain, U.S. Army, Sam Walton who founded Wal-mart over 50 years ago. Through the years, the legacy has been enriched by countless others, including the 100,000 veteran associates and 150,000 veteran and military families.

At Wal-mart , we are thankful for their service and sacrifice, and we strive to support their heroism. Right now, we know one of their biggest needs is employment and gaining the tools necessary to prepare for a career outside of the military.

Besides being the right thing to do, hiring veterans is also good for business. We believe veterans and military families represent the largest, diverse, talent-rich pool in the world and are an essential segment of the next generation at Wal-mart . Their value begins with a rock-solid foundation, a proxy for which might be the seven Army Values I lived for over 31 years: loyalty, duty, respect, selfless-service, honor, integrity, and personal courage. It is complemented by the nation's huge investment in skills training and leader growth and development. Who wouldn't want to hire them?

But, there must be a sense of urgency: 2.6 million post-9/11 veterans have left the service and in the next five years, one million more will have left. About half of them are between the ages of 18 and 34. Unemployment for these younger veterans has often been more troubling than their non-veteran counterparts.

So at Wal-mart , we decided to do our part and launched the Veterans Welcome Home Commitment last Memorial Day. Vets who meet the job requirements and have been honorably separated from active duty within the last 12 months have a job at Wal-mart if they want one. Wal-mart has a host of opportunities at our stores and clubs across the country, as well as select opportunities in our distribution centers and main offices. If you served and sacrificed for your country, you shouldn't have to fight for a job when you get home. We believe that in five years, we will hire more than 100,000 veterans.

Since full implementation on Memorial Day, we have hired nearly 30,000 veteran associates. These jobs range from part-time hourly to salaried management; from Wal-mart Stores and Sam's Clubs; to Distribution Centers and Transportation Offices; and to the Corporate Headquarters.

One of the other aspects of this commitment that we are excited about is the Veteran Champion Program. This program is a six week on-boarding process to support the transition and integration of the new veteran associates into their new work environments. It is guided by an associate who is drawn, preferably, from a similar experience.

In addition to employment, we also strive to understand and address some of the specific and special unmet and under-met needs faced by veterans and military families. Through the Wal-mart Foundation, we are committed to a \$20 million campaign through 2015 and are focused on access to education, job training, and re-integration resources. Additionally, as part of our Holiday Giving, we announced on Veterans Day, a \$1.5 million grant to the Operation Homefront "Home for the Holidays" Program and a \$500,000 grant to the Fisher House Foundation "Sponsor a Family" Program. The grants provided toys, meals, and lodging to military families in greatest need of support and helped hundreds of active duty service members come home for the holidays.

We salute America's heroes. We are honored to have the opportunity to employ them, to learn from them, and to support them and their families in every way we can.

Through career training and job opportunities, we're helping prepare our troops for successful professional lives both during and after their service in the military.

Thank you Chairman Miller, Ranking Member Michaud and Members of the House Committee on Veterans' Affairs for your leadership and for holding this hearing. I appreciate the opportunity to testify and am prepared to answer any questions.

PREPARED STATEMENT OF SEAN KELLEY

Thank you Chairman Miller, Vice Chairman Bilirakis, Ranking Member Michaud, and Members of the Committee. It is an honor to testify before you today to discuss how companies like Microsoft partner to maximize civilian career opportunities for our returning veterans. My name is Sean Kelley and I am the Senior Staffing Director for the Cloud and Enterprise engineering group at Microsoft and the leader of our company-wide military recruiting organization.

This hearing is timely given the large number of veterans currently returning to the U.S. seeking civilian employment and the simultaneous challenges companies such as Microsoft face finding enough skilled Science, Technology, Engineering and Math (STEM) workers for their businesses to grow. As a recruiter, I see it every day at Microsoft, other IT businesses, and companies representing an array of other industries. My industry now competes for high-skilled talent with the likes GE, Ford, Boeing, Proctor & Gamble, Deloitte, Blue Cross and many other U.S. employers. I know many of these companies share our mission to support the career paths of our veterans. And we are in lock step with this Committee's ongoing commitment to serve the veteran community and their families.

Given the importance and enormity of the task at hand, at Microsoft we are constantly thinking of ways to better transition these men and women into IT careers.

Based on our experience helping veterans transition to civilian jobs, I would like to focus my testimony on three themes:

1. Expanding initiatives private sector companies such as Microsoft are undertaking to help our returning veterans acquire the education and skills necessary to help them secure rewarding IT careers;
2. Eliminating barriers companies face trying to help our returning veterans acquire the skills they need to transition from their military service; and
3. Sharing lessons we have learned over the last several years through Microsoft's veterans initiatives.

My Story

After graduating from the Naval Academy and starting my career as a submarine logistics officer, I was fortunate after six years in the Navy to land my first civilian job as a supply chain leader at Starbucks Coffee Company. Then, ten years ago this March, I moved from Microsoft Operations to our Global Diversity and Inclusion organization, searching for an opportunity to have a broader, more meaningful impact on the company and the world.

I learned about all aspects of our HR programs and processes from colleagues, who for years had advocated to open the doors to technology careers for women, minorities, people with disabilities, veterans, and other underserved or disadvantaged communities. As a military veteran, and third generation Navy family member, I wondered what opportunities there might be to further explore the experiences and challenges veterans faced. I decided to address this topic with our Chief Diversity Officer and Outreach Manager. During our meeting I learned that both had close family ties to the Vietnam War. That day, a shared bond, often unspoken in Corporate America at that time, awakened a desire to serve.

Following the tragic events of 9/11, another group of Microsoft veterans and veteran advocates began to form. This effort was comprised of veteran advocates with family ties to the military, including currently serving Reservists and National Guard members. All were seeking community and alignment of support for reservists and guard members, and most of all, looking for ways to give back. This was the beginning of a story that is now many chapters long. It is a story of shared commitment to one another, a passion to give back to the military community and a dream to make a difference.

