

**LOWERING THE RATE OF UNEMPLOYMENT FOR
THE NATIONAL GUARD AND RESERVE: ARE WE
MAKING PROGRESS?**

HEARING
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY (EO)
OF THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
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**LOWERING THE RATE OF UNEMPLOYMENT
FOR THE NATIONAL GUARD AND RESERVE:
ARE WE MAKING PROGRESS?**

Thursday, March 14, 2013

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

The Subcommittee met, pursuant to notice, at 9:59 a.m., in Room 334, Cannon House Office Building, Hon. Bill Flores [Chairman of the Subcommittee] presiding.

Present: Representatives Flores, Runyan, Coffman, Cook, Wenstrup, Takano, and Titus.

OPENING STATEMENT OF CHAIRMAN BILL FLORES

Mr. FLORES. Well, good morning. We will go ahead and get the hearing started. I would imagine we will have a few people that show up in the next few minutes, but I like to be as prompt as possible.

Forty to 50 percent. That is the unemployment rate we continue to hear of among National Guard and Reserve units when they return from deployment. While some of those needing a job were fresh out of high school when they joined the Guard and had never held a job before deploying, such levels of unemployment have significant ramifications for not just the servicemember, but also for our national defense.

Today, we will hear from the leaders of the Tennessee and California National Guard, who will discuss the respective situations in their States. We will also hear from witnesses who will describe their efforts to improve employment opportunities. I am especially interested to see how the private sector can promote employment, and I am delighted that we will hear of an unusual example from the CEO of Panther Racing about his efforts and his company's efforts to promote the National Guard.

Before I yield to the Ranking Member, I ask unanimous consent to enter a March 12th article on veteran employment from Time magazine in the hearing record. Hearing no objection, so ordered.

[THE ATTACHMENT APPEARS IN THE APPENDIX]

Mr. FLORES. This is a great article that has an interesting perspective on the veteran unemployment situation in this country and I encourage all Members to take time to read the article.

I now recognize distinguished Ranking Member from California's 41st Congressional District for any remarks he may have. Mr. Takano.

[THE PREPARED STATEMENT OF HON. FLORES APPEARS IN THE APPENDIX]

OPENING STATEMENT OF HON. MARK TAKANO

Mr. TAKANO. Thank you, Mr. Chairman. Good morning. I would like to thank our witnesses for taking the time to testify and answer our questions, and to particularly welcome Major Ty Shepard of the California National Guard this morning.

Welcome, Major.

Major SHEPARD. Thank you, sir.

Mr. TAKANO. Six hundred thousand members of the National Guard and Reserve have been mobilized since the attacks on our country on September 11th. They have served with distinction to protect our interests here and overseas. While the unemployment numbers for the National Guard and Reserve veterans varies depending on who is doing the counting, it is clear that our Reserve forces have an unemployment problem. As a result of the wars in Iraq and Afghanistan, our National Guard and Reserve forces have been called upon to play an active role in overseas operations. Both forces changed from strategic Reserve forces to operational Reserve forces. Guardsmen and reservists have spent more and more time in theater, often participating in multiple missions abroad. The increase in field rotations has led to many of these servicemembers having an irregular employment record, making employers weary of hiring these heroes.

With March Air Reserve Base home to Guard and Reserve units located in my district, I am well aware of the vast contributions our Reserve forces have made to our national defense, yet I cannot help but feel that we are letting down these brave men and women. Bureau of Labor Statistics reports that the unemployment rate is higher for Guard and Reserve veterans than for active duty veterans, and the younger the Guard or Reserve veteran is the more unlikely he or she will be available to find a job. These veterans need assistance navigating the education, training, and job opportunities available to them so they can reintegrate better into society and lead more productive and fulfilling lives. We owe a great deal of gratitude to these veterans, and we should do everything we can to assist them.

I am pleased that this Subcommittee is holding this hearing and focusing on our guardsmen and reservists who are too often overlooked. I hope this hearing will help us understand how these servicemembers are performing in the job market and learn more about the initiatives that are helping veterans succeed. I look forward to the testimony and working with everyone here on improving the employment situation for the Reserve forces.

Thank you Mr. Chairman. I yield back.

[THE PREPARED STATEMENT OF HON. TAKANO APPEARS IN THE APPENDIX]

Ms. FLORES. I thank the Ranking Member.

Our first panel is already seated at the table. With us today are Mr. Ronald G. Young, who is the Director of Family and Employer Programs and Policy for the United States Department of Defense; Major General Terry M. Haston, the Adjutant General of the Ten-

nessee National Guard; and Major Ty Shepard, Director of the California National Guard's Employment Program.

On behalf of the Subcommittee, I thank each of you for your service. Welcome to each of you. And just a reminder that each of you will have 5 minutes to summarize your statement. Let's begin with Mr. Young.

STATEMENTS OF RONALD G. YOUNG, DIRECTOR, FAMILY AND EMPLOYER PROGRAM AND POLICY, U.S. DEPARTMENT OF DEFENSE; MG TERRY M. HASTON, ADJUTANT GENERAL, TENNESSEE NATIONAL GUARD; AND MAJ TY SHEPARD, DIRECTOR, CALIFORNIA GUARD EMPLOYMENT INITIATIVE

STATEMENT OF RONALD G. YOUNG

Mr. YOUNG. Chairman Flores, Ranking Member Takano, and distinguished Members of the Subcommittee, thank you for this invitation to participate in this hearing to share what we in Reserve Affairs have been doing in support of the Reserve component servicemembers, their families, and their employers. My full testimony has been submitted for the record, and in this oral statement I would like to highlight three major areas.

First, I am the Executive Director for Employer Support of the Guard and Reserve, ESGR, and we have a network of 4,900 volunteers across the country, committees in every State that work to educate employers and servicemembers about their rights and responsibilities under the Uniformed Services Employment and Re-employment Rights Act. In fiscal year 2012, ESGR engaged with over 161,000 employers in various activities and events. We attained nearly 55,000 statements of support from those employers supporting their men and women that are employees and serve in the military in the Guard and Reserve. We educated nearly 500,000 of the servicemembers themselves about their duties and responsibilities.

The second area I will cover is about the unemployment rate in the Reserve component. I testified here last February and I spoke to the status of forces survey that had just been released that talked about the overall general unemployment in the Guard and Reserve. At that time, it stood at 13.1 percent for the general population, and for our E-1s and E-4s, it stood at 23 percent. The most recent status of forces survey went out to 113,000 Reserve component members, had a 26 percent response rate, and the figures we are seeing now are 11 percent across the board for the general population of the Guard and Reserve members, and for our junior enlisted, the rate has decreased from 23 percent down to 18.

The trendline is clearly in the right direction. However, the job is not complete. And even at those numbers it is well above what the Bureau of Labor Statistics recently reported for the veterans population across the country. I know clearly that there are Reserve component units returning home with rates much higher, as you talked about, Mr. Chairman, in your opening statement.

Since 2011, the National Defense Authorization Act, Congress mandated the Yellow Ribbon Reintegration Program, which I also am responsible for, to include employment assistance and employment information in the Yellow Ribbon reintegration events when

the servicemembers return home. We very aggressively started to leverage the 4,900 volunteers in the ESGR across the country that engage with employers every day to look for opportunities to help our Guard and Reserve members get jobs.

Just over a year ago, I launched a program called Hero2Hired, H2H.Jobs. That was a program that consolidated what the Army Reserve had been doing under the Employer Partnership of the Armed Forces with the armed forces into one program that would be applicable across all the seven seals, all the Reserve component. Since that time, we have had over 108,000 servicemembers come to the Web site. It is a comprehensive career readiness type program. It is not just a Web portal, a high touch or a high tech, but we have a high-touch piece to it with the 4,900 volunteers and with some employment transition coordinators that I put in the field back in August.

Through our contacts with ESGR, we have partnered with lots of different partners across the country. Just to name a few, the Society of Human Resource Managers. Many of our employers—let me just stick to my script here. The National Chamber of Commerce. We did over 400 partner hero events with them. The 100,000 Jobs Mission Coalition. The Job Connection Education Program with the Guard. The Military Spouse Corporate Career Network. Panther Racing, who you are going to hear from Mr. Barnes, doing outstanding work.

Sir, in conclusion, to answer the question asked up front, are we making progress, I think we are making some progress. We have seen a trendline in the right direction. I look forward to your questions.

[THE PREPARED STATEMENT OF RONALD G. YOUNG APPEARS IN THE APPENDIX]

Ms. FLORES. Thank you, Mr. Young.
Major General Haston.

STATEMENT OF TERRY M. HASTON

General HASTON. Good morning, sir. Chairman Flores, Ranking Member Takano, and distinguished Members of the Committee. I am honored to appear before you today on behalf of the 14,000 men and women serving in the Tennessee Army and Air National Guard. I would like to begin by expressing my sincere appreciation for the outstanding support of this Subcommittee.

The Tennessee National Guard has deployed more than 27,000 soldiers and airmen both at home and abroad since September the 11th, 2001. Although our deployments have decreased over the past year, we still have warriors returning to situations where they are unemployed or underemployed. For generations, the men and women of the Volunteer State have answered the call to this Nation without hesitation or reservation. Most return home after defending this great Nation and resume civilian careers and lifestyles that they have left. They renew their relationships with family and friends and reintegrate into their civilian workplace.

The pressing issue we are talking about today is concern for well-being of our soldiers and airmen who may be facing unemployment in the civilian sector. When I testified in front of this Committee

in February of 2012, Tennessee reported about 20 to 25 percent unemployment, and our National Guard strength was either unemployed or underemployed, with about 3.5 percent of those identified as full-time students. One year later, that rate has dropped to 15 percent, and about 4 percent has been identified as full-time students. This compares to an 8.7 percent unemployment rate for Tennessee in 2012 to a current rate of 7.6 percent as a whole.

We have committed to multiple programs and strategies to provide the very best opportunities in helping them gain employment. The Tennessee National Guard understands the value of collaborative efforts and knows the benefit of long-term employee. We support our programs and are focused on providing careers, not just merely jobs, and we are working diligently to assist these patriots in finding that career.

We continue to work with the Tennessee Department of Labor and Workforce Development, the Tennessee Department of Veterans Affairs, and our military departments, ESGR, and Reserve programs to conduct employment assistance workshops about once each month. These are 3-day events providing one-on-one career counseling to address issues such as writing effective resumes and how to make a positive impression during an interview. At the conclusion of each major event, employers, including Nissan, FedEx, Eastman Chemical, Hospital Corporation of America, AT&T, and a host of small businesses are available to interview prospective employees. Since 2010, 31 workshops have been conducted with 24 hiring events.

Also in Tennessee, the Military Department is working in concert with the Department of Safety in our 108th General Assembly, and they have changed the regulation to allow our soldiers who are truck drivers to obtain their commercial driver's license with only just a written test and not having to demonstrate their driving skills, and this shortens the path to their civilian employment.

In 2012, the National Guard Bureau's Job Connection Education Program, JCEP, was introduced as a pilot program in Tennessee, with a goal of 50 veterans hired by the 1-year mark. Today, only 7 months later, the program has placed in community businesses 503 veterans, and another 379 are in the pipeline for opportunities. Also, in October 2012, the Tennessee National Guard again joined with Tennessee Department of Labor and the Tennessee Department of Veterans Affairs and Dollar General Corporation to launch a program called Paychecks for Patriots. This landmark initiative brought together 90 major employers with immediate employment opportunities assisting 2,400 military veterans and their spouses seeking employment. By December, more than 50 of the previously unemployed participants found work through this program.

In adopting the National Guard Joining Community Forces Initiative, the Tennessee Army National Guard has coupled with community businesses and global corporations to create an Inter-Service Family Assistance Committee, with 19 Federal and State and local organizations reaching out to help veterans and their families. In an uncertain time for our Nation and our military, the consolidated efforts of these programs is the right path to ensure maximum benefit and opportunities for employment to assist our veterans.

Also, a Joining Communities initiative, the National Guard Military and Family Readiness Program and our J9 works in concert with the Governor's Council on Veterans Affairs to support community partnerships. These programs assist employment opportunities and veterans through local organizations like Operation Stand Down, Humana Military, Centerstone Behavioral health groups, and educators like Lipscomb College.

Hopefully, through these efforts, the Tennessee National Guard is defeating the perceived stigma of hiring veterans that could hinder their employment. We are working diligently to present our highly skilled servicemembers to employers, offering them a motivated, disciplined, drug-free asset with the training and potential for leadership within their companies. These programs, along with the U.S. Department of Labor Education Workshops in support of Veterans Opportunity to Work, the VOW Act, our Yellow Ribbon hiring fairs, and our outstanding relationships with the Tennessee Department of Labor are all positive steps in reducing the number of unemployed Guard members in Tennessee.

The bottom line is that through these collaborative efforts, these programs, we are seeing positive results now. We still have a long way to go, and it is imperative that we are able to maintain and continue these programs, because we believe that we are making a difference in the lives of our soldiers and airmen.

Sir, I have said many times that these National Guard soldiers and airmen are the best Tennessee has to offer. These men and women are willing to put their lives on hold and without hesitation and without reservation walk away from their families, communities, and their civilian occupation to defend and protect this great Nation. We owe them no less than our very best efforts.

To effectively combat this problem, we have had to know the enemy. We have had to look beyond the reported numbers that may, in fact, demonstrate a false positive. In our efforts to understand the magnitude of the problem, we consistently strive to determine an accurate number of Guard members who are actively seeking employment. To take it one step further, we also have to determine if their deployment actually caused them to be unemployed or were they unemployed before deployment in Tennessee. We continually encourage unit commanders and leadership to identify these individuals in order to assist them however we can find possible. We must know that the true unemployment enemy is before us and what is before us before we can engage it. In Tennessee, we are working diligently to identify and successfully engage that enemy. Sir, thank you for allowing me to be here today, and I look forward to your questions.

[THE PREPARED STATEMENT OF TERRY M. HASTON APPEARS IN THE APPENDIX]

Ms. FLORES. Thank you, General Haston.
Major Shepard.

STATEMENT OF TY SHEPARD

Major SHEPARD. Mr. Chairman, Committee Members, I am honored to appear before you today representing more than 23,000 citizen soldiers, airmen, and civilians of the California Military De-

partment. The citizen soldiers and airmen of the National Guard live and work in nearly every community in America and provide our country with a unique military force that stands ready to serve the States and the Nation.

I believe a program we designed and implemented in California called Work for Warriors can be part of the solution. The Work for Warriors program is the most effective job placement program of its kind. Made up of only six full-time personnel, this program places on average two California National Guardsmen into jobs every day. In less than a year, Work for Warriors has placed over 1,000 California National Guardsmen into good jobs.

Our Adjutant General views employment as a readiness issue. The California National Guard Command Team has learned that historically high unemployment and underemployment in our ranks was negatively affecting morale, training, accountability, soldier and family readiness, and good order and discipline. The Work for Warriors program was developed to solve these readiness problems.

[THE ATTACHMENT APPEARS IN THE APPENDIX]

Major SHEPARD. The program developed after a conversation with John Barnes, CEO of Panther Racing, and our Adjutant General, Major General Baldwin. It then began in earnest when the speaker, John Perez of the California Assembly, funded the pilot program April of last year with a one-time \$500,000 grant. Work for Warriors uses a direct-placement model rather than relying on a Web site or job fairs. By leveraging the chain of command, we manage soldiers and airmen through each phase of job placement.

The list of partner companies, currently at 92, continues to grow. We define a partner company as one that gives us a job opening with a streamlined process to hire a California National Guard member within a week or two, not just a company that clicks on the Web site or pledges support. Companies value Work for Warriors because they get quality, motivated, disciplined employees that are well trained and drug free through a concise and efficient direct-placement process that moves at the speed of business. Work for Warriors is remarkably cost-effective and represents significant savings to the government when factoring in unemployment and compensation costs. Successful veterans employment initiatives typically have a total cost of \$10,000 per veteran placed. The Work for Warriors program is averaging \$550 per cost, per placement.

The program is especially effective for units coming home from deployment. We found that many units returning from deployments have unemployment rates well over 50 percent. This high rate of unemployment had remained a problem because most Federal programs that assist deployed reservists did not begin until 60 to 90 days after servicemembers have returned to California. To close this gap, my staff contacts units while they are still overseas and works with the unit leadership to develop a plan to immediately reintegrate unemployed soldiers and airmen into the civilian workforce. Once the unit is back in the United States, the Work for Warriors staff provides the unit with program information at their Federal demobilization site, often located in another State,

and begins setting up job interviews for the deployed servicemembers.

