

**HOW TO IMPROVE ACCESS TO GI BILL AP-
PROVED APPRENTICESHIP PROGRAMS AND
HOW THESE PROGRAMS BENEFIT VETERANS**

HEARING

BEFORE THE

**SUBCOMMITTEE ON ECONOMIC
OPPORTUNITY**

OF THE

**COMMITTEE ON VETERANS' AFFAIRS
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CONTENTS

Wednesday, September 27, 2017

	Page
How To Improve Access To GI Bill Approved Apprenticeship Programs And How These Programs Benefit Veterans	1
OPENING STATEMENTS	
Honorable Jodey Arrington, Chairman	1
Honorable Beto O'Rourke, Ranking Member	2
WITNESSES	
MG Robert M. Worley II USAF (Ret.), Director, Education Service, Veterans Benefit Administration, U.S. Department of Veterans Affairs	3
Prepared Statement	28
Dr. Joseph W. Wescott, Legislative Director, National Association of State Approving Agencies	4
Prepared Statement	29
Mr. Paul Marchand, Executive Vice President and Chief Human Resources Officer, Charter Communications	6
Prepared Statement	33
Mr. Dan Penski, Special Assistant to the General President, International Union of Painters and Allied Trades	8
Prepared Statement	36
Sam Shellenberger, Deputy Assistant Secretary, Veterans' Employment And Training Service, U.S. Department of Labor, Prepared Statement Only	40
STATEMENT FOR THE RECORD	
Ms. Loring Rectanus, Additional Material for Transcript Insertion	44
Mercedes-Benz USA, LLC	44
NC-Expert, Terry Jenkins	45

HOW TO IMPROVE ACCESS TO GI BILL APPROVED APPRENTICESHIP PROGRAMS AND HOW THESE PROGRAMS BENEFIT VETERANS

Wednesday, September 27, 2017

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

The Subcommittee met, pursuant to notice, at 3:04 p.m., in Room 334, Cannon House Office Building, Hon. Jodey Arrington [Chairman of the Subcommittee] presiding.

Present: Representatives Arrington, Bilirakis, Rutherford, Banks, O'Rourke, Takano, and CORREA.

OPENING STATEMENT OF JODEY ARRINGTON, CHAIRMAN

Mr. ARRINGTON. Good afternoon, everyone. I want to welcome you all to the Subcommittee on Economic Opportunity's hearing today entitled "How to Improve Access To GI Bill Approved Apprenticeship Programs and How these Programs Benefit our Veterans." Expanding employment and training opportunities for veterans is the core mission of this Subcommittee, and today, we are here to review, what I believe to be, one of the best unknown and underutilized programs designed to help veterans achieve economic success. And we want to change that unknown part.

By using VA's on-the-job training and apprenticeship programs, veterans are able to supplement their incomes with both the stipend payments from VA for their post-9/11 GI Bill benefits as well as the wages from their employer while they are a trainee. Most importantly, at the end of their training program, they are able to step right into a beneficial career.

I strongly believe there is a growing need to better align student outcomes to higher education funding, and I have commented on that before. And I don't know many majors or programs at institutions of higher learning that can guarantee a job, essentially, at the end of their programs. This promise of employment through apprenticeship training is what makes this program so special.

Despite many of its positives, there are—very few veterans decide to enroll in an apprenticeship program through their GI Bill benefits. In fact, the latest data from the Student Veterans of America NVEST project found that only 6 percent of students who have used the post-9/11 GI Bill are in an OJT or apprenticeship program.

A 2015 GAO report found that those veterans who do find out about this are more likely to obviously avail themselves of the program. The report also found out that the VA is not doing a sufficient job of educating those veterans in transition. The GAO report also mentions the paper-based system that is inefficient and burdensome. And, finally, the GAO recommended the VA do a better job of tracking student outcomes, which I know we all on this Committee are interested in, and to know if this program is working and what needs to be fixed to make it work better.

I look forward to hearing from our witnesses about VA's response to these recommendations and the progress that has been made since 2015. I am also concerned about reports we have received that the antiquated approval criteria for these programs make it incredibly difficult for larger employers to create a meaningful apprenticeship program that is approvable across State lines.

I look forward to hearing from Dr. Wescott, with the State Approving Agencies, about how we can streamline these procedures to incentivize the creation of positive programs while maintaining appropriate quality and oversight.

Finally, I am interested in hearing about our private sector witnesses, about the great things that they are doing for veterans, and their experiences with the OJT and apprenticeship programs, as well as why veterans are valuable to their programs and workforce.

I do want to mention: I thought it was a little odd that we invited the Department of Labor, and they have some policy that they can't serve on a panel alongside nongovernment witnesses. And I just find that odd, and it certainly is inefficient for us to do our job and ascertain information from all stakeholders to improve the process, improve the service, and help our veterans.

And I met with the Secretary the other day on an unrelated issue, and he seems like a guy who has a good deal of common sense and good judgment, and I just can't imagine that he is aware of this. I can't imagine that he would support that. So I hope that changes so we can do our job and get to the bottom of these program inefficiencies, cost-effectiveness, and outcome opportunities. And enough about that. I don't want to belabor that, but I was surprised by that, and I wanted to note that publicly.

With that, I want to recognize my friend and Ranking Member, Mr. O'Rourke, for his opening remarks.

OPENING STATEMENT OF BETO O'ROURKE, RANKING MEMBER

Mr. O'ROURKE. Thank you, Mr. Chairman, and I appreciate your work and that of your staff and the minority staff in bringing this hearing together. Those who are about to testify, some of whom we have heard many times at this table before and in roundtables that you have convened on the issue of earned educational benefits for veterans and how they transition into civilian life and are more successful and competitive by the oversight that this Committee, this Congress, and the folks who are here to testify are helping with.

Out of interest in hearing from the panel and because I am going to leave earlier than I would like, to attend an Armed Services

Committee hearing, I will conclude my opening statement with that and allow you to begin the meeting.

Mr. ARRINGTON. Well, then I am going to cut my introduction short and just say let's start with General Worley.

And the rest of the panel, if they would make their way, so we can get this hearing started, because I do want the Ranking Member to be here as long as he can, maximize his time and—

Mr. O'ROURKE. Thank you.

Mr. ARRINGTON. You bet. And General Worley is the Director of VA's Education Service.

General Worley, thanks again for coming, and you have got 5 minutes. The floor is yours.

**STATEMENT OF MAJOR GENERAL ROBERT M. WORLEY II,
USAF (RET.)**

General WORLEY. Thank you, Mr. Chairman. Good afternoon, Ranking Member O'Rourke, and Members of the Subcommittee. I am pleased to be here today to discuss the Department of Veterans Affairs' education and benefits programs. My testimony will focus on VA's administration of apprenticeship training under the post-9/11 GI Bill and other programs.

Public Law 111-377 signed into law on January 4, 2011, amended the post-9/11 GI Bill and expanded the benefits and access to programs available to eligible participants. The post-9/11 GI Bill is the most utilized, as you know, of VA's educational assistance programs. Apprenticeship programs are available to eligible veterans through their VA education benefits, including the post-9/11 GI Bill. These programs allow veterans to learn a trade or skill through training, instead of attending formal classroom instruction.

A veteran generally enters into a training contract for a specific period with an employer, and at the end of the training period, the veteran gains job certifications or journey worker status. Veterans pursuing apprenticeship training under the post-9/11 GI Bill receive a monthly housing allowance which decreases in 6-month increments as wages are increased. Participants also receive up to \$83 per month for books and supplies.

The law provides that VA may pay educational assistance to eligible veterans and other individuals participating in approved training programs. The Department of Labor's registered apprenticeships are considered deemed approved, as are those approved by DOL or State apprenticeship agencies recognized by DOL. State Approving Agencies, SAAs, overseeing education and training programs for veterans are responsible for approving most non-Federal apprenticeship programs in their respective States.

Similarly, VA has authority to approve apprenticeship programs offered by Federal agencies, including DOL registered apprenticeship programs offered in multiple States by carriers directly involved in interstate commerce. Over 1.8 million individuals have used their post-9/11 GI Bill benefits since inception of the program in August of 2009. And looking historically, there have been over 9,200 OJT and apprenticeship programs.

Looking at all benefit types from fiscal year 2012 through fiscal year 2016, over 71,000 beneficiaries pursued training through OJT or apprenticeships. And in fiscal year 2017, approximately 30,000

beneficiaries are pursuing in this training through nearly 5,400 unique OJT or apprenticeship programs.

VA works with State Approving Agencies to streamline and standardize the approval process for apprenticeship programs. VA also works very closely with the Department of Labor staff to ensure registered apprenticeship sponsors understand the approval process for GI Bill benefits. This includes participating in teleconferences with employers, providing information as necessary, and sharing SAA contact information.

In November of 2015, the VA developed and published an informational guide for employers offering or considering offering on-the-job training or apprenticeship training to veterans and their beneficiaries. A second edition was published in July of this year. The VA continues to work with the National Association of State Approving Agencies to ensure SAAs are aware of participating employers that have received national approval, as well as any pending approval concerns.

There are some challenges in the approval process for employers because training may take place in multiple States, which, consistent with statutory and regulatory requirements, normally requires a separate approval by each individual State Approving Agency. The VA has worked to enhance the promotion of available OJT and apprenticeship opportunities through the transition assistance program, outreach events, various publications, and other platforms and strategies.

In addition to traditional approaches, the VA uses social media outlets to provide greater visibility to enhance the awareness of these programs.

Mr. Chairman, this concludes my statement. Thank you for the opportunity today. I look forward your to questions.

[THE PREPARED STATEMENT OF MAJOR GENERAL ROBERT M. WORLEY II APPEARS IN THE APPENDIX]

Mr. ARRINGTON. Thank you, Mr. Worley.

Dr. Wescott, with the State Approving Agencies, the floor is yours for 5 minutes.

STATEMENT OF DR. JOSEPH W. WESCOTT

Mr. WESCOTT. Chairman Arrington, Ranking Member O'Rourke, Members of the Subcommittee on Economic Opportunity, I am pleased to appear before you today on behalf of the 50-member State agencies of the National Association of State Approving Agencies, and appreciate the opportunity to provide comments on apprenticeship training under the GI Bill.

Mr. Chairman, we certainly believe that working with our VA and DOL partners, we can improve in real and substantive ways the manner we approve and administer apprenticeship programs, and we know that there are ways that we can better inform eligible men and women about these programs. We strongly agree that outreach efforts need to be improved, and we believe that State Approving Agencies can provide a major part of the solution. With a slight adjustment in our contractual requirements, we could provide a more robust outreach to potential employers of veterans and their dependents.

For example, from fiscal year 2008 until fiscal year 2011, SAAs working with our VA partners increase the number of approved apprenticeship facilities from 4,471 to 5,285. However, since then, the number of approved facilities has decreased. In fiscal year 2016, the number of facilities was only 4,221. We believe the reason for this decrease is that, in the past several years, we and our VA partners have been tasked with focusing heavily on oversight of institutions. This valuable work has been accomplished with—some-what at the expense of our ability to provide outreach for the OJT and apprenticeship programs.

While we are deeply appreciative of this Congress, and particularly this Committee, in providing additional funding for SAAs, it is important that we now renew our focus on outreach and technical assistance to our Nation's veterans and potential employers about this valuable program.

In the past several years, despite limited time and resources, SAAs have been creative and innovative in attempting to reach employers and veterans with the messages that there is another path to employment for them other than college, and one that could prove equally rewarding.

For example, Illinois, which had 357 approved and active apprenticeship and OJT facilities last year, has a vigorous outreach program, including out-of-stop visits to potential employers. The Washington SAA is an active participant in the Veterans Resource Employment Group, aimed at promoting the employment of veterans and program approval of apprenticeships and OJT programs in State government. SAAs will continue to work closely with the Department of Veterans Affairs and other local agencies or institutions. And with an appropriate shift in our focus, SAAs will be able to visit more active on-the-job and apprenticeship training programs on a regular basis.

We must point out, however, that the current law limits the ability of SAAs to be reimbursed under their contract for outreach efforts unless the effort can be linked to a travel expense. Standard outreach and marketing strategies, such as news media and social media advertising cannot be reimbursed. NASAA recommends that 38 U.S.C. 3674 be amended to add an additional category of reimbursement for outreach and marketing.

NASAA has long sought the automation of the apprenticeship/OJT process and claims processing. We certainly understand and empathize with the challenges faced by our VA partners in the automation arena. But it is truly time to replace the fax machine and the U.S. Postal Service as the primary means of delivering claims forms. Some headway has been made with the recent addition of apprenticeship and OJT enrollment certifications to the VA-ONCE online system. But complete automation would not only provide veterans with a more timely payment of benefits but would provide VA and SAAs with the ability to accurately track how many veterans are enrolled in approved apprenticeship programs.

NASAA supports the efforts of Congress to modify existing laws to clarify the authority of State Approving Agencies, to approve registered apprenticeship programs that are based and headquartered in their respective State with job sites in multiple States. This is model already exists within our joint apprenticeship

and training committees as well as in the manner we approve distance education institutions. And the proposed legislation in Congress now simply represents a commonsense extension of the model.

NASAA has worked closely with Congressman Ro Khanna from California's 17th Congressional District, and we are excited about the potential of this new legislation.

Mr. Chairman, the apprenticeship programs under the GI Bill provide a tremendous opportunity to put our Nation's veterans back to work quickly and in meaningful and rewarding careers that are needed in our economy. We applaud the efforts of this Committee and our VA partners and stakeholders to improve administrative capabilities, overcome challenges to innovation, and increase outreach.

I thank you again for this opportunity, and look forward to answering any questions that you may have.

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

Mr. ARRINGTON. Thank you, Dr. Wescott.

And now, for 5 minutes, Mr. Paul Marchand, who is the executive vice president for human resources for Charter Communications. Mr. Marchand.

STATEMENT OF PAUL MARCHAND

Mr. MARCHAND. Thank you. Good afternoon, Chairman Arrington, Ranking Member O'Rourke, and distinguished Members of the Subcommittee. My name, as you said, is Paul Marchand. I am head of HR at Charter Communications.

Thank you for the invitation here this afternoon to discuss a topic that we believe is vital, not just to Charter but to the country, and that is to improve economic opportunities for our brave men and women through GI Bill approved apprenticeship programs. I am honored to be sitting alongside these highly regarded representatives from both public and private sectors. The organizations represented here today are deeply committed and passionate in their support of our country's veterans. And we appreciate the Committee's bipartisanship and commitment to improving the lives of our veterans who have done so much for our country.

Charter is America's fastest growing TV, internet, and Voice Company. We are proud to serve more than 26 million customers in 41 States across our land. Every day, a highly skilled, diverse workforce helps us deliver better products and services under the Spectrum Brand to our customers across our footprint. In total, we have 92,000 employees, and we are committed to hiring 20,000 more by 2020, primarily by ending our reliance on off-shore call centers. And at Charter, we are proud to say that veterans are a valued member of our team.

Today, Charter employs 12,000 veterans, 13 percent of our workforce, and essentially we have double the government's recommendation of 7 percent. This year alone, between January and August, we have hired approximately 4,000 veterans, and we are committed to increasing our overall veteran hiring by 5 percent over the next 3 years.

Veterans' skills, you see, translate very well in our company. They bring mission-orientated mindset that is effective across all of our business units and all levels of our organization. Importantly, we don't just want to hire veterans. We want to help them build on technical skills they gain from military experiences and begin a second and important career with Charter Spectrum. So we attract, we hire, and we intend to retain these veterans through several programs and partnerships.

We recruit veterans by going where the servicemembers are, at military bases in the communities in which we serve. Charter is now part of a new career resource center at Fort Bragg in North Carolina. Through that partnership, we provide 4 weeks of training to Active-Duty men and women who are in their final months of military service. This program allows Charter to begin a relationship with these servicemembers and provide them a taste of what it is like to work as a technician, and it is at this start of a pipeline into our Spectrum Broadband Technician Apprenticeship Program and a fulfilling career.

This well-regarded program, our apprenticeship program, allows these newly hired technicians to receive certification. These qualified veterans who were discharged in the last 10 years can secure GI benefits by completing the program's classroom curriculum, the required on-the-job training, which allows them to both earn tax-free money in addition to their Charter paycheck. Today, over a thousand technicians are currently enrolled in 5 States that are home to large military bases in our program.

One graduate of such a program, Fabian Luna, was hired as an insulation technician just out of the United States Army. And since being hired, he has been promoted five times and currently works as a Spectrum field tech supervisor in Morrisville, North Carolina. Our program has been so successful that we are working with the Department of Labor to expand it to a national level program, ultimately offering it in all 41 of our States that we operate in.

Moving forward, we have a clear sense of what needs to happen to reach commitment to increase hiring in the percentage of veterans in our workforce. We will do this by the following: growing our presence on bases to ensure we are reaching veterans before they leave Active Duty; partnering with key military and veteran organizations, like the VFW, Hiring our Heroes, and many others; increasing awareness by veterans of our hiring roles and opportunities; and ensuring that veterans that are hired are not just hired to a job but are given opportunities to grow and develop their careers.

Finally, we want to move faster and go further with our efforts to increase the number of veterans in our workforce. Charter stands ready to work with Federal and State agencies to build the awareness of these programs through more robust communications and improve the overall process and make it easier for companies to offer programs and veterans to apply for them.

In closing, our veterans served at us at home, abroad, with great sacrifice to themselves and their families, and we owe it to them to make sure, when they leave Active Duty, they have careers that they continue to be proud of and they can support their families with good benefits and real pathways to advancement.

I thank the Committee for your time, and look forward to answering any questions you have.