Our Call to Action

The national unemployment rate for veterans is unacceptably high. Most disturbing is that the unemployment rate of the youngest generation of U.S. military veterans, ages 18–24, who have served our country so bravely, developed valuable leadership, management, diplomatic and other skills on top of their superb military training, is often higher than their non-veteran counterparts. Our veterans, who face unique challenges in transitioning to the civilian employment system or dealing with serious health issues, deserve the highest level of support to ensure a successful career. Unfortunately, our support systems are not fully equipped to help

troops and their families deal effectively with these transitions. In fact, the Department of Defense is spending \$1 billion annually on unemployment benefits for veterans yet it is often difficult at the base and command level to get support for training and certification programs while still on active duty which provide immediate employment possibilities. As the drawdown of our troops continues, now is the time to raise our consciousness as part of a national dialogue that includes the public and private sectors, to focus on eliminating friction in the re-training and transition process, and to ensure we are doing everything in our power to address these career transition issues for our vets and their spouses.

Microsoft's Veterans Initiatives

Economic projections point to a need for approximately one million more STEM professionals than the United States will produce at the current rate over the next decade. The United States graduates about 300,000 bachelor and associate degrees in STEM fields annually. Fewer than 40 percent who enter college intending a major in a STEM field complete a STEM degree. It is clear that many people, including veterans, lack the technology skills and industry certifications employers look for to fill the tens of thousands of available IT jobs across a broad range of industries. Eight years ago when we started exploring how Microsoft could be helpful to our transitioning veterans, we were surprised to learn there were very few opportunities for veterans to acquire these in-demand skills.

Elevate America Veterans Grant Program

As Microsoft tried to determine how to make an initial impact on the challenges faced by veterans, we determined that the ecosystem of service organizations was fractured and difficult to navigate. Through our Elevate America initiative, Microsoft partnered with six non-profit organizations to provide skills training, job placement and support services to veterans and their spouses over a two-year period. Microsoft's commitment to this effort totaled \$12 million in cash, product and other services. The non-profits that were part of our initiative were carefully selected through a competitive RFP process. Several national Veteran Services Organizations joined our advisory committee to provide valuable input and guidance in selecting the grantees, including Paralyzed Veterans of America, American Legion, USO, Iraq and Afghanistan Veterans of America, and the Wounded Warrior Project.

Each of the non-profit organizations we worked with had demonstrated good placement rates. We selected them not only for their ability to provide technology skills training to veterans, but their ability to provide career counseling, housing, transportation, childcare and other services that strengthen the ability for an individual to find employment. In many ways, this was an early trial in the ongoing community efforts across the nation known as the Sea of Goodwill and Community Blueprint.

Elevate America Veterans Voucher Program

Microsoft has also partnered with the U.S. Department of Labor to distribute 10,000 free technology skills training and certification packages to veterans around the country. These industry recognized certifications provide portable job credentials. The resources were provided over a two-year period to five local One-Stop Career Centers designed to provide a full range of assistance to job seekers under one roof.

Recruiting and Retaining Military Veterans

A decade into our journey, the Microsoft Military Community is now a thriving employee network, with seven chapters around the United States, an active Board of Directors, and three retired General Officers as the Executive Advisory Committee. This network sponsors two events each year, on Memorial Day and Veterans' Day, to commemorate these special celebrations and create connections across the company. The board serves many purposes, including advising Microsoft's Human Resources Department on benefits and pay policies for Reservists and National Guard members, welcoming all new veteran hires to the company, mentoring one another on career transitions, and championing involvement within the external military community. All of these actions create connections which ease transition from the military and aid in growth and development within Microsoft for our veteran population.

Building upon this spirit of service and community involvement, the recruiting program was branded under the banner "We Still Serve" in September 2010. This coincided with the investment in a full-time team of former military members whose sole purpose is to aid the transition of military veterans into Microsoft and the tech industry. MGEN Chris Cortez, USMC (Ret.) sponsored this program since its inception and added a strong voice to We Still Serve launch. The team has partnered with external organizations including Service Academy Career Conference, Marine for Life, Student Veterans of America, MBA Veterans, The National Center for Women & IT, Military MOJO, Recruit Military, Academy Women, Worksource, 100,000 Jobs Mission, base transition offices, and many local jobs fairs and outreach events. Microsoft was a founding sponsor and remains an active board member for Hire America's Heroes, a consortium which now has nearly 40 corporate sponsors, and chapters in Washington and California. The consortium provided an early proving ground for public-private dialogue and exploration of new pathways to employment for veterans.

The military recruiting program is anchored on our military portal, *WeStillServe.com*, a site that connects transitioning military members to our employee-initiated group of veterans, and helps match candidates to job opportunities within the company. The site includes a unique Military Job Decoder to map military occupations to available Microsoft positions, helping service members navigate large volumes of job postings. Over the last three years our Military Occupational Specialty (MOS) decoder has received tens of thousands of unique page views and the We Still Serve site has received hundreds of thousands of page views.

Microsoft's Software and Systems Academy (MSSA)

Any career transition is difficult, but as service members approach the end of their military careers they face a particular challenge. It's not always clear to them how their skills apply to jobs in the private sector. This causes stress to both service members and their families. But today, thanks the VOW to Hire Heroes Act sponsored by Chairman Miller and Senator Murray, and signed into law in 2011, service members may begin the employment process before their separation from the military. That's what inspired our program, which is especially important as our military draws down after two major military operations overseas.

Over the next three years, Joint Base Lewis McChord (JBLM) alone, in my home state of Washington, will release an average of 8,000 servicemembers a year. And we know many other bases around the country will also release large numbers of highly employable IT workers. Our research shows that there are currently 30,000 active military members in technical disciplines which might qualify them for jobs at companies such as Microsoft. Currently, 474 MOS codes directly map to Microsoft job groups on *WeStillServe.com*.

The new MSSA program transitions military members into high paying jobs in the technology sector. It provides industry certification testing and college credit for those in service while they are still in the early phase of transition from military to their civilian career. The goal of MSSA is to create a seamless and successful military-to-employment transition, at no cost to the service member.