The results have been dramatic. Placing soldiers and airmen into jobs immediately upon their return from overseas allows for a more successful reintegration and can reduce behavior health problems, substance abuse, and domestic violence. The direct placement model that we have developed is transferrable to other States that have high unemployment or underemployment in their National Guard or Reserve forces. It is also scalable to the size of the problem and can be deactivated or reactivated as needed.

Again, thank you for your interest in finding a solution to the difficult problem of reducing unemployment and underemployment in the Guard and Reserves. The California National Guard looks forward to working with the Committee to be part of the solution and getting our soldiers and airmen and veterans back to work.

[THE PREPARED STATEMENT OF TY SHEPARD APPEARS IN THE APPENDIX]

Mr. FLORES. Thank you, Major Shepard. And thank all three of you for your testimony. Again, thank you for your service to our Nation's veterans. I have a couple of questions I would like to start with.

General Haston, you have a very unusual agriculture development unit in the Tennessee Guard. Can you tell us a little bit about what they do?

General HASTON. Yes, sir. The agriculture development teams were put together by the former Chief of National Guard Bureau, General McKinley, and the former Director of the Army National Guard, Clyde Vaughn. And it was a collaborative effort of putting together about 20 agricultural experts, everything from bee-keeping to animal husbandry to row-crop farming, and to bring these folks together with a security element and send them into Afghanistan to work with the agricultural community there to show them that there is something else besides growing poppies. And we were getting ready to deploy our fourth team, and that team has recently been off-ramped and they are not going.

Ms. FLORES. Thank you.

General HASTON. Yes, sir.

Mr. FLORES. General Haston and Major Shepard, a question for each of you all. What was the unemployment rate for the last several of your units when they arrived back at home?

General HASTON. Sir, it depends on the type of unit that it is. In a lot of our combat arms units, the unemployment rate was somewhere between 25 and 30 percent. And it was a little bit lower in our combat service support companies.

Our combat arms units seem to have some younger folks in it. And some of these individuals quite simply graduated high school, went to basic training, AIT, and then immediately deployed. So they had really never had a job before. And so they were not considered unemployed, but if you don't have a job, you are unemployed. And we blended them right in with our other folks that we were helping to get employment.

Major SHEPARD. For us, sir, we started tracking that immediately when the program started in March. And we targeted, be-

cause we have such a small team, units that had 75 soldiers or airmen or more. Every unit since March of last year, which is, I believe, eight units that we were tracking that had 75 soldiers or airmen or more, had over 50 percent employment. A lot of them were close to 60 percent unemployed coming back from theater, which was pretty shocking, considering that these soldiers and airmen going over there are very well trained, used to working long hours, and are trained with the cutting-edge technology that a lot of the civilian workforce uses.

Ms. FLORES. Thank you.

Major General Haston, it seems to me that you have developed employment programs either on your own or with the help of non-profit and private groups. And so my question is this: To what degree did the State workforce employees or specifically the Federal-funded Disabled Veterans Outreach Program Specialists, or DVOPS, and Local Veterans Employment Representatives help with your programs? You are having to do a lot of this on your own, but yet we have got Federal programs. Give us the relative effectiveness of each of those.

General HASTON. Sir, you know, what we believe is there is strength in collaborative efforts. A lot of our airmen and our soldiers that were coming back just could not connect with these organizations. And so what we did was we formed up a staff section in my staff called the J9. It was an umbrella that covered everything from Yellow Ribbon to chaplain services to funeral honors to anything that can assist a veteran. And so what they have done is they have gone out and partnered with these other organizations, these Federally funded programs which we had not connected with yet. And, miraculously, all of these other folks started coming out, like Dollar General Store. And our Tennessee labor workforce discovered through just a connection that I had made in a cabinet meeting that we were doing this. And they immediately came on board, and these collaborative efforts just started snowballing, and that is how we came up with our event. So we just bring everybody together under one organization. And the more we do, the more people that want to join into it.

Ms. FLORES. I guess, digging into the weeds a little bit, did the State workforce come to you or did you have to go to them?

General HASTON. Sir, it was kind of a meeting engagement, I guess. It was at a cabinet meeting one day and then I was talking with our workforce development commissioner, and they had heard about what we were doing. And they said, why don't you come by and see. And it just wound up just a happenstance. And in working also with our ESGR, they had a connection. So when that trilogy tied together, it just worked.

Ms. FLORES. Okay. Thank you. And I would now like to recognize the Ranking Member for any questions that he may have.

Mr. TAKANO. Thank you, Mr. Chairman.

Major Shepard, what was the unemployment rate of the Cal Guard when you began this effort and what is it now?

Major SHEPARD. When we began the effort, before we began the effort in January, the adjutant general did a sensing as far as with the units and pulled out. And it looked like we had about a little over 4,000 California National Guard members that were unem-

ployed of the 21,000 servicemembers. So that is when he came up with a mission statement as far as for me to reduce unemployment by 25 percent in 1 year. We have placed over 1,000 soldiers and airmen since. So really, we are taking hold as far as to address these issues and attack those efforts.

Mr. TAKANO. So you said 4,000 out of how many?

Major SHEPARD. Twenty-one thousand servicemembers.

Mr. TAKANO. So roughly 20 percent unemployment?

Major SHEPARD. Correct.

Mr. TAKANO. And the unemployment rate now, expressed in terms of percentage?

Major SHEPARD. It is right around 13, 13 to 14 percent. What we plan on doing is in June the adjutant general is—sent out a memo that is going to both service components, both Air and Army, and it is going to mandate that by servicemember. So each soldier and airmen is going to register as far as if they are unemployed or not. And that is going to be reoccurring every 6 months. So, one, that will give us a larger pool of candidates to work with, even though we already have over 2,000. And then we can also address all those issues, and we will know by city, by unit, exactly what the unemployment rate is. And then we will re-poll those statistics every 6 months.

Mr. TAKANO. Okay. Then why, in your opinion, do you think the unemployment rate was so high in the Cal Guard?

Major SHEPARD. Based on what we have seen, the high optempo over the last 10 years, the operational tempo of the war on terror and all the deployments has definitely hit the Guard and Reserves hard, especially in California. Also, a number of the members that are unemployed are young, just entering the workforce, don't have a lot of experience. And also just because the business. Businesses need to be effective as far as with their time and who they hire and manage, because the economy and businesses have been hit hard. So having that person that may potentially be gone two or three times, a number of our servicemembers have deployed two to three times out of it, doesn't make them as marketable as far as to them and, you know, could potentially be a detriment. So all of those factors definitely play in as far as those causes.

Mr. TAKANO. Would your program, the Work for Warriors program, be more effective with additional funding?

Major SHEPARD. Definitely. Right now our case managers that are handling our applicants are handling between 500 to 700 servicemembers. So, again, we place about two people a day. That is pretty aggressive. We drill, we have drills, we have got annual trainings that we do. So we are not necessarily full-time just doing this. If we reduce that number down to, like, 200 to 250, maybe even less than that, we would be much more efficient as far as placing folks and getting people into jobs.

Mr. TAKANO. So you have some metrics there. So what is the optimal level of funding?

Major SHEPARD. I would say, I mean, if we could get for our State, and it could be sized, like I said, depending on the size of the State and the amount of servicemembers, but if we could essentially double our funding we would probably be 4 times as efficient as far as for placing folks. And even with businesses, taking on

new businesses and working those job openings, because the good thing is, is businesses want to work fast. They want somebody that is going to be responsive when they give us job openings. So we could take on more businesses and more job openings to start working. So both from the business side and the servicemember side that increased funding would help.

Mr. TAKANO. Well, great. Is there a place for Federal funding, say, through a pilot program? Would that be helpful?

Major SHEPARD. Definitely. There are some models that have been used as far as taking Federal funds and using that to hire folks, as far as my members are, they are State active duty, and put those into those positions to be able to place those servicemembers. Then again, the cost is \$550 a placement. It is pretty remarkable, especially when you consider those costs that we talked about as far as unemployment, those other subsidies that are used to help those servicemembers.

Mr. TAKANO. And you say unemployment is a readiness issue. How will the loss of funding for this program affect the readiness?

Major SHEPARD. Well, if soldiers and airmen don't have a job, it is really tough to respond to a State disaster, even to get there. There are some examples we placed in our testimony, is folks that were soldiers and airmen in the California National Guard that are literally homeless. So having, obviously, employment increases the chances that they will be able to respond to a State disaster or a national disaster. And obviously, with the Federal mission, as far as deploying overseas, that is one of the first things they look at, is to see if the soldier or airman is capable of being deployed, based on their family care plan. If they have a solid family care plan, then you will be able to be a lot more able to go and deploy and serve the Nation overseas as well.

Mr. TAKANO. Mr. Chairman, my time is about up. I yield back.

Ms. FLORES. Thank you, Mr. Takano.

Does any Member wish to question the witnesses? Mr. Runyan?

Mr. RUNYAN. Thank you, Chairman.

Thank you all for your testimony. And, General and Major, thank for your service.

My first question is really for Mr. Young and I think it is dealing with labor statistics in general. Do we count the people that just aren't looking for work in these statistics? Because I know at the national level we don't, and that statistic tends to get really skewed, and it is not representational of truly the unemployment out there a lot of the time.

Mr. YOUNG. Sir, you know, I am from DoD, so I am not an expert in Bureau of Labor Statistics and what they count. But for the survey that we conduct through the Defense Manpower Data System, it is a self-reporting type of a survey, and the individual servicemember can identify whether they are attending school and not even looking for work or they are attending school and looking for work or they are flat unemployed, not in school. So it allows us to differentiate as to who is really looking for work or who is going to school and not even seeking employment.

Mr. RUNYAN. Okay.

Mr. YOUNG. That is how we know that our percentage came from 13.1 down to 11.

Mr. RUNYAN. Well, I mean, the scary thing, I mean, generally labor statistics in general are a lot higher than the number you see every day. So that is kind of the thing I don't think the average American thinks about. And I was just curious on how your statistics were compiled. But thanks for that response.

General, I know, I do it myself, I have a lot of the veterans hiring fairs, and it happens all the time. And I know, Major said, there are companies that are just happy to be on the list and aren't really active in it. What was the key component to get people motivated or was it just your sheer brute force, if you will?

General HASTON. No, sir. There are lots of companies out there who have openings that just cannot make the connection. And I will give you one example. There was a meeting held in west Tennessee by the Tennessee Truckers Association. And there was a gentleman that stood up and said that his company had 80 tractor-trailers that were sitting there with no drivers in them because he could not get, you know, quality people to come in and do that. And it is just finding those opportunities and connecting the people.

Dollar General Store, who is headquartered in Nashville, has put to work thousands of veterans and their spouses just by connecting through service organizations across the United States, where they was not making the contact between unemployment offices. So it is just looking at those opportunities.

A lot of employers out there see guardsmen and veterans as a real asset, because they have characteristics. You know, we drug test our folks. So you are getting a drug-free employee, by and large. They have good work habits. And they, quite honestly, come to work presentable. And so employers, we have found just those little simple things like that, that these employers want to make careers rather than just give somebody a temporary job.

Mr. RUNYAN. But, I mean, I raise that question because, I mean, the hardest part I think is you have willing employers and you have guardsmen and people looking for work. And it is so sporadic in bringing those people together. And, I mean, you bring up the thing about trucking. And I had many conversations on that on the Hill last year. I actually had a conversation with somebody in academia not too long ago talking about even people coming off of active duty, across the board of how much we invest as a country in educating our servicemembers. And none of the experiences they have actually had in a classroom transfer over into academia. We need to figure that type of stuff out, too, because ultimately it is an investment in our men and women and you are going to spend even more money to reinvest them to educate them in another way. And it is just an issue I would like to raise.

And I yield back, Chairman.

Ms. FLORES. Thank you, Mr. Runyan.

Ms. Titus.

Ms. TITUS. Thank you, Mr. Chairman, Ranking Member, gentlemen. I appreciate your being here very much. I just wanted to ask you perhaps the difference in the experience you are finding between men and women reservists. I represent Las Vegas. And some of the companies there are doing a good job of reaching out and trying to hire veterans. You have got Caesars Palace doing an Enlisting Heroes program. But that is at the back end. I now understand

better and appreciate from reading your testimony the problems at the front end, the reluctance to hire reservists because now they are so often used and for such long times and are called back. And that has certainly been the case of the brave Reserve units in Nevada. And with gaming and construction, which are two of our main businesses, I can see why that might be a problem.

You are from California, not Nevada, but I wonder if you see similar problems or you might have talked to people in Nevada and know if that is happening or not and if there are differences in the kind of challenges men and women face.

Major SHEPARD. We actually just gave some jobs to Nevada, because we had a business call us up asking for some folks to come over in Carson City and then over in Vegas. And we referred them over to some folks over there in Nevada. So we have got a great partnership with you.

But I think one of the biggest pieces that I realized, and this has been documented in some recent Wall Street Journal and New York Times articles, is there are a bunch of businesses that are looking for veterans, and they just can't make that connection. And basically how do I get ahold of somebody that is going to be able to decipher a resume, because some military servicemembers typically write resumes that are with military speech and that doesn't translate well into the civilian world. So how do I read that resume, how can we get that resume written better, and then how do we connect? I think that looking at our direct placement model, as far as all business has to do is basically call us, tell us what they are looking for, what the pay range is, and what the location is, and that is it. Even a five-bullet email, or just a phone call to us, and we will go find that servicemember, get them the resumes, and connect with them. And that is it. Businesses want to hire. They like the attributes. It is just a matter of how do I find that person and how do I connect with that person. So it is an interesting problem, but the solution is easy if you just create that conduit as far as that initial contact to link them up.

Ms. TITUS. I appreciate that. But doesn't really answer my question.

Would you add to that? Could you?

General HASTON. Well, ma'am, if you were specifically speaking between our female and our male soldiers, we have not seen a significant difference. I know that most recently the females in the combat units has been an issue. And quite surprisingly in our units we have not had any difference. My senior enlisted leader is sitting behind me here. He and I just flew in from El Paso, Texas, where we were seeing our 212th Engineer Company. They are getting ready to go to Kuwait. Both their commander and their first sergeant are females. And I was talking yesterday with the commander, and I asked her, I said, do you have any problem going back to work? And she is a schoolteacher, and this is her second deployment. And she said, absolutely not. She said, I have been teaching school 18 years and I will step, you know, right back into this.

But our unemployment workshops and events that we have had, there are some events that specifically looks out at females.

Ms. TITUS. Okay.

General HASTON. But, by and large, it is balanced footing across the board. And we have not seen a significant difference. So I would tell you that our female soldiers have not been, you know, alienated or anything. And, in fact, they have had some more opportunities than our male soldiers.

Ms. TITUS. Well, I didn't think they were having problems at your end. I was wondering if different industries or businesses or professions that traditionally hire men versus women or women versus men cause different kinds of problems.

General HASTON. Yes, ma'am. Just as I said, the unit that we are sending out are construction engineers. In fact, a young lieutenant, female lieutenant was in charge of a construction project which was a test project for the unit before they go into theater. And I was extremely impressed with her capability, as was her evaluators.

Ms. TITUS. Thank you, Mr. Chairman.

Ms. FLORES. Thank you, Ms. Titus.

Mr. Coffman.

Mr. COFFMAN. Thank you, Mr. Chairman. It seems that we are transitioning right now from an operational Reserve, based on a very heavy tempo, to a strategic Reserve, because of the fact that we are drawing down, we are out of Iraq and we are drawing down in Afghanistan right now. So it seems, for instance, when I went on active duty out of retirement, back to the Marine Corps in 2005, because they were that desperate, because of the fact that in 2005 there was a stop-loss program for people, you know, that had reached their EAS and were ready to leave on active duty, individuals who had left active duty, but I think under 2 years were being called back and sent to Iraq and the Marine Corps. Reserve units were in a normal rotation cycle with their active duty counterparts. And the Marine Corps had reached out to retirees such as myself with specific skills sets to see if we would come back, and I agreed to come back and did a tour of duty in Iraq.

And the Army National Guard and the Army Reserve, those units were not only sent to Iraq, but were sent to Iraq for an extended period of time that was almost indeterminate. Some of the units were, I think, doing 14, 15 months in Iraq. And that wasn't counting their workup time before they went. So I think employment was very difficult for them to return back to their private sector or even public sector jobs.

Now that we are phasing down out of that situation, tell me about the differences and challenges. Because I think the huge challenge was these multiple deployments. Now that that is phasing down, although you certainly did mention a unit that was deploying out of the Tennessee National Guard to Kuwait, but now that it is phasing down, tell me about the difference in the challenges that we have now versus that we did when we had. During the surge in Iraq, we, I believe, had 170,000 U.S. military forces in Iraq, and we had an additional, I think, 30,000 in Afghanistan. Obviously, those numbers are down now, being that we are out of Iraq and phasing down in Afghanistan. Tell me about the differences and challenges that we face in terms of the employment of our Guard and Reserve personnel.