[THE PREPARED STATEMENT OF PAUL MARCHAND APPEARS IN THE APPENDIX]

Mr. ARRINGTON. Thank you, Mr. Marchand.

And now I ask Mr. Penski for remarks.

Mr. Penski, Dan Penski, a special assistant to the general president of the International Union of Painters and Allied Trades.

Mr. PENSKI.

STATEMENT OF DAN PENSKI

Mr. PENSKI. Thank you, Chairman and Ranking Member. Thank you for the chance to share the International Union of Painters and Allied Trades' perspective and the great opportunities for veterans in the construction and building trades.

As stated, my name is Dan Penski. I serve as special assistant to the general president, Mr. Kenneth Rigmaiden. He sends his apologies, as he was unable to sit before you today.

I served in the U.S. Marine Corps, Marine Corps Reserves, Army National Guard, where I retired in 1998. I began in 1974 as a glazer apprentice in the IUPAT Local 660, Buffalo, New York. I continued as an apprenticeship until reaching my journeyman status, where I served as a glazer from 1982 to 1998, before moving into the IUPAT training department.

My responsibility now is to support and shepherd veterans into the Painters and Allied Trades Veterans Program. The IUPAT represents industrial and commercial painters, drywall finishers, glazers, sign and display, floor coverers across North American. A few examples of our high-profile work include the painting of the Capitol dome, the installation of the exterior and interior glass at the Apple's new headquarters. As a matter of fact, our glazers set the largest piece of glass ever installed in the cafeteria of Apple's new headquarters.

Training and education are the vehicles to performing high-quality work to maintain a leading edge in our industry. We utilize our Finishing Trades Institute, which is the educational and training arm of the IUPAT. Our joint labor-management relationship drives the success in the training of apprentice and journey workers. The FTI is in the leading edge of curriculum development, training, and utilizing of new industry technology for all of the crafts that we represent.

The IUPAT apprenticeship program provides an affordable education, does not leave its participants with one penny of debt. Our apprenticeship programs are linked to jobs in the private and public sectors that earn a living wage and benefits. The apprenticeship model that the IUPAT uses is also the model of the building and construction trades. It is a jointly funded, labor-management model. All of our apprenticeship funds across the country are funded through contributions, agreed to by labor and management, paid on every hour worked. The apprenticeship funds are managed in partnership with contractors articulating industry concerns and needs, along with identifying recruitment and retention goals.

Curriculum is developed in-house at the FTI through labor-management partnership, making our apprenticeship model a successful market-driven approach to delivering a highly skilled construction worker. This partnership enables our membership to pursue lifelong learning opportunities. Nearly two-thirds of all registered apprentices in the United States work in the construction industry. Among construction apprentices, roughly three-quarters are enrolled in a union-sponsored apprenticeship program.

Our IUPAT Veterans Program, or PAT-VP, began 4 years ago. PAT-VP offers transitioning servicemembers a 4-week program that blends classroom and hands-on training on the base at our training centers and off base. Upon graduation and separation from service, the PAT-VP places each graduate in an apprenticeship program, applies course credits, and finds them a job with one of our signatory contractors wherever they want to resettle in the U.S.

The inaugural PAT-VP class at Joint Base Lewis-McChord in Washington State just graduated from their apprenticeship program a couple of weeks ago. We currently work with base staff to assist the recruitment and placement of transitioning soldiers into our PAT-VP. As the construction industry workers meet retirement age, we feel that the veteran community's skill set and attributes are a perfect fit for the aging workforce.

Our expansion is limited by base access in a vibrant construction market where signatory contractors have long-term job opportunities. To accelerate our placement of veterans, we also need access to our National Guard and Reserve centers.

Benefits of on-the-job training and apprenticeship are available for veterans under the various VA educational assistance programs. Utilization of the post-9/11 GI Bill benefits vary from apprentice to apprentice. These decisions depend on the apprenticeship program they choose and where they want to relocate. We encourage veterans who enter our apprenticeship program not to use their GI benefits if they don't have to. Our apprenticeship program is fully funded so their education is free. We advise veterans to use the GI benefits to pursue higher education. They may transfer earned credits from the apprenticeship program and continue their education outside of our training. Some vets use their GI benefits to offset housing costs and make up the difference in pay.

The needs of tomorrow's workforce require us to adjust to the rapid changes in the technology of our industry. This Committee should consider ways to strongly encourage the use of apprentices on Federal construction projects. As we know, this is the best way to increase apprenticeship opportunities. This, in turn, will increase the number of veterans placed in career paths in the construction industry.

Thank you for this opportunity to address the Committee. I will entertain any questions at this time if you have them. Thank you.

[THE PREPARED STATEMENT OF DAN PENSKI APPEARS IN THE APPENDIX]

Mr. ARRINGTON. Thank you, Mr. Penski.

And thank all the witnesses for your testimony, for your time and input. It is an exciting opportunity to expand on and enhance a program that is working for our economy. It is working for our

veterans. It is working for companies like Charter Communications. And so let's figure out together how we can make it easier for veterans and promote this opportunity to veterans so they can avail themselves of it.

I am going to reserve my time and let my colleagues ask questions, and I will—I have several, and if they don't ask them, I will get to them here at the end.

Mr. Takano, I recognize you now for 5 minutes of questions.

Mr. TAKANO. Thank you, sir.

First of all, let me welcome you all here and thank you all for testifying today. I wanted to—where is that question I was looking for? General Worley.

General Worley, do we have any data or data on the number of veterans using the GI Bill for on-the-job training or about which employers are receiving the most GI Bill on-the-job training? Do we have any of that data?

General WORLEY. In fiscal year 2017, we have by our records about 30,000 individuals in OJT and apprenticeship programs, and I will use this together because OJT apprenticeships are very similar programs. And I don't, off the top of my head—I cannot tell you whether more of them are in one particular skill set or another. We can—I can take that for the record, Congressman, if you would like me to, but the number of individuals or beneficiaries so far this year is about 30,000.

Mr. TAKANO. Okay. Do we know who are the top employers using the GI Bill for OJT?

General WORLEY. I don't have that information with me, sir. I am not sure if NASAA might have some of that data, but we can take that for the record.

Mr. TAKANO. Okay. Thank you. We will look forward to that information. Will there be any earnings data or outcomes data on veterans who use on-the-job training?

General WORLEY. One of the recommendations in the GAO study, as the Chairman pointed out, was focused on outcome measures. If I could just take a minute: There were three recommendations with the GAO report. The first had to do with outreach and publicizing these programs. This is done in a number of ways, as I mentioned in my testimony, there are a number of ways that we have been doing that through the Transition Assistance Program, through our over 50 different outreach events that we supported, social media, website, the guide that we published for employers who are potentially pursuing these kinds of programs. That recommendation has been closed out by the GAO.

The second recommendation had to do with getting out of the fax business and the paper side of submitting the monthly certifications that apprentices and OJT folks have to submit through their employers. I am happy to report that we have made progress in that regard. We are not where we want to be, but we have made progress in that regard. The initial enrollment of someone in an OJT is now very similar to the initial enrollment of anyone else going to an IHL through our VA-ONCE system. So that information—that person can be loaded into our system and have that done electronically.

The monthly certification of the work hours by which they are paid will be in VA-ONCE by the end of this year. So that development has been underway and will be in VA-ONCE. In the meantime, that information can be submitted through our Ask A Question capability on the GI Bill website, and that in fact is being used quite significantly now by employers.

The third, as you mentioned, Congressman Takano, has to do with outcome measures. We are working to be able to get that data. We don't have it today. Both the completion of OJT and apprenticeships is one data point that we want to have as well and, more importantly, the information about employment. That is still a work in progress for us, along with all the other outcome measures we are using.

Mr. TAKANO. Okay. Dr. Wescott, you mentioned something in your testimony about marketing, and I was not listening as carefully as I should have been. But are there restrictions on being able to get marketing to inform veterans about these programs, and is there a prohibition or just not funding for it?

Mr. WESCOTT. Well, certainly, we are very pleased with our increase in funding, but there is no line item in the contract as it now stands for outreach and marketing. So, if we are able to—one of the things that we will do in marketing as we are out on a visit and we have time, we might add a stop to a—even if we are at a school, we could potentially, again, if time allowed, stop at an employer, potential employer, and talk about this program. But any funding that would go to support marketing has to be tied to travel. So that is one of our concerns, is we would like to see that code rewritten so there would be a line item for marketing and outreach so that we could pay for advertising, pamphleting, things that wouldn't necessarily be associated with marketing.

Mr. TAKANO. So there is no prohibition—there is prohibition, but there is no funding?

Mr. WESCOTT. There is—the problem is that there is no line item to provide for it. It is more like a prohibition.

Mr. TAKANO. Thank you, Mr. Chairman.

Thank you, Dr. Wescott.

I am sorry I went over my time, Mr. Chairman.

Mr. ARRINGTON. Thank you. The gentleman yields.

And I now recognize Mr. Bilarakis. for 5 minutes.

Mr. BILARAKIS. Thank you, Mr. Chairman. I appreciate it. And thanks for deferring to us and reserving your time, I really appreciate that very much.

And I also appreciate the testimony today.

I have one—I have a question for the general with regard to the GI Bill and the housing allowance. I understand that the current law is that you have to go to a brick-and-mortar school maybe full time—you can correct me if I am wrong—to get the housing allowance.

Now, there are a lot of veterans, some who are disabled and aren't able to take classes at a brick and mortar, or let's say it is very inconvenient for them to get to a brick-and-mortar school, or it interferes with their work schedule. But there are now, you know, you have—of course, we cracked down on the fly-by-night schools, but now we have a lot of online schools. Of course, the

brick-and-mortar schools offer online as well, so very credible on-line schools.

Are there any exceptions that we can make for a disabled veterans or one that—if you have PTS or what have you, and you would like to get your education at home, and still receive the housing allowance, are there any exceptions that can be made, or do we need to change the law?

General WORLEY. Absolutely. The way it works today—and this was changed with Public Law 111-377. That was enacted in 2011. And what that did was, for those taking classes online, they do get housing allowance at one-half, 50 percent, of the national average. So if you are a full time, online student, you will get BAH at that rate.

Now, if you take some of your classes by correspondence or on-line and take some in residence, then your housing allowance will be based on the school ZIP Code, the facility code that you are going to. So it would be more than—

Mr. BILARAKIS. You would get the full allowance if you take half the courses.

General WORLEY. Depending on your benefit level.

Mr. BILARAKIS. How do you justify only 50 percent reimbursement, you know, where they still have to pay—if the housing allowance is to pay for your mortgage, what have you, or your bills, because you aren't able to work full time, what have you, why not get the full allowance?

General WORLEY. To increase that, that would require legislation, sir.

Mr. BILARAKIS. All right. Thank you very much.

The next question is for Mr. Marchand. I hope I pronounced that right. I am very familiar with Charter's infrastructure, being from the State of Florida. And I know you all do a lot of good in the community and help veterans. Your investments coupled with nearly 12,000 veterans who make up your workforce help local economies and tie you to communities you serve. And I want to thank Mr. Penski as well, again, for hiring our true heroes, and they are the best workers because they are dedicated; they have the work ethic and the integrity. So I appreciate that very much.

Can you expand on your apprenticeship program for veterans and whether it is or will be implemented in Florida, as Florida is among the most veteran-friendly State, and we have about 2 million veterans in Florida—in the State of Florida? Sir, can you expand on that—on the apprenticeship program?

Mr. MARCHAND. Absolutely. Thank you. And, yes, Florida is a very important State for our—

Mr. ARRINGTON. Can you push your talk button over there?

Mr. MARCHAND. It was talk. Is that better?

Mr. ARRINGTON. Yes.

Mr. MARCHAND. Sorry about that. Thank you. The State of Florida is a very important state in our footprint, as you know, and we recently were helping and continue to help recover from the hurricanes that have gone through that area. So we appreciate the partnership we have had with the state legislators.

Currently, it is not offered in the State of Florida, but it is a state that we are working to roll out the apprenticeship program

to. We are currently in five states, Missouri Nebraska, North Carolina, South Carolina, and Texas, and our intent is to go after all states that we have our business operations in, which would be 41 total states. Some of the states that we are going to go after require us to have national Department of Labor certification, and some states are going to require individual state by state applications and processes. So Florida is absolutely in our focus area and will be part of where we go next.

Mr. BILARAKIS. Thank you very much. This question, again, is for you, sir, and also Mr. Penski, if he wants to talk as well on this subject.

Are there particular skills that veterans have that make them more attractive to an employer like Charter or to the Painters Union, what have you? Let's go ahead and start with you, sir, Mr. Marchand, and Mr. Penski, if you would like to respond as well.

Mr. MARCHAND. You know, I think there is a wealth of skills that veterans have that we have already addressed. You know, there is a tremendous amount of technical capability and expertise. They are very process orientated, clearly collaborative. I would also say that, beyond skills, there is a tremendous character. There is a work ethic and character that is unquestioned. They are dedicated. They are hard-working. They are resilient. They work through things like hurricanes with pride and with passion.

So I think it is a combination of those two things, character and capability, that make them outstanding employees, and typically they stay a lot longer than our average employees. They retain in the company.

Mr. BILARAKIS. I agree. Well, my time is expired, but, Mr. Penski, can you briefly address that?

Mr. PENSKI. Thank you. I would add a couple of more things. Number one, they are mission orientated, and they will get the job done. And they are very team orientated, which is very important to the construction trades that we represent. Their safety is up to standards. And being a former Marine and looking at these veterans coming into our program, these veterans look out for each other.

And in this apprenticeship program, it is another family for them coming, transitioning from the military into these apprenticeship programs and getting into our union. It is something that just energizes them and motivates them. They are there every day to go to work. They understand that making money for our employer is huge, and they do it. They do a great job.

Mr. BILARAKIS. Thank you. And thank you for your service. I am looking forward to you bringing the program to Florida.

Mr. PENSKI. It is there.

Mr. BILARAKIS. Mr. Marchand, Charter. Thank you very much, again.

Mr. ARRINGTON. I want to thank the gentleman from Florida. He yields.

And I want to recognize my friend from California, Mr. Correa, for 5 minutes.

Mr. CORREA. This is a most important hearing, very important issue, and thank you gentleman for all you do for our veterans.

Mr. PENSKI. You are welcome.

Mr. CORREA. It is my opinion that the best thing you can do for a veteran when they come back stateside is to get them a job, getting a good middle class job.

And, gentlemen, last week, I was in Los Angeles. I ran into the chancellor of the Los Angeles Community College District. We struck up on a discussion about construction, bonds issued in LA, and project labor agreements. They have a PLA in LA Community College. I asked them, I said: Do you have a local hiring requirement?

He said: Yes, we do. We have a local content in—veteran content requirement at 35 percent.

And I said: So what percentage is now veteran and local?

He said: Fifty-five percent of all the employees LA Community College construction are at that level.

In Orange County, a number of schools districts, a number of cities are moving in that direction as well.

The State of California is just embarking on a massive, massive brick-and-mortar construction project throughout the State of California. So you got what appears to be massive demands for trained folks in the construction industry. A lot of them also happen to be retiring.

And so the general question to all of you gentlemen is, I presume you have a plan to hook up with all these folks that are going to need all these trained workers. And given all the veterans that are coming back, I think we are looking at a gold mine if we can figure out how to connect all these veterans with all these new jobs that are about to explode, at least in the State of California, in my district.

Mr. WESCOTT. Congressman, let me just say that, we in the State Approving Agencies are excited about those opportunities. I can tell you from my perspective, because I also serve as the Executive Director of the North Carolina State Approving Agency, we just began working with this contract for apprenticeship and OJT this past year. One of the things that I did was I met with the president of the North Carolina Community College system to talk about how we could promote apprenticeships in conjunction with that system. We think there is a very real possibility of linking that outreach. I would also look forward to meeting with National Guard leadership in the State. And also—

Mr. CORREA. Thank you very much for that.

Mr. WESCOTT. Yes. So that, again, we could reach out to these folks and make them aware of this extremely valuable program.

Mr. CORREA. And if I—let me say that a lot of these folks at the local level that are going to hire these construction folks would be more than happy, I am sure, to reach out and work with you, really not at very high cost of marketing and trying to get your message out there, but just trying to get those workers in the front door. I know millennials get a bad rap, but I think veterans at the same time get an excellent rap. So I think this is a tremendous opportunity to get our veterans employed.

Mr. WESCOTT. As a former infantryman, we are not afraid to get our hands in the dirt. And, yes, we would look forward to working with those sectors as well.

Mr. CORREA. And I offer my office as well as a resource.

Mr. Chairman, I yield the remaining of my time.

Mr. ARRINGTON. I thank the gentleman from California.

I now recognize the distinguished gentleman from Florida, Mr. Rutherford.

Mr. RUTHERFORD. Thank you, Mr. Chairman.

And thank you, panel, I can tell you as a Representative from northeast Florida's Fourth Congressional District, which has a lot of military installations, and we have about 150,000 retirees there in northeast Florida. This is really critical I think to the economic success of northeast Florida and, quite frankly, our country and does a great service to our veterans who have put so much on the line.

I also want to say a special thank you to Charter and Mr. Marchand for the commitment. You know, we just suffered Hurricane Irma in the State, and it was devastating, to say the least. And I know your company really stepped up in the \$1.3 million help there, and we really appreciate that.

So, Mr. Marchand, let me ask you this question. I was reading, and I think you mentioned also that you all are intending to hire, if I got the number right, 20,000 workers by 2020. And can you explain how you intend to, I mean—you talk about a marketing nightmare—how are you going to achieve that?