Microsoft has partnered with a local university to create a rigorous 16-week technical training course that military members are enrolled in while still on active duty. Soft skills, interview practice and resume preparation are part of the curriculum. Each student receives a mentor from a corporate sponsor and exercises to practice their new skills. The MSSA program is based on leveraging public and private partnership to provide a new pathway for military members to transition quickly into well paying, upwardly mobile careers. Additional Microsoft technical courses will teach skills required for specific roles. Candidates are prescreened to ensure they have a base level of technical competency, with a strong emphasis on programming and problem solving skills, as well as a passion for the program.

MSSA operates on bases in conjunction with DoD education and transition program partners. With command authorization, service members attend the course as their place of duty during their transition phase. As partners, the US Army and JBLM commanders, notably Colonel Charles Hodges, have been amazing to work with for the first cohort, including releasing one Special Forces soldier from active service in Afghanistan to participate in the program. The VOW Act, the new GI Bill, and a loosening of Department of Defense (DoD) regulations enable Microsoft and other private organizations to partner with the DoD to assist American heroes with programs such as this one. And the DoD authorizes these types of training programs in an effort to mitigate the large unemployment burden on taxpayers as well as provide reasonable assurance or potential for employment of transitioning service members.

In addition to receiving a Microsoft IT Academy-powered curriculum from Saint Martin's University, service members who completed the MSSA pilot program were offered entry-level roles at either Microsoft or Launch Consulting (the technology consulting firm administering the program). Alternately, some graduates used their new skills to find technology jobs on their own or to pursue a four-year degree in computer science.

As the program reaches additional bases around the country, we will offer job interviews to those who successfully complete it—a critical step between acquiring any certification and gaining meaningful employment. We're confident that program graduates will be well prepared to compete for jobs in a vibrant, growing sector of the economy. Active-duty service members transitioning from all branches of the military, as well as members of the National Guard and Reserve returning to their civilian jobs, are eligible. The Microsoft Software & Systems Academy bridges one great career-serving in the U.S. military—with another, creating technologies that improve lives. We're pleased by the responses we've received from service members who participated in the program, such as in Bernard Bergan's recent blog post.

Bernard Bergan's Story

Bernard Bergan was in the first cohort of veterans to complete the Microsoft Software & Systems Academy this last December. Over the past five years, he had been serving all over the world in the Army as a communications sergeant in the First Special Forces Group Airborne, 3rd Battalion. Through my recruiting efforts, I was fortunate enough to meet Bernard and talk to him about his transition from the Army to his new career at Microsoft.

Bernard told me that serving in the Army taught him the value of teamwork, selfless service and a commitment to excellence. It also allowed him to see, up close, how technology connects us all. While in Afghanistan, he used Skype as his primary tool to stay connected with friends and family.

I have heard the frustration from many service members that, prior to Microsoft's MSSA program, there were no seamless training programs available for soon-to-be veterans who wanted to work in tech. Any career transition is difficult but, for those in the military, there are unique challenges. In Bernard's blog post, he expressed his gratitude that the MSSA program provided him training that helped him ensure his financial stability. The guarantee of a job placement within Microsoft or through one of its partners was an incredible opportunity with a major impact on his family.

Recommendations

Every time I look into the eyes of a transitioning service member during mentor discussions, in interviews, on base visits or at a job fair, I am simultaneously disheartened and motivated. The system has so much more room to improve and this room for growth motivates me to find new ways to open doors to the technology industry for my fellow veterans. We can do better. The VOW Act laid a foundation for much needed improvement. Building on that momentum, here are a few recommendations to enhance the private sector's ability to employ more of our veterans:

- Enhance GI Bill language and funding for STEM and computer science related degrees. The statistics don't lie. We know that's where the jobs are. It's also where our vitality as a nation rests, and our veterans deserve more opportunities to work in these rewarding careers. By actively encouraging pursuit of these degrees with appropriate incentives, we tip the playing field in favor of the veteran.
- Provide access to contact information of veterans attending college on the new GI Bill, through a confidential, affirmative, opt-in technology solution to encourage stronger employment opportunities and alignment to STEM degrees.
- Quickly broaden the impact of programs like MSSA around the country by encouraging top-down letters of support by all Service branches supplemented Operation Orders by local base commanders to support, engage and cooperate in these pre-separation, on-base, training initiatives as supported and approved in the VOW Act.
- Encourage uniformity in tuition assistance across military branches to reduce complexity and road blocks for service members participating in training programs such as MSSA.
- Encourage stronger partnership between the Department of Labor and Department of Defense under its VOW Act directive to "take a hard look at how to translate military skills and training to civilian sector jobs." This directive will "make it easier to get the licenses and certification our veterans need."
- With the expansion of the cyber-economy, consider legislation to expedite or grant extensions of security clearances for those entering technology fields.

Conclusion

As you know better than most, our military veterans are a national treasure. We've invested immeasurable dollars, time and sacrifice to create the most powerful human asset on the planet—military veterans. They are smart, motivated, rapid learners who are technical, loyal team players, yet they are virtually untapped by private industry. They are the most valuable human asset on earth and we, as a nation, all too often allow them to walk out the door of the military and end up under-or unemployed. The untapped potential of this asset is in plain view on their DD214s, waiting to be organized, interpreted and leveraged to provide data-informed career paths. Doing so will accelerate the American economy and our veterans' success. But the human element is even more important. These individuals and their families have made incredible, selfless sacrifices for our country. We owe it to them to recognize not just their past contributions, but what they have to offer in the future. We'll all benefit from that recognition. And the families of these heroes will benefit, too.

Now is the time for our government, non-profit and corporate leaders to truly live up to the promise to which we should all feel obligated: ensuring that those who sacrifice the most for our cherished way of life can flourish and share in the American Dream.

Microsoft is fully committed, as am I, to continuing to innovate, invest and participate in the circle of solutions that bring our military veterans to the family wage careers of the future. We believe this future is unleashed through education in STEM fields and via industry-sponsored training programs with commitments to hire graduates. The Microsoft Services & Software Academy proves that the VOW Act is making a difference, that public-private partnerships work, that veterans have what it takes to land STEM jobs, that industry leaders such as Microsoft want to hire veteran workers. Now is the time to act, to accelerate progress by aligning our resources behind proven concepts that lead to high paying jobs in the new economy. The need is great but so are the opportunities.