General HASTON. The first thing is between operational and going back to a sustained force. I would say that we never need to go back to the Guard that we were in the 1990s and 1980s, because as a country we put a tremendous investment into those men and women and the readiness levels.

We did have some issues, and I think we had some challenges across the force, as you mentioned, sir. We sent some units that spent 22, 23 months, counting their train-up and the time that they went into theater. And we finally got the issue of boots on the ground resolved. And we got a battle rhythm going in this Nation between the active forces and the Reserve forces in about 2006, 2007, that was able to be sustained.

Thank you for your service going, because I do know that our services had to reach down and cherry pick certain skills and stuff of retirees and people that was in the Individual Retired Reserve and bring them back up. And that plugged some holes which we probably couldn't have otherwise done.

But our challenges now is, is that our young men and women want—I am speaking for Tennessee—want to mobilize and deploy. I spoke with a young man day before yesterday when I was asking in this unit that was going to Kuwait how many multiple offenders, as I call them, that we had. One young man, this was his fifth deployment. And all of these are volunteered. And part of it is about patriotism and volunteerism, and then there is a part of it that is employment. They like doing that.

The part that concerns me is the fact that as these deployments scale down, I am concerned, and we are already seeing a trend of young men and women leaving the National Guard because they are seeking employment elsewhere. And it may take them out of State, to another location. Now, whether they rejoin a Guard in that State is to be seen. But our young men and women in the National Guard and Reserve, that is what they joined for, that is what they raised their right hand for, to deploy. So to maintain the Guard in an operational status I think is critical, and it is a challenge to our senior leadership to make sure that we have that balance. And I think that as long as we are doing operational events, be it in Kosovo or be it in Kuwait or Horn of Africa or wherever we are challenged, there needs to be a balance. And we never need to be back to the force that we were 20 years ago, 15 years ago, where the Army would have a need and call on the Guard and Reserve and then there was just tremendous train-up period.

Sir, in 2005, you would send a brigade combat team into theater, and we were training them 2 to 4 months prior to going, prior to deploying. Now it may be 40 to 45 days. And so we have shortened that. So that just goes to show that the Guard and Reserve is the best quality of soldiers and warriors that we have ever had.

Ms. FLORES. Thank you, Mr. Coffman.

Mr. Cook.

Mr. COOK. Thank you, Mr. Chair.

I think a lot of the points that you made are right on target. And perhaps part of the problem is the Guard and the Reserve have been too successful. You know, the regular components, they want you guys and gals. The problem is, is that this is a new phe-

nomenon, I believe. You know, the multiple deployments. That didn't happen for a long, long time.

And I think on the other side, you know, people are going to be very, very leery about hiring somebody and training them when they know there is this uncertainty. So, you know, I know they can, you know, whether they are discriminating, but it is almost below the radar. I think there is a certain discrimination against people because they are in that position. And I wonder if you had any suggestions on perhaps incentives for people to hire individuals in terms of maybe tax breaks or something like that, because they are a valuable commodity and I think people realize that. But the uncertainty and this mindset of multiple deployments, which is ending, but it has kind of soured the job market, at least from my perspective. Just see if you had any suggestions.

And the other question I had was whether your stats included those people that just said, well, I am going to go back to school full-time. And I hope that is counted in that, because that would skew the unemployment figures. Thank you.

General HASTON. Yes, sir. The first question that you asked is about the predictability. And what we have done in the Army is that we have what is called an Army Force Generation cycle or ARFORGEN. And it is predictable in a 5-year cycle for Reserve component units. So at the fifth year, the individual, if he is in a unit that is in its fifth year of training, could possibly be deployed in that fifth year. That doesn't necessarily mean that he will. And then that unit rolls over back into year 1 again, so it would be another 5 years before that unit, unless it was a, you know, a specified type of unit that there was a requirement to go. But that is the predictability that we are trying to give our soldiers and our airmen.

The second thing is, is you are right on target about the incentives. I have felt that all along. If you are an employer and you are employing a guardsman or Reserve, having some type of mandated or some type of codified incentive tax break, or whatever, would really be, I believe, would be a plus.

The third thing that you mentioned about soldiers just not wanting a job. We have found that to be true. A young man comes back from deployment who is a high school graduate, went to basic training, AIT, deployed for a year, and comes back, they can get unemployment in Tennessee, 99 weeks. He gets his Post-9/11 G.I. Bill. And then he is living at home with mom and dad. That is a pretty good deal. That is a real good deal. So some of these young folks are taking advantage of that.

Major SHEPARD. Just a quick comment about the educational. That was one of the enemies that we actually identified early on that we didn't think would be an enemy, was the G.I. Bill, as far as employment, just like General Haston stated, in that soldiers would come back from deployment, you qualify for your 9/11 G.I. Bill, and then they fear there are no jobs out there, I don't know what to do, I need to, you know, make ends meet. So they utilize the G.I. Bill, which pays for your basic housing allowance and for subsistence as a way to essentially put a band-aid on them being unemployed. That is one of the things that my team members have to attack aggressively at the demobilization site when you talk to

soldiers and airmen, is that, hey, you know, save that, you know, for real purposeful use for yourself or for your families. There are jobs out there. Use that for the intended purpose versus using it as a band-aid to kind of counter the unemployment.

Ms. FLORES. Thank you, Mr. Cook.

I have one last question. It is more of a curiosity question than anything. And you may or may not have any metrics on this, and it is maybe a gut-feel question. Let's assume you have got a high school student that is your control group in terms of what their employment opportunities are coming out. And then you take a young man or woman who has graduated from high school, gone into the service, had a deployment, and then has come back and has decided not to use their Post-9/11 benefits immediately. In other words, they want to go to find a job. Who is having better success at finding employment? Is it the person right out of high school or the person who has served and has just returned from service? What is your gut feel or your metrics, if you have any, on who is more immediately capable of being employed?

General Young, do you have any feel for that?

Mr. YOUNG. Sir, I do not.

Ms. FLORES. Okay. General Haston, any feel?

General HASTON. No, sir. I think both of those groups have equal attributes. And, you know, a young man exercising their 9/11 G.I. Bill or whether they just decide to, you know, defer that, give it to their children, as we can do now, or a young man that is coming straight out of high school, I think it is a pretty balanced fight.

Ms. FLORES. Okay. Major Shepard, any feel for that?

Major SHEPARD. I can't speak specifically to that. But I would say, again, some of those detriments, as far as unemployment, that some of our servicemembers look at, as far as the G.I. Bill, and then even just collecting unemployment. We have talked to members, that you have come back from deployment you can collect employment. Why would I want to go get a job that is \$10 an hour if I can make more than that on unemployment? You know, to try to counter that. So obviously that skews that analogy a little bit.

Ms. FLORES. Okay. We call that on to the Budget Committee the implicit, the high implicit tax rate of moving from more of being a supported person to an employed person.

Thank you for your testimony. General Young, General Haston, Major Shepard, thank you for your service. All of you in the audience that have served, thank you for your service to our country. We appreciate it. This panel is excused. And now we would invite the next panel to come and be seated.

With us today is Mr. Ted Daywalt of VetJobs.com; Mr. John Barnes, the Managing Partner and CEO of Panther Racing; and Mr. Al Garver from the Enlisted Association of the National Guard of the United States. And after you are seated, we will start with Mr. Daywalt.

STATEMENTS OF THEODORE (TED) L. DAYWALT, CEO AND PRESIDENT VETJOBS; JOHN BARNES, MANAGING PARTNER AND CEO PANTHER RACING; AND AL GARVER, EXECUTIVE DIRECTOR, ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES

Mr. FLORES. Well, thank you for joining us today, and we appreciate what you do for our veterans. I would like to start with the testimony of Mr. Daywalt.

STATEMENT OF THEODORE (TED) L. DAYWALT

Mr. DAYWALT. Good morning, Chairman, Members and staff of the Subcommittee. I am very pleased that HVAC is again addressing the issue of National Guard and Reserve unemployment.

The short answer to are we making progress is an emphatic no. While some State National Guard groups have had good success, nationally, the unemployment rate for the NG&R is rising, and I predict that it is going to continue to rise for a number of different reasons.

California is doing a great job, Tennessee is, West Virginia, but a lot of the other States are running into problems. Specifically to the Army National Guard, at the time the National Guard Bureau stopped producing the Current Employment Index this past fall, the national unemployment rate for the Army National Guard was right at 21 percent, 3 times the national veteran unemployment rate. And that isn't a voluntary survey. That is a national survey by bodies.

I would estimate the unemployment rate has now risen to something between 28 and 30 percent, but since there is no longer an effort by DoD or NGB to track the rate nationally, we don't know for sure where it is at, but we do know it is high. I understand that bureaucracies do not like to confront uncomfortable information, but hiding it or denying it does not fix the problem. I find this behavior particularly strange since NG&R now represents over 50 percent of our total fighting forces.

At the Veterans of Foreign Wars-sponsored VetJobs we see over 20,000 veterans a day going to our site. We find that for the most part those veterans who have totally separated from the military are able to find work. That is why the overall unemployment rate has always been lower than the national unemployment rate.

That is not to say some transitioning military are not having problems in this stagnant economy, many are. But if the veteran remains active in the NG&R, they are having much greater problems finding work. I give examples in my written testimony, and I have covered this at length in previous testimonies.

The call-up policy implemented in 2007 was flawed and it continues to be flawed, but planners at DoD still do not seem to understand that an employer cannot run their companies with their most important asset, the human capital, is being taken away for 12 to 18 months at a time. I would imagine you would have trouble running your staffs in your offices if they were gone for 12 and 24 months multiple times.

The result has been that many employers will not now hire as a new employee an active member of the NG&R, and in fact now look for ways to remove active duty members from the National

Guard and Reserve from their companies, to the point where some employers now are offering members of the Guard and Reserve who hit the 20- or 40-year mark very large bonuses to quit.

Like it or not, the component members of the NG&R actually belong to the civilian employers who are loaning the NG&R members to DoD, not the other way around. This has placed a significant number of NG&R members in the tenuous position of trying to serve two masters at the same time.

To be fair, in the recent wars, DoD was faced with the challenge of providing troops to fight the wars, but DoD could not politically implement the draft and Congress would not let DoD expand the size of the military. The result was DoD used the National Guard and Reserve as a backdoor draft. I would have probably done the same thing, except I think I would have been much more honest with the employers and the component members about what was going to happen and found ways to assist both parties, and I don't think I would have denied for 5 years that there was no problem.

History has shown that every time America reduces its active forces, such as after World War II, the Korean War, Vietnam War, when the Clinton administration reduced the military in the 1990s, the use of the National Guard and Reserve went up. Now that the current administration has reduced the active duty to where the NG&R are larger than the active forces, I perceive the use of the NG&R is increasing again.

In my written testimony I have made suggestions to help alleviate the employment problems of the members of NG&R. Having studied this issue for 10 years, I found there is no silver bullet and it won't be cheap. Anything that you try to do will cost money.

My purpose here is to raise awareness of what could be done to help alleviate the employment problem for members of the NG&R until something can be done about the policy. A more balanced way to utilize NG&R needs to be found so that the component members can keep a continuum of employment. If one is not found, we will have relegated the members of the National Guard and Reserve to being third class citizens, expected to fight and defend America, die and be wounded, and return to a country whose DoD policies make it next to impossible for many of them to find meaningful employment and have a continuum of employment with an employer.

This is not the fair, nor is it the right thing to do to those who defend our freedoms. This concludes my presentation, gentlemen. I would be happy to take any questions.

[THE PREPARED STATEMENT OF THEODORE (TED) L. DAYWALT APPEARS IN THE APPENDIX]

Mr. FLORES. Thank you, Mr. Daywalt.

And I believe before Mr. Barnes testifies that he would like to show a short video from Panther Racing.

[Video shown.]

Mr. FLORES. Wow. Mr. Barnes, you are recognized for 5 minutes.

STATEMENT OF JOHN BARNES

Mr. BARNES. Thank you. I raced in front of 400,000 people. Never thought about being here today.

Mr. Chairman, Members of the Committee, thank you for the opportunity to be here today and discuss our partnership between the National Guard and Panther Racing and collaborative effort to address Guard unemployment. I am John Barnes, CEO of Panther Racing. I will tell you, we are honored to follow the leadership provided by General Grass, Lieutenant General Ingram, and the 54 Adjutant Generals who share our passion in solving unemployment of National Guard soldiers.

I will never forget my experience in arriving at Brooke Army Hospital in 2008 meeting a wounded warrior wearing a smiley T-shirt with the words, got burns. When I am having a bad day, I think of him. He never complained. In a silent way, his courage made a huge statement to me in my life: Life goes on. Don't complain. Finish the mission. And get better.

The privilege of visiting Brooke and other hospitals and meeting our Nation's heroes and seeing their courage and determination is unlike anything I have ever experienced in my life. Long rehabilitations can be very lonely. Our support can give them hope. We assist with troop morale daily by providing thousands of National Guard soldiers and families with a day at the races. Our infield training unit helps educate our soldiers regarding employment and other permanent issues relative to Guard life.

Years ago, at a race in Kentucky, I learned from our hometown hero who had been in impact zones with several IED explosions about the prevalence of traumatic brain injury. He had been taken offline, but he shared stories about his comrades who had suffered TBI as well. I asked him what was the level of G-force impact from their blast. I was surprised to learn that they were not recorded.

Racing deals with serious head injuries every day. We utilize data recorders and ear accelerometers to measure the impact of a driver's accident, which is then used for treatment and development of better equipment. As the video said, we shared this with the Army. Now with modification and repurposes, we have had over 4,000 of them been deployed.

Today we are discussing designs of seats used in an IndyCar that potentially could help helicopter pilots who have a high rate of spinal injuries. So why is this important? Because we see the many assets in Panther's toolbox as the Guard's assets. These synergies have provided us with the foundation to build a successful unemployment program.

We formed partnerships, as it said, with ESGR, the Chamber of Commerce, each respective State's National Guard leadership and employment outreach coordinators. Our efforts entailed engaging local business leaders at races and in nonracing states where we experience Panther Racing Hire Our Guard. We raised \$1.1 million in private capital last year to do that program.

When business leaders have a bucket day while experiencing the Panther program, we know they are leaving with a greater understanding of the Guard, those business leaders who will advocate policies and practices that support our veterans. A guardsman with a good job at a company that respects and supports their service is a National Guardsman that our nature will retain for a long time.

So we are a Pied Piper of sorts, taking the most effective parts of many existing programs, combining them with our program to craft the perfect environment where employers are set shoulder to shoulder with National Guard soldiers to hear about their attributes and their value to communities, our State, and of course our Nation.

We have learned that this engagement is simple human psychology. In life, people do not gravitate to things they do not know. The decision-makers we meet highly respect the military, but are intimidated in how to engage them.

We use racing to promote Guard unemployment and to build a bridge from the unknown to the known, and it really works. Now we must encourage others to do so. Panther would like to bring our program to the 15 largest sporting events in our country. By combining the star power of major sporting events with the emotional impact of our hometown hero stories and the respect employers have for military leaders, these will be unique, effective forums for finding jobs and growing the base of Guard friendly employers.

Picture a Guard event at the Super Bowl with the Harbaugh brothers speaking to our guests about this issue. Imagine a fantasy camp where you can learn from notable stars and coaches in the morning and in the afternoon learn about the Guard's unemployment programs and how they can help them succeed.

Finally, this issue goes much deeper than unemployment. We have learned how the lack of a job can adversely affect these soldiers in many ways. We will not be successful for those who have served unless we ensure those who are affected by PTS also have their opportunity. Greater awareness, education, and training tailored to contest myths about PTS are needed in the mental health community.

Medal of Honor recipients are taking a leading role in combatting suicide and educating employers regarding PTS. Typically, if a company has a choice between two candidates, a soldier affected by PTS and an unaffected civilian, they normally choose the one with less risk versus the one with potentially more reward. Much more has to be done in this critical area.

I am very humbled and honored to be here today. We feel a special calling to ensure those who have served our country have the same opportunities for themselves and their families that they have fought for us to have. I invite each of you to visit us at Panther Racing, see what we do and experience it, and please help us to discover new ways to take our private-public partnership can do more with it to honor our guardsmen and their spouses to find meaningful employment.

Thank you so much for this opportunity. I welcome you with your questions and comments.