Mr. MARCHAND. Well, first and foremost, we are doing that because we have a number of our jobs that are located offshore, and our mission, our values, our company's operating philosophies to have those as American jobs in our American soil. And recently in McAllen, Texas, we opened up a 600-person call center to serve Spanish-speaking customers across the United States where previously that work was done outside of the footprint of the U.S.

So it starts first with the mission of having service and resources to our customer base in the communities in which we serve. That is so critical. So, if you have a technician who is serving you locally and a call center that is serving you in a geographic footprint that is near you or a news station, an outlet, that is providing information to you locally, that is kind of who our company is.

How we are going to do that, we have a well-oiled machine in terms of recruitment. We are actively sourcing candidates. We are actively using all means, whether it is anything from local like career fairs or connections with universities and colleges and trade schools, or it is the, you know—

Mr. RUTHERFORD. So people can get an idea how critical these positions that you are talking about are, can you talk a little bit about the benefits for those employers that come into that apprentice program?

Mr. MARCHAND. We have outstanding benefits. We provide wonderful health and welfare benefits. We provide a wonderful 401(k). We match at 6 percent. We have an additional 3 percent non-elective. So, even if you are not a participant in our 401(k), we automatically enroll you in 3 percent so that you can start saving for long-term retirement.

We have ability for you to go back to school at night, if you want to do that, if you don't have your undergrad or graduate degrees. So we have comprehensive benefits.

Mr. RUTHERFORD. Thank you.

Mr. MARCHAND. And pay. And our intent is to sort of go out and find talent that can be part of our future.

Mr. RUTHERFORD. These sound like great positions to raise a family and create the whole American Dream.

Dr. Wescott, can you please talk a little bit about why you think we have had this drop in the number of approved OJT apprentice programs when so much is—you know, since 2011, it has actually gone down. And I noticed, when General Worley mentioned that you were going to be able to do some of this filing with VA-ONCE, you seemed excited about that. Is that going to help turn some of these numbers around, do you think?

Mr. WESCOTT. We would certainly hope so. And I am indeed excited about that. And the fact that that could happen within the year will be a real plus, not only in us being able to attract what is going on in our States and where we have active apprenticeships, but then using that data and information to grow those apprenticeships. I think basically one of the reasons that our numbers went down—and, again, I want to thank this Committee and this Congress for increasing funding for SAAs. We were flat-funded for 10 years. And, of course, our expenses went up.

Also, around 2011, we began helping the VA with their very important work with compliant surveys. So we added an additional mission as well. So, you know, if you have X number of folks and you shift your mission some, then it has to shift away from something. We are now excited at the possibility that with the increased funding with a renewed focus on apprenticeship and OJT, that we can really grow this sector. I, for one, am convinced that there are folks who just don't know about this benefit at the level which they need to.

Mr. RUTHERFORD. Yep.

Mr. WESCOTT. And we want to reach those people.

Mr. RUTHERFORD. Right. And that is why I was asking Mr. Marchand. Put some of that out there about what kind of positions these really are. So thank you, Mr. Chairman, my time is up, and I yield back.

Mr. ARRINGTON. The gentleman yields, and now I would recognize Mr. Banks from the great State of Indiana.

Mr. BANKS. Thank you, Mr. Chairman.

Mr. Penski, could you maybe dig deeper into an explanation of how the apprenticeship programs are funded and what portion of that funding comes from the Federal Government?

Mr. PENSKI. There is no funding from the Federal Government. The funding for the IUPAT apprenticeship programs are collectively—they are contributions that are collectively bargained between both labor and management. So, each year, the IUPAT, the contributions may vary within the district council. We are broken into district councils. Those are the umbrellas under the IUPAT. So those are funded locally. All that training is funded locally.

On the international side, the Finishing Trades Institute, that is also funding off of per hour. And through that funding, grants go—training grants go down to our training centers throughout the IUPAT. In every area of the country, we have some very good training programs because of the economy, in large numbers. In

other areas, we have smaller ones, so they get subsidized above and beyond through the Finishing Trades Institute or the IUPAT.

Mr. BANKS. So funded entirely by dues-paying members?

Mr. PENSKI. Correct.

Mr. BANKS. And to expand on that. Can any veteran join an apprenticeship program, or how do you select the veteran who would be able to participate as an apprentice?

Mr. PENSKI. Up at Joint Base Lewis-McChord, there is consultation—it is getting into the TAP Office, explaining to the staff there and to the veterans what the programs are about. Then there will be one-on-one consultations, talking about the programs, talking about the benefits. Because—it is ironic because people hear Painters Union, and they think that is all that the program is about painters. Once they really understand that, as I said earlier, drywall finishers, glazers, so on and so forth, they may have a choice—a wider choice than to say what program I would like to get into.

At that point, if it is through the base, and we end up doing a 4-week immersion program, then we will put those folks into the direct apprenticeship program.

Mr. BANKS. But how specifically are they selected?

Mr. PENSKI. Looking at their ASVAB, looking at their—through their communication, through their interest in the programs, we found a little bit in the past where some of the veterans came into the TAP office, they wanted to get into the apprenticeship program, but it really wasn't for them.

Glazing, you can't be afraid of heights. Industrial painting, you can't be afraid of heights. So, once some of these veterans came in, they decided: Well, maybe I will look at another craft, or maybe I will go in a different direction.

So it is not for everybody. But the biggest thing that I think that the general president's vision is, it is opportunities, and it is opening the opportunities for our veterans to get into the program.

One of the other methods we have is we have a Painters and Allied Trades veterans' website. And I get emails from veterans all the time inquiring about the IUPAT. It starts off with a few emails. And I will ask for a resume. Then it turns into some phone calls. And if this veteran says, you know, I want to go to Indianapolis. I will contact the training director there. Whatever trade they were looking at, I will walk them through all of the crafts that we represent, the timelines of the apprenticeship, the benefits that they receive from on-the-job learning to getting college credits for the courses they take, and the advancements beyond that. Then we will get them put into the program or the area that they select to go into.

Mr. BANKS. Thank you.

General Worley, does the VA help counsel veterans and help them figure out whether an apprenticeship program might be better for them than a 4-year degree?

General WORLEY. We don't. At least in education service, we do have the resources to counsel individually in the vocational rehabilitation area, which is not my lane. But there is counseling provided for disabled veterans for their education and employment efforts. So our work at having the consumers—informed consumers

is through the various media that I mentioned and outreach events and those types of things, sir.

Mr. BATES. So it is a capacity—it is a funding issue to allow you to give that good counsel, that good advice to veterans to help them choose one over the other?

General WORLEY. Well, we have about a million beneficiaries a year using the GI Bill benefits that we have, so that is a big task to be able to counsel each one of them, sir.

Mr. BANKS. Thank you. I yield back.

Mr. ARRINGTON. The gentleman yields. And now I will yield myself 5 minutes. And following on some of these questions—and then we may have a second round for those who want to stay. And I know Mr. Takano has some follow-up questions.

General Worley, I apologize for not saying General Worley. You earned that title, and thank you for your service. This notion of a monthly certification by the recipient participant in the program and the institution or the company seems a little onerous to me. It seems like you could do a semiannual, maybe even annual with audits, sort of signed off on by both the institution, so you got accountability on both ends, but sort of just sample the population and audits, save some money there. That was just the first thing that came to mind when I was asking—learning about the program and asking questions with my colleagues.

So any thoughts about that? So there is not a monthly paperwork issue?

General WORLEY. Mr. Chairman, the purpose of the monthly certification, and maybe certification is the wrong term, but it is to verify to the VA the number of hours that were worked so we can put that into the system and pay the beneficiary.

I think as we get better in terms of the technology, this will be very easy to do and very unburden some through the VA-ONCE system. But, I mean, certainly, you know, you could do that less frequently, but, again, the purpose is to get those work hours and the rate—

Mr. ARRINGTON. Pay them per the amount of time they have spent up to that point.

General WORLEY. Exactly.

Mr. ARRINGTON. So that makes sense. I appreciate that. And then Ro Khanna, Representative Khanna is a good friend. And I am always encouraged when other Members outside of our Committee engage their veteran population and come to us with ideas on how to fix things and make them easier for our veterans and improve the quality of service, et cetera. So I really wanted to say, first of all, kudos to Mr. Khanna.

And it sounds like a great idea to me that you have a company headquartered in X State that has a number of other States with a presence that they would be able to or you all would be able to safely, responsibly and appropriately certify them in a streamlined way in other States, maybe even just with one approval that is reciprocated throughout the number of States where they have a presence. I mean, common sense, doable, still safe, responsible for the veteran and all that.

Any comments, Dr. Wescott?

Mr. WESCOTT. Mr. Chairman, we indeed are very pleased at this idea. We have been in conversations with the Congressman over the past several weeks about this. And when they first came to us, we talked with his team and then actually with him as well, and talked about how we could do this. It is an extension of what we are already doing in the distance learning area. It makes sense.

We are making sure that we have the protections and, therefore, the veteran, you know, the State out of which this national apprenticeship is originating, we will make sure that it meets the required standards of the code. The veterans have protection. But then, you know, in the training sites where those veterans are working, you know, we won't necessarily need to be involved in the approval, but if there is an issue, State Approving Agencies within that State could address those as well.

So, yes, sir, we are very pleased with the thought of this expansion and anything that will move this program forward.

Mr. ARRINGTON. And let me just say—and I think it goes without saying—I hope that you guys feel comfortable enough to talk to any one of us, but always look for those opportunities. I know that sometimes you can flex the policy to the maximum, but you run up against a legal barrier, and where it doesn't make sense, where technology can improve that or continue that in a responsible way. But where there is a legal barrier, please let us know so we can work with you to just make things better for everybody.

I have got other questions. Let me ask my last one for this round to Mr. Marchand. Is that how you say it, Marchand?

Mr. MARCHAND. That works.

Mr. ARRINGTON. Marchand?

Mr. MARCHAND. Better the second time.

Mr. ARRINGTON. I am from west Texas. We, you know, French, and—you know.

Kudos to your company, to Charter and your ethos, your values for keeping jobs here—I know that is tough to do these days—and also for your commitment to the veteran community.

It seems like you guys have as much of an incentive to promote and raise the awareness of this program as the VA. I mean, you guys benefit. And what can we do to make it easier for you to engage at the right points in the process, whether it is on base, off-site? In whatever form or manner, how can we open up those opportunities so that you can do the job that all stakeholders need to be doing to make these guys aware of the program?

Mr. MARCHAND. Sure. Thank you first for the compliment.

And I think there are a few things that have been said, but I will sort of repeat them. You know, awareness of the program is far paramount. You know, letting veterans know that this is something they can avail themselves to is so critical. I think we will do everything we can, but it has to be sort of a collective voice. Right.

I think awareness of the opportunity to other corporations, which is something as I was asked to come here today, was really a light bulb that went off that said, you know, what more can Charter do with our industry company partners and non-industry company partners to make them aware of everything we are getting out of it that they could join in the cause? Right. So that is something I think we will try to take on.

Embracing digital, there is no question, if we can make things more streamlined and easier and more effective. This sort of concept of one pass for us across the country, since we operate in multiple States, will make it easier. We will do the hard work as the pioneering company. I am sure other companies behind us would benefit from, yeah, I operate in multiple states. Give me sort of the one DOL, sort of one pass, one approval to do this. Make it easy for the veteran themselves as they are going through it and the hours that they have to put in and all the paperwork they have to do. And, you know, I think embrace it as much as we have embraced the concept of simply hiring veterans.

You know, it is this conversation about not every veteran has to go to a 4-year institution. Joining companies and getting on-the-job work experience that we are committed to providing and other companies are committed to providing is a great route as well. A lot of times there is a pressure to say, okay, go to school, and that is not the answer for everybody. Certainly, at a certain life stage, it is not.

So I applaud everything that is being discussed, and we think there is a great opportunity.

Mr. ARRINGTON. My time has expired.

I now recognize Mr. Takano for another 5 minutes.

Mr. TAKANO. Thank you, Mr. Chairman. I appreciate this.

Mr. Marchand, tell me, how is your program—I imagine the company funds the apprenticeships. Is there any cost to the veteran to participate in this apprenticeship?

Mr. MARCHAND. There is no cost. We are fully funding both the on-the-job training, we are paying their salaries. We are investing in future talent for our company.

Mr. TAKANO. And you have various kinds of apprenticeships. Do they lead to any kind of certifications?

Mr. MARCHAND. They lead to this broadband certification. Yes, they lead to certification of being a technician.

Mr. TAKANO. And does this certification only allow them to work at Charter, or could they take that certification and work for any—

Mr. MARCHAND. It is transferrable.

Mr. TAKANO. That is really amazing.

Mr. MARCHAND. We are helping them be active workers in the workforce in general. We will do everything to retain them, but if they choose to go, they can land other roles.

Mr. TAKANO. And do you understand the distinction between a registered apprenticeships versus an apprenticeship that is not registered? Is that a concept that is familiar to you?

Mr. MARCHAND. You mean registered like—

Mr. TAKANO. There is such a thing as registered apprenticeships and not. Does the State Approving Agency understand what I am trying to talk about here? You might want to comment on that briefly.

Mr. WESCOTT. I will be glad to, Congressman. Basically, of course, registered, they have to go over to the Department of Labor or to the State departments of labor and register that apprenticeship. If for some reason they don't want to do that or do not wish to do that, then we can—we could work with them to develop an

apprenticeship, a nonregistered apprenticeship, and then the veterans could use their benefits in that program.

Obviously, if it meets the qualifications for a registered apprenticeship, we will always encourage them to engage with, you know, our State departments there.

Mr. TAKANO. My understanding from counsel is that Charter's apprenticeships are registered. The benefit of the registration is that there is the recognizable, they are a certification that is recognized. And hence, your apprentices, once they have completed the program, are able to work anywhere. That is an important thing to me, this distinction of registered.

Some people think it is too cumbersome to get this done, but I think the due diligence is really of service to the veteran and anybody who participates in an apprenticeship. So I really congratulate Charter for doing that, for registering the apprenticeship and for offering that extra value. You are taking a risk, to some extent, of training somebody that could actually leave you and go someplace else. I doubly offer you kudos for that.

Mr. Penski, a little bit more about the Project Labor Agreements and how they help apprentices. What I know about Project Labor Agreements is the negotiation that happens with an entity, a public entity. And what happens in these agreements is that a certain amount is set aside for apprentices and for veteran hire and local hire. Is that not correct?

Mr. PENSKI. You are absolutely correct on that.

Mr. TAKANO. And what I find remarkable in the question of my colleague Mr. Banks is that no Federal dollars are involved in paying for these apprenticeships. And, again, is there any cost to the veteran or the apprentices to participate in your programs?

Mr. PENSKI. There is no cost at all. It is all self-funded through the IUPAT and the affiliates in the IUPAT.

Mr. TAKANO. And is the IUPAT, like many other labor unions, do they have training facilities? Do you have a training facility where you train your apprentices?

Mr. PENSKI. Currently, I believe there are 107 multicraft training centers throughout the IUPAT today.

Mr. TAKANO. And who pays for those? Who pays for those facilities? Who funds those facilities?

Mr. PENSKI. Those are built by labor and management, their contributions. In some cases, if there may be a government grant available for something through our government affairs departments, they may seek out grants. As a matter of fact, I believe right now there are three of our training—our district councils that are accredited through the COE, and we are working on the majority of our training centers to become accredited. So they are going to become colleges, self-funded.

Mr. TAKANO. That is really quite remarkable. But the bulk of the funding comes through these shared agreements between labor and management, the contributions?

Mr. PENSKI. The majority of that money, yes, comes through the collective bargaining agreements collectively bargained between labor and management.

Mr. TAKANO. I would love to find out how to visit one of your training centers. I have visited some centers from other labor, but,

in my estimation, no one does it better than the craft unions and the labor unions. So I congratulate the investment and commitment you have to your members and to apprentices and to our veterans. So thank you.

And my understanding is that these Project Labor Agreements are one of the few ways in which we can give preferences to local hires and to veterans and to actually build those preferences into those agreements.

Mr. PENSKI. You are absolutely right. And I think that is probably the best avenue to make sure that we get these veterans onto these Project Labor Agreements in those local communities.

And I just would like to add too, I mentioned earlier about the National Guard and the Reserve centers. Those folks live in those communities already. They spend in those communities. Their children go to school there. To invest in those veterans coming out of those National Guard centers locally and then putting them onto a project labor agreement is just a—is a total win-win. Not to take away from our veterans who may want to transition out of Joint Base Lewis-McChord or Andrews and move somewhere else, but investing locally in those veterans and putting them to work is phenomenal.

Mr. TAKANO. Mr. Chairman, before I yield back, I just want to say that in this Congress and in previous Congresses, I have noticed there has been a bipartisan majority that backs the concept of the Project Labor Agreements. And I am really pleased to know that members of your party and my party have joined together with the craft unions to protect that principle. Thank you.

Mr. ARRINGTON. Thank you for your comments.

The gentleman yields. And I now recognize Mr. Rutherford for another 5 minutes.

Mr. RUTHERFORD. Thank you, Mr. Chairman.

I want to follow up on Mr. Takano's first question dealing with the registration of programs and the chartering of programs. I think, Mr. Wescott, when you responded, it sounded like it was either DOL can offer that certification or the State authorizing agency can do that or—well, you didn't get into this, but in the material it says or the VA.

So my question is, seems like we have three bodies here that you guys are having to suffer under for these certifications and regulations. You know, is there some way—and it seems like the State authorizing agencies would be the place to go because they know the particular certifying requirements for licensing and things within their jurisdiction. Is it an and, or is it an or? It sounds like an and to me.