Thank you for your commitment to veterans. And thank you for allowing me to share my story and Microsoft's commitment to our nation's veterans. We Still Serve.

JPMORGAN CHASE & CO.

**Prepared Testimony of Maureen E. Casey
Director of Military and Veterans Affairs at JPMorgan Chase & Co.
U.S. House Committee on Veterans Affairs
January 28, 2014**

Chairman Miller, Ranking Member Michaud, and distinguished Members of the Committee, good morning and thank you for the opportunity to testify today about JPMorgan Chase's veteran employment program and our broad set of initiatives for transitioning servicemembers.

There is no group our firm holds in higher regard than the servicemembers and veterans in our country, and we can't thank them enough for their sacrifice. This hearing comes at a critical time, as veteran employment is an extremely important national issue, and it is one that our firm has made a top priority.

When JPMorgan Chase launched our program in 2011, the unemployment rate for post-9/11 veterans had been at least two percentage points higher than the national average for four consecutive years.¹ While that number has improved, it is estimated that approximately one million servicemembers will transition out of the military in the next several years as our armed services face an imminent downsizing of the force.² That means each year about 250,000 servicemembers will transition out of the military, and we believe that it is our collective responsibility to ensure that these veterans – and their spouses – have job and career opportunities when they do so.

The good news is the private sector has learned a lot over the last few years about the importance and the benefit of hiring veterans – and how to do it more effectively – and JPMorgan Chase is proud to be a part of this ongoing effort. Since 2011, JPMorgan Chase has hired 6,300 veterans. In the face of the rising tide of transitioning servicemembers, our leadership has dedicated significant resources to build out a comprehensive military and veteran program focused on employment, housing and education.

There are four lessons that we would like to share with you today that have made our efforts successful:

- First, collaboration is crucial to our success both within our company and with our external partners.
- Second, it is critical that we bridge the “knowledge gap” between civilian and military cultures.
- Third, we must help newly hired veteran employees develop a connection to our organization from the start.
- And lastly, education and training is a critical path to employment success.

Collaboration is Critical to Our Success: JPMorgan Chase and the 100,000 Jobs Mission

Our veteran employment efforts have two main focus areas: hiring for our company and leading the 100,000 Jobs Mission.

JPMorgan Chase launched the 100,000 Jobs Mission in March 2011 with ten other companies.³ Our initial goal was to hire 100,000 veterans by 2020, and – in less than three years – the coalition has

¹ Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey
<http://www.bls.gov/cps/demographics.htm#vets>

² See White House Fact Sheet: <http://www.whitehouse.gov/the-press-office/2011/08/05/fact-sheet-president-obama-s-commitment-employing-america-s-veterans>.

³ The eleven founding member-companies include: AT&T, Broadridge Financial Solutions, Inc., Cisco Systems Inc., Cushman & Wakefield Inc., EMC Corporation, Iron Mountain Incorporated, JPMorgan Chase & Co., Modis, NCR Corporation, Universal Health Services, Inc. and Verizon Communications Inc.

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already surpassed that original goal by hiring nearly 117,500 veterans. Building on that early momentum, the coalition recently announced that we would double our hiring commitment to a total of 200,000 hires by 2020.

We have also grown the coalition to 131 companies, representing almost every industry in the American economy from finance, telecommunications and healthcare to defense, energy and retail.⁴ And nearly half of the companies are on the Fortune 500 list.

What's unique about the 100,000 Jobs Mission is that it is completely free to join and there are no hiring quotas. Members of the coalition simply commit to hire veterans, report veteran hires on a quarterly basis, attend face-to-face meetings and share best practices related to veteran employment.

In fact, we recently published a range of our leading practices on our new website, JobsMission.com, where interested employers can join our Mission. Our ultimate goal is to significantly grow this national coalition of like-minded companies that want to hire U.S. veterans and their spouses, and the response so far has been overwhelmingly positive.

And most importantly, competitors are working together to foster innovation and to reduce barriers to veteran employment.

Bridging the Knowledge Gap: JPMorgan Chase Veteran Employment Program

At JPMorgan Chase, we have gathered the best practices of our colleagues in the 100,000 Jobs Mission and, as a result, our firm has established a best-in-class veteran employment program focused on the entire employment continuum – from recruiting, hiring and onboarding to mentoring, empowering and retaining our military employees.

We have learned through our work and research that one of the biggest challenges to solving veteran unemployment is the “knowledge gap” that exists between civilian and military cultures. For example, most servicemembers who have spent their entire careers in the military have had their career path planned for them. Many haven't had to network with their peers or even write a resume for the purpose of finding a job. In fact, teamwork is so engrained in the military ethos that servicemembers rarely have an opportunity to market themselves – always putting the team first. As a result, transitioning veterans often have a hard time in job interviews translating their military experience in ways that civilians can easily understand.

With this in mind, JPMorgan Chase established a Military Recruiting Team with recruiters stationed across the country whose sole function is to source military talent. Many members of the Military Recruiting Team are former U.S. military, or are still in the Guard and Reserve, and are better able to translate job applicants' military experience, provide feedback on their resumes and offer advice ahead of interviews. We also established a policy that every veteran job applicant would be personally contacted by a military recruiter, which has been helpful both for us to find the right candidates as well as to help the job candidate get an early read on how their experience aligns with the job opportunity.

Public sector programs are also very important to JPMorgan Chase's recruitment strategy for veterans. Through the Department of Defense, for example, we work with Marines 4 Life, the Army's Career and Alumni Program (ACAP), the Navy's Fleet & Family Support, as well as National Guard programs such as Employer Support for Guard and Reserve (ESGR) and California's Work for Warriors. We also engage

⁴ Visit www.JobsMission.com to see the full list of companies.