[THE PREPARED STATEMENT OF JOHN BARNES APPEARS IN THE APPENDIX]

Mr. COFFMAN. Thank you, Mr. Barnes. I suspect many of us will take you up on your offer.

Mr. Garver, you are recognized for 5 minutes.

STATEMENT OF AL GARVER

Mr. GARVER. Chairman Flores, Ranking Member Takano, distinguished Members of the Subcommittee, on behalf of the 414,000 enlisted men and women of the National Guard and the 47,000 active members of EANGUS, thank you for the opportunity to testify today. I would also like to thank this Subcommittee for some landmark achievements, such as the recognition of the Title 32 service toward the Post-9/11 GI Bill benefits and the development of the TRICARE Reserve Select program. More than 140,000 guardsmen now qualify for those Post-9/11 GI Bill benefits, which will surely translate into more stable and better-paying jobs, and there are nearly 50,000 National Guard members, most with families, that are currently covered by TRICARE Reserve Select.

Since 9/11, there have been 750,000 individual deployments of National Guard members and more than 50 percent of those guardsmen are now combat veterans, most with multiple deployments. These men and women are no longer the weekend warriors of yesteryear, but battle-tested citizen soldiers in an operational Reserve, too many of whom are returning home to find their only option is the unemployment line.

It has been estimated by varying sources that 20 to 40 percent of returning National Guard soldiers and airmen are unemployed. These numbers vary greatly from State to State, and we have no way to capture an accurate national number. There are many positive efforts under way to affect this elusive unemployment picture for National Guard members. ESGR, Employer Support of the Guard and Reserve, is still a key player, and they are working directly with EANGUS to give our unemployed members the ability to link directly with their H2H database to have job listings in their area flow directly into their personal email. The U.S. Chamber has its Hire our Heroes program, and many major companies are making commitments to hire veterans, such as Wal-Mart's recent pledge to bring 100,000 veterans into the workforce. And just yesterday, UPS pledged to hire an additional 25,000 veterans.

Progress is also being made to fast tracking the certification of commercial driver's licenses for guardsmen who have already been trained to handle military big rigs. Southwest Truck Driver Training boasts a 92 percent placement rate for these troops and goes out of their way to ensure that these men and women are placed with military-friendly companies that understand the unique needs of guardsmen and reservists.

If Congress and the commanders of our National Guard and Reserve are serious about tackling these unemployment problems, we need to look at all opportunities, including the vocational trades, where there are immediate job openings available.

But I know you asked us here to offer additional solutions, and we have some specific primary proposals I will convey verbally and several others in our written testimony. One proposal is to encourage small business owners who hire guardsmen or reservists to provide a stipend that pays for their TRICARE Reserve Select policy rather than their more expensive group policy. In doing so, the troop would be getting some of the best coverage available and the business owner could save anywhere from \$3,000 to \$10,000 or more per year, per individual. This would become an immediate in-

centive to hire guardsmen and reservists. Best of all, troops are already entitled to purchase these policies so no new program has to be developed or paid for by Congress or the States.

Next, while the sequester has triggered the partial furloughs of 800,000 DoD civilians, there is one sub group of those civilian employees that justifies an exemption, National Guard military technicians. Currently there are 52,000 full-time military technicians wearing their U.S. Army and Air Force uniforms to work every day, representing more than half of the National Guard's full-time force. While they are slated to be furloughed along with other DoD civilian employees, their unique status should merit an exception.

What makes them distinct is their title, military technicians. Their predecessors were known as civilian technicians, and it was Congress that decided they were more military than civilian, authorized them to wear their military uniforms to work every day, and awarded them that title along with expectations of filling roles and responsibilities beyond that of their former duties.

As we speak, 7,600 temporary military technicians are expected to be laid off as a result of this sequester, and the remaining 52,000 full-timers will be subject to the 20 percent furlough, effectively making them underemployment. The President, Congress and the DoD all agreed to exempt uniformed personnel from the sequester to limit the impact on military readiness. We believe the impending furlough of National Guard military technicians violates that intent. We encourage you to support HR 1014, introduced by Congressman Steven Palazzo, which would exempt these technicians from furlough.

In closing, we truly believe the vast majority of employers want to hire veterans, and that is one of the reasons why the national unemployment rate for all veterans is approximately 7 percent, yet the National Guard unemployment rate is estimated to be at least double that number and some places much higher than that. We believe many employers are more likely to hire the veteran who has already fulfilled their military obligations rather than a guardsman or reservist who may be called back to duty for 12 to 18 months in a 60-month period. To counter that, we must work with the private sector to incentivize and show small, medium, and large businesses that hiring these patriots is the best possible choice they can make for the success of their company and our Nation. This concludes my remarks.

[THE PREPARED STATEMENT OF AL GARVER APPEARS IN THE APPENDIX]

Mr. FLORES. Thank you, Mr. Garver. We are going to drill into the points you made about the impact of sequestration on the military technicians. It is something that I was not aware of. So thank you for that.

I will now begin the questioning. Mr. Barnes, excluding your contract with the National Guard, how much money have you raised from the private sector to support your program to promote the National Guard?

Mr. BARNES. It was about \$1.3 million or \$1.4 million, I think total. The year before that, it was a little bit less. But we continue to work daily to try to address that.

Mr. FLORES. That is outstanding.

Mr. Daywalt, can you go into more detail regarding your assertion of members of the Guard and Reserve being laid off before the 60-day window that is covered by USERRA, and do you have any data to back that up?

Mr. DAYWALT. Yes, sir, we do. We brought this up 5 years ago, right after the 2007 policy was put into place. I will give you an example of one which was the Iowa National Guard. You go back to about Day M minus 160 is when it was announced they were being called up; 750 people got laid off. Down to about day 65, 70, nobody got laid off after the Day M minus 60. It is because by then they generally have their orders in hand.

Another good example would have been the 877th out of Augusta, Georgia. We hooked them up with the CNN reporters that did the program "Vets Wanted"; 140 of those people lost their job before they deployed. CNN went over to Afghanistan, interviewed them, and then came back and followed them for 5 months after they got back. It was a 1-hour special. It was really powerful. At the end of 5 months, only eight people had gotten a job and all of them said on film—everything goes great until I mention I am in the National Guard.

This is a common problem. I know a lot of people tried to deny it was going on, but it does. You can talk to anybody out in the ESGR or LVERs or DVOPS, you know, people all over the country see this.

I will give you another good example. When the South Carolina Guard was called up a third time, on Monday, Tuesday, and Wednesday we received about 20 phone calls from people that were in the South Carolina National Guard. They had been laid off, and it just happened that the past Thursday it was announced their brigade was being called up.

We have got lots of examples like that, sir. It is a reality. I know some people try to deny it, and they have bureaucratic reasons for that, but I live in Realsville. Every day we are getting phone calls in our offices from people that this is happening to, and it is really a defensive mechanism by industry because they can't run their companies when your employees are taken away for 12, 18, and 24 months. Anybody in private business understands that, which is why we are seeing another defensive mechanism.

I have got six examples. I am trying to get it all documented so I can present it. But companies are now going to members of the National Guard and Reserve who are hitting their 20-year mark and offering them large bonuses to quit. Now, as a former CEO of large companies—this company here is not quite as large as what I used to have—but it is a good business decision. If I have a key employee who has been called away twice and it has hurt the company a lot, paying out a \$100,000 bonus, in one case we were told it was a \$300,000 bonus after taxes, that is good business sense because it hurts the company.

I hear from a lot of CEOs that if they were given a cash stipend, much like the way that the British government does it with their territorials, when they call up a territorial, which is their equivalent to our National Guard, the government pays the company so that the company can hire a contractor to come in and do the work.

I have seen in Australia, several different countries around the world do that, and it is a good way to get the civilian employers to support it. Like I said, anything that you are looking at is not going to be cheap. I know everybody wants a silver bullet that doesn't cost anything, but that doesn't exist.

Mr. FLORES. Thank you, Mr. Daywalt.

Mr. Barnes, in your written statement, you said that you believed that Operation Hire Our Guard could be expanded to other sports and entertainment platforms. Have you been able to reach out to other sports groups such as the NFL, considering Panther Racing's connections with the 49ers' coach, Jim Harbaugh? I think you kind of gave us an indication of that in the video, but can you expand on that?

Mr. BARNES. Yeah. Actually, we have, and we are continuing to do that. We put together a coalition of sports partnerships last year and to address some different issues here. You know, give you an example. Today after we leave here, our driver and I are going to go to Walter Reed, and before us is Joe Montana. He is going to go through first. Now, who do you think more attention is going to be given, us or Joe Montana? You know, so it is him.

And so we think that it is proven to us that it really has, you know, a lot of validity and a lot of growth that we can do there. We can get people there, get their attention, get them on board, get the star impact made, and we can make a difference there. We have so far.

Mr. FLORES. Thank you, Mr. Barnes. And I have gone over my time limit, so without further ado, I am going to turn it over to Mr. Takano for his questions.

Mr. TAKANO. Thank you, Mr. Chairman.

Mr. Daywalt, I was interested in your term backdoor draft. You know, when I was a little boy, I remember the National Guard being the place where people went to avoid situations where they would actually be called up, but in our most recent engagement in Iraq and Afghanistan, it turned out that it was exactly the place that you would go to meet those engagements.

I am curious, we are looking at the Reserves and the National Guard as a way to kind of be cost-effective and save money from having to employ active duty troops, but we have got to solve this problem. I served on a board of trustees and every once in a while I had to approve the leave of logistics personnel for the Air Force at our nearby Air Force base and that was just one person out of our operation, but I know that our sheriff is now reluctant, I think, to hire a large number. And plenty of military folks like to go into law enforcement, of course, but he is reluctant because if a large number of his force is going to be called up at any moment, that leaves him with a staffing issue.

So am I right, this is a rather unprecedented situation we have with National Guards and its relationship to employers, both public and private?

Mr. DAYWALT. Yes, sir, it is an unprecedented situation. It goes back to when the Federal reservists were created, the Army in 1908 and the Navy in 1915. At that time, there were a lot of articles written about who actually owns the asset. Is it the War Department back then or is it the civilian employer? It was never leg-

isolated, and so it became that 900-pound gorilla that has been sitting in the corner. But it also helps, when you look at the unemployment problems, to separate the Guard from the Reserve from those who transition off, because when a Federal reservist comes back, they go back to work, you don't have to worry about them until something else happens. A National Guard person comes back, then you have an emergency in the State, who is it that gets called up? The National Guard. So they are deployed to Afghanistan or Iraq or elsewhere around the world, and when they come back you have an emergency, they get called up again, and that is one of the reasons why a lot of employers are reluctant to take on someone from the National Guard because they know, yeah, they may or may not get called up.

I will give you an example. In Georgia, we had several brigades that came back and then we had heavy flooding in Columbus and Macon, Georgia, and several companies were called up to help fight the flooding, and guess what, two of those companies were people who had just come back from Afghanistan. So put yourself as an employer, your employee has been gone for 18 months, and he has been back almost a month and he comes in, oh, by the way, I am going to be gone for the next 3 weeks because of flooding down in Macon? How do you react to that as an employer? And how do you react as an employer when DoD guaranteed you that you would not lose a member of the Guard or Reserve for more than 1 year in 6, and then they get called up every other year?

So that is why they are kind of a little reluctant to hire. It is unprecedented. And if you keep treating the NG&R like this, you are going to make them a subclass, I call it a third-class citizen.

Mr. TAKANO. Are we thinking of this as a phase because of the particular situation we are in? It is likely to pass given that we are going to draw down in both these areas? Or can we anticipate seeing high unemployment rates?

Mr. DAYWALT. No, sir. I like your term phase, because what is happening now, as I pointed out before, every time you draw down the active forces, the use of Guard and Reserve go up. You read about all these active Army brigades come back from Germany and South Korea. What you do not read about is they are being replaced by National Guard and Reserve brigades because of treaty obligations. You take AFRICOM. The bulk of the people over there are Guard and Reserve. In fact, one of my employee's husband is in the Marine Corps Reserve, he just came back from 18 months in Afghanistan, had been back and they said, oh, we need your MOS at AFRICOM, over he goes.

Since we are drawing down even more troops, the use of Guard and Reserve is going to go up. This problem is going to be exacerbated even more over the next couple of months or years.

Mr. TAKANO. You are talking about years, but how can we talk in terms of 10 years, 15 years? Are we likely to see this stabilize downward?

Mr. DAYWALT. Sir, I don't see it stabilizing unless you change the call-up policy or increase the size of the active duty, because you will still have obligations, still things you have to do, and if you don't have the active duty, the people to do it, you are going to grab

your bodies from wherever you can, and under the current political situation that is the National Guard and Reserve.

Mr. TAKANO. All right. Thank you so much.

Mr. FLORES. Thank you, Mr. Takano.

Mr. Coffman.

Mr. COFFMAN. Thank you, Chairman.

For anybody on the panel. I just want a point of clarification that in current law is it focused on reemployment rights for the Guard and Reserve as opposed to what happens in terms of pre-deployment? In other words, if I got your testimony right, that maybe a loophole in the current law is to say, okay, I know you are going to be mobilized, so I am going to go ahead and lay you off now so to relieve myself of the responsibility as an employer for having you gone and then having to reemploy you when you come back. Is that correct? Anybody?

Mr. GARVER. Yes, that is our understanding, that the existing laws are most heavily written to favor the returning member, and if they found this escape clause to prevent that, it violates the intent but not the law itself.

Mr. DAYWALT. He is correct.

Mr. COFFMAN. So how would you rewrite that then?

Mr. DAYWALT. We have looked at that several times with the delegation from Georgia. And something you need to understand, if you extended USERRA to when someone goes into the military reserve or the National Guard, nobody will ever hire them because they know that they are going to get called up. That is why I say you got a problem with your call-up policy and you need to ameliorate or at least to compensate the employers for losing their—if I came to you, sir, and said, okay, we are going to take away your entire staff for 18 months, how effective could you be here in the Congress?

That actually happened with a company in Houston. There were 22 of their CNC machinists were in the Houston brigade when it got called up and he went out of business.

Mr. COFFMAN. First of all, I don't want to answer that question with my staff present.

Mr. DAYWALT. I could also use the example of Tattnall County down in Georgia when one of our brigades was called up.

Mr. COFFMAN. Right.

Mr. DAYWALT. Everybody, all the jailers happened to be in the National Guard. They had to shut down the jail.

Mr. COFFMAN. Well, I think we have to prepare for a worse case scenario that we are going to be back in the situation we have been in. I think now, I think the call-ups are less about units, more about individuals, sort of the IMA individual of augmentee, IA or however you classify it based on the respective service. So it is still going to be an issue. But I am concerned about the notion. And I realize the downside if we are talking about the law, would be, would you hire these people, but I still think it is problematic to have such a gaping loophole in the law as to the intent to say, well, I am okay to lay you off, knowing prior, I know you are going to be in receipt of orders, so I am going to lay you off now and that way I have no requirement to rehire you under the law.

Mr. Chairman, I yield back.

Mr. FLORES. Thank you, Mr. Coffman.

Does anyone have any other question? I am going to start with one question and we will see if we can have another round of questions, if that is all right.

Mr. Garver, you gave a suggestion regarding TRICARE Reserve, and I think you are suggesting that employers pay the premium. Can you expand on that for me?

Mr. GARVER. I can. I can give a personal example with myself. I am a serving reservist, an E9 in the Air Force Reserve, and we have a staff of eight. We are a small business, EANGUS is, and we budget \$7,200 per employee just to cover their individual health care costs. My cost is \$195 a month, and so as a benefit to EANGUS, I just simply purchase my own TRICARE Reserve Select and opt not to take that health care cost, because it is a big cost savings, to our organization. That is why I am aware of this.

Each State, however, has different requirements based on their insurance commission of whether or not an employer can offer multiple insurance. There are some States with some restrictions about, you know, if you buy a group policy, that is all you can buy. What we would like to figure out, if there is a way that employers can directly pay the TRICARE Reserve Select on an auto payment basis so it relieves that pressure from the troop, because we also have a lot of troops that if they miss a payment, they get kicked out of the system.

But I am here to tell you if you are paying \$7,200 on an individual and you are paying as much as \$15,000 on family coverage, if you offer that, the savings could be significant, and it would be a benefit because, again, the system already exists so you don't have to create anything new other than somehow incentivize the small business to utilize that.

Mr. FLORES. Thank you, Mr. Garver.

I will now recognize Mr. Takano for any final questions and closing comments.

Mr. TAKANO. I would like to just follow up on that question, Mr. Chairman. Are you suggesting that somehow we incentivize small businesses by actually covering the cost of that health insurance?