Mr. WESCOTT. I think both of us can speak to that. I will speak to what I know of in North Carolina, because I have become remarkably acquainted with this sector having picked up this contract.

It really is an and, and it works well as long as the liaison is there. And we have worked hard in North Carolina to make it work. We work very closely with our State office. So that if a business owner calls in, he is interested in setting up a program for veterans, an apprenticeship, we will then connect him with the State office so that they will work with him to set up a registered

apprenticeship that will be available for all of his employees. And then if he has some of those employees that are veterans, he then sends them back to us, provides us—he or she sends them back to us, provides us with the information we need to then add a couple of documents in our office and work with him to explain how it will work with the GI Bill. And then we send that over to the VA, and they process that, give him a facility code, and he is now able, that veteran is now able to undertake his training.

It is a smooth process, but certainly for the veteran, he gets a little—and I am proud of this—a little higher degree of protection and attention, because we are involved in there making sure that the employer is fully aware of what needs to be done.

Mr. RUTHERFORD. General?

General WORLEY. Thank you. If I might add, think about it in a couple of different ways. DOL registered apprenticeships, the employer has to go through a certain, you know, set of requirements and meet certain criteria and standards to be a DOL registered apprenticeship.

In the law, that is a deemed—from the GI Bill perspective, that is a deemed approved apprenticeship for GI Bill. So they don't have to reinvent the wheel when they go to the State Approving Agency. They have to provide a notification. There is a certifying official and an application and then the training package that they already had. So it is a streamlined process to get GI Bill approved, if you are already a DOL registered apprenticeship. If you are not a DOL registered apprenticeship, then the SAA has the responsibility and authority to review the training plan and make sure the wages are there and all of those things.

Mr. RUTHERFORD. So those are the employers that we are hearing from, the ones that aren't in those already certified or registered programs that say they are double-working everything. Is that correct?

General WORLEY. There might be that complaint out there. I don't know. But there was a significant effort back in 2015 that has progressed to today to try to streamline that process and reach out to DOL registered apprenticeship employers and let them know, if they didn't already know, that it is just a couple more steps to be a GI Bill approved apprenticeship.

Mr. RUTHERFORD. To kind of follow up on the offer by the Chairman, if you would, if you think there is a need for a legislative fix to streamline that for those employers out there, let us know. Thank you.

I yield back my time.

Mr. ARRINGTON. The gentleman yields.

And the chair would offer any comments from Mr. Correa. Mr. Correa, if you have comments.

Mr. CORREA. Conclusion, or are we having the last round?

Mr. ARRINGTON. No, we are going to keep going as long as you have questions.

Mr. CORREA. Very quickly, do we have, gentlemen, any thoughts of following up on how veterans do after they finish your apprenticeship programs, a few years later to follow up to make sure that veterans are actually staying there, progressing in their careers, or

maybe they need additional help to get over any of those invisible wounds they bring back from the theatres of war?

General WORLEY. I will just respond to that by saying that we are working on outcome measures and employment. I am not sure about the longer term. Our initial effort is to find and track completion and employment, initial employment. But your point is well taken, Congressman, and we need to be looking long-term at that.

Mr. CORREA. And if I may, ultimately, what we are doing here is connected to the VA and services down the road. So I know it is a little bit hard to make the jump, but they are all connected ultimately. And just some food for thought into how we can maybe make that jump and make the system seamless for some of these veterans who a few years later find out that, again, these invisible wounds come to the front.

Mr. WESCOTT. You know, one of the things that State Approving Agencies would like to do, Congressman—and thank you for that question—is, again, to focus more of our efforts in this area. We would like to make more visits to apprenticeship sites and able to talk with veterans at those sites and find out what is working, and also find out, while we are there on that visit, where there may be other opportunities that we can also reach out and make others aware of this.

So we do want—we are very much interested in not just the initial approval, but in following up on what is going on after that.

Mr. CORREA. Mr. Chair, I yield the remainder of my time.

Mr. ARRINGTON. The gentleman yields.

I yield myself 5 minutes.

Tracking results, outcomes is the key for us and for you all to know what is working and how we can improve on the programs or when we need to move on to another program that will work. And so I am always concerned when there is an issue with just collecting data, outcome data, or if the metrics are not the right metrics, they are inputs, not outcomes.

And so, General, tell me what we are collecting now to know if this—intuitively, we believe it works. We have an example, a fine example here today, but we have got to look at the rest of the country, and we want to reward those people where the engagement is working and et cetera. What are you tracking now? What needs to be tracked? Give us kind of an update on that.

General WORLEY. We have been working for some time broadly on outcome measures for the whole program. Those have been fairly traditional measures, graduation rates, certificate of completion, retention, persistence, those kinds of things. As I testified back in the hearing after the GAO report was published, we hadn't really focused much, and the report identified that, on OJT and apprenticeship results.

So as we have continued to work and refine these things, again, we have work underway with the Census Bureau to develop an MOU with them to help us look at employment. Data mining in our business is a challenge, we will be candid with you.

So when we move the enrollment—now that we have moved the enrollment certification of OJTs and apprenticeships into the VA-ONCE system, which is what the schools use and the employers use now, we will be better able to track completion rates for OJTs

and apprenticeships, because that will be right in our system. And then we will continue to work on, more importantly, did they get the job that they were OJTing for, as an apprentice for, either in that company or elsewhere. So it is still a work in progress, Mr. Chairman.

Mr. ARRINGTON. It seems, to your last point, you know, did they get the job, and how have they progressed, and now that they have this certification that is transferrable, now they are more marketable. And so whether they are at the job where they completed the program and then beyond, it seems really straightforward to me.

And I just—I would encourage you, because it has been 2 years since the GAO report. I know how good you are and earnest you are to serve. These guys, these are your colleagues, but we cannot get excited about, I can't personally, unless I know something is working. And without data, you know, I can't say that they are all like Mr. Marchand.

So please expedite that so that when we have another discussion, you can tell us exactly how things are going in that regard and that we, in fact, are collecting data.

Anything on the GAO front that you think is worth talking about in terms of what you believe is on the money and that you have already begun the process of implementing so we can make this a better program, other than the tracking and the education and promotion? Is there anything else?

General WORLEY. Nothing else. As you know, there were three recommendations. Two of them are closed out.

Mr. ARRINGTON. I guess I should say anything beyond that that you think we need to be doing?

General WORLEY. Beyond that? Not at this point. I think mention has already been made of looking at ways to facilitate national approvals. And I think that would be very helpful, but nothing else beyond that.

Mr. ARRINGTON. I will yield any other time necessary for final comments or questions. Mr. Takano?

Mr. TAKANO. Just briefly.

Mr. Penski, you looked like you wanted to say something earlier, and I don't think my colleague Mr. Correa saw you. Do you want to respond to something he said earlier?

Mr. ARRINGTON. Did Mr. Correa have his glasses on?

Mr. CORREA. It does not help much these days.

Mr. ARRINGTON. Go ahead, Mr. Penski.

Mr. PENSKI. I just wanted to comment, you made mention of our veterans who may be struggling from physical or mental scars or where are they later on in the program. This goes into tracking a little bit that the IUPAT does, but one of the things that I was getting antsy in my seat over was we are creating a veterans' mentoring program for our veterans coming into our training centers. It is no different than our VFWs or American Legions.

These veterans, now they are carrying whatever they had from their time in service, and they are starting this new career into whatever trade it may be, getting into a union, meeting new brothers and sisters within the union. They have concerns and issues, and we need to mentor them along into the family of the organization.

But they also—what we are creating, and General President Rigmaiden is looking at this program. We have a mentoring program, but not for veterans at this point. Solid into a training program. But we want them to be able to sit and express issues that they had or frustrations that they might have had on a job site that might have just been ready to send them over an edge. So we are looking at that.

Mr. Chairman, I do want to comment about the tracking. As these veterans come into the program and they make application, on their application it says apprentice. When they go through their training program and complete and become a journey worker, their status goes to journeyman. They receive their certificates from the Department of Labor of completion, and they have their certificate from the IUPAT, which is transferrable to any IUPAT craft within the IUPAT.

So we know if they are being dropped. We know if they are being suspended. We can track it through our integrated management system through the IUPAT, which cycles up from our district councils. So this is really building—and our general president is very huge on requesting from me constantly about how many veterans are we hiring? Where are we with our veteran employment? Where are we with getting them through the system?

So I just wanted to add to that, that under the direction of our general president, this is an issue that is very near and dear to him, because, again, we are bringing in new family members, and we want to make sure we are just not bringing them in and say, have a great life; bring them in and nurture them along throughout the process.

Mr. ARRINGTON. Will the gentlemen gentleman yield? I just want to say that is a—

Mr. TAKANO. Of course, I will.

Mr. ARRINGTON. Thanks for bringing that up, because, again, I don't care what the program is or what the hearing is about. It seems to me that that becomes my biggest frustration, is that I don't have any instrumentation to guide this thing.

And so the fact that you guys are doing it, as the union, what can I say? Great job. And I would expect that the same attention to those metrics are applied to all parties sitting at the table so that we can, again, ascertain what is working, what is not, and how we can turn the dials to improve it. That is all we want to do. That is all you want to do. But without information, it makes it really hard. So great job.

Mr. TAKANO. Mr. Chairman, just briefly as I wrap up.

Mr. ARRINGTON. Sure.

Mr. TAKANO. Thank you so much for this hearing. I share your concerns about the metrics and the follow-up.

And both of you, both Charter and the IUPAT, are great exemplars of how you track and you take care of your apprentices. And, Dr. Wescott, I hope that makes you more excited about trying to get this going some more, because if the metrics are good, we should really be doing all we can to get more apprentices. And I think this opportunity really isn't as well known among our veterans as it ought to be.

And, Mr. Chairman, I hope we can get together and figure out how, if it is funding a line item for more marketing, you know, I think there is a lot of value in getting people into the trades and getting people into tracks that aren't necessarily having to go to a 4-year university, at least not right away. And I think not only veterans, not only the veteran population, but our country is hungry for these kinds of opportunities.

Now I yield back, Mr. Chairman.

Mr. ARRINGTON. I want to thank the gentleman for his comments, as well as Representative Correa, and our panelists for your time.

Mr. Correa, last comments.

Mr. CORREA. Mr. Chairman, if I may have a couple of closing comments.

I just wanted to reiterate again my thanks for your leadership on this issue, to our panelists for being here and doing the good work you do. And, Mr. Chairman, I just want to let you know that in my district, we do have a lot of veterans and they are not going to go to 4-year colleges. A lot of them just want to get that good-paying job to support their families. That is what this country owes them. I think through your leadership here, I think we can come up with some good common sense solutions to these challenges of giving our vets what they have earned, which is a good-paying job in this country. So look forward to continuing to work with you on these issues, sir.

Mr. ARRINGTON. I heartily agree with my colleagues. I am always a little nervous when I am getting so agreeable with these guys, but, you know, what can I say? Again, we want our veterans to succeed. There is a great need in this country and a gap in skills and a need for labor.

And on this day when my colleagues and I on the other side of the aisle have been talking about making it easier for capital to flow efficiently to new investments and opportunities, to create higher wages through tax reform, and that is just one part of the productivity equation. The other is labor. And what better story than filling that labor need with our veterans, but they have to be trained and they have to have charter communications companies step up, and they have to have the leadership of the VA being vigilant to make it easy for charters and for the veterans. So there is not a doubt in my mind that every one of us here involved in this discussion wants that to happen.

A lot of these ideas I notice in my short time here will come with the folks on the front lines, the folks on the panel. So please, again, bring those ideas to us and don't be bashful and, again, especially when it is a bright line that you have a legal barrier. And I know we will work together in a bipartisan way to solve problems here. That is what we are all here for.

With that, I want to remind all Members that you have 5 legislative days to revise and extend your remarks and include any extraneous material in the record of today's hearing. Hearing no objection, so ordered.

If there is nothing further, this hearing is adjourned.

[Whereupon, at 3:17 p.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Robert M. Worley II

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

The Post-9/11 GI Bill (Chapter 33) was enacted with the passage of Public Law (P.L.) 110-252, effective August 1, 2009. Chapter 33 provides eligible Veterans, Servicemembers, dependents, and survivors with educational assistance, generally in the form of tuition and fees, monthly housing allowance, and a stipend for books-and-supplies - all to assist these men and women in reaching their educational or vocational goals. P.L. 111-377, signed into law on January 4, 2011, amended the Post-9/11 GI Bill and expanded the benefits and access to programs available to eligible participants. The Post-9/11 GI Bill is the most utilized of VA's educational assistance programs.

Background on VA Apprenticeship Programs

Apprenticeship programs are available for Veterans using their VA education benefits, including the Post-9/11 GI Bill. These programs allow Veterans to learn a trade or skill through training, while simultaneously earning a paycheck. A Veteran generally enters into a training contract for a specific period with an employer, and at the end of the training period the Veteran typically earns an apprenticeship program completion certificate and job certifications, in addition to "journeyworker" status.

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

Approval and Participation in VA Apprenticeship Programs

The law provides that VA may pay educational assistance to eligible Veterans and other individuals participating in approved training programs. Department of Labor (DOL) Registered Apprenticeships are "deemed approved," as are those approved by DOL or State Apprenticeship Agencies recognized by DOL, subject to the requirements in Section 3672(b)(2)(A)(iii) of Title 38 U.S.C., and unregistered apprenticeship programs may be approved as long as the criteria in section 3687 of title 38 U.S.C. are met. State Approving Agencies (SAAs) overseeing education and training programs for Veterans are responsible for approving most non-Federal apprenticeship programs in their respective states. Similarly, VA has authority to approve apprenticeship programs offered by Federal agencies, including DOL registered programs offered in multiple states by carriers directly engaged in interstate commerce.

Partnerships

VA works with SAAs to streamline and standardize the approval process for DOL Registered Apprenticeship programs. SAAs must utilize VA's standard application process for employers seeking GI Bill approval of DOL Registered Apprenticeship programs. VA also works closely with DOL staff to ensure Registered Apprenticeship sponsors understand the approval process for GI Bill benefits. This includes participating in teleconferences with employers, providing information as necessary, and sharing SAA contact information. In November 2015, VA developed and published an informational guide for employers offering, or considering offering, On-the-

Job (OJT) or Apprenticeship training to Veterans and their beneficiaries. The guide can be found at <https://www.benefits.va.gov/GIBILL/docs/job—aids/OJT—APPIInfoGuide.pdf>. A second edition was published in July 2017.

VA continues to work with the National Association of State Approving Agencies (NASAA) to ensure SAAs are aware of participating employers that have received national approval as well as any pending approval concerns. There are some challenges in the approval process for employers because training, at times, is taking place in numerous states, and VA's regulations require that the State Approving Agency where the training takes place may approve the course for VA training.

To promote outreach to employers that had received registration and approval of their apprenticeship programs from DOL, VA requested that SAAs contact those employers in their states to ensure that the employers are aware of the advantages of GI Bill program approval for Veterans.

Outreach

VA promotes available apprenticeship opportunities through the use of various platforms and strategies. For example, VA leverages the Community Veteran Engagement Boards, and Office of Economic Opportunity personnel to engage in nation-wide awareness of the economic impact of apprenticeships. In addition to traditional approaches, VA is utilizing social media outlets to provide greater visibility and enhance the awareness of these programs.

Conclusion

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

Prepared Statement of Dr. Joseph W. Wescott

Introduction

Chairman Arrington, Ranking Member O'Rourke and members of the Subcommittee on Economic Opportunity, I am pleased to appear before you today on behalf of the 50 member state agencies of the National Association of State Approving Agencies (NASAA) and appreciate the opportunity to provide comments on "How to Improve Access to GI Bill Approved Apprenticeship Programs and How these Programs Benefit Veterans." We particularly look forward to discussing with you how State Approving Agencies (SAAs) interact with the Department of Veterans Affairs (VA) and Department of Labor (DOL) as well as apprenticeship providers, to approve and administer Programs. We also wish to discuss ways in which we, and the VA, could better inform eligible men and women about the advantages of using their GI Bill benefits in an approved apprenticeship program. Finally, we will suggest ways to remove hurdles and how we can work together with our partners and Congress to improve this important program, while better ensuring meaningful employment through apprenticeship programs for veterans.

For hundreds of years, Apprenticeship (APP) and On-the Job (OJT) type training has been an important means of educating family members and new employees. Our nation has a long history of valuing "learning by doing" that stretches back to young Benjamin Franklin in the colonial era and includes Booker T. Washington's efforts at then Tuskegee Institute in the last century. The impact of that training on our people's lives and upon our nation's history needs no further explanation. Such impact continues today in the successful transition of our military service members to civilian life. In fact, for those of us who served, OJT or "hands on" training played a critical role in our preparation as soldiers. One could read and discuss the assembly and disassembly of the M-16 A1 Rifle, but until you actually performed it, for most of us, it remained a mystery. Hence, OJT and Apprenticeship are methods of training that our military population is well acquainted with, and for many of them, the type of instruction from which they can best benefit.

Mr. Chairman, we heartily agree with you that, working with our VA and DOL partners, we can improve in real and substantive ways the manner we approve and administer apprenticeship programs. Likewise, we know there are ways that we can better inform eligible men and women about the apprenticeship and On-The-Job training programs. We will address outreach and information sharing first.