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with the American Job Centers Network through the US Department of Labor and state labor departments, such as the Texas Veterans Commission. While not an exhaustive list of the public sector programs where we participate, these partnerships have directly referred candidates to JPMorgan Chase, and we have hired candidates sent to us from the programs.

We know the “knowledge gap” is a two-way street—those who have never had any exposure to the military may not understand each military branch, its structure or culture. Hiring managers and recruiters without military experience may not always understand a job candidate’s military experience and the breadth of the skills veterans bring to the table. To bridge that gap, our firm developed and launched a training program called “Military 101” to teach our civilian colleagues about the U.S. military, the skills and the training servicemembers gain at each step in their military career.⁵ Today, JPMorgan Chase provides “Military 101” training to employees across the firm—from our senior leadership to our hiring managers and recruiters.

We recently published our JPMorgan Chase training course on the 100,000 Jobs Mission website and have shared it with our member companies so that they can leverage this as a tool within their own companies. Simply put, we have to learn how to understand each other and talk to one another. While this seems basic, it still can be a challenge.

Developing an Organizational Connection: Onboarding, Mentoring and Retaining

JPMorgan Chase established business resources groups for employees with military experience called “V.E.T.S.” or “Voices for Employees that Served” with 18 chapters in the U.S. and more than 3,000 members. V.E.T.S. serves as an informal mentoring network where veterans help other veterans understand corporate culture, help with mobility and build new friendships with people with similar experiences. Recently, we have started recruiting military spouses to partner with our V.E.T.S. employee group as part of our broader focus on military spouses.

In addition, JPMorgan Chase launched a new mentorship program for our veteran employees called “Pathfinder,” where we pair them with experienced managers to establish career goals and provide career guidance. The program name was inspired by military pathfinders, who are specialists in navigating foreign, unknown terrain where they establish safe landing zones for follow-on troops and equipment. Our managers and leaders are pathfinders—who help orient, guide and mentor our military veteran employees through their transition in our firm, with the ultimate goal of long-term career success.

We also established an onboarding program for our newly hired veteran employees called “Body Armor to Business Suits” to help them build an immediate connection to our mission and culture – similar to what the military does with its new recruits.

JPMorgan Chase also maintains an internal webpage for our veteran employees, which serves as a clearinghouse for programmatic information along with an internal social media tool for them to connect with one another.

Education is a Path to Meaningful Employment

Another key element of our strategy from the beginning was building a program to support veteran education. We believe the educational attainment of veterans must be a national priority to help

⁵ <https://www.veteranjobsmission.com/groups/military-101-introduction-hiring-military-candidates>

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increase their employment opportunities, wages and salaries. Put simply, education is a path to sustainable employment, family and financial stability and engaged citizenship.

JPMorgan Chase co-founded Syracuse University's Institute for Veterans and Military Families (IVMF), the first institute of its kind in the nation, which leverages the intellectual capital and programmatic resources of higher education in support of post-service life. One key part of that partnership is their Veteran Career Transition Program (VCTP), a tuition-free career development program for post-9/11 veterans and military spouses to get the necessary training and, ultimately, certification in three career tracks: technology and operations, human resources and professional studies. Through this collaboration, we recognized the importance of expanding our higher education partnerships across the country to areas with highly concentrated military and veteran populations.

And, I am extremely proud to announce today that JPMorgan Chase has committed one million dollars to support educational institutions in the U.S. to expand their military and veteran programs on campus.

Veterans face unique challenges in educational settings related to their military service, their family status, their non-traditional student status and their level of preparation for college education. Through this grant program, JPMorgan Chase is committed to supporting the educational attainment of veterans. We have identified three areas that, based on primary and secondary research conducted by Syracuse University's IVMF, represent opportunities for colleges and universities to have a meaningful and enduring impact on the success of student veterans in higher education. These areas are: 1) orientation and bridge programs; 2) student services; and 3) university administration/classroom experience.

Our firm has already awarded funds to Florida State College at Jacksonville, University of Texas at Arlington, University of South Florida and San Diego State University. And, an additional round of grant recipients will be announced later this year.

Lastly, we want to reinforce the importance of partnerships and collaboration. In addition to the robust partnerships our firm developed with the 100,000 Jobs Mission companies, we have also worked to expand our collaborations with an extensive set of key stakeholders – academic institutions, Veterans Service Organizations (VSOs), non-profits, the military branches and government agencies at the federal and state levels. Notably, JPMorgan Chase hosted a very constructive meeting last fall with Secretary of Defense Chuck Hagel and representatives of our broad coalition of stakeholders to discuss ways to better align our nation's veteran initiatives. Ultimately, our collective success will be measured by how well the private and public sector can work together to help transitioning servicemembers.

In this spirit, JPMorgan Chase looks forward to continuing our work with Congress to position veterans and their families for long-term success.

Thank you for your time and for your attention to this important issue. I am happy to answer any questions you may have.

PREPARED STATEMENT OF JIM AMOS

Chairman Miller, Ranking Member Michaud, and members of the Committee, thank you for inviting me to testify today on successful private sector programs for hiring veterans. My name is Jim Amos, and I am the Chairman of Tasti D-Lite and Planet Smoothie, world-renown franchise brands of frozen treats and beverages. I am a veteran of the franchise industry, with past experience as the CEO of Mail Boxes Etc. (now The UPS Store) and as past Chairman of the International Franchise Association. I am also a military veteran, a former Marine Corps captain and veteran of two combat tours in Vietnam. I appear before you today on behalf of Tasti D-Lite and the International Franchise Association.

With nearly 1 million veterans transitioning out of military service over the next 5 years, it is more important than ever that we help veterans re-integrate into the civilian economy. Our service men and women are looking forward to rejoining their families, going back to school or starting their own businesses. It is both an economic necessity and a moral obligation for our country to facilitate this transition.

Franchising is a large community of diverse business concepts that all grow and operate using the franchise business model. In this model, entrepreneurs open their own businesses and purchase the rights to operate their business using the trademarks, products, and business strategies of a proven franchise system. Franchise businesses are very common in the restaurant and hospitality space, but franchising is also popular in business services, personal services, retail, and automotive.