Mr. GARVER. No, not by the Congress covering it, or not by the United States covering the cost of that, the small business paying the premium. But it would be cheaper for them to pay the premium on TRICARE Reserve Select than what they currently offer their employees.

Mr. TAKANO. So instead of their group plan, they would be able to pay the health care for that ex-servicemember, and that is generally a lower premium?

Mr. GARVER. Yes. It is only, I believe, \$60 for an individual and \$195 and change for a family.

Mr. TAKANO. Oh, wow.

Mr. GARVER. I have a wife and five children that are all covered for \$195 a month.

Mr. TAKANO. Okay. Thank you.

Mr. FLORES. Thank you, Mr. Takano. I would like to make one final observation regarding employment among those serving in the Guard and Reserves, and for that matter any veteran. We have heard today about the employment programs that are being run by

State Guard organizations, and I applaud you and them for trying to take care of their people. That is what good leaders do.

But I must ask a rhetorical question for now, and that question is this: With literally billions of dollars going to the Department of Labor, including \$261 million requested for fiscal year 2013 for Veterans' Employment and Training Service, the question is, why must Guard units dedicate scarce resources to help their servicemembers find a job? And we will be digging into that as this Subcommittee proceeds with its business this year.

In closing, I would like to thank each of you for your time here today.

Mr. Daywalt, thank you for being here.

Mr. Barnes, thank you. Thank you for your service to our veterans.

And, Mr. Garver, thank you as well.

I want to also wish Mr. Barnes a successful and safe IndyCar season and victory in the Indy 500 in May.

Finally, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include any extraneous material in the record of today's hearing. Hearing no objection, so ordered.

[THE ATTACHMENTS APPEARS IN THE APPENDIX]

Mr. FLORES. We are adjourned. Thank you.

[Whereupon, at 11:35 a.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Hon. Bill Flores

Good morning. 40 to 50 percent. That's the unemployment rate we continue to hear of among some National Guard and Reserve units when they return from deployment. While some of those needing a job were fresh out of high school when they joined the Guard and never held a job before deploying, such levels of unemployment have significant ramifications for not just the servicemember, but also for our national defense.

Today, we will hear from leaders of the Tennessee and California National Guard who will discuss the situations in their states. We also will hear from other witnesses who will describe their efforts to improve employment opportunities. I am especially interested in how the private sector can promote employment and I am delighted that we will hear of an unusual example from the CEO of Panther Racing about his efforts to promote the National Guard.

Before I yield to the Ranking Member, I ask unanimous consent to enter a March 12 article on veteran employment from Time magazine in the hearing record.

Hearing no objection . . . so ordered.

This is a great article that has an interesting perspective on the veteran unemployment situation in this country and I encourage all Members to take time to read the article.

I now recognize the distinguished Ranking Member from California's 41st Congressional District for any remarks he may have.

Prepared Statement of Hon. Mark Takano

Thank you Mr. Chairman.

Good morning. I would like to thank our witnesses for taking the time to testify and answer our questions and to particularly welcome Major Ty Shepard of the California National Guard this morning.

Six hundred thousand members of the National Guard and Reserve have been mobilized since the attacks on our country on September 11. They have served with distinction to protect our interests here and overseas. While the unemployment numbers for National Guard and Reserve veterans varies depending on who is doing the counting, it is clear that our Reserve forces have an unemployment problem.

As a result of the wars in Iraq and Afghanistan, our National Guard and Reserve forces have been called upon to play an active role in overseas operations. Both forces changed from strategic reserve forces to operational reserve forces. Guardsmen and Reservists have spent more and more time in theater, often participating in multiple missions abroad. The increase in field rotations has led to many of these servicemembers having an irregular employment record, making employers wary of hiring these heroes.

With March Air Reserve Base – home to Guard and Reserve units – located in my district, I am well aware of the vast contributions our Reserve forces have made to our national defense. Yet, I can't help but feel that we are letting down these brave men and women. The Bureau of Labor Statistics reports that the unemployment rate is higher for Guard and Reserve veterans than for active duty veterans, and the younger the Guard or Reserve veteran is, the more unlikely he or she will be to find a job. These veterans need assistance with navigating the education, training and job opportunities available to them so they can reintegrate better into society and lead more productive and fulfilling lives. We owe a great debt of gratitude to these veterans and we should do everything we can to assist them.

I am pleased that this Subcommittee is holding this hearing and focusing on our Guardsmen and Reservists who are too often overlooked. I hope this hearing will help us understand how these servicemembers are performing in the job market and

learn more about the initiatives that are helping veterans succeed. I look forward to the testimony and working with everyone on improving the employment situation for the Reserve forces.

Prepared Statement of Ronald G. Young

TESTIMONY

Chairman Flores, Ranking Member Takano, and Members of the Committee, thank you for your invitation to participate in this hearing. I have been invited in my capacity as the Executive Director of Employer Support of the Guard and Reserve (ESGR). However, ESGR represents only one of three of my assignments as the Director, Family and Employer Programs and Policy (FEPP) in the Office of the Assistant Secretary of Defense for Reserve Affairs. FEPP aligns programs of support for our Guard and Reserve Service members under one organization to more effectively and efficiently assist our Service members via ESGR, the Yellow Ribbon Reintegration Program (YRRP) and Individual & Family Support Policy (IFSP). I welcome this opportunity to provide you an overview of the support ESGR, in partnership with YRRP, is providing to our Reserve Component Service members. My testimony will cover the following three areas:

- **The efforts of ESGR to help educate both members of the National Guard and Reserve and employers about the rights afforded to Service members under the Uniformed Services Employment and Reemployment Rights Act (USERRA).**

- **Latest statistics on the rate of unemployment among Reserve Component Service members.**

- **Initiatives taken by the Department of Defense to reduce unemployment rates among members of the National Guard and Reserve.**

The efforts of ESGR to help educate both members of the National Guard and Reserve and employers about the rights afforded to Service members under USERRA: ESGR's core mission is to facilitate and promote a cooperative culture of employer support for National Guard and Reserve service by developing and advocating mutually beneficial initiatives; recognizing outstanding employer support; increasing awareness of applicable laws and policies; resolving potential conflicts between employers and their Service members; and acting as the employers' principal advocate within DoD. For more than 40 years, ESGR has been the Department of Defense lead for Service members and their civilian employers with respect to USERRA education. In FY 12, ESGR executed its core mission by leveraging a network of more than 4,900 volunteers nationwide, achieving significant results across multiple areas:

- Through our Employer Outreach, ESGR volunteers educated 161,440 employers regarding their rights and responsibilities in accordance with USERRA. ESGR also attained 54,889 Statements of Support. Employers signing a Statement of Support pledge support for their employees serving in the Guard and Reserve, while also focusing on opportunities to employ Guardsmen, Reservists, and veterans.

- Through our Military Outreach efforts, ESGR volunteers educated 482,916 Service members regarding their rights and responsibilities under USERRA. In turn, Service members recognized supportive employers with 3,236 nominations for the 2012 Secretary of Defense Employer Support Freedom Award and acknowledged 12,073 supervisors with a Patriot Award.

- ESGR's Ombudsman Services are supported by over 650 USERRA volunteer experts spread across the country and a National Customer Service Center operated from my headquarters at the Mark Center in Alexandria. Together, they fielded 21,521 USERRA inquiries and facilitated 2,793 USERRA cases. ESGR ombudsmen provided free, neutral mediation to resolve 77.6% of all cases, within an average of 8.86 calendar days.

For additional detail please see the following table pulled from ESGR's FY 12 "Year In Review":

Outreach Mission: Employer

FY	Statements of Support	Employers Influenced	Employers Direct Mail*	
FY 10	58,817	164,218	541,026	
FY 11	45,140	153,062	15,138	
FY 12	54,889	161,440	220,631	

Outreach Mission: Service Members

FY	Patriot Awards	Freedom Award Nominees	Service Members Briefed	Service Members Direct Mail*
FY10	22,236	2,470	495,774	880,042
FY11	16,560	4,049	473,891	89,573
FY12	12,073	3,236	482,916	62,640

Ombudsmen Mission

FY	USERRA-Related Contacts**	Cases Assigned	Cases Resolved % Resolved †	Average # of Days to Mediate (Resolve) ‡
FY 10	34,612	3,202	2,703/84.4%	10.27
FY 11	29,727	2,884	2,302/79.8%	8.77
FY 12	21,521	2,793	2,168/77.6%	8.86

Resources

FY	Volunteer Hours	Media Impressions		
FY 10	245,369	972.3M		
FY 11	236,725	976.6M		
FY 12	230,083	999.3M		

* Only targeted mailings in FY 11 and FY 12

** Inquiries generated from phone calls, emails or voicemail request specifically related to USERRA

† Cases Resolved include all cases brought to resolution and administrative closures

‡ Days reported as calendar days

Furthermore, ESGR serves as a member of the USERRA Employment Protection Group established by the Presidential Memorandum dated July 19, 2012, in direct support to the Defense Civilian Personnel Advisory Services (DCPAS) for USERRA expertise. The USERRA Employment Protection Group is comprised of key Federal agencies such as the Office of Personnel Management (OPM), Department of Labor (DOL), Office of Special Counsel (OSC), Department of Defense (DoD) and others. The Presidential Memorandum calls on agencies across the Federal government to intensify their efforts to ensure fair treatment and equal opportunity for veterans and Service members in Federal employment; in particular, the adherence to USERRA that provides critical protections to those who have served our country, including veterans and National Guard and Reserve members.

ESGR directly trained 590 Federal government personnel across 12 different Federal agencies; increasing their knowledge, awareness and compliance with USERRA. ESGR ombudsman volunteers provide assistance to National Guard and Reserve members with USERRA conflicts to help reduce, resolve and prevent employer and/or employee misunderstandings and problems. To ensure robust compliance and timely responses to USERRA matters within the Federal government, all Federal USERRA cases are handled and managed at Headquarters, ESGR Customer Service Center. In FY 12, ESGR mediated 235 Federal government USERRA cases on behalf of Service members.

Latest statistics on the rate of unemployment among Reserve Component Service members: The Status of Forces-Reserve survey from June 2012 reported

an unemployment rate of 11% across the Reserve Components, down from 13.1% in the January 2011 survey. At the same time, the junior enlisted Reserve Component Service members self-reported their unemployment rate at 18%, down from 23%. Let me assure you that the Office of the Assistant Secretary of Defense for Reserve Affairs (OASD RA) views civilian employment as a critical piece of a Reserve Component Service member's readiness, and even though the trend appears to be headed in the right direction, we still see the high rate of unemployment as a threat to the readiness of our force.

Initiatives taken by the Department of Defense to reduce unemployment rates among members of the National Guard and Reserve: To address unemployment among members of the National Guard and Reserve, it is important to note that this is a unique population, as these Service members are not retiring or separating from service. These Service members are still serving, and their future employers must help facilitate their continued participation in our military. . Our goal is to ensure these Service members receive employment assistance responsive to their needs.

Under OASD RA, resources coalesce through the Yellow Ribbon Reintegration Program (YRRP) and ESGR to address the unique employment needs of Reserve Component Service members. The Employment Initiative Program (EIP) is YRRP's umbrella program for addressing Guard and Reserve employment issues, which leverages ESGR's nationwide network of more than 4,900 volunteers. DoD also teamed with the VA, DOL-VETS and the Small Business Administration to make resources and valuable training available to Service members. Additionally, ESGR and YRRP continue to cultivate a relationship with the White House' Joining Forces initiative.

Since the launch of employment initiatives in January 2011, ESGR State Committees across the country have helped Service members and their spouses via employment assistance workshops, job fairs, employment summits, and many other local community programs, teaching resume writing, conducting mock interviews and providing career counseling. In working with the U.S. Chamber of Commerce's Hiring Our Heroes program, Hero2Hired and ESGR have supported more than 400 hiring fairs across the country, engaging more than 143,000 attendees and resulting in more than 14,000 veterans, Service members, military spouses and wounded warriors gaining employment.

In December 2011, OASD RA launched "Hero2Hired", better known as H2H. As the marquee element of EIP, H2H is a comprehensive, multi-faceted employment assistance program developed for Reserve Component Service members. Using lessons learned from its piloted use with wounded warriors and the Army Reserve, H2H was created to address the gap in employment assistance services and support for Reserve Component Service members.

H2H is a comprehensive employment assistance program with a powerful job search capability (www.H2H.jobs) and online community that is 100% free for veterans, Service members, and employers. It contains all the tools a job seeker needs to find a job: job listings, career exploration tools, education and training resources, advice and tips, hiring events, virtual career fairs, mobile phone app, and networking opportunities. The goal of H2H is to simplify the job search while reducing the number of unemployed Reserve Component Service members. H2H.jobs also allows military-friendly companies to access the talented men and women who are still serving in the military, post job openings, search for candidates and invite them to apply to a specific job opportunity, and participate in hiring events – all free of charge. In late 2012, Reserve Affairs fielded 56 Employment Transition Coordinators (ETCs) across the Nation, in conjunction with a full-spectrum case management system, enabling our career counselors to provide tailored and personalized support to each and every Service member that seeks career assistance. Since October, ETCs have facilitated the job placement of more than 600 Service members through the H2H program and provided career assistance to thousands more.

As all jobs are local, H2H is a local solution and is well positioned to successfully assist unemployed Reserve Component Service members with job placement, and thereby potentially reducing DoD unemployment costs related to demobilizing Reserve Component members. H2H also assists underemployed Service members by providing access to jobs that match their skill levels and areas of expertise. Using our ETCs, career web platform, mobile applications, social media integration, career fairs, and a national marketing and management effort, H2H is well-positioned as an effective tool to assist our Service members with reintegration and transition. H2H also reduces stress and financial hardships faced by unemployed Reserve Component Service members and their families. Since the program's launch, more than 108,600 job seekers registered with H2H.jobs, gaining access to over 14,900 em-

ployer partners and 3.7 million job postings. In conjunction with our strategic partners, H2H assisted in the placement of over 100,000 Service members into jobs.

Clearly, progress has been made in educating employers and Service members on USERRA while also seeing positive results via a declining unemployment rate among National Guard and Reserve Service members, down from 13.1% to 11%. However, it is imperative that ESGR and YRRP continue educating employers and Service members on USERRA and maintain focus on employment initiatives in order to achieve lasting results. This is especially important in light of the limited resources and leaner forces forecast for the future. The Nation will continue to rely upon a strong National Guard and Reserve forces to execute the national defense strategy and provide humanitarian aid at home and abroad.

In closing, thank you for this opportunity to testify on behalf of everyone that comprises the Family and Employer Programs and Policy Team and most of all, ESGR's more than 4,900 volunteers located in all 50 States, Washington, D.C., Guam-CNMI, Puerto Rico and the U.S. Virgin Islands. And, thank you for your continued support to our Reserve Component Service members. I look forward to your questions.

Executive Summary

Chairman Flores, Ranking Member Takano, and members of the committee, thank you for your invitation to participate in this hearing to share what we in Reserve Affairs have been doing in support of Reserve Component Service members, their families and their employers. My full testimony, submitted for the record, covers three major areas:

First, the efforts of the Employer Support of the Guard and Reserve (ESGR) office and our 4,900 volunteers nationwide to help educate both members of the National Guard and Reserve and employers about the rights afforded to Service members under the Uniformed Services Employment and Reemployment Rights Act (USERRA). In FY 12, ESGR engaged with 161,440 employers in various events and activities. ESGR volunteers also obtained 54,889 Statements of Support from employers across the country. ESGR received 21,521 USERRA inquiries, while resolving 77.6% of the 2,793 USERRA cases. Additionally, ESGR educated 482,916 Service members regarding their rights and responsibilities under USERRA. In response to the Presidential Memorandum July 19, 2012, calling on all Federal agencies to intensify their efforts in support of veterans and USERRA compliance, ESGR specifically trained 590 Federal government personnel across 12 Federal agencies; increasing their knowledge, awareness and compliance with USERRA.

Second, the latest statistics on the rate of unemployment among Reserve Component Service members. The Status of Forces-Reserve survey from June 2012 reported an unemployment rate of 11% across the Reserve Components, down from 13.1% in the January 2011 survey. At the same time, the junior enlisted Reserve Component Service members self-reported their unemployment rate at 18%, down from 23%.

Let me assure you that the Office of the Assistant Secretary of Defense for Reserve Affairs (OASD RA) views civilian employment as a critical piece of a Reserve Component Service member's readiness, and see the continuing high rate of unemployment as a threat to the readiness of our force. I look forward to sharing with you the ways in which we are addressing this problem.