Informing our Veterans

We strongly agree that outreach efforts need to be improved and we still believe that State Approving Agencies can provide a major part of that effort. SAAs are al-

ready a part of the process in that we approve and oversee all non-federal OJT and apprenticeship programs. With an adjustment in our contractual requirements, we could provide a more robust outreach to potential employers of veterans and their dependents. For example, from Fiscal Year 2008 until Fiscal Year 2011, SAAs, working with our VA partners, increased the number of approved Apprenticeship and OJT facilities with at least one active veteran or eligible dependent from 4,471 to 5,285. However, since then, due to our shared focus on oversight, particularly compliance surveys, the number of approved active facilities decreased. In FY 2015, there were only 3,551, or 1,700 less than Fiscal Year 2011. And in FY2016, the number of facilities was only 4,221, or 1,064 less than the high point of 2011. We believe the reason for this decrease is that in the past several years, we and our VA partners have been tasked with focusing heavily on oversight of institutions. This valuable work has been accomplished somewhat at the expense of our ability to provide outreach for the OJT and Apprenticeship Program. As you can see, during a time of unprecedented growth in the utilization of GI Bill benefits and a marked increase in the interest of training providers in offering approved programs, our ability to approve programs, supervise facilities, and conduct meaningful outreach has been constrained by limited resources and our joint focus on oversight. While we are deeply appreciative of this Congress, and particularly the leadership in this Committee, in providing additional funding for SAAs, it is important that we now renew our focus on outreach to our nation's veterans (and potential employers) about this unique program.

In the past several years, despite limited time and resources, SAAs have been creative and innovative in attempting to reach employers and veterans with the message that there is another path to employment for them other than college. And one that could prove equally rewarding. For example, the Missouri SAA continues to produce and distribute a CD, aptly titled, "The GI Bill-It's Not Just for College." This 8 minute CD reflects the perspective of the veteran, the employer, the VA and the SAA and it is used by many National Guard units, employers and SAAs across the nation. Prior to the recent restructuring of the Transition Assistance Program, this CD was a staple at many TAP briefings in the Central and Eastern regions. In addition, like many SAAs, Missouri publishes a monthly newsletter. And Missouri is not alone. Illinois, which had 357 approved and active apprenticeship and OJT facilities last year, has a vigorous outreach program involving add-a-stop visits to employers, along with presenting to statewide apprenticeship meetings and to every law enforcement and correctional officer academy class in Illinois. The Illinois SAA is also actively involved in Illinois Joining Forces, a consortium of employers, not-for-profit organizations, and state agencies interested in ensuring veterans make a successful transition from the military to the civilian world. Another example is Ohio. The Ohio SAA performs outreach by sitting as an advisor on their State Apprenticeship Council and by providing briefings during the Ohio State Apprenticeship Annual Conference.

Further, the Washington SAA is an active participant in the Veterans Resource Employment Group (or VERG), aimed at promoting employment of veterans and program approval of Apprenticeships and OJT programs in State Government along with regular participation at the Washington Department of Labor and Industry Apprenticeship Council Meetings. As a result of these connections, several new innovative registered Apprenticeship programs have been recently approved in Washington State. APPRENTI (based in Seattle)- which provides training in the high demand (and high paying) careers of Database Administrator, IT Support Professional, Network Security Administrator, and Software Developer-was approved in February 2017 and recently enrolled its first veteran apprentice. As stated on APPRENTI's website: "Your paid training will be specifically tailored to you and a high-tech position will be waiting for you when you finish. If you thought your dream job was out of reach, think again." We need to get the word out to transitioning veterans about these new high tech apprenticeships. In a different, but equally innovative vein, the Washington SAA has also recently approved Medical and Dental Assistant Apprenticeships for the Washington Association of Community & Migrant Health Centers. These non-traditional apprenticeships are aimed at serving culturally diverse populations in rural and urban communities with limited access to healthcare. This Registered Apprenticeship program provides a paid training alternative to a college certification program.

Meanwhile, in Arizona, the SAA Director holds a seat on the Western Apprenticeship Coordinators Association of Arizona Council (WACA). Through the WACA Council the SAA provides guidance on the SAA approval and certification process to the approved Apprenticeship programs and seeks feedback on problems institutions are having with the VA certification process. The Arizona SAA also solicits any non-approved Apprenticeship programs by meeting directly with employers and dis-

cussing the benefits of approval. All state legislative changes for Arizona's Apprenticeship programs are shared and discussed at WACA and the Steering Committee meeting. Already this year, this SAA has followed up on and issued approvals for at least 30 new entities to date.

We also are proud of the recent approval actions with national employers-such as General Dynamics, Union Pacific and Spectrum-that have been initiated by member SAAs that affect many states. NASAA is excited about those opportunities, but, Mr. Chairman, we would suggest that VA conduct national outreach efforts, while the SAAs should remain focused on state and local outreach efforts, which best meet the needs of their particular state. We would encourage the VA to place more emphasis on their website regarding the use of the GI Bill for APP/OJT opportunities and we can do likewise on our State SAA websites. Additionally, we should continue to work closely with State Departments of Veterans Affairs and other local agencies or institutions. In North Carolina, recently I met with the President of our community college system to talk about how we might partner with them to promote apprenticeships affiliated with the community colleges. Further, we would suggest that outreach efforts by the VA and SAAs should focus on all current chapters of the GI Bill. In several states, such as Illinois, more veterans in APP/OJT programs ostensibly use other chapters such as Chapter 30 and 1606 rather than just Chapter 33, the Post 9/11 GI Bill. In certain instances, Chapter 30 provides a higher monthly benefit payment than the monthly housing allowance and books and supplies stipend provided under Chapter 33. It is important to understand that what makes Chapter 33 more attractive at an IHL-the fact that the veteran's institution may receive payments for tuition and fees-is not a factor with OJT and Apprenticeship programs.

We would like to be able to conduct more outreach and technical assistance visits, and indeed we have begun doing some. Earlier, in discussing the Illinois SAA's outreach efforts, I used the phrase "Add-A-Stop." The phrase "Add-A-Stop" refers to a practice used by SAAs for over 15 years. An "Add-A-Stop" is an extra stop at a potential APP/OJT facility while traveling to a currently approved education or training facility for approval or oversight purposes. This practice maximizes efficiency in travel costs while increasing the VA/SAA footprint for the APP/OJT program.

With an appropriate shift in our focus, SAAs would like to be able to visit more active On-the-Job or Apprenticeship training programs on a regular basis. During these visits, we would be able to discuss the approval of the program, the goals of the program, and assist programs with VA paperwork issues and veteran payment issues. We also could speak to veterans enrolled in these programs, providing them with the opportunity to tell us how their training is going or if they are having any issues with payments. Ultimately, such visits strengthen outreach activities in the field of On-the-Job and Apprenticeship training programs, as these visits provide employers and veterans with the confidence to recommend this program to other employers and veterans, as well as provide us with information about companion industries or companies that might also be interested in hearing more about the Apprenticeship/OJT programs.

We must point out, however, that current law limits the ability of SAAs to be reimbursed under their contract for outreach efforts unless the effort can be linked to a travel expense. Standard outreach and marketing strategies such as news media advertising and social media advertising cannot be reimbursed. NASAA recommends 38 USC 3674 be amended to add an additional category of reimbursement for outreach and marketing.

Administrative Challenges

NASAA has long sought the automation of the APP/OJT process and claims processing. We certainly understand and empathize with the challenges faced by our VA partners in the automation arena, but it is truly time to replace the fax machine and the US Postal Service as the means of delivering claim forms. Some headway has been made with the recent addition of apprenticeship and OJT enrollment certifications to the VA ONCE online system, but it is still impossible for employers to submit monthly certifications electronically. Complete automation would not only provide veterans with a more timely payment of benefits, but would provide VA and SAAs with the ability to accurately track how many veterans are enrolled in approved APP/OJT programs and how many active APP/OJT programs (a program where a veteran has received a payment) are in the system. Two years ago, a GAO report stated that there were 2700 employers and apprenticeship sponsors approved to train Post 9/11 GI Bill veterans. But during this same time frame, numbers submitted by SAAs and confirmed by VA indicated that there were roughly over 3500 active approved facilities. This SAA/VA number supports our earlier statement that

many veterans enrolled in APP/OJT programs use other chapters of the GI Bill, not just the Post 9/11 GI Bill. Moreover, the VA frequently contacts SAAs to determine the name of a veteran in an APP/OJT program, as their manual systems for tracking veterans are so cumbersome to search. In the end, both of these examples illustrate the challenges faced by the VA given their present level of automation and their continued need for further automation of APP/OJT claims processing.

NASAA recommends that until the VA is able to establish a full-fledged electronic system for APP/OJT processing and payments, the VA should consider reducing administrative burdens on employers with approved APP/OJT programs by allowing them to certify all veterans enrolled in the GI Bill program on one enrollment form, instead of separate forms for each veteran. The use of such a form would provide employers with immediate relief from the administrative burdens of the APP/OJT claims processing system. This document should be a protected form requiring only the certifying official's signature. The current form requires both the certifying official and veteran's signature, which has resulted in veterans acquiring the form, and in a few cases inappropriately self-certifying themselves for benefits. Moreover, the use of such a form would reduce the amount of paperwork required to be processed by the VA and mitigate potential fraud. NASAA recommends eliminating the statutory requirement for two signatures on monthly time sheets found in 38 U.S.C. section 3680(c). A reliable and valid automation system remains critical to the eventual improvement of this program.

Pending Legislation and Recommended Innovation

NASAA supports the efforts of Congress to modify existing law to clarify the authority of State Approving Agencies to approve registered apprenticeship programs that are based or headquartered in their respective state with job sites in multiple states. This model already exists within our Joint Apprenticeship and Training Committee (JATCs) as well as in the manner we approve distance education institutions, and the proposed legislation in Congress now simply represents a common sense extension of the model. NASAA has worked closely with Congressman Ro Khanna from California's 17th congressional district and we are excited about the potential of this new legislation to remove hurdles facing national apprenticeships, while continuing to provide SAA oversight and protections for veterans enrolled in these training programs.

NASAA recommends that Congress provide parity between public and private sector employees by eliminating wage progression requirement for OJT programs that are 24 months or less.

NASAA further recommends that language be added to 38 U.S.C. section 3680A(4) to exempt the related training portion of an OJT or apprenticeship program. Many of our currently approved training programs utilize high-quality, industry-recognized related training that may meet the strict definition of independent study and would need to be disapproved. Clearly, this was not the intent of Congress and we seek their assistance in clarifying this section.

NASAA recommends that Congress clarify that a starting wage equal or greater than a journeyworker wage does not disqualify someone from participating in the program. Indeed, the trainee does not have a marketable skill until the training is completed, regardless of amount of the hourly wage. We believe it was the intent of Congress to provide this benefit throughout the training program, as benefits remain available to use, until that training has concluded.

We would strongly recommend that the VA, as they have done in other areas, partner with NASAA in the development of better outreach and a refocusing of our joint efforts to reach veterans with the message of the value of these programs. This would certainly be an opportunity for our collaborative Joint Advisory Committee, comprised of representatives from both VA and NASAA, to undertake and oversee this project. Once again, NASAA stands ready to implement a jointly administered pilot project as we have in the Mercedes Benz program. Such efforts would provide all stakeholders with solid data to see if the anecdotal evidence that already exists is true. That anecdotal evidence suggests that when compared to other forms of education and training, those who engage in OJT and Apprenticeship programs have higher completion rates, higher placement rates, and higher retention rates. All at a fraction of the cost associated with many four-year degrees. We also believe that programs such as the Mercedes Benz pilot program are beneficial to our veterans and communities and we wish to point out that it is imperative that the approved standards for these programs meet all applicable requirements of Title 29 U.S.C. and 29 CFR, in particular 29.2 Definitions and 29.5 Standards of Apprenticeship.

Conclusion

Mr. Chairman, the Apprenticeship (and OJT) programs under the various chapters of the GI Bill provide a tremendous opportunity to put our Nation's veterans back to work quickly in meaningful and rewarding careers that are needed in our economy. We applaud the efforts of this Committee, and our VA partners and stakeholders to improve administrative capabilities, overcome challenges to innovation, and to increase outreach. We look forward to collaborating and partnering with the VA in support of many of these recommendations.

Today, fifty SAAs in 48 states and the territory of Puerto Rico, composed of approximately 175 professional and support personnel, are supervising over 14,494 active facilities with 115,000 programs (including over 4,221 APP/OJT programs). We remain strongly committed to working closely with our VA partners, VSO stakeholders, and education and training facilities to ensure that veterans have access to quality training programs delivered in an appropriate manner by reputable employers. For we all share one purpose, a better future for our veterans and their dependents. Mr. Chairman, I pledge to you that we will not fail in our critical mission and in our commitment to safeguard the public trust, to protect the GI Bill and to defend the future of those who have so nobly defended us. I thank you again for this opportunity and I look forward to answering any questions that you or committee members may have.

Prepared Statement of Paul Marchand

Good afternoon, Chairman Arrington, Ranking Member O'Rourke and distinguished members of the subcommittee, I am Paul Marchand, Executive Vice President and Chief Human Resources Officer at Charter Communications.

Thank you for inviting me here this morning to discuss a topic that is vital, not just to Charter, but to the country: improving economic opportunities for our brave men and women through GI Bill-approved apprenticeship programs.

We applaud the committee's history of bipartisanship and commitment to improving the lives of veterans, and we are proud to give back to people who have done so much for this country.

Let me begin with a little about who we are.

Charter is America's fastest growing TV, internet and voice company. We're proud to serve more than 26 million customers in 41 states.

We offer the same, simple, straightforward, high-value products using a consistent and uniform approach to over 50 million homes and businesses.

We serve diverse customers in big cities and rural communities in places like Texas, Florida, Ohio California and Indiana.

In total, we have over 92,000 employees and, since 2012, we've hired more than 19,000 employees in the U.S. We are committed to hiring 20,000 more by 2020, primarily by ending our reliance on offshore call centers.

Every day, our highly-skilled, diverse and U.S.-based workforce helps us deliver better products and better services across our footprint to our customers.

An example of this is in McAllen, Texas, where we just opened a new, state-of-the-art, fully bilingual Spanish-English language call center designed to serve our growing number of Spanish speaking customers. When it is fully staffed at the end of next year, we will have 600 employees there providing support for billing and TV and Internet services for customers who prefer to speak to us in Spanish. Previously calls from these customers were handled at call centers located outside the U.S.

We are proud to say that veterans are a critical group in our workforce.

As a result of active recruitment and expanded outreach, Charter employs nearly 11,900 veterans - 13% of our total workforce. In fact, Charter's 13% veteran workforce is essentially double the government guideline of 7% for veteran hiring.

This year alone - from January to August - we've hired approximately 4,000 veterans and we are committed to increasing our overall veteran hiring by 5% over the next three years.

Our efforts to increase veteran hiring are greatly enhanced by the advice and council of Dr. Clifford Stanley. Cliff is a retired general of the Marine Corps who formerly served as the Under Secretary of Defense for Personnel and Readiness. We are extremely fortunate to have him as a member of Charter's External Diversity and Inclusion Council.

Veterans' skills translate well to our company

Our veterans are highly skilled problem solvers.

They bring efficiency and a mission-oriented mindset that is effective across all business units and in varying levels of the company including executive leadership.

These are veterans like Jermaine Jackson who served in the U.S. Army, was hired as a technician, and enrolled in our Broadband Technician Apprenticeship

Program. Since joining our team, Jermaine has been promoted to our highest level of residential field technician.

Darrel Hegar graduated high school and enlisted in the US Air Force completing five years of service in the military as a Sergeant during Operation Desert Storm. Following his military career, he started a computer company with the skills he learned in the Air Force. He subsequently joined the former Time Warner Cable in 2015 as VP of Marketing and is now, after earning two promotions, the Regional Vice President of the Carolinas for Charter Communications Field Operations leading a team of over 3,000 employees across 3 states.

Employees like Jermaine and Darrel make us a better, stronger company. And, we believe, it's even better for the people we serve.

That is why we have several programs and partnerships devoted to attracting, hiring and retaining veterans.

Recruit

First, we work hard to recruit veterans by going to where service members start their transition out of military service and into civilian life- on military bases and in the communities in which they are located, which often times are communities we serve.

We understand that the transition to civilian life is just that-a transition.

It is not something you start the day of your discharge from active duty. For us to be successful in our recruitment, it must start before that.

That's why Charter joined a new Career Resource Center that opened this July at Fort Bragg in North Carolina.

The center - located on the base - helps companies like ours recruit, train and hire service members who are finishing their military service. Through this partnership with Ft. Bragg, we provide 4 weeks of training to active duty men and women who are in the final stage of their military service. This program allows Charter to begin a relationship with men and women while they are still on active duty. It provides them a taste of what it is like to work as a broadband technician and is the start of a pipeline into our Broadband Technician Apprenticeship Program and an eventual career at Charter. We're excited the first class will begin on November 6th.

Because our relationship at Ft. Bragg is under the Career Skills Program we can also offer job shadowing, internships and skills training. This program also allows military personnel to "test drive" new jobs and helps us to recruit service men and women who are both qualified and interested.

We are also identifying and recruiting talented soon-to-be veterans through the U.S. Chamber of Commerce's Hiring Our Heroes Corporate Fellowship Program. Service members who are making the transition to civilian life gain hands-on experience working in the private sector, as well as management training, in a 12-week fellowship. Most participants are senior enlisted service members or junior officers and 85% of Fellows have a Bachelor's Degree. Working with Supporting Base, Ft. Carson Colorado, we recently welcomed our first Fellows into our Technology Services Group in Denver, a group led by Group Vice President, Marti Moore, a former member of the U.S. Air Force and military champion herself.

We look forward to offering the Hiring Our Heroes Corporate Fellowship Program in more Charter service areas in partnership with Ft. Carson, Camp Pendleton, Ft. Bliss, Ft. Hood and Joint Base San Antonio.