Veterans in Franchising—A Good Fit

In the franchise industry, we like to say that franchise owners are in business for themselves, but not by themselves. Franchise owners are typically highly motivated individuals who are natural problem-solvers. Successful franchise owners normally exhibit excellence in execution of precise and proven business plans. Franchise systems have complex, yet effective, operations guidelines, and the franchise owners that can best execute that system are the owners who realize the most success in their business. Many of the qualities that make successful franchise business owners are found in our Nation's service men and women, while the training techniques used in the military provide a significant skill set that is especially valuable in franchise business owners. Above all else, veterans possess the leadership skills necessary to run a successful business, and to persevere through tough times to keep that business running. Franchise companies actively recruit veterans as franchise owners, knowing that veteran-owned franchises tend to out-perform other locations.

For nearly forty years, I have been privileged to both create and support programs for hiring veterans as part of my career in franchising. What I have learned is that these young men and women are clear examples of American Exceptionalism. They are true American heroes who bring back security clearances, training, character, passion, dedication and a get-it-done mentality that any company or organization would pay to have as a human asset within their corporations. Spreadsheets and net-present values tell you

the history of a company, but it is the people who tell you its future. When my brothers and sisters returned from Vietnam, we were met by a nation so anxious to leave an unpopular war behind that, by proxy, we left the veterans behind as well. We should ensure that this never happens again.

VetFran

Recognizing that franchising is a great fit for entrepreneurial veterans, the International Franchise Association launched the Veterans Franchising Initiative, or VetFran, in 1991 in an effort led by Don Dwyer, a United States Air Force veteran and founder of The Dwyer Group, a family of franchise brands. The initiative was launched to support veterans returning from the gulf war in their transition to the civilian economy. VetFran is an industry-wide initiative to encourage franchise companies to both hire veterans as team members and recruit them as franchise owners. As part of VetFran, franchisors offer special incentives to qualified veterans who purchase franchise agreements. Incentives range from thousands of dollars in initial inventory, special financing on equipment, or a discount on the initial franchise fee. Some franchise systems even offer one free franchise to a qualified veteran franchisee each year. VetFran members are also able to share best practices concerning the veterans hiring initiatives within their own companies. VetFran currently has a membership of 618 franchise systems.

When I first took the help at Mail Boxes, Etc., now The UPS Store, following the guidance put in place by the International Franchise Association and the VetFran program, we instituted a focused hiring program for veterans, offering benefits and incentives to become part of our family. As a result, hundreds of store owners and employees ultimately took advantage of these programs. When we purchased Tasti D-Lite, and later Planet Smoothie, the first thing we did was join the IFA and offer all veterans a 25 percent discount on the initial franchise fee as part of the VetFran program. We not only sold franchises to returning veterans, but also offered hiring programs that encouraged a full career path in addition to the route of franchise ownership.

As a starting point, I would like to point out that there are 23 million veterans in our country today, and 1.5 million of them are on active duty. An additional 1.2 million are in the National Guard or reserves. 3.7 million veterans are under age 39, and there are 2 million children in these veterans' households, 95 percent of whom are under age 12. What results has VetFran been able to deliver to meet the needs of these veterans and their families?

Results

A survey of VetFran members reveals that the program has achieved impressive results. In 2011, IFA launched Operation Enduring Opportunity, a campaign to hire, and recruit as franchise business owners, 80,000 veterans, wounded warriors and their spouses, through 2014. In a report on Veterans Day in 2013, a survey revealed that the franchise industry has nearly doubled its hiring target. Since 2011, over 151,000 veterans have started careers in franchising, including 5,192 veterans that have been recruited as franchise owners. The survey also revealed that veterans hire other

veterans, as veteran franchise owners were 30 percent more likely to hire other military veterans than non-veteran franchise owners. Unsurprisingly, the survey went further to indicate that veteran-owned franchises were more successful than other franchise businesses, far out-pacing non-veteran-owned franchises in both sales and number of jobs created.

Of the franchisors surveyed, 97 percent indicated that veterans were a good fit as franchisees. Of the 3 percent that indicated that veterans were not a good fit for franchising, “high level of investment being a barrier” was given as the underlying reason. With this in mind, VetFran and its member companies continue to strive to help veterans overcome this financial barrier.

Veterans Entrepreneurs Act of 2013

To assist veterans in opening franchise small businesses, Rep. Bill Flores (R-TX) introduced H.R. 3725, the Veterans Entrepreneur’s Act of 2013, legislation that would provide a tax credit to qualified veteran franchise owners worth up to 25 percent of the initial franchise fee, capped at \$400,000. In addition to the real estate, equipment and inventory necessary to open a franchise, the initial franchise fee is a significant investment, and remains a barrier to opening a franchise business. When coupled with the incentives offered by franchise systems as part of VetFran, this tax credit will go a long way toward helping veterans open new businesses. Given that veterans tend to hire other veterans, this legislation would also have a multiplying effect on veteran hiring. There is a similar piece of legislation in the Senate, called the Help Veterans Own Franchises Act, sponsored by Senators Bob Casey (D-PA) and Marco Rubio (R-FL). The franchise community already has a demonstrated record of success in implementing veterans hiring programs, and we believe that this legislation will serve to expand on that success while providing veteran entrepreneurs with a significant financial incentive to realize the American Dream of owning and operating their own small businesses.

Conclusion

The franchise community has seen modest successes in hiring and recruiting veterans, but there is still so much work to be done to serve the veterans that have served us so honorably. Creating an industry-wide program for IFA’s member companies to participate in hiring veterans has allowed us to involve as many companies as possible, and share best practices for member companies that are building their own veterans hiring programs. Most of all, it has allowed us to “turn up the volume,” and stress the importance of these hiring programs across the private sector. As we recruit additional franchise systems to join VetFran, their industry peers want to join as well. We are constantly looking to build on the rolls of companies involved in VetFran.