Finally, my testimony covers the initiatives taken by the Department of Defense to reduce unemployment rates among members of the National Guard and Reserve. It is important to note that this is a unique population, as these Service members are not retiring or separating from service. They are still continuing to serve and their future employers must help facilitate their continued participation in our military. Our goal is to ensure Reserve Component members have access to specialized employment assistance responsive to their needs. ESGR and Yellow Ribbon Reintegration Program (YRRP) have partnered under the umbrella of the Employment Initiative Program (EIP) in addressing the employment needs of the Reserve Components.

In 2011, Congress mandated the addition of employment opportunities and assistance for Service members and their families to as part of YRRP. In response, OASD RA launched EIP with the assistance of ESGR's extensive nationwide volunteer network. In December 2011, EIP unveiled Hero2Hired (H2H), a comprehensive career readiness program supported by both high-tech and high-touch elements to address the unique needs of Reserve Component Service members. Since the program's launch, more than 108,600 job seekers registered with H2H.jobs, gaining access to over 14,900 employer partners and 3.7 million job postings. In conjunction with our strategic partners, H2H and ESGR assisted in the placement of over 100,000 Serv-

ice members into jobs and supported more than 400 job fairs nationwide. The National Guard and Reserve unemployment is now reported at 11% and the trend is clearly in the right direction.

As evidenced by these data, progress has been made in educating employers and service members on USERRA while also achieving positive results via a decrease in the unemployment rate of National Guard and Reserve Service members. However, it is imperative that ESGR and YRRP continue these efforts in order to achieve lasting results.

In closing, thank you for this opportunity to testify on behalf of everyone that comprises the Family and Employer Programs and Policy Team and most of all, ESGR's more than 4,900 volunteers located in all 50 States, Washington, D.C., Guam-CNMI, Puerto Rico and the U.S. Virgin Islands, and thank you for your continued support of the Reserve Components.

Prepared Statement of Major General Terry M. Haston

Opening Remarks

Chairman Flores, Ranking Member Takano, and distinguished Members of the Subcommittee; I am honored to appear before you today on behalf of the more than 14,000 men and women serving in the Tennessee Army and Air National Guard.

I would like to begin by expressing my sincere appreciation for the outstanding support of this Subcommittee.

The Tennessee National Guard has deployed more than 27,000 brave Soldiers and Airmen both at home and abroad since September 11, 2001. Although our deployments have decreased over the past year, we still have warriors returning to situations where they are un-employed or under employed.

Tennessee National Guard Unemployment Statistics

For generations the men and women of the Volunteer State have answered the call of this nation without hesitation or reservation. Most return home after defending this great nation and resume the civilian lifestyle they left. They renew their relationships with family and friends and re-integrate into their civilian workplace. The pressing issue we are talking about today is our concern for the well-being of our Soldiers and Airmen who may be facing unemployment in the civilian sector.

When I testified in front of this committee in February of 2012, Tennessee reported about 20–25 percent of our National Guard strength was either unemployed or under employed, with about 3.5 percent of those identified as full-time students. One year later, that rate has dropped to 15%, with about 4% identified as fulltime students. This compares to an 8.7 percent unemployment rate for Tennessee in 2012 to a current rate of 7.6% as a whole. We have committed to multiple programs and strategies to provide the very best opportunities in helping them gain employment.

Tennessee National Guard Initiatives and Transition Assistance

The Tennessee National Guard understands the value in collaborative efforts and knows the benefit of a long term employee. Our support programs are focused on providing careers, not merely jobs, and we are working diligently to assist these patriots in finding that career. We continue to work with the Tennessee Department of Labor and Workforce Development, Department of Veteran's Affairs, and our Military Department's Employer Support of the Guard and Reserve Program to conduct Employment Assistance Workshops about once each month. These are 3-day events providing one-on-one career counseling to address issues such as writing an effective resume and how to make a positive impression during an interview. At the conclusion of each event major employers including Nissan, FEDEX, Eastman Chemical, Hospital Corporation of America, AT&T and a multitude of small local businesses being available to interview prospective employees. Since August of 2010, 31 workshops have been conducted with 24 hiring events.

Also, in Tennessee, the Military Department, working in concert with the Department of Safety and the 108th General Assembly, has changed the regulations to allow Soldiers who are military truck drivers to obtain their CDL with only a written test and not having to demonstrate their driving skills, shortening their path to civilian employment.

JCEP

In July of 2012, the National Guard Bureau's Job Connection Education Program (JCEP) was introduced as a pilot program in Tennessee with a goal of 50 veterans hired by the one year mark. To date, only 7 months later, the program has placed

in community businesses 503 veterans, with another 379 in the pipeline prepared for an opportunity.

Paychecks for Patriots

Also in October of 2012, the Tennessee National Guard again joined with the Tennessee Department of Labor, Tennessee Department of Veterans Affairs and Dollar General Corporation to launch "Paychecks for Patriots". This landmark initiative brought together 90 major employers, with immediate employment opportunities, assisting 2,400 military veterans and spouses seeking employment. By December, more than 50 previously unemployed participants found work through this ongoing program.

National Guard Joining Community Forces Initiative

In adopting the National Guard Joining Community Forces Initiative, the Tennessee Army National Guard has coupled with community businesses and global corporations to create an Inter-Service Family Assistance Committee, with 19 federal, state, and local organizations reaching out to help veterans and their families. In an uncertain time for our nation and our military, the consolidated efforts of these programs is the right path to ensure maximum benefits and opportunities for employment for our veterans.

Also a Joining Communities Forces initiative, the National Guard Military and Family Readiness Program, our J9, works in concert with the Governor's Council on Veterans Affairs, to support the Community Partnership Program that assesses employment opportunities for veterans through local organizations like Operation Stand Down Nashville, Humana Military, Centerstone Behavioral health groups, and educators like Lipscomb University.

Hopefully, through these many efforts the Tennessee National Guard is defeating the perceived stigma of hiring veterans that could hinder their employment. We are working diligently to present our highly skilled service members to employers, offering them a motivated, disciplined, drug-free asset with the training and potential for leadership within their company.

These programs, along with the US Department of Labor's Education Workshops in support of the VOW Act, our Yellow Ribbon hiring fairs, and our outstanding relationship with the Tennessee Department of Labor are all positive steps in reducing the number of unemployed Guard members in Tennessee. The bottom line is that through the collaborative efforts of all these programs, we are seeing positive results. We still have a long way to go, and it is imperative that we are able to maintain and continue these programs that are making a difference in the lives of our Soldiers and Airmen.

Closing Remarks

I've often heard it said that these National Guard Soldiers and Airmen are the best America has to offer. These men and women are willing to put their lives on hold, and without hesitation . . . without reservation, walk away from family, community, and their civilian occupation to defend and protect this great nation. We owe them no less than our very best efforts.

To effectively combat this problem, we had to know the enemy. We had to look beyond the reported numbers that may, in fact, demonstrate a "false positive". In our efforts to understand the magnitude of the problem, we constantly strive to determine an accurate number of Guard members who are actively seeking employment.

To take it one step further, we also have to determine if their deployment caused them to be unemployed, or were they unemployed before deployment. In Tennessee, we continually encourage unit commanders and leadership to identify these individuals in order to assist them however we can. We must know what the true "unemployment enemy" is before we can engage it. In Tennessee, we are working diligently to identify and successfully engage that enemy.

Thank you for allowing me to address this subcommittee, and I stand ready to answer any questions you may have.

Prepared Statement of Major Ty Shepard

Early in my tenure as The Adjutant General (TAG) of California I became aware of a problem that was reducing the readiness of our force. Historically high unemployment and underemployment in our ranks was negatively affecting morale, training, accountability, Soldier and family resiliency, and good order and discipline. The Work for Warriors (WFW) program was developed to solve this readiness problem.

With a one-time grant from the Speaker of the California Assembly, we stood up WFW as a pilot program in July 2012 with the goal to reduce unemployment in the California National Guard (CNG) by 25% in one year.

The WFW team is made up of one *Program Manager*, two *Applicant Coordinators*, one *Information Technology Specialist*, and one *Business Coordinator*. In addition, the Department augmented the WFW program with an existing State Active Duty position to lead the effort.

WFW directly places unemployed CNG members into jobs. Private sector businesses contact the WFW Business Coordinator with job openings. The Applicant Coordinators use the WFW database to identify unemployed CNG candidates that meet the specific job requirements. The WFW staff then guides the unemployed CNG member all the way through the hiring process (resume preparation, interview prep, and employment acceptance). The attached enclosure includes the many businesses and business partners we are working with to place Guard members into the civilian workforce.

The WFW program is especially effective in reducing the high unemployment rates of CNG units returning from deployments overseas. We've found that many units returning from deployments have unemployment rates well over 50%. This high rate of unemployment had remained a problem because federal programs that assist deployed reservists do not begin until 180 days after the service member returns to California. To close this gap, the WFW staff contacts the units while they are still overseas and works with unit leadership to develop a plan to immediately reintegrate unemployed Soldiers and Airmen into the civilian workforce. Once the unit is back in the United States, the WFW staff provides the unit with program information at their federal demobilization site, often located in another state, and begins setting up job interviews for deployed service members. The results have been dramatic. Placing Soldiers and Airmen in jobs immediately upon their return from overseas allows for a more successful reintegration and can reduce behavioral health problems, substance abuse, and domestic violence.

The success of the program is based on our use of the chain of command. Our staff uses the existing CNG chain of command to ensure unemployed service members are made aware of the WFW program, and encouraged by their first-line leaders to participate. WFW is also using social media and web services to get information to service members. Leveraging this no-cost method of communication has allowed the WFW team to push information quickly to mobile devices and computers and place members into jobs as quickly as 24 hours from receiving a job opening.

The WFW program is the most effective direct job placement program of its kind in the nation; on average the program places two guardsmen every day. The program is remarkably cost effective compared to federal standards and represents significant savings to the government when factoring in unemployment compensation costs. Successful federal veterans' employment initiatives typically have a total cost of over \$10,000 per veteran placed. The WFW program is averaging a \$550 cost per placement.

The following WFW program information incorporates data from the program's inception on March 29, 2012 through the 2012 calendar year:

- Number of Service members Directly Asking for Employment Support: 2,171
- Number of Resumes Completed: 875
- Number of Resumes Submitted for Interviews: 975
- Number of Service members Placed into Jobs: 965
- Number of Companies Providing Jobs to Fill: 92

The WFW program has helped hundreds of California's Guard members find employment so they can support their families and contribute to their communities. This direct placement model is transferable to other states that have high unemployment and/or underemployment in their National Guard force. It is also directly transferable to the Reserves.

We will remain committed to this important program until it is no longer needed. We are already working with the National Guard Bureau and other states to share the program and the best-business-practices we have developed. I look forward to working with the Committee to be part of the solution in getting our Soldiers, Airmen, and Veterans back to work.

Prepared Statement of Theodore (Ted) L. Daywalt

Introduction

Good morning, Chairman, members and staff of the Subcommittee on Economic Opportunity of the House Committee on Veterans Affairs (HVAC).

I am very pleased the HVAC is again addressing the issue of National Guard and Reserve (NG&R) unemployment.

VetJobs (www.vetjobs.com) has a unique vantage point on these discussions as by the nature of our business over the last fourteen years, VetJobs deals with members of the NG&R and their family members on a daily basis who are pursuing employment. In fact, VetJobs assists all veterans, including Officer and Enlisted, Active Duty, Transitioning Military, National Guard and Reservists, Veterans and Retirees, of the Air Force, Army, Coast Guard, Marine Corps, Merchant Marine, National Guard, Navy, NOAA and Public Health Service, DOD civilians and their family members. VetJobs has been fortunate in being successful in assisting them in finding employment for fourteen years. Currently VetJobs' traffic is averaging well over 20,000 visitors a day!

My observations are as a former drilling Navy Reservist and as a businessman managing the leading military related internet employment site that interacts with municipal, state and federal agencies, corporations, nonprofit organizations, and businesses seeking to hire transitioning military, veterans, National Guard, Reservists and their family members.

I want to emphasize that I am very supportive of an operational NG&R. In the later years of my time as a drilling Navy Reservist in the Naval Reserve Intelligence Program we stressed making our Reserve Intelligence units operational, which proved very beneficial during the first Gulf War and subsequent engagements. Having an operational NG&R makes the United States stronger on the national stage, particularly in lieu of how the active duty forces are being dangerously reduced. But the use of the NG&R needs to be done in such a way as to still let the component member maintain a continuum of civilian employment since being in the NG&R does not provide a full time income source on which to support themselves and their families.

In order to solve a problem one must effectively analyze, define and identify the problem and its causes. If one does not understand the sources of the problem, well-meaning solutions that are attempted will not work, or worse, will not address the problem at all and/or create worse problems.

It is interesting to note the unemployment rate for ALL veterans as reported by the Bureau of Labor Statistics has always been lower than the nonveterans and lower than the national unemployment. See <http://vetjobs.com/media/2012/08/29/veteran-unemployment-rate-lower-than-nonveteran>

The Current Population Survey (CPS) overall veteran unemployment rate for all veterans in February fell to 6.9% from 7.8% in January, a decrease of .9%. This is significantly less than the national unemployment rate. There were 772,000 unemployed veterans in February, down 72,000 from the 844,000 unemployed veterans in January, a large part of those unemployed are in the NG&R.

Working on a solution to the NG&R unemployment problem is important. I am convinced that there are those at DOD and the National Guard Bureau (NGB) who are very much aware of the problem, but for various bureaucratic and political reasons have been trying to pretend the issue does not exist and have been kicking the can down the road for someone else to deal with in the future. That might be good for a bureaucrat's career or movement for a military person to a next star, but for the members of the NG&R who have families to support, they should be given better treatment. The component members are being made to suffer from bureaucratic policies, and that is not a fair thing to do to the very people who have been fighting, dying and being wounded for our country and freedoms.

The rise in the young veteran unemployment rate which constitutes a large portion of the NG&R is a direct result of the DOD call up policy for the NG&R implemented on January 11, 2007. From previous testimony, it has been proven that the call up policy caused employers to not want to hire members of the NG&R which has led to the high unemployment rate particularly in young veterans.

The call up policy implemented in 2007 was flawed and continues to be flawed. What planners at DOD do not seem to understand is employers cannot run their companies with their most important asset, their human capital, being taken away for 12 to 24 months at a time. As demonstrated by previous testimony and data from the Society of Human Resource Management (SHRM), the result has been that upwards of 65% of employers will not now hire as a new employee an active member

of the NG&R, and in fact look for ways to remove active members of the NG&R from their companies.

What the policy has done is created a class of veterans who fight for our country, defending our freedoms and free market economy then when they return to the country, the policies of DOD make it impossible for them to get a civilian job. They have been made third class citizens! This is terribly wrong.

From a business point of view, one must understand that companies have a fiduciary responsibility to their shareholders to run an efficient and profitable operation, but they cannot do so if they cannot count on the availability of their employees. While for a business person this is common sense, those at DOD making the decisions on how to utilize the NG&R seem to have missed what corporate America is saying about extended call-ups. They will not support having their employees gone for long periods of time.

The result is the exceptionally high unemployment rate of young veterans. The unemployment rate of 18 to 24 year old veterans peaked in November, 2011, when it reached 37.9% unemployment, comprising 95,000. DOD did not release that many 18 to 24 year old active military personnel. The only way to reach a number like 95,000 is by understanding the bulk of those veterans were in the NG&R.

At VetJobs we find that if a veteran has totally separated from the military, retired, or is a wounded warrior, they are for the most part finding employment. This is not to say some are not having difficulties in this rough economy, which is the worst since the Great Depression. One can always find an exception. But if a veteran remains active in the NG&R, VetJobs observes they are having a much more difficult time finding meaningful employment due to the constant call ups, deployment schedules and the resistance by civilian employers to hiring active members of the NG&R.

VetJobs notes that members of the NG&R have had to compete against veterans who have been downsized from the active duty forces with the recent drawdown of nearly 140,000 active duty personnel. As an employer, if you are given the choice between a veteran that is totally separated from the military versus a veteran that is active with the NG&R and may get recalled, you will not logically hire the NG&R component member.

VetJobs was the first organization five years ago to report on the now well-documented phenomenon of NG&R members losing their jobs after DOD announces the call up of a brigade or reserve unit to active duty. One must remember that employer support for the NG&R is necessary to make the system work.

It is interesting to note that as a general rule, no component member loses their job in the 60 days prior to mobilization day. That is because employers have figured out that if they lay off a member of the NG&R under the guise of the recession before the component member has orders in hand, the employer is not subject to the Uniformed Services Employment and Reemployment Rights Act (USERRA).