We view these recruiting initiatives as a success, and we are interested in working with other bases to set up similar partnerships. By meeting our soon-to-be-veterans where they are, we can better engage them and help put them on a path to success.

Train

Importantly, we don't just want to hire veterans, we want to help them build on the technical skills they gained from the military and begin a second career at Charter.

This is where our Broadband Technician Apprenticeship Program, a key focus of this hearing, comes in.

This highly regarded program certified by the U.S. Department of Labor (USDOL) provides newly hired broadband installer technicians the opportunity to receive Apprenticeship Certification.

Enrollees in the Broadband Technician Apprenticeship Program complete thousands of hours of on-the-job training and an extensive classroom curriculum over four years.

Qualified veterans who were discharged in the last 10 years can secure GI Bill Benefits by completing the program's qualified curriculum and on-the-job training,

putting them in position to possibly earn tax-free money in addition to their Charter paycheck.

Today, over 1,000 technicians are currently enrolled in five states that are home to large military bases: Missouri, Nebraska, North Carolina, South Carolina and Texas.

One graduate of the program Fabian Luna was hired as an installation technician in 2006 just out of the United States Army. A graduate of the apprenticeship program, Fabian has been promoted five times and currently works as a Field Technician Supervisor in Morrisville, NC.

Scott Feltmeyer, who also completed the program and now works at Charter as a Spectrum Business Technician, is still serving our country in the Illinois National Guard. Scott comes from a military family and he believes the same traits that serve him well in the military - integrity, a can-do attitude, and the ability to operate independently or as part of a team,- translate well to Charter's workforce. He has been with Charter for five years and appreciates that the company enables him to continue to serve his country.

The Broadband Technician Apprenticeship Program has been so successful in producing the highly skilled broadband techs that provide technical services in our customers' homes and businesses that we are working with the U.S. Department of Labor to expand it into a national program. Last May at our technical training center in St. Ann, MO, we were joined by Governor Eric Greitens, a decorated veteran and founder of the veterans' non-profit organization The Mission Continues, along with Congresswoman Ann Wagner, to announce our intent to offer the program across our 41 state footprint.

Our apprenticeship program leads to good paying jobs with generous benefits, and these technicians become valued and essential members of our workforce.

Retain

Once we recruit and train our veteran employees, we work hard to retain them.

Our goal here is simple: create the best possible working environment for our employees by offering competitive pay, robust medical and retirement benefits with opportunities for continued career advancement

Charter's veteran community is a tightly knit group-and we're proud to have 14 company sponsored employee network chapters with over 600 members.

This important employee resource group, known as VETNET, is made up of veterans, family members of veterans, and other employees interested in veteran and military-related issues. It collaborates with Charter's senior leadership to provide mentoring for the growth and development of its members and offers employees opportunities to do work in support of veterans and their families.

For Charter, it goes a long way towards ensuring open communication between our veteran employees and the company.

Finally, we recognize one of the biggest challenges veterans can face transitioning to civilian life is the relocation of family. Next week, Charter will officially join the Department of Defense's Military Spouse Employment Partnership (MSEP). This valuable partnership will facilitate recruitment of this skilled, diverse and unique group of professional military spouses. We're going to be participating in recruitment activities with MSEP across our footprint. Through our work with groups like the Partnership for Youth Success and Recruit Military, we are excited about the recruiting opportunities this new partnership will bring.

Conclusion

According to the Veterans Administration, by 2020 there will be more than 3.4 million veterans who served in post 9/11 conflicts, and 1.8 million of these veterans will be under the age of 34.

In the last few years, we've made a lot of progress making sure these veterans find jobs. According to the Department of Labor, in August, veteran unemployment was at 3.7%, the lowest it has been since 2007.

But this is no time for us to be complacent, as too many veterans continue to face barriers to finding steady well-paying jobs with benefits.

Moving forward, we have a clear sense of what needs to happen to reach our commitment to hire 20,000 additional workers by 2020, with veterans becoming a growing percentage of our workforce. We will do this by:

- Growing our presence on bases to ensure we're reaching veterans before they leave active duty
- Expanding partnerships with key military and veterans organizations, like the VFW and Hiring Our Heroes, among many others

- Ensuring that when veterans are hired, it is not just a job, but they are retained and given opportunities to grow and develop careers
- And lastly, helping to improve the timelines and harmonization with the Department of Labor and other partnering agencies

Our veterans served us at home and abroad at great sacrifice to themselves and their families. Today, thousands of men and women are still in harm's way protecting us.

We owe it to them to make sure that when they leave active duty, they have careers that they can continue to be proud of and that can support their families with good benefits and real pathways to advancement.

With more men and women leaving the military every day, we don't have a moment to lose.

I thank the committee for your time and look forward to answering any questions you have.

Prepared Statement of Dan Penski

Chairman Arrington and Ranking Member Rep. O'Rourke, thank you for the chance to share our perspective on the many great opportunities for veterans in the construction and building trades. I am grateful to be with you today at the Economic Opportunity Subcommittee of the House Veterans Affairs Committee to discuss a timely and important topic. My name is Dan Penski. I serve as Special Assistant to the General President of the International Union of Painters and Allied Trades, Mr. Kenneth Rigmaiden. He sends his apologies, as he was unable to sit before you today.

Founded in 1887, the International Union of Painters and Allied Trades (IUPAT) represents men and women in the United States and Canada who work in the Finishing Trades. Our members are the highly skilled men and women who painted the Capitol Dome and installed the glass exterior of Apple's new headquarters. We do the gritty work of blasting failing lead paint off bridges and water tanks and re-coating those structures with modern finishes that will extend their useful life. Our members also do highly skilled new construction, installing glass exteriors that take advantage of modern materials that make possible the most energy efficient structures ever built. And, they apply the finishing touches, paint, wall coverings and flooring of all types, that make interior spaces both beautiful and pleasant places to work and live.

In our industry our work is termed as the Finishing Trades - Industrial & Commercial Painting, Drywall Finishing, Glazing & Glass Work, Sign & Display and Floor Covering Installation, and many more successful careers in the construction industry. Leaders in our organization work to make sure our signatory contractor-employers have the skilled workforce that they need to continue building and maintaining our communities and infrastructure.

To maintain a leading edge in our industry, we utilize our Finishing Trades Institute (FTI) which is the education fund associated with the International Union of Painters and Allied Trades and the Finishing Contractors Association, the association of signatory employers. The FTI's core purpose is to develop and expand a qualified and competitive workforce for the finishing trades industries and oversee the apprenticeship-training program where those who wish to enter our trades learn their craft. The FTI not only provides the necessary skills to do the job right the first time but also provides the training to do it safely.

I could not speak about the IUPAT FTI without discussing our apprentices. Apprenticeship programs provide an affordable education that does not leave its participants with one penny of debt. To the contrary, our apprenticeship programs are linked to jobs in the private construction industry that earn a living wage while learning the skills that will create a lifetime of opportunity. Some folks might not want to go to college so they look for a job outside of the normal college-to-job pipeline. We see jobs in the trades as an Option A rather than Option B career paths that pays family-sustaining wages without what could be a four-year financial slump.

As practitioners of the construction trades, we must consider that the future of our industry is rooted in core skills but assisted by technology; our apprenticeship programs are already working to stay ahead of the technology curve by providing state of the art training facilities are more.

Pathways to apprenticeship programs are critical to building the workforce of the future, especially at a time when many in the industry are using terms such as "Labor Shortage". If the U.S. Government is serious about creating jobs in the pri-

vate sector, then it must provide training that leads to high-wage jobs such as those in the trades by its using purchasing power to drive apprenticeship utilization.

Furthermore, a portion of the General President's work portfolio is to carry out outreach to Veterans, whether that be nine volunteers from IUPAT District Council 57 painting recreation and common areas at a homeless shelter in the Pittsburgh area that houses support services for homeless veterans or educating vets on the job opportunities in the trades. I spend my time assisting the General President by working to see that Veterans consistently have across the board access to private industry jobs in the finishing trades, creating a cycle of sustainability and respect for the service members transitioning back into our society as productive citizens and drivers of our economy.

Overview of IUPAT and the North American Building Trades Apprenticeship Model

The IUPAT offers transitioning Vets our Painters and Allied Trades Veterans Program. Also known as PAT-VP, this program aims to assist transitioning veterans from military service to civilian careers in the finishing trades industry. Those Vets have been trained by the best and proudly served our country. Now, the IUPAT stands ready to advance their skills by offering a new career in the Finishing Trades through apprenticeship learning and on the job training.

The IUPAT operates 107 multi-craft training centers throughout the United States and Canada. IUPAT, however, is not unique. Our sister unions in North America's Building Trades Unions (NABTU) also operate similar programs for the craft workers they represent. NABTU unions and their contractor partners operate more than 1,600 training centers in the United States.

Indeed, nearly two-thirds of all registered apprentices in the United States work in the construction industry. Among construction apprentices, roughly 75% are enrolled in union-sponsored apprenticeship programs. Every year, building trades union members and their signatory contractors direct over \$1 billion in private investments towards this educational system. When wages and benefits paid to apprentices are factored in, the annual investment exceeds \$11 billion. To put this investment in perspective, if the Building Trades training system, which includes both apprentice-level and journeyman-level training, were a degree-granting college or university, it would be the largest degree-granting college or university in the United States - over 5 times larger than Arizona State University.

Helmets to Hardhats:

Helmets to Hardhats is a national, nonprofit program that connects National Guard, Reserve, retired and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. The program is designed to help military service members successfully transition back into civilian life by offering them the means to secure a quality career in the construction industry.

Most career opportunities offered by the program are connected to federally approved apprenticeship training programs. Such training is provided by the trade organizations themselves at no cost to the veteran. No prior experience is needed; in fact, most successful placements start with virtually no experience in their chosen field. All participating trade organizations conduct three to five-year earn-while-you-learn apprenticeship training programs that teach service members everything they need to know to become a construction industry professional with a specialization in a particular craft. And, because these apprenticeship programs are regulated and approved at both federal and state levels, veterans can utilize their Montgomery G.I. Bill benefits to supplement their income while they are learning valuable skills and on the job training.

In 2007, Helmets to Hardhats supplemented its existing program with a disabled American veteran program known as the "Wounded Warrior" program, which serves to connect disabled veterans with employment opportunities in the construction industry and the careers that support construction.

Even through the economic slump in the construction industry, Helmets to Hardhats has placed 25,000 veterans into registered apprenticeship programs over the last 10 years. In 2016, the IUPAT alone brought in 144 veterans from the Helmets to Hardhats program. The IUPAT has made a decision to be more proactive and 3 years ago started our own pre-transition, pre-apprenticeship program to train, place and get employment for transitioning service members.

Painters and Allied Trades Veteran Program:

The IUPAT Veterans Program has initially focused on the industrial paint trade and glazing trade and is actively working towards providing this program to the

other trades the IUPAT represents. These trades include commercial and residential painters, industrial/bridge painters, drywall finishers, wall coverers, glaziers, glass workers, floor coverers, trade show workers and sign craft workers.

The IUPAT works together with military base educational centers to provide career guidance on the PAT-VP program. The IUPAT attends regular job fairs and utilizes the existing on and off base networks to recruit new participants. Our objective is to cast as large a net as necessary to meet the need for skilled industrial applications that are being called for by the FCA contractors and the industry.

Potential applicants are screened through a one-on-one consultation. These consultations review the applicants' Armed Services Vocational Aptitude Battery (ASVAB) which measures a range of aptitudes in verbal, math, technical and spatial domains as well as initiate meaningful discussion regarding the applicant's experiences in the military and his or her post-military career ambitions, including where he or she would like to live and work. These consultations are designed to select the applicants that have the desire and aptitude to successfully complete the PAT-VP program and have the opportunity to sustain a long and successful career in the finishing trades industry. These one-on-one consultations are critical to the PAT-VPs ability to ensure the effective use of resources and to be able to work successfully to place participants into apprenticeship programs and employment upon graduation.

Once in the program, transitioning military men and women receive an accelerated three-week immersion program that combines classroom and hands-on learning. PAT-VP curriculum consists of 120 hours of classroom and hands-on training to prepare to return military personnel with the basic knowledge, skills, and abilities to perform craft specific work as an Industrial Applicator or Glazier. In the industrial coatings track, students will learn to apply their theoretical knowledge and skills to the corrosion protection of steel and concrete on complex industrial/marine structures through coursework in health and safety, surface preparation and coating materials properties, and application. In the glazing track, students will learn to apply their theoretical knowledge and skills to the fabrication and installation of glass doors, windows and building envelope.

The IUPAT has collaborated with the Finishing Contractors Association (FCA), the Labor Management Cooperation Initiative (LMCI), and the Finishing Trades Institute to create the PAT-VP program. The PAT-VP program is funded by the IUPAT and the FCA and is managed by the FTI. The FCA is the employer partner of the IUPAT and works with its employer members to find work opportunities for the participants of the PAT-VP program. The LMCI is a jointly administered industry advancement fund that seeks to grow the market share of the union construction companies that provides the PAT-VP program with vital industry information and the administrative structure for the PAT-VP program.

PAT-VP has held pre-transition training programs at Joint Base Lewis-McChord (JBLM). The first graduating class graduated from their apprenticeship and are now journey worker industrial painters in August of 2017. We successfully placed, into an apprenticeship program and placed them at work for a signatory employer. We had 100% placement rate and we have had 100% retention rate from that first class. Overall, our placement rate is around 90%, and our retention rate is 80%. Average wages for first-year apprentices departing our program at JBLM are \$18/hour plus health care and contributions to a defined benefit pension plan. After showing additional competency by completing each semester of the apprenticeship program, the apprentices earn an increase in pay.

The IUPAT is dedicated to providing service men and women the training necessary to be successful in a rewarding, lifetime career in construction.

How IUPAT Apprentices use the 9/11 GI Bill:

Benefits for On-the-Job and apprenticeship training are available for Veterans under the various VA educational assistance programs, including the Post-9/11 GI Bill. These programs allow Veterans to learn a trade or skill through training on the job rather than by attending a formal program of classroom-based instruction yielding a degree or certificate. A Veteran generally enters into a training contract for a specific period with an employer, and at the end of the training period, the Veteran gains job certification or journeyman status.

The utilization of the Post 9/11 GI Bill benefits vary greatly from apprentice to apprentice from how they enter the apprenticeship program, to which of the crafts we represent they are working in and where they are living. This flexibility is a good thing, it enables the veteran to use the benefits in a way most useful to their individual situation.

Largely we encourage veterans who enter our apprenticeship program not to use their GI benefits if they do not have to. Our apprenticeship program is fully funded

by joint contributions from members and their employers; therefore, the veterans our programs serve do not need to use their benefit to pay for educational purposes. If a veteran in our program is interested in going on to become a construction contractor, to transfer the credits he or she has earned in the apprenticeship program into a Associates Degree or otherwise take classes to better themselves outside of our training, we encourage them to use their GI benefits in this manner.

Of the apprentices across the country who use their GI bill benefits, do so to offset housing costs or make up the difference in pay. However, because of the tiered pay scale of apprentices, the further they get in the program the less likely they are to need to use their GI benefits. The apprentices who enter our program leaving the military below E-5 in most areas of the country do not use their GI benefits, in most areas of the country their pay as a first-year apprentice is equivalent to their pay in the military. Those who leave the military at E-6 or above tend to use it for roughly half of the apprenticeship program.

The IUPAT's apprenticeship program prides itself on being able to provide the highest quality training in the industry partnered with livable wages and benefits that enable our apprentices to build careers that will support a family. The Post 9/11 GI Bill has been very helpful to offset the apprentices MHA and set the apprentice up to transfer the skills learned in the service, in the apprenticeship program and on the job training into the career of his or her choice.

Policy Recommendations:

The joint labor-management structure of our apprenticeship programs described above also ensures that the training provided is directly connected to market needs. Construction contractors must constantly adapt to changing technologies in an ultra-competitive marketplace. Because those doing the hiring run joint apprenticeship programs, the training offered is exactly what needed to compete and win.

Available slots in jointly funded apprenticeship programs are subject to market restraints. Because market participants fund these programs, class slots are only created when there are employers willing to hire those enrolled in the classes. This market-oriented approach ensures that our programs are designed to fill the jobs of today, tomorrow and 5 years from now.

The U.S. Government is the largest purchaser of construction. In 2016, the US Government spent \$22,515,000,000 on federally funded construction. The Bureau of Economic Analysis estimates 18 jobs are created for every million dollars of construction. This means that using a normal ratio of three journeymen to each apprentice, each million dollars of federal spending creates a need for three apprentices.

In short, construction spending not only creates jobs; it creates educational opportunities that lead to good, middle-class careers. It does this at no additional cost because apprenticeship programs are funded privately. By building and re-building our nation's infrastructure our military bases, we can also build the labor force of the future.

The Committee should consider ways to incentives or encourage the use of apprentices on all federal construction spending, as we know that this is the best way to increase apprenticeship slots and therefore increase access to these programs, this, in turn, will increase the number of Veterans building career paths in the construction industry. The requirement or encouragement for contractors to hire apprentices does not increase the cost of the project at all, in fact, it decreases the labor costs associated with the project.

Appropriations Policy included in National Defense Authorization Act of 2018

Our IUPAT Washington State District Council and the Washington State United Association of Plumbers, Pipefitters, Welders and Service Technicians have been working with Congressman Adam Smith and Congressman Derek Kilmer to add language into the Fiscal Year 2018 House NDAA Committee Report that clarifies language of Section 2805 Ike Skelton National Defense Authorization Act of 2011, thereby encouraging the utilization of veteran construction apprenticeship programs.