Other significant partnerships have grown out of these efforts to hire and recruit veterans. Colleges and universities are building entrepreneurship programs for veterans and including franchising and franchise management as a course of study. Other proposals seek to include franchise training as education that can be covered under the G.I. Bill. Opportunities for veterans are rapidly growing, but we have not yet achieved our goal. Far too many veterans are

unemployed, and others lack the support they need to successfully transition into the civilian economy. It is imperative that the private sector continue to build on its recent successes, and work as best it can with policymakers in Washington to create additional programs and incentives to hire veterans. I thank you for the opportunity to testify today, and I look forward to answering any questions you may have.

PREPARED STATEMENT OF ROSS COHEN

The U.S. Chamber of Commerce Foundation [USCCF] is a 501(c)(3) non-profit affiliate of the U.S. Chamber of Commerce dedicated to strengthening America's long-term competitiveness by addressing developments that affect our Nation, our economy, and the global business environment. USCCF presents a broad range of programs that promote a greater understanding of economic and public affairs issues.

The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations. The Chamber is dedicated to promoting, protecting, and defending America's free enterprise system.

More than 96 percent of Chamber member companies have fewer than 100 employees, and many of the Nation's largest companies are also active members. We are therefore cognizant not only of the challenges facing smaller businesses, but also those facing the business community at large.

Besides representing a cross-section of the American business community with respect to the number of employees, major classifications of American business—e.g., manufacturing, retailing, services, construction, wholesalers, and finance—are represented. The Chamber has membership in all 50 States.

The Chamber's international reach is substantial as well. We believe that global interdependence provides opportunities, not threats. In addition to the American Chambers of Commerce abroad, an increasing number of our members engage in the export and import of both goods and services and have ongoing investment activities. The Chamber favors strengthened international competitiveness and opposes artificial U.S. and foreign barriers to international business.

Positions on issues are developed by Chamber members serving on committees, subcommittees, councils, and task forces. Nearly 1,900 businesspeople participate in this process.

Good morning, Chairman Miller, Ranking Member Michaud, and distinguished members of the Committee. My name is Ross Cohen and I am the Senior Director of the U.S. Chamber of Commerce Foundation's Hiring Our Heroes program. Thank you for providing us with an opportunity to share our experience regarding successful approaches to hiring veterans and military spouses.

Since 2011, Hiring Our Heroes, a program of the U.S. Chamber of Commerce Foundation, has worked aggressively to assist veterans, transitioning service members, and military spouses find meaningful employment opportunities. We knew from the begin-

ning that our success hinged on two critical factors. First, local communities would be the cornerstone of any national program to reduce veterans' unemployment. Second, we had to bring that local community together by working with a wide array of private and public sector partners. That community includes, but is not limited to, our partners in various federal agencies and local government, national and local businesses of all sizes, our vast network of local Chambers of Commerce, and other non-profit and private sector partners.

Over the last three years, we have seen significant improvement in the unemployment rates among veterans and military spouses. We are proud of the work that has been accomplished, but we have a long road ahead. With nearly 1.5 million service members set to transition in the next five years, as well as hundreds of thousands of military spouses, Hiring Our Heroes and our partners must be ready to answer that call and provide veterans and military spouses with the employment opportunities that they so richly deserve.

Background on Hiring Our Heroes

Hiring Our Heroes, a program of the U.S. Chamber of Commerce Foundation, launched in March 2011 with a relatively simple mission: to assist veterans, transitioning service members, and military spouses in finding meaningful employment opportunities. Working with the U.S. Chamber of Commerce's vast network of state and local chambers and other strategic partners from the public, private, and non-profit sectors, our goal was to create a movement across America in hundreds of communities where veterans and military families return every day.

Our initial efforts focused on hiring fairs throughout the United States. Since 2011, we have hosted more than 660 job fairs in all 50 states, the District of Columbia, and Puerto Rico. Thus far, more than 21,000 veterans and military spouses have been hired by employers—ready, able, and willing as a direct result of these hiring fairs.

Our hiring fairs also include employment workshops providing veterans and military spouses valuable job search skills like networking, writing their resume, and interviewing. Great companies like GE, University of Phoenix, and First Command, as well as non-profit partners like Goodwill Industries, have donated countless hours to providing expert training to more than 8,000 veterans and military spouses.

Recently, the Call of Duty Endowment (CODE) recognized Hiring Our Heroes for its hiring fairs and awarded it the first ever "Seal of Distinction"—an award program that highlights non-profit organizations that have proven to be the most effective and efficient at placing veterans into high quality careers.

From our experience, the first step for employers is laying down the marker and making a commitment to hire veterans and military spouses. Together with Capital One, we launched the Hiring 500,000 Heroes campaign in March 2012 with a goal of securing half a million commitments to hire by the end of 2014. Once a business commits, we work with them to turn those commitments into hires. To date, more than 1,400 businesses of all sizes have com-

mitted to hire 361,000 veterans and military spouses and 247,000 hires have been confirmed.

Hiring Our Heroes also has developed a suite of online services to assist veterans and military spouses as they transition to the civilian sector. From our online Resume Engine built in partnership with Toyota, to eMentor and to Fast Track, our online tools are designed to make it easier for veterans to identify career opportunities and to put them in the best position to succeed. Best of all, these services are provided at no cost to the veteran, transitioning service member, or military spouse.

Finally, we must not forget the tremendous sacrifices faced by military spouses and the unique challenges they face when trying to search for and maintain a career.

The fact is that most military spouses can expect to move an average of eight times over a 20-year military career, often with little or no notice. Those with professional licenses (e.g., lawyers, health care professionals, and teachers) face significant employment hurdles if their licenses are not portable from one state to another. And, since many military families need to be dual-income, these challenges can have a significant impact on long-term retention and military readiness.

With that in mind, Hiring Our Heroes established a Military Spouse Program at the beginning of 2012. Nearly a dozen of the nation's largest companies quickly answered the call, including USAA, La Quinta Inns & Suites, Toyota, and Verizon. We host job fairs and networking receptions exclusively for military spouses on military installations each year. The fairs include value-added content to help spouses plan a career, such as resume and interview workshops, networking, and professionalism presentations. We have also begun to maintain LinkedIn groups of all who attend our events and promote further career development events, local connections, and job postings.