It should be noted that there have been press reports of federal government agencies being leading violators of USERRA. In fact, two of the worst USERRA violators over the last ten years have been the civilian side of DOD and the US Department of Labor. In the CBS 60 Minutes program regarding USERRA aired on November 2, 2008, Leslie Stahl confronted then Deputy Undersecretary Tom Hall regarding the fact that DOD, an agency who is responsible for mediating and enforcing USERRA, is one of the worst violators of USERRA. Hall's only response to questions was "We have things we need to work on." To view the program, visit <http://www.cbsnews.com/stories/2008/10/30/60minutes/main4558315—page3.shtml>. It is sad that two of the worst violators of USERRA are the very federal agencies responsible for enforcing the USERRA law. That is akin to a police department leading the numbers in rapes, murders and bank robberies.

Anecdotal information indicates that the National Guard is singled out more than their Federal Reserve counterparts. A big part of the reason for the National Guard being singled out by employers is they are activated not only for the wars and overseas deployments, but also for state emergencies, causing them to be called away from their civilian employment much more than their Federal Reserve counterparts.

For example, when the Georgia National Guard returned in August 2010 from their fifth call up since 9/11, that fall there were heavy rains in Georgia and extensive flooding took place in Macon and Columbus, Georgia, in September and October. The Governor of Georgia activated two Georgia National Guard companies to assist with the flooding. Unfortunately, many of those called up had recently come back from Afghanistan. The result was some were terminated in their civilian jobs or had their civilian employment threatened. Many USERRA complaints ensued.

Moves by employers to not hire members of the NG&R are defensive actions by employers who cannot run their business when their employees are taken away for 12 to 24 months. It is a good business move.

VetJobs has noted a new defensive move by employers is to approach employees who are at the 20 year mark in their NG or Reserve career and offer the employee a large bonus to quit the NG or Reserve and not stay for 30 or more years. Again this is a good defensive move by employers against the way that DOD has been using the NG&R.

Like it or not, the component members of the NG&R actually belong to the civilian employers who are loaning the NG or Reserve member to DOD, not the other way around. The high pace of activity over the last twelve years has put a tremendous strain on the NG&R system and the relations of those military participants with their civilian employers. This has placed a significant number of NG&R members in the tenuous position of trying to serve two masters at the same time.

I want to reinforce that I have found corporate America to be very supportive of the military. Corporate America understands the importance of having a strong military to protect our freedoms and our free market economy. Without a strong military, our freedoms and free market economy would be at risk. However, employers cannot go broke supporting the NG&R which is what USERRA does due to the onerous legal and fiscal requirements levied by USERRA on employers.

Due to not being able to find a job many members of the NG&R have volunteered for additional deployments. They volunteer because they have financial obligations and/or families they need to support. With these pressing obligations, if the only way to earn money is to go back to war or another deployment, then they volunteer to go back.

The inability of many NG&R component members to find work may explain why there has been an exponential increase in veterans applying for unemployment benefits since 2008. This again correlates to the implementation of the current call up policy which went into effect in 2007.

Unlike active duty component military members, when NG&R return from war or a deployment, they are demobilized and thus do not have a ready source of income unless they can find or have a civilian job. Given the bias against hiring NG&R members due to the call up policy and high operation tempo, NG&R members have problems maintaining a continuum of service with a civilian employer. This leads to financial difficulties and a host of family and personal problems for the NG&R participant.

Complicating the issue, when NG&R members demobilize they do not have the ready access to DOD resources like active duty members to deal with employment search, mental illness issues, physical healthcare and family counseling. I have regularly heard from members of the NG&R who were turned away from ACAP offices because they were in the National Guard. This is wrong.

So the bottom line is no, we are not making progress in lowering the unemployment rate of the National Guard and Reserve!

RECOMMENDATIONS

Having studied this issue for over a decade, I have found there is no silver bullet that will solve the NG&R unemployment problem. The problem is too large both in the number of people affected and in terms of the geographic dispersal of participants. The NG&R unemployment issue is both a local and a national problem. Various levels of response will be required to help solve this problem.

As discussed above, the root cause of the NG&R unemployment is the current call up policy. Until the policy is changed, any effort at remediation will be bandages at best, not a solution. The decision to change the call up policy is a Secretary of Defense or a Presidential responsibility. The alternative to such a move would be for the Congress to legislate a change.

While there is no silver bullet, a combination of policy changes and utilizing existing public sector resources will go a long way towards assisting those members of the NG&R who need employment assistance, but again such moves are bandages, not a permanent solution to the problem.

I recognize that some of solutions are not politically possible or financially feasible given the current political and economic climate, but all possible solutions need to be considered. Three obvious solutions, 1) bringing back a draft, 2) expanding the active duty forces by 500,000 and 3) reducing the use of the NG&R are not considered in my recommendations as politically they would be non-starters.

My purpose here is to raise awareness of what could help alleviate the unemployment of members of the NG&R until something can be done about the policy.

When looking at potential assistance, private sector solutions would be preferable to public sector solutions. The private sector is always more efficient and it helps if the people assisting military veterans find work have worked in the private sector themselves vice just having worked in a government bureaucracy. To this end, what follows are suggestions are submitted for the Committee's consideration.

1. Make it easier for NG&R members to purchase franchises through providing low interest or no interest funding
2. Certifications and licenses for military experience
3. Much like England, compensate employers when an NG&R member is activated so the employer can hire a contractor until the component member returns.
4. Employ NG&R in federal agencies like the administration promised would happen back in 2009.
5. Provide meaningful employment mentoring
6. Encourage state level programs
7. Provide real tax breaks to employers that are not encumbered by DOL
8. Provide meaningful and effective transition assistance programs to the NG&R
9. Re-implement a Current Employment Index (CEI) for the NG&R to be tracked by DOD and/or NGB. The National Guard CEI published by NGB was halted last fall for political reasons. If we are to fix the problem, we need to know the extent of the problem. Not reporting or pretending the problem does not exist does not contribute towards a solution.

CONCLUSION

The bottom line to be derived from the above information concerning NG&R unemployment is overall employers want to hire veterans. In my 14 years of working with employers wanting to hire veterans I have found the American business community to be extremely pro-military.

Business people understand that without a strong military, their businesses could not exist as a foreign power would want to take the business and the assets. The United States had to learn this the hard way in the 1930's when we disarmed post World War I. Those who will not learn from history or will not protect what they have are subject to losing what they have. As the Latin phrase "si vis pacem, parabellum" so aptly put it: "To have peace, prepare for war!"

I for one am in favor of an operational NG&R especially in light of the way our active duty forces are being gutted. Having the NG&R forces be operational versus strategic strengthens the United States on the national stage.

But a more balanced way to utilize the NG&R needs to be found so that the component members can keep a continuum of employment.

This concludes my presentation. Thank you for your time.

Prepared Statement of John Barnes

Mr. Chairman and Members of the Committee, thank you for the opportunity to be here today to discuss the partnership between the National Guard and Panther Racing, and our collaborative effort to address veteran unemployment. I am John Barnes, managing partner and CEO of Panther Racing, a championship-winning race team in the IndyCar Series.

We are more than an IndyCar Series team with 28 race victories and three championship titles. As someone who has been in racing for over 40 years, I can confirm that for a majority of my career each race season was measured by results on the track; however, since Panther partnered with the National Guard in 2008, that has changed. Today, because of our partnership with the National Guard, we are a military service and marketing company that uses our participation in open-wheel racing as a vehicle to expand and execute all of the Guard's recruiting and retention efforts.

Because of the interaction between our team and all of the soldiers and airmen that attend our events, it has focused our entire organization on making sure we use all of our assets for the betterment of those who serve. Each day the Panther team wakes up with one goal: help the National Guard achieve its mission. What we achieve on these initiatives on a daily basis is how we measure success at Panther Racing.

In the next five years, a tsunami is coming as many leave the active duty ranks and return to civilian society. Joblessness is set to worsen as the war in Afghanistan winds down and more than 1.5 million service members are projected to leave the military by 2016. The Guard will be asked to do more. If these men and women are not employed, they will leave the Guard and it will be more difficult to recruit.

We must continue to allow use of non-traditional high-power methods like the Panther/National Guard relationship to gain access to business leaders to succeed in this effort to bring new employers into the fold. In addition, we need to continuously educate and emphasize business leaders on the overall value of the National Guard, it's unique mission, and how critical employers and Guard employment are for both recruiting and retention. The Guard will be relied upon even more in the coming years.

When an employer is not supportive of our Soldiers, then all too often our troops have to choose between their civilian job and military service, and all too often they chose their full-time job. When this happens we all lose. Military readiness suffers as well. Our nation loses military experience and our investment in soldiers. Our taxpayers lose, as more of their money has to be spent to recruit and train replacements.

Mission Points: Fighting Veteran Unemployment

Early in our relationship with the National Guard, we learned of the unemployment challenges facing Veterans, and to a greater extent, the Guard. While knowing that we were in no way an expert in this field, we thought our sports marketing platform could play an integral role in the development of a national effort to address Veteran unemployment. With support from Guard leadership, we agreed as a team that fighting this unemployment crisis would become, in addition to recruiting and retention, an added pillar to our mission.

In 2009, LTG Clyde Vaughn and his staff asked me if we could include up to six ESGR members and employers to our race events. After learning more about the mission of that organization and the important role they were going to need to fill, I was very eager to assist. ESGR has gone from an organization supporting USERRA to being a fulltime employment organization connecting returning Guardsmen with employers with their highly successful Heroes 2 Hire program. Shortly after listening to the state ESGR staff and recognizing the importance of engaging directly with prospective employers, we invited employers to race sites and began educating them on the unemployment challenges the Guard and their spouses face. The goal was to inspire and motivate these employers to hire more military personnel transferring to the private sector.

In the first year of this partnership our goals were very modest: ESGR was to invite 4-6 potential employers to race events. The following year our program expanded and the goal was increased to 25 business leaders of greater quality from the local community. By the third year, we hosted over 50 employers and ESGR staff.

We evaluated our efforts with ESGR at the end of our 2011 season. It had success and we had learned a lot about how to make these important connections and raise awareness about this issue. Yet, we sought to have an even greater impact on the crisis of unemployment among our Guard. We asked our partners and National Guard leaders: How can we be of further assistance?

Panther Launches "Operation: Hire Our Guard"

Late in 2011, with the vision of Dave McIntyre of TriWest Healthcare and a collaboration with multiple entities including the National Guard, Panther launched "Operation: Hire Our Guard". We greatly expanded our efforts and our partner involvement to include leaders such as the U.S. Chamber of Commerce (Hiring Our Heroes initiative), the White House (Joining Forces program) and ESGR to raise awareness of the National Guard overall and to emphasize the need for employers to hire veterans. We tried to become a "Pied Piper" of sorts taking the most effective parts of many existing programs and combining them with the shock and awe that our industry brought forth to make a perfect storm where high-level employers are set shoulder to shoulder with National Guardsmen.

There are many facets to Operation: Hire Our Guard, all of which are focused on combating Veteran unemployment, but the initiative also meets our original goals of raising awareness about the National Guard and assisting in recruiting and retaining its force. We also utilized this effort to expand our nationwide reach, and through Operation: Hire Our Guard our team has been successful in reaching many states that do not host an IndyCar event.

The issue goes much deeper than unemployment, as we've learned how the lack of a job can adversely affect these soldiers in many other ways. I learned the cruel effects from unemployment on mental health and suicide from Dave McIntyre, General Chiarelli and Medal of Honor recipient Drew Dix and others. All have played a leading role in combatting suicide and are champions of our jobs effort.

We engage the potential employer during our education program regarding PTS. We have learned from experts that an estimated 20% of returning soldiers are af-

ected. Typically, if a Human Resource office has a choice between two candidates for employment (a soldier affected by PTS and a unaffected civilian) they normally chose the candidate with less risk versus more reward. We help employers better understand and address the effects of PTS in a very straightforward manner during our program.

There are other issues employers consider when deciding not to hire a Guardsman, such as deployment disrupting his/her employment. Our mission is to address how the Guardsman needs an employment opportunity, and how the company can gain a valuable team member with remarkable skills and leadership ability. Educating employers about the National Guard and the skill set the soldiers could potentially provide to their workforce is critical. At all of our Operation: Hire Our Guard events we deploy all our assets to entice participation and make it a memorable event for the employers and the attending Veterans. My job is to follow up with these business leaders, which we do within the two weeks after the event. We provide excitement from the IndyCar experiences and use the access this effort affords me to stay connected and ensures these business leaders are working to employ Guardsmen.

Panther Racing's initiative is centered on three pillars:

- **Employment Programs at IndyCar events:**

- o Panther Racing collaborates with the U.S. Chamber, the ESGR and each respective state's National Guard Leadership and Employment Outreach coordinator to bring local business leaders to each race to have them experience the Operation: Hire Our Guard program. The goal is raising awareness of the unemployment crisis, highlighting the benefits of hiring Veterans, making the necessary connections between local business and military leadership and getting businesses engaged in hiring fairs in their state to help Veterans and military spouses find meaningful employment. Panther Racing provides access to IndyCar activities throughout race weekend, and the race-day program sometimes includes up to 150 National Guard soldiers, potential speakers from the National Guard, U.S. Chamber, the White House, local employers, senior military officers and – whenever possible – Medal of Honor recipients. This schedule has been very successful as it allows interested employers to directly interface with the States Employer Outreach officers while there.

- **Employer Outreach Programs in States without an IndyCar event:**

- o In an effort to extend beyond states that host IndyCar events, and to reach areas of the country where the unemployment crisis is severe, Panther took its employment program on the road. Following a similar structure as the at-track programs, Panther hosts a single-day event so business leaders can attend and be home the same night. The event includes a behind-the-scenes look at military training and a ride in our IndyCar two-seater. Once that is complete attendees experience the same program highlighting the message regarding the unemployment crisis and how employers in attendance can address the problem. This is all done to complement the ESGR program.

- **Motivating Employers Toward Hiring Fairs and Hero-2-Hired:**

- o Our call to action for employers is simple: Engage in a U.S. Chamber hiring fair and the Hero-2-Hired program. These two programs are amongst the most effective in combating the unemployment crisis. Some of the best hiring fairs have been organized by the U.S. Chamber of Commerce's Hiring Our Heroes but we encourage them to support agencies with which you are familiar, such as the Veterans Administration, American Legion and a host of others working to find veterans good-paying jobs in their local communities. Over 400 such job fairs were executed from March 2011 through March 2013 and, to date, more than 15,000 Veterans have been hired. Employers must prove they have actual positions available to be filled prior to participating. Attendance is free to all veterans and their families and they can apply, interview, and accept a position at the hiring fair. For veterans unable to attend, a recruiter can provide resumes to employers on-site or online. We also fully support the programs that Heroes 2 Hired provides. They have great on-line programs where Veterans can find employment. Another great program that they provide is the State Transition Coordinator, and the results of this program are quickly proving it to be one of the most effective in existence.

Mission Points: Hometown Hero Program

One of the programs that we are very proud to have started is our Hometown Hero program, where each state's National Guard selects a notable warrior to be honored. This soldier is recognized throughout the weekend and sits next to our driver during the IndyCar autograph session. They sign their own "Hero Card" with thousands of fans standing in line to personally meet one of our Nation's heroes. In 2013, the program will be expanded to include a neighboring state of the race location. Thus far, we have presented Hometown Hero awards to 78 recipients since

2008, including SGT Donnie Hunter of California, SPC Christina Gonzales of Nevada, SSG Eloy Aguirre of Texas, SSG Eugene Patton of Colorado and both Staff Sergeant Jennifer M. Bartkus and Sergeant Justin Giesendaffer of Arizona.

We honor our Hometown Hero before each race during our Operation: Hire Our Guard employment program. An award is presented to the Guardsman by a high ranking National Guard Officer and – when they’re available to attend an IndyCar event – a Medal of Honor Recipient. Then they are the first introduced on the Pre-Race stage in front of all of the fans while their service record is read. During the five years we’ve had the Hometown Hero program it has become one of the hallmarks of race weekend and has been developed into a retention tool by the National Guard.

Employer Outreach Summary

Panther’s initial missions with the National Guard was to help recruit and retain its force and provide access for hundreds of soldiers at each event. But high unemployment has increased the challenge for all of us, and Panther Racing has a responsibility to help and a platform and place to make a difference.

We ask our military to do more every day—often with fewer resources than the previous year. When Panther’s budget from DOD was cut last year by millions – like most DOD programs – we did not cut our employment program. Instead, we expanded our program and pledged to do more. Our team raised more than \$1.1 million from private sources like TriWest and Lincoln Education to assist Operation: Hire Our Guard and to ensure, despite cutbacks, we were still doing everything in our power to be a positive partner for the National Guard.