Section 2805 of the Ike Skelton National Defense Authorization Act for the fiscal year 2011 (Public Law 111-383) expressed the sense of Congress regarding the establishment of a "Veterans to Work" pilot program to provide an opportunity for apprentices who are also veterans, to work on military construction projects. We ask that Congress approve the Committee Report language in the FY2018 NDAA which further defines Section 2805 by providing that "state certified and Federally recognized apprenticeship training programs can help with a military service member's transition to a civilian career. Therefore, the committee encourages the Secretary of Defense and the Secretaries of the military departments to seek opportunities to

increase the utilization of veterans' apprenticeship programs on military construction projects."

We support the inclusion of this language as it further encourages the Secretaries of the military to seek out those opportunities to utilize veteran's apprenticeship programs on military construction projects.

Base Access for apprenticeship program/pre-transition programs

Despite our consistent efforts to provide Vets with the skills to obtain a good job, it is can be a tough task for our trainers and programs to access military bases. There are several bases where the leading officer has seen the benefit our program can provide to transitioning Veterans. One of those military bases where access has been granted is the Joint Base Lewis-McChord in Washington State.

With the support of JBLM staffers, we started "Intro to Construction Trades Apprenticeships", using Helmets to Hardhats as the vehicle through which service members would enter the trades Apprenticeships. We are now permanently at JBLM housed each week on Tuesday at Stone Education Center. We stay as long as the Service Members need to find the answers to their questions on transitioning into whichever Apprenticeship that interests them. It works when we all work to make the opportunity available to veterans.

Base access to not only transitioning service members is critical to the success of our programs and many others. At some bases, the Department of the Army has included in its transitional briefing of service members prior to their separation of service, the ability for apprenticeship programs to present the opportunities they provide. We encourage this committee and Congress to promote the continued use of outside presentation and transitional briefings and education of counselors on base, to make sure service members know well before separation about the value of apprenticeship and living wage careers in the construction industry. Pre-transition training programs, like PAT-VP, are the most effective way of ensuring employment upon separation from service.

Conclusion

The needs of tomorrow's workforce require us to adopt proven programs. The IUPAT is working with our employers, industry partners and members to ensure that our training meets the needs of the market place; the delivery of that training meets the needs of the apprentice and journey worker. With apprenticeship programs driving skills training, we can meet the fill the current and any future workforce needs. The US Government's procurement process can help accelerate the number of Source: Reed, D. et. al. (July 25, 2012). An effectiveness assessment and cost-benefit analysis of Registered Apprenticeship in 10 States. Retrieved from <http://wdr.doleta.gov/research/FullText—Documents/ETAOP—2012—10.pdf> apprenticeship slots available and in doing so can continue to drive the apprenticeship system to continue to be driven by market and technological changes happening in the industries and workforce they serve.

Chairman Arrington, Ranking Member O'Rourke and distinguished committee members, I look forward to answering your questions and continuing this discussion, which is critical for our economic competitiveness, the future of our workforce and the quality of the communities we live and work.

¹ Owens, T. (2015). NABTU. Retrieved from <http://www.bctd.org/Newsroom/Blogs/Presidents-Message/November-2015-%281%29/It-s-National-Apprenticeship-Week-And-Nobody-Does.aspx>

² Owens, T. (2015).

³ Consus.gov. (2017). Retrieved from <https://www.census.gov/construction/c30/historical—data.html>

⁴ BEA. (2017, 3 27). www.bea.gov. Retrieved from <https://www.bea.gov/regional/rims/rimsii/illustrativetables.aspx>

Prepared Statement of Sam Shellenberger

Introduction

Chairman Arrington, Ranking Member O'Rourke, and distinguished Members of the Subcommittee, thank you for the opportunity to provide a statement for the record of today's hearing. I commend you all for your dedicated efforts to ensure that America fulfills its obligations to our current service members, veterans, and their families. The Department of Labor (DOL, or the Department) also works hard every day to ensure that these brave and committed individuals have the employment support, assistance and opportunities they deserve. As Deputy Assistant Sec-

retary for the Veterans' Employment and Training Service at DOL, I appreciate the opportunity to address how we can improve access to GI Bill approved Apprenticeship Programs and how these programs benefit veterans.

Secretary Acosta refers to apprenticeship as an important form of "demand driven education" that focuses on the skills required by the modern workplace. Apprenticeships combine a paid work component with an educational component that teaches the skills necessary to succeed in a job. Apprenticeship is a critical part of this Administration's jobs agenda- ensuring workforce training programs combine strong employer engagement with high quality training to create pathways for workers into high-growth occupations. This strategy is designed to meet employers' needs for skilled workers, and provide millions of Americans with secure jobs that lead to long-term employment with good wages.

Apprenticeships provide a tremendous opportunity (or pathway) for veterans to attain meaningful employment and rewarding careers. Eligible Post- 9/11 veterans can learn a trade through apprenticeships and use their GI Bill benefits to receive a tax-free monthly housing allowance paid by the Department of Veterans' Affairs (VA), in addition to their apprenticeship wages. This allowance gradually decreases as the veteran's wages increase throughout the apprenticeship period and ends once the veteran attains journeyman status and pay. Post-9/11 GI Bill recipients can also receive a books-and-supplies stipend during their apprenticeship. This is a vital way to help veterans meet their expenses while in training.

In August 2017, the unemployment rate for veterans was 3.7 percent, while the non-veteran unemployment rate was 4.4 percent. I am happy to report that these rates are down from a high of 8.7 percent for veterans and 9.4 percent for non-veterans in calendar year 2010. Notwithstanding this positive trend, in August 2017, we still have 374,000 unemployed veterans among the 6.9 million Americans who are unemployed. The good news is that the Nation has 6.2 million job openings, and we can get most Americans back to work if we can match those who are looking for work with available jobs. But, businesses report having difficulty finding workers with the skills demanded by the modern workplace. That is why, on June 15, 2017, President Trump signed Executive Order 13801, Expanding Apprenticeships in America (EO), reinforcing his commitment to preparing workers for existing jobs and for the jobs that will be created in the future.

Through the Executive Order, the President has made it the policy of the Federal Government "to provide more affordable pathways to secure, high-paying jobs by promoting apprenticeships and effective workforce development programs, while easing the regulatory burden on such programs...." Among other things, the EO directs Secretary Acosta, in consultation with the Secretaries of Education and Commerce, to consider regulatory action to promote the development of industry-recognized apprenticeship programs by qualified third parties, and establishes a Task Force on Apprenticeship Expansion, to be chaired by Secretary Acosta. The President also specifically tasked the Secretaries of Defense, Labor, Education, and the Attorney General, in consultation with each other and consistent with applicable law, to promote apprenticeships and pre-apprenticeships for, among others, members of America's armed services and veterans.

We at the Department are committed to working with our Federal partners to assist our service members and veterans in accessing these programs so they can develop the skills that employers value, and obtain the secure, high paying jobs that are driving the U.S. economy forward in the 21st century.

Benefits of Apprenticeship

In the United States, the best apprenticeship approaches from around the world can be refined and applied in new and dynamic ways that fit with our economy and labor market. Global companies that do business in America and are familiar with the benefits of apprenticeship as a human capital solution are helping lead the way. For example, in Texas, graduates from Mercuria Energy's apprenticeship program joined President Trump during the announcement of the Apprenticeships Executive Order. The apprentices are university graduates and military veterans. Mercuria brought intensive one-year on-the-job development training to Houston as part of their apprenticeship program. In Alabama, Mercedes-Benz partners with a community college to train workers for their plant, which employs more than 3,500 of the state's residents.¹

Apprenticeships have proven to be an effective way for veterans to advance into productive careers. As of September 15, 2017, there are 19,287 veterans actively participating in programs registered with the Department's Office of Apprenticeship

¹ <http://www.al.com/business/index.ssf/2016/08/post-408.html>

(OA). A total of 3,749² veterans have completed a training program registered with OA or DOL-recognized State Apprenticeship Agencies since the beginning of Fiscal Year 2016. The employment outcomes for apprenticeship programs are impressive. In fact, according to the Department's data, 91 percent of apprentices are employed after completing their programs, with an average starting wage above \$60,000. Apprenticeships have also been shown to increase a worker's lifetime compensation by over \$300,000, as compared to their peers.³

Apprenticeships also make good business sense for employers. The return on investment (ROI) is notable - international studies suggest that for every dollar spent on apprenticeships, employers may obtain an average of \$1.47 back in increased productivity, reduced waste, and other benefits.⁴ For apprenticeships in the United States, for every public dollar invested the tax returns are more than \$27, and the total benefits (including the reduced use of public benefits) are more than \$35 per dollar invested, on average.⁵

Promoting Apprenticeships for Veterans

The Department of Labor oversees a portfolio of workforce programs that help job seekers, including veterans, find jobs and advance their careers. This includes responsibility for administering and providing promotion and oversight of apprenticeship programs nationwide. The Department is actively engaging with companies that want to focus specifically on hiring veterans in apprenticeships, and has increased its collaboration across the government - including with VA - to ensure that veterans can succeed in apprenticeship opportunities and receive the benefits they've earned under the Post-9/11 GI Bill.

DOL has greatly expanded outreach to employers, utilizing industry intermediaries, which has motivated companies from a variety of industry sectors to have their apprenticeship programs approved by the Department. They join the family of approximately 20,000 registered apprenticeship programs across the country that are training over 545,000 active apprentices for high demand occupations - while securing a thriving and skilled workforce for the future.

The Department continues a Veteran Employment Outreach Program to make it easier for companies to find and hire veterans by leveraging federal, state, and local resources. A National-to-Local engagement and integration strategy informs and coordinates action among government, private sector, and local communities to enhance veterans' employment opportunities and to leverage the national workforce system and their network of over 2,400 American Job Centers (AJCs) nationwide. This program provides a valuable bridge between national and regional employers who are eager to hire veterans and workforce development staff at AJCs who build relationships with local employers and assist veterans in gaining meaningful employment.

Additionally, the Department funds Local Veterans' Employment Representatives (LVERs), who are housed in AJCs to specifically work with employers, on the local level, who are interested in recruiting, retaining, and training veterans and transitioning service members.

Two years ago, DOL deployed Regional Veterans Employment Coordinators (RVECs) at our Regional Offices with a mission to conduct employer outreach in order to connect companies with federal, state, local, and other resources to facilitate veterans' employment. A key task of the RVECs is to consult with companies on their needs, educate them on resources and assist them with developing apprenticeships to address the skills gaps and to attract more veterans.

VETS referrals to the Office of Apprenticeship include companies like Amazon, which established a new apprenticeship program with the Department earlier in 2017, to train veterans for careers in technology at the online retail giant. It is the company's goal to hire 25,000 veterans and spouses of military personnel over the next five years. In the last year, approximately 30 employers that were referred to

² Source: Registered Apprenticeship Partners Information Data System (RAPIDS) Data pulled September 15, 2017.

³ Reed, D. et. al. (July 25, 2012). An effectiveness assessment and cost-benefit analysis of Registered Apprenticeship in 10 States. Retrieved from <http://wdr.doleta.gov/research/FullText—Documents/ETAOP—2012—10.pdf>

⁴ Source: Canadian Apprenticeship Forum. (June 2009). It Pays to Hire an Apprentice: Calculating the Return on Training Investment for Skilled Trades Employers in Canada. (Retrieved from <https://www.novascotia.ca/lae/Apprenticeshipboard/documents/CAF—FCA—ROTI—it—pays—to—hire—an—apprentice—ExecutiveReport—En—000.pdf>)

⁵ Source: Reed, D. et. al. (July 25, 2012). An effectiveness assessment and cost-benefit analysis of Registered Apprenticeship in 10 States. Retrieved from <http://wdr.doleta.gov/research/FullText—Documents/ETAOP—2012—10.pdf>

the Department ultimately established an apprenticeship program, or are awaiting approval for one.

Educating Veterans and Transitioning Service Members on Apprenticeship

The Department seeks to close the skills gap by connecting employers who are looking to fill job openings with employees, including veterans, who have industry-recognized skills and credentials. One opportunity to connect transitioning service members to apprenticeship programs is through the Transition Assistance Program (TAP). The TAP DOL Employment Workshop is a 3-day workshop that provides employment assistance to transitioning service members and their spouses by giving them the tools necessary for a successful transition from military to civilian life. Information regarding apprenticeships is included in the TAP curriculum. The Department presented 6,313 workshops to nearly 184,000 service members at 206 locations worldwide last year. At present, DOL is conducting a thorough curriculum review with the intent of providing additional useful information; a revised Employment Workshop curriculum is currently scheduled for implementation in early 2018.

In April 2017, the Department assumed responsibility for the TAP Career Technical Training Track (TAP CTTT) from VA. TAP CTTT is an optional two-day workshop for transitioning service members and their spouses. This workshop focuses on apprenticeships and industry-recognized credentials. It provides these service members with an excellent opportunity to identify their relevant skills, increase their awareness of training and apprenticeship programs that can lead to industry-recognized credentials and meaningful careers, and develop an action plan to achieve their career goals. The Department is also undertaking a comprehensive review of the CTTT curriculum, and has reached out to employers, industry associations, and other stakeholders, asking for participation in the examination of both the DOL Employment Workshop and the CTTT offerings. Their valuable input will help to ensure the curricula are up-to-date and relevant to the dynamic employer and industry standards. As with the Employment Workshop, DOL expects to implement a revised CTTT in early 2018.

DOL supports the opportunities available under the DoD SkillBridge initiative, which promotes DoD's authority to offer civilian job training to transitioning service members. Service members meeting certain qualifications can participate in civilian job and employment training, including pre-apprenticeships, on-the-job training, and internships in their last 180 days of active duty. Tremendous potential exists for service members, companies, trade unions, and others to leverage this DoD authority and smooth a service member's path from active duty to civilian employment.

The Department also strongly supports the United Services Military Apprenticeship Program (USMAP). USMAP is an active duty apprenticeship program that provides a certificate of completion of apprenticeship in the occupation in which the member has his or her Military Occupational Specialty (MOS) or Navy/Coast Guard rating. This certificate allows service members to join the workforce at the journeyman level after they transition. Currently, there are more than 100,000 active duty apprentices learning skills in more than 115 occupations, ranging from airframe mechanics to fire fighters to computer operators.

Finally, the Department provides a 24/7 online resource, VETERANS.GOV, which is easily accessible to all veterans, as well as to employers who want to hire veterans. The site is designed to be the virtual "first stop" for veterans, transitioning service members, and their spouses, in the employment search process - and for employers in the hiring process. The site brings together job banks, state employment offices, AJCs, opportunities in top trending industry sectors, and employer assistance, all in one online spot. There are links to several platforms that veterans can use to help translate their military skills into skills for the civilian workforce, as well as information on apprenticeships.

Summary

Apprenticeships provide demand-driven education and training that focus on the skills required by the modern workplace. Apprenticeship is gaining popularity throughout the United States. Leveraging apprenticeship as a human capital solution enhances the ability of employers to attract and retain veterans and achieve business success. The Department looks forward to working with the Subcommittee to ensure that our veterans and separating service members have the resources and training they need to successfully transition to the civilian workforce. DOL supports VA's ongoing efforts to make the Post-9/11 GI Bill administrative process easier for regional and national employers, so that they can increase the number of companies that offer benefits to their veteran apprentices.

The improving employment situation for veterans is a resounding testament to the response from stakeholders, both public and private, at the national level and

within local communities. Mr. Chairman, Ranking Member, distinguished Members of the Subcommittee, this concludes my statement for the record. Thank you again for the opportunity to be a part of this hearing.

Statements For The Record

MS. LORING RECTANUS

Additional Material for Transcript Insertion

The following material is for insertion into the transcript for the hearing on VA mail management, held on September 12, 2017, by the Oversight and Investigations Subcommittee, Committee on Veterans' Affairs, U.S. House of Representatives. This material should be inserted on page 25 of the transcript, where Ms. Lori Rectanus references providing information as to whether there are any agencies that might be considered role models in mail management:

During the course of our audit work, GAO did not explore the mail management practices of agencies other than VA, and no agencies were mentioned by anyone with whom we spoke as being role models in this area. We followed up with the General Services Administration (GSA) on this issue, and GSA officials stated that they did not have information regarding any agencies that could be considered role models with regard to mail management.

MERCEDES-BENZ USA, LLC

Dear Chairman Arrington, Ranking Member O'Rourke:

Chairman Arrington, Ranking Member O'Rourke and Members of the Economic Subcommittee, thank you for the opportunity to provide a statement for the record addressing GI Bill approved apprenticeship programs. The Subcommittee's hearing on U.S. Department of Veterans Affairs -approved workforce development programs that utilize GI Bill benefits examines a tremendous public-private partnership opportunity uniquely suited to American men and women service members.

On behalf of Mercedes-Benz USA, LLC ("MBUSA"), I appreciate the opportunity to provide the Subcommittee information on a program MBUSA has launched that seeks to identify, train, and employ U.S. veterans at Mercedes-Benz dealerships across the country.

Headquartered in Atlanta, Georgia, MBUSA is responsible for the distribution, marketing and customer service for all Mercedes-Benz products in the United States including Mercedes-Benz Vans and smart.

In 2015 Mercedes-Benz USA launched MB DRIVE. MB DRIVE aims to train the next generation of automotive service technicians. The program began in response to the over 300 Mercedes-Benz dealers in the United States that are increasingly finding it difficult to recruit, train, and retain skilled automotive technicians to work in their service departments. The problem is exacerbated by a growing U.S. car park (vehicle population), increasingly sophisticated vehicle designs, and a qualified technician workforce in decline. MB DRIVE intends to respond to that challenge.