Creating Private-Public Partnerships

Creating private-public partnerships has been and continues to be a critical component of our efforts. Over the last three years, Hiring Our Heroes has benefitted from its unique position to call upon a wide array of partners including those from the private, public, and non-profit sectors. These partnerships have helped us to create deep roots in local communities and impact hundreds of thousands of veterans and military spouses.

Not surprisingly, given the U.S. Chamber of Commerce's long standing work on behalf of American business, we started our efforts by reaching out to some of the nation's largest businesses to sit on our Veterans Employment Advisory Circle (VEAC) and a Military Spouse Employment Advisory Circle (MSEAC). Over the past three years, more than 35 of these businesses, representing nearly every segment of industry in America, have sat on the VEAC or MSEAC and provided critical guidance on our mission.

We have forged key partnerships with the White House's Joining Forces, the U.S. Department of Veteran Affairs (VA), the U.S. Department of Labor (DOL), and several of the Department of Defense services. In 2013, we formed an agreement with the U.S. Army Installation Management Command (IMCOM), which led to

a Fragmentary Order (FRAGO) to Transition Service Managers around the world. This FRAGO is intended to make soldiers aware of Hiring Our Heroes resources as they transition out of the Army.

More recently, we collaborated with VA to create a national “Guide to Hiring Veterans”—a new resource to point employers to the most valuable resources available to assist them in the process of hiring and retaining veterans. Information available in the Guide includes: online job banks and military skills translators, VA benefits, Hiring our Heroes job fairs, American Job Centers, Veterans Gold Card, Official Wounded Warrior Programs, and more. We hope all interested employers will use this guide to learn more about this important issue and to connect with veterans for careers in our communities nationwide.

We also have created strong partnerships with other non-profits throughout the United States. From non-profits, like the George W. Bush Institute, Blue Star Families, the Institute for Veterans and Military Families (IVMF), Got Your 6, and Points of Light, and Student Veterans of America, we are united in our singular focus of helping veterans and military spouses find meaningful employment opportunities.

The value of these partnerships becomes evident at our hiring fairs where the entire community comes together. Our network of state and local Chambers works hard to bring together the local business community and open up thousands of jobs to local veterans and military spouses. Local military officials, including Guard and Reserve components, frequently open up their facilities to host our events. The VA plays a critical role by making sure that veterans are aware of their benefits and enrolled in eBenefits. DOL and its representatives from American Job Centers also work to provide ongoing assistance in their local communities. The Employer Support of the Guard and Reserves (ESGR) provides invaluable resources in every state. Finally, many of our VSO partners bring out the established community of veteran leaders to support and promote our events.

Looking Forward

When Hiring Our Heroes launched in March 2011, the employment situation for veterans and military spouses was bleak. Post-9/11 veterans faced an unemployment rate greater than 12 percent, which was nearly 50 percent higher than the national unemployment rate. For veterans under 25, the unemployment rate was closer to 30 percent a rate that was two times the unemployment rate faced by their civilian counterparts. One in four military spouses was unemployed.

There is no doubt that the situation has started to improve. According to the Bureau of Labor Statistics, veteran unemployment continues to fall in every segment of the veteran population. We have seen post-9/11 veteran unemployment drop to below 10 percent and unemployment for veterans under 25 is down ten points to approximately 20 percent. However, according to a 2012 Department of Defense report, one in four military spouses remain unemployed.

While these figures show improvement, we have a long way to go. The fact is that 800,000 veterans were unemployed at the be-

ginning of 2013. We also will see unprecedented departures from active duty service in the next five years—up to 300,000 per year for the next five years, and that does not include spouses. At the same time, many federal jobs may be unavailable to veterans because of constrained budgets. The private sector will need to step up to the plate.

Moving Forward

Hiring Our Heroes is ready to answer the call and will step up its efforts in 2014. Not only will we host more than 200 hiring fairs across the country this year, we will focus our efforts by targeting communities with the greatest need. We will also host more fairs directly on military installations in hopes of reaching service members well before their transition from the military. And, we will continue to develop more innovative online resources to make it easier for businesses to connect with job-seeking veterans and military spouses. These tools will better prepare both employers and service members for the job search process.

We also will strengthen our public-private partnerships. Hiring Our Heroes plans to work more closely with the Department of Defense, VA, and Department of Labor to reach service members and spouses earlier in the transition process. By combining our efforts, we also can help businesses, veterans, and military spouses navigate through the clutter of all the resources available to them and identify the best tools available.

A good example of these more robust partnerships will occur in February 2014, where we will take part in a two-day Veterans Jobs Summit at Fort Bliss, Texas. Hosted in partnership with the VA, Department of Labor, Joining Forces, and the U.S. Army, the event will feature seminars and breakouts on the service member transition process, tools and best practices for employers looking to hire, and presentations from key military and governmental agencies. The summit will culminate on February 4th with a job fair for service members who are within 90 days of their transition date.

A similar event will occur at Fort McCoy, Wisconsin, in April during a three-week Army Reserve Training Exercise. Approximately 5,000 members of the United States Army Reserve from across the country will be participating in this exercise. We are working with national companies to attend the fair in order to share job opportunities from across the country. Our goal is to ensure each and every service member is equipped with all the tools necessary to know what opportunities exist, empowering them to make educated choices for their futures.

Conclusion

Over the last three years, Hiring Our Heroes has been proud to serve our veterans and military spouses in local communities throughout the United States and to do so with a wide array of private and public sector partners. While we have much to be proud of, there is much more to do. We must stay vigilant and provide transitioning service members, veterans, and military spouses with the meaningful employment opportunities they so richly deserve.

Hiring Our Heroes will continue to be at the forefront of this movement. We will remain the community catalyst bringing together our partners in our common mission. We will work together

to achieve fundamental change in veteran and military spouse un-employment.

Chairman Miller, Ranking Member Michaud, and members of the Committee, I thank you again for the opportunity to testify and look forward to answering your questions.