The challenge is growing. In 2014 the U.S. vehicle park was approximately 3.42 million. That year the number of technicians required to meet that demand for service stood at just over 4,130 nationwide. Fast forward to 2020 and 2028, the vehicle park is estimated to grow to 4.71 million and 6.2 million respectively. To service those vehicles U.S. dealerships will need 6, 930 technicians in 2020 and 9, 110 technicians in 2028. Dealerships are experiencing severe technician shortages that are only compounded by the high, 25 percent rate of turnover among technicians. As vehicles become increasingly electric and connected more technicians with the right skills set are needed to diagnose and troubleshoot vehicle faults.

MB DRIVE began accepting students in October 2015. MB DRIVE courses are taught at four locations in Grapevine, Texas, Jacksonville, Florida, Long Beach, California and Norwood, Massachusetts. The 16-week technician training and development program gives qualified students the opportunity to learn extensive Mercedes-Benz product knowledge, customer service best practices, and career preparation. With a format that includes 90 percent workshop instruction and 10 percent classroom setting students gain hands-on experience with Mercedes-Benz vehicles

and equipment including information systems and other in-demand automotive technician skills.

In July 2017 MBUSA announced that it had received approval from the U.S. Department of Veterans Affairs including State Approving Agencies to become the first luxury automotive manufacturer to offer a Registered Apprenticeship Program in four States, certifying MB DRIVE as part of the National Apprenticeship System. It is now an official apprenticeship program certified by the U.S. Department of Labor and U.S. Department of Veterans Affairs. This distinction allows military veterans to receive their GI Bill benefits during the four month program, but also up to eight months of GI Bill benefits once employed by an authorized Mercedes-Benz dealers. After only six months of dealership experience, students will become Service Technicians- a title that can take years to earn outside of MB DRIVE. MBUSA will soon begin the process of identifying, recruiting, and onboarding U.S. veterans at the four approved location sites.

MBUSA is proud to help military veterans utilize their unique skills set and develop meaningful, technical careers. Recognizing veterans' high level of commitment, technical hands-on experience, keen ability to work as a team, and quickly and adeptly problem-solve, MBUSA believes these individuals are excellent candidates for addressing the workforce needs at dealerships. With this in mind, MBUSA looks forward to fully ramping up the MB DRIVE program to America's veteran heroes.

MBUSA appreciates the Subcommittee's interest in this subject and invites Members to tour any one of our four locations to better understand the MB DRIVE program.

Thank you.

Terry Jenkins, NC-EXPERT

To: Chairman and Committee Members of the Economic Opportunity Subcommittee

Subject: Testimony for Record for House Committee Meeting; "How to Improve Access to GI Bill Approved Apprenticeship Programs and How these Programs Benefit Veterans" Scheduled for Wednesday, September 27, 2017 @ 2:00PM

Background

I am an Air Force Special Operations (JTAC) veteran. My father was a Navy SEAL in Vietnam. My grandfather was an Army Green Beret that served in three wars. My father-in-law is a retired Navy Captain Aviator. My brother an Annapolis graduate and retired Lt. Col in the Marines who served multiple tours in Iraq and Afghanistan. My two sons are both recent Navy veterans. I am telling you this to set the tone that we are not a company trying to sell to veterans we are veterans simply trying to use our company to help other veterans.

NC-Expert specializes in training engineers in cutting edge IT skills. We are a very strategic training partner to companies like Cisco and other very large IT firms. Personally, I never utilized any of my VA benefits. As a matter of fact, in the 19 years since I separated from the USAF, I have never set foot in a VA facility. Frankly, the system failed and never really offered me anything useful. I couldn't use my education benefits to attain the skills I needed in the IT space because the benefits were not accepted for this type of education, and I would have been forced to interrupt my career to go after a traditional degree which was not being valued or requested by the employers that I was pursuing.

As a training company, we have never pursued accepting VA education benefits for our services because the VA has made it practically impossible to get approved as a vendor.

I have been on a journey of learning about apprenticeships, the DOL, and VA, and trying to help veterans for over 8 months. I have dedicated time and resources to trying to find a way to help my veteran brothers and sisters make better lives for themselves. I have not yet made it all the way through the battle but my hope is that, by describing my experience and identifying the issues, I may be able to help this committee create better programs to help more veterans.

Initial Phases

In March of this year it was brought to my attention, by several veterans, that other training companies had received VA benefits approval, so I began to research to see if things were finally changing. To my unfortunate surprise, these companies not only received approval but they were charging vets \$40-50,000 for courses that

were pretty much useless and outside the current market. This blatant waste of government and veteran resources infuriated me. There was no consistency in why they got approved and a closer look only showed they had been crafty enough to work around the system.

In addition, I saw programs for sex massage, personal investment, yoga, you name it. NC-Expert offers high-skill IT training, that results in marketable skills and high salaries, so I wondered why we were unable to access the same system to offer a completely helpful and relevant service. The same courses we offer are already requested from us by the military, government, and Fortune 50 companies every day. but vets can't use their benefits to acquire this exact same training. The process has lost its common sense.

For example, we currently have multiple courses scheduled that were requested by the US Air Force and Navy. When we conduct this training using our facility, or our advanced remote attendance platform, these active duty military members take and earn the skills that their units require. However, if one of these sailors or airmen separate from the service the following week they would not be able to take that exact same course and use their benefit to pay for it. As a person who makes a living from these skills, and contributes money from both my personal and corporate taxes, it confuses me how the VA can decide that those same tax dollars can't be used for the veteran when they are used for active duty military. There is no logic to this.

I did some research and made a few inquiries and ran across the Department of Labor's Registered Apprenticeship Program. This program offered a new model that I thought could be leveraged to help many veterans. In short, the program has been around since the 1920's and many careers and occupations are covered however, the attempts to create a relevant IT apprenticeship were unsuccessful. There were several approved bulletins, but all are over 15 years out of date. I approached the DOL office in Washington DC and was quickly introduced to the Regional Director assigned to the IT sector, Patricia Garcia, out of the San Francisco, CA office.

My initial meetings with her team were incredible. Patricia and her team were both helpful and excited to have a profit-based company take an active interest in the program and be willing to offer up something more relevant to potential employers. As an IT training company our normal customers are corporations purchasing our training to build the skills of their IT teams. We are recommended by the vendors that create and sell these technologies because we have specialized in the highest tier of certification and skill building. We have traditionally focused on training the top 2% of the IT certified market. This places NC-Expert in a unique position: these same executives and managers that fund their respective company's training are the same people and team leaders that would be hiring the veterans. We can introduce the veterans to key players in many leading companies. Our goal is not to hire a few veterans. Our goal is to be an advocate and help many companies hire many veterans.

We took the time to re-write and update the program and then pursued making it an official Registered Apprenticeship program. The recommended strategy at the time was to go state by state and create the programs at that level. The thought was that the local state level DOL and VA directors could help to push this as their preferred IT program - one they could stand behind. We quickly enrolled CA, MS, and AL. According to the law, policies and public advertisements, these programs were required to be automatically approved under VA benefits to include BHA assistance, GI Bill, Vocational Rehab, and any other benefit the veteran could get within 30 days from the time the DOL approved it. It would also approve us for state and federal workforce development funds. All of this sounded excellent as a way the veterans could use the benefits they had earned to get skills to help them start very lucrative careers - careers that routinely offer well above \$100,000 a year in salary. Unfortunately this sounded, and turned out to be, too good to be true.

As a veteran, I am tired of seeing my fellow veterans walking around like the homeless - accepting whatever we can get. A veteran should be prized for the service they have rendered to our country. They should be at the top of the market. After serving, they deserve help to propel them into their next career. Instead, the market is now full of organizations simply looking to take their benefits. They get degrees, or other low-level training that take all of their education benefits and then they are stuck with unmarketable skills that no employer wants. We saw this program as a way to offer something different.

As an American working in the IT industry, I am sick of seeing high paying jobs going to H1B Visa-holders because there are not enough Americans with the relevant skills. The skills these people get to qualify for the jobs are also directly related to the training and credentials we offer such as Cloud, Cyber Security, Wireless, and Mobility. We have included over 5,500 hours of on-the-job-training and

over 900 hours of formal education in the classroom, within the program This results in 15 of the most searched for credentials in the IT job market.

This is an area where the DOL and VA have tried to create a one-size-fits-all model. For electricians and truck drivers the apprenticeship program is perfect. A veteran could come out of the military and get hired by a trucking company. As they learned how to drive and began earning their CDL license they would become of more worth to their employer, so the company would increase their compensation. They would not be sent outside the company for any formal training so there would be no need for tuition. In this case, the VA would allow them to take a housing stipend to offset the living costs while earning these new skills. On the other side of the coin you have a veteran that separates with the hopes of being a CPA. This vet would enroll in a normal university and pursue a degree, and the VA would pay the tuition. The degree itself would enable this veteran to begin a career at a healthy salary. In IT we tend to use both models and this is where it breaks the DOL and VA traditional program(s).

In the late 1990's corporations began to realize that IT was adopting and changing so quickly that the degrees being taught were only preparing the graduates with theoretical knowledge. For the same companies that were investing millions in IT systems and infrastructure, they were looking to add engineers to keep these systems running. Today, most companies measure lost dollars during IT outages in millions by the millisecond. The high salaries earned by IT engineers are justified in their direct knowledge of, not only the theory, but the practical application of the products. Essentially, the better trained they are, the faster they fix the problems, and the less revenue the company loses. The major vendors such as Cisco, addressed this by creating certification programs. They modeled the program after the formal training learned in a classroom in the university, but augmented it with increasing levels of product specific knowledge and experience. I have been in this field for two decades and have earned well over \$250,000 a year for many years. If I added up the formal hours of training I have taken in a classroom and applied it to a degree program, I would have multiple PhDs by now.

The standard value of this training, which we get on a daily basis, selling these same cutting-edge courses to corporations is well over \$100,000. We choose not to keep the same profit margins when offering this program for veterans, but still kept the same courses. Many of the other companies selling IT related training to veterans, often hire the lowest end instructors, write their own courses and create numerous ways to make the program cheaper, so they make more money. We choose to go the opposite route: we hire the highest end talent, use the authorized courses from the vendors that are updated quarterly, and simply choose to make less money.

By design, our program is the least profitable program in our company. We want to be able to say we are helping veterans and mean it. We want to stay profitable as a company, but not off the backs of veterans.

We designed the program where the veteran can get our program for under \$50,000 while also getting a career in IT with steady pay increases and excellent salaries. We are able to give the veteran a realistic and relevant IT education while also helping with the unemployed or underemployed status they are in. Many of these veterans served and rose through the ranks only to come out and take jobs as truck drivers, correction officers, etc. They have families and are living on less than \$50,000 a year, many much less, which is unfair for these guys who gave so much! We are not saying those careers are bad but many of these guys have much more potential and frankly most of them are excited and ready to grow. What we are saying is that they are having to settle for any job because no one will give them a chance at a career.

Our goal is clearly stated in that we choose the specific skills, courses and credentials in areas that are most likely to create future careers spanning 10-20 years. This is where we are different. The focus of a standard training company, or university, is to get the student trained as the end goal. For a recruiting company, it is to get them a job. We feel they need more than either of these, so we are trying to help them build a career. As CEO, I asked my team to do something very difficult: create a program that is almost unprofitable, and make sure, for that \$50,000, we are arming them to make at least \$1,000,000 over ten years. To me, skill training is an investment and should therefore produce a return on that investment. We took the most valuable skills and are providing them at the lowest cost.

Where We Are Today

We moved very quickly in the beginning with the DOL, but the VA side has been terrible. I had to escalate to get a Director involved after two months with no communication and, unfortunately, I still cannot report that it has been completed. I

have engaged four sitting Congressman in California, Georgia, and Pennsylvania as well as a candidate running for Senate but, unfortunately, the answer I am getting from the SAA and VA is still “first come first serve” We are overworked and undermanned. It seems that even congress has little pull to get things moving. I also found out that, after following the recommended strategy to go state by state, that the VA would not approve us unless we had a building in every state, they then informed me there was no need to go that route, anyway, since our program can be executed out of our head office in CA as a single location. So now I am having to go back to the DOL to request our program be approved as a national program, instead of a state program, so that the SAA on the DOL side will be able to find the program in their database in each state. To make matters more complicated, several of the people I was working with in the beginning are no longer in their positions. I have sent requests to the DOL contacts I was given in DC that this be done, but now I am receiving silence.

We need this approval so that our company can be listed to receive VA benefits for these veterans so that they don't have to try to fund the program out of their already empty pockets. It is extremely sad that many of them would do this and, at the same time, watch their earned benefit go unused, just as I did, so they can get a career started. It wasn't worth the fight for me, personally, 19 years ago but, for these guys, I and my company are willing to fight today. We have new veteran organizations, VSOs and employers coming to us every day wanting to be involved. Many want to assist the veterans in getting connected to real jobs based on the skills they will get in the program but I cannot execute this without the VA approval, or national DOL approval. In many ways, after over 8 months, it feels like we are right back at square one.

As of this moment, we have over 200 vets that have applied for our program. Many of them are already making payments of \$50, \$100 or \$500 to get started. out of their own pocket. We are not a VSO or a non-profit that gets federal funds or grants (we haven't tried this route because we are experiencing enough trouble getting the program started as it is) so we have to operate as a typical profit-based business. To run the courses, we have operational expenses that we have to pay. Normally, customers pay us for the training before the course but, for the veterans, we are permitting many of them make monthly payments (no interest charges/no financing), some of them who are experiencing severe financial hardship, we are letting for free and eating the costs. We cannot do this for long, though, the risk and the expenses are not something we can absorb for a lengthy period.

The veterans range from those that separated 5 years ago to those separating now. Many have high disability ratings and are eligible for Vocational Rehab funds as well.

We need someone of power to step in and help us get through the red tape. We need this DOL program and the VA benefits to be available to veterans from any state in the US. We do not have buildings in every state nor do we plan to. We keep our costs very low so we can keep our prices very low. We leverage the technologies we teach in the training we do. Currently, as a business, we train people globally. Most of our students take the training through our live virtual platforms which leverage video conferencing and such. The 200 plus veterans we have today, are spread all over the US, as are the jobs we can get them. However, it seems this model doesn't fit the checklist the VA has, so they point to the SAA which, in turn, points back to the VA, in an endless circle of inaction.

We have met with local veteran counselors that have reviewed the program and think it's great, but constantly tell the veterans that they cannot do anything until NC-Expert is in the database, then they could “cut the check tomorrow”. So, simply put, we are currently caught in the muddy swamp.

The two most recent Executive Orders on the President's desk are about DOL Apprenticeships and the VA, and the recent Forever GI Bill addresses IT. There is a provision outlining that the VA should create a program for IT certifications and the companies involved in this pilot program will be rewarded based on the number of veterans that are employed. The deadline for this program is to begin no later than 6 months after August 2018, or January 2019. The statement says the VA will begin to try to do what we are trying to do now, and I can guarantee you my program will be a well-oiled machine by January 2019. NC-Expert is a profit based business, and we cannot afford for it not to be. I have reached out to the VA offering access to what we are doing, encouraged a partnership so the VA can benchmark our program. I realize this will eventually create competition in what we are doing but this is ok with us because, since there are 200,000 veterans separating annually, there are more than enough of them to help! To us, it would seem logical that a company stepping up to the plate to help both veterans and the under-skilled US workforce would get all the assistance they need but I can tell you it is not so.

I have limited avenues to get to people in charge at the highest levels in the DOL or VA, and the number of weeks this is taking keep mounting up. We are now starting to see some of the first veterans that applied for the program lose both interest and hope in their future, for the same reason I did 19 years ago. It seems that the VA spends far more time worrying about the check boxes on its forms than helping the fathers, mothers, and people in general that fought for us. It is hard to call this a benefit because, when the rubber meets the road, very few veterans benefit from the process.

I recently asked the SAA agent that visited our facility during the inspection what to do once the program is finally approved, in cases where veterans are not eligible for a full apprenticeship, those that have used part of their benefits already, or just veterans that want to take one or two of these courses and want to use their tuition reimbursement for the classes, what the process should be. The answer was "I don't think we have any companies that are approved for both OJT and tuition reimbursement". I asked why, and the response was, "We don't want veterans double-dipping". From her statement, it appears that we can only be approved for one, or other, program. The result is that this will isolate the veterans that we can help. It also makes no sense whatsoever. If we even try to get this approved for tuition reimbursement, we would have to create a brand-new application, fill out a 20+ page application, go into another queue, possibly have to change our company structure to fit a university model. and, even then, have to go through the exact same process again. This, typically, can take almost two years. All of that just to approve me to teach the same course that the government, DOD, all four branches of the military, the DOL and the VA have already approved me for. This doesn't hurt us nearly as bad as the 1000's of veterans we could have helped by just teaching them a single course: a course that is already being directly paid for by other government departments.

I appreciate the opportunity to tell my story and genuinely offer my services, my company, and my time to work with any congressman who would be willing to listen and act on behalf of the veterans that could be helped by this. I am more than willing to jump on a plane and personally tell this story during the hearing if the committee thinks it might help improve the process.

I would be greatly humbled and encouraged if this committee could take action on our behalf to help us expedite the process and make sure the doors are opened for us to help our military veterans.

Respectfully,

Terry Jenkins
 USAF SOF TACP/JTAC VET
 CEO, NC-Expert
 706-678-2044 Direct Line
 917-715-5149 Mobile
 terryjenkins@nc-expert.com

References:

NC-Expert Apprenticeship Program Overview- www.nc-expert.com/veteran-apprenticeship.php