Last year our events provided Veterans exposure to approximately **9,300 job opportunities** and based on a conservative approach, potentially over 4,300 Guardsmen have been employed as a result of our program. While our employment program is a small dent in the 65,000 estimated unemployed Guardsmen, our efforts will increase in 2013 as our partnerships and programs grow.

Recommendations to combat unemployment:

1. Educate “centers of influence” on the overall value of the National Guard.
2. Utilize unique forums to get employers out of the office to hear the unemployment message.
3. Continue to use non-traditional high-power methods like the Panther/National Guard employment effort to gain access to business leaders. We attract business leaders to our events because of the sport and use Hollywood style media presentations to educate and excite them to become involved in the Guard community and engage in hiring.
4. Panther has used sports to promote Guard employment and it works—now, encourage others to do it. Every major sporting event in our country such as the Super Bowl, the World Series, the Masters etc. should have something similar to Panther’s “Operation: Hire Our Guard.” By combining the star power of pinnacle sporting events with the emotional impact of “Hometown Heroes” stories and the respect employers have for military leaders, these can be unique, effective forums for finding jobs.
5. Engage and educate potential employers, and especially Human Resources professionals, about PTS. Greater awareness, education, and training tailored to debunking myths about PTS are needed with leadership from the Departments of Defense, Labor and Veterans Affairs.
6. Promote the utilization of the Dollar General “model” which partners with local ESGRs Transition Assistance Coordinators and others to help soldiers and airmen in advance of a hiring fair prepare (resume writing, presentation, dress, verbal communicate, and follow-up efforts etc.). We have learned that “cold call” job fairs are not as effective as those with training in advance for employers and troops.
7. Educate business leaders about the need to have some form of “translation” or “job skills conversion” and utilize such an application on their employment web pages. H2H has an outstanding MOS converter and should be utilized widely.

Overview of Our Relationship with National Guard—A Marketing Platform

Our relationship with the National Guard began with the primary mission of assisting in recruiting, retention, marketing and branding. What is unique for Panther is that our primary partner does not exist due to a product or a service, but something much more valuable: Its ability to ensure the safety and security of our Nation, States and all of its communities through the efforts of Citizen Soldiers.

To effectively market, the Guard needs targeted, but flexible, methods. We want our next generation of warriors to be intelligent, competitive and athletic. The National Guard and other entities have found sports marketing to be one of the leading tools available to connect with this target audience.

Today's young men and women live so much differently than when we were young. Each day they are confronted with thousands and thousands of different social mediums competing for their attention. The same is true with their "influencers" such as parents, grandparents, teachers, and coaches. The day of relying upon traditional methods such as dominant mediums in recruiting and retention are long gone. The Marines, for example, say they must make over 10,000 touches to attain 67 accessions.

As you know, the National Guard is unique in many ways, including its mission. As a good friend of mine frequently says about the Guard, "It's the Greatest Story Never Told." Because of legal prohibitions, it is prohibited from traditional advertising on over-the-air broadcast television, so the efforts to attract and retain the true "citizen soldier" all the more challenging. However, Panther is allowed to advertise and it helps the Guard get its message to the targeted audience.

Mission Points: Marketing

To fully understand the National Guard, our team immersed itself into all aspects of the National Guard's unique dual mission and their essential relationship with our Nation and their community. Once we had an understanding of its mission and goals, Panther was able to develop targeted marketing and branding efforts to help the Guard focus on its specific market from which to recruit its future warriors. Our industry is measured in milliseconds and always has to squeeze the last penny out of every dollar, so Panther prides itself in delivering the maximum impact from every asset.

Since 2009 we have had over 14.5 billion calculated impressions upon viewers with a media value of over \$142.1 million. These impressions were made through a diverse group of outlets, including: traditional television and radio commercials via race-day broadcasts; a "FanZone" activation area where over 225,000 fans attend annually; track jumbotron announcements; race program ads; print and radio appearances; social media platforms such as Facebook, Twitter and YouTube with produced video pieces; at-track signage; and a specifically logoed National Guard IndyCar 2-seater.

We provide tickets, credentials, food and recognition to thousands of National Guard soldiers and their families each year—a great retention tool. The FanZone is a great opportunity to recruit and network at each race event. Every visitor leaves behind his or her contact info plus completes a questionnaire regarding interest in the Guard for follow up. Our Infield Training Unit (ITU) is used by the state to educate our soldiers regarding employment and other pertinent issues relative to life in the Guard.

After being introduced to the National Guard Youth ChalleNGe program in 2008, Panther has helped raise over \$850,000 in scholarships for the graduating Cadets. Our team hosts select Youth ChalleNGe Cadets at each IndyCar race event where there is a ChalleNGe program in the state, congratulating them on their life-changing accomplishments and educate them on career opportunities in motorsports.

We also work to lift up those who have sacrificed so much. I will never forget my experience after arriving at the Brooke Army Hospital in 2008; I met a wounded warrior who was wearing a black and yellow smiley tee shirt with the words "Got Burns". When I'm having a bad day, I think of that soldier. He never complained about his injury. But he did in a silent way display to all that saw him that day a huge statement: "Life goes on. Don't complain. Finish the mission. Move on." I think of that day a lot. Panther continues to take the No. 4 racecar and the team's drivers to visit wounded and injured service members at the VA Polytrauma Centers in Tampa, Florida; Richmond, Virginia; Palo Alto, California; and as I mentioned, the burn unit at Brooke Army Medical Center, San Antonio, Texas.

The privilege of visiting these facilities, meeting our Nation's heroes (and their families) and seeing their courage and determination is unlike anything I have experienced in my lifetime. I don't say this to bring recognition to our organization, or myself, but instead to encourage others to do the same. The long rehabilitation that faces these brave men and women is very lonely. They need our support. They need to be assured that they will not be forgotten. I also guarantee you it will change your lives forever.

Mission Points: Synergies

Our partnership with the Guard has turned out to be so much more than marketing, recruiting and retention. While visiting with our Hometown Hero of Ken-

tucky in 2008, I learned of the serious injuries impacting our soldiers while they performed their duties, including the prevalence of Traumatic Brain Injury (TBI).

I asked how a specific soldier was hurt and learned he had been a Buffalo driver responsible for finding IED's in front of a convoy. After being virtually blown up several times, he was finally taken off his job. I ask him what the G-force impact was from these blasts and was very surprised to find out that the impact was not recorded in any way.

As a result, I took the Adjutant General of the Kentucky National Guard to the IndyCar series research trailer at the track, where he was shown the devices that we had used since 1997 to accurately measure the impact to our drivers. Like the military, we often deal with serious head injuries in racing. We utilize a state-of-the-art ear-sensor technology to measure the G-force impact to a driver's head in the event of an accident. These sensors record specific detail on the impact to the driver, which has been instrumental in on-site treatment, in long-term care and the development of better equipment to protect our athletes. The General was very surprised to find that IndyCar had successfully been measuring this for such a long time. I learned about the millions of dollars that had been invested, unsuccessfully, to develop sensor technology to help protect our troops. After that event, every time we raced and an Adjutant General attended, we showed them this technology and other devices that had been designed by our sport.

After hearing about this, our partner Dave McIntyre of TriWest Healthcare spoke to the Vice Chief of the Army, General Peter Chiarelli, about our concussion recording devices. Two days later we were asked to the Pentagon to show him what had been used in our industry. After reviewing it and commenting on the simplicity of the devices, General Chiarelli asked if I were there to sell him this technology. I made it very clear that Panther would donate any asset that could help our troops at no cost. Under his direction, we made various visits to Army medical facilities around the country to provide experts from our field to discuss the benefits of the collection of this data.

Eventually, a form of the technology that was given to the Army was modified, with the help of the Georgia Tech Research Institute and the Army's Rapid Equipping Force (REF), and is now repurposed as the Integrated Blast Effects Sensor Suite (I-BESS). The Army deployed 4,000 of these new body-worn sensors in Afghanistan to measure and help understand how intense impacts such as explosions and vehicle accidents affect the human body. Each unit contains four sensors that communicate with one another along with an armored vehicle based system that has additional sensors for more data acquisition.

The data collected goes to the Joint Trauma Analysis and Prevention of Injury in Combat Program—where medical professionals and engineers will have access to the database to help better protect our soldiers. Most importantly, the I-BESS system detects TBI in soldiers who have experienced an adverse event and helps our neurosurgeons treat the patient.

We are humbled to have played a small role in helping our combat troops with TBI. Just to be a small part of the public/private partnership here will always keep us engaged in any way possible to help our National Guard soldiers.

Panther has continued to work on additional synergies and is currently discussing designs of the seats used in our IndyCar, which could potentially help helicopter pilots who have high rates of spinal injuries due to landings. This seat technology has helped reduce spinal injuries by over 80% in our industry.

Conclusion

Mr. Chairman, it has been an honor to be here today. I respect the trust that has been placed in each member of this subcommittee to care for our Nation's most sacred population. My goal was to share some of the successes that that our team has deployed to address unemployment in the National Guard.

We feel a special calling to help ensure those who have served in uniform have the opportunity to provide for themselves and their families. We know we bring significant assets to the effort, and we want to use them most efficiently.

When a business leader has a "bucket list" day while experiencing the Panther program, we know they're leaving with a greater understanding of the Guard. It's those business leaders who will be a supportive employer, and will advocate policies and practices that support our Veterans. A Guardsman with a good job, at a company that respects and supports his/her service, is a National Guardsman we retain for a long time.

Our success has always been measured by victories on the track. But that was when we were just a racing team. Today, we are a military service and marketing company working to help the National Guard meet its goals for recruiting, retention, branding and now employment.

I would trade any race win in exchange for one more job for a member of the Guard. Ensuring the Guard's success is our mission and Operation: Hire Our Guard is a huge part of that effort. I spend every day thinking how our team can do better. The attributes these men and women bring to employers – intelligence, leadership, selflessness and dedication – can lift any company in the same way they have always lifted our Nation.

What troubles me most is that I cannot see a day in my future when there will be a ticker-tape parade to celebrate what all of the Veterans of Iraq and Afghanistan have done for our Nation. What I hope I will see is the day when all these great Veterans have meaningful employment. Our nation owes them no less, because they have sacrificed so much to protect our freedoms.

I invite each of you to visit Panther Racing and experience what we do, and, more importantly, to discover new ways that we can do better and improve our efforts on behalf of our magnificent military forces and their families. Thank you for this opportunity, and I welcome your questions and comments.

Prepared Statement of Enlisted Association of the National Guard of the United States (Al Garver)

The Enlisted Association of the National Guard of the United States (EANGUS) was formally organized in 1972 with the goal of increasing the voice of enlisted persons in the National Guard. As such, EANGUS is a non-partisan non-profit organization dedicated to the principles of providing an adequate national defense, while promoting the status, welfare, and professionalism of the enlisted men and women of the National Guard. EANGUS is the only military service association that represents the interests of solely the enlisted soldiers and airmen of the Army and Air National Guard.

With an active membership of 47,000 members and a constituency of over 414,000 soldiers, airmen, their families, and retirees; EANGUS engages Capitol Hill on behalf of courageous guard members across this nation.

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DISCLOSURE OF FEDERAL GRANTS OR CONTRACTS

The Enlisted Association of the National Guard of the United States (EANGUS) is a member supported organization. EANGUS has not received any grants, subgrants, contracts, or subcontracts from the federal government in the past three years. All activities and services of the association is accomplished free of any direct federal funding.

Chairman Flores, Ranking Member Takano, distinguished members of the subcommittee on Economic Opportunity, on behalf of the 414, 000 enlisted men and women of the National Guard and the 47,000 active members of the Enlisted Association of the National Guard of the United States (EANGUS), thank you for the opportunity to testify today.

I'd like to inform this committee, in the interest of full disclosure, that while my civilian job is Executive Director of EANGUS, I am a still-serving citizen-soldier myself, with 30 years of service and counting—8 years active duty Air Force, 17 years in the Air National Guard, and now five years in the Air Force Reserve, currently with the rank of Chief Master Sergeant, and my service includes an 8-month tour in Iraq.

I'd like to begin by thanking the members of this subcommittee for your support over the past several years, and for your concern with the well-being of our citizen-soldiers that serve in our 50 states, 3 territories, and District of Columbia. Much has been done recently to give these soldiers and airmen the resources they need to improve their quality of life. We are especially thankful for recognizing their Title 32 service and making it count toward their Post 9-11 G.I. Bill benefits. More than

140,000 Guardsmen now qualify for those benefits, and their increased education levels will surely translate into more secure and better-paying jobs in the private sector. We are also thankful for the medical benefits offered under the Tricare Reserve Select Insurance program. There are nearly 50,000 National Guard members, most with families, that are currently covered by this benefit. I happen to be one of them. I pay a premium of \$195 per month, which covers myself, my wife, and five dependent children. I'll circle back to the significance of those numbers in a few moments.

Since 9/11 more than 600,000 soldiers and airmen of the National Guard have been mobilized and deployed overseas; when you account for both Guard and Reservists - the number balloons to more than 1 million individuals. Over 50% of the members of the National Guard are now combat veterans - these men and women are no longer "weekend warriors" - but battle tested citizen-soldiers, many of whom are returning home to find their only option is the unemployment line.

It has been estimated by some that 20 percent of returning National Guard soldiers and airmen are unemployed. However, if you look at some anomalies in those figures the actual percentage may be slightly less, due to the fact that many of the younger returning members in the 18-24 year old range, were in high school or college prior to deploying and did not have jobs waiting for them or are continuing their education. However; even if you take into account a percentage of returning veterans who are resuming or beginning their educational journey, the number of unemployed National Guardsmen is still significantly higher than the national average.

We truly believe the vast majority of employers want to hire veterans, and that is one reason why the national unemployment rate for all veterans is 7.0%, yet the National Guard unemployment is estimated to be at least double that number. What is the difference between hiring veterans and hiring those in the National Guard? Both veterans and Guardsmen have the same or similar leadership skills, are hard workers, team players, dependable, and are highly trainable. Additionally, they have earned all of those skills and more under some of the most difficult situations known to man - during combat - when making a mistake doesn't mean you miss a sale, but you lose a life. If the skill sets are the generally the same, then why do we have vastly different unemployment percentages between the two groups?

One major reason we believe that National Guard unemployment is significantly higher than general veteran unemployment is the current operations tempo of the National Guard. Prior to 9/11, employer support of the National Guard and Reserves was extremely high. Since 9/11, that support has become stressed with the increased call-ups of the National Guard for both natural disasters and overseas operations. The men and women of the National Guard have been called up multiple times, some more than others depending on their skill set. Traditionally, it has been DoD policy to mobilize Guard and Reserve units no more than one out of every five to six years, but there are some cases, since 9-11, where Guard and Reserve units have been mobilized for 48 months in a 60 month time period. However, the average mobilization is more along the lines of 12-18 months in a 60 month period.

This policy is having a negative impact on the employment prospects of National Guard and Reserve members. Employers are having a hard time dealing with the loss of their employees during 6-12 month deployments every few years. Given the opportunity to choose between two potential employees—a veteran and a current member of the National Guard—which one would you pick if you were a small business owner? Both applicants have similar backgrounds and skill sets, but one is likely to be absent on military duty one weekend a month and two weeks a year at a minimum ... in addition to a long deployment looming in the near future. It may not be the politically correct or even the right thing to say, but you can empathize with the challenge this poses to small business owners. All things being equal, many employers would likely pick the veteran who has already fulfilled their military obligations and is not likely to be called back to duty.

The previous example applies more to small and medium-size businesses rather than large companies such as Wal-Mart who just announced their commitment to hire 100,000 veterans over the next five years. There are many things that Congress and industry can do immediately to help increase National Guard employment.

Allow Small Business Owners to pay for TRS premiums for their Guard-Reserve Employees

One proposal that might improve the prospects of a Guardsman or Reservist to gain an advantage with small business owners, would be to encourage the businesses to provide a stipend that pays for their Tricare Reserve Select policy and

raise awareness that this is an option available. In doing so, the troops would be getting some of the best coverage available, and the business owner would reap a significant cost-savings by not having to pay for the current health-care policy they offer. This might save a small business owner anywhere from \$3,000 to \$10,000 or more per year, and would be an immediate incentive to hiring Guardsmen and Reservists. Best of all, the troops are already entitled to purchase these policies, so no new program has to be developed or paid for by Congress or the individual states.

National Guard Federal Hiring Preference Points

Currently, veterans receive hiring preference points from federal agencies, and this hiring preference is not limited to veterans alone. It is also granted to the spouses of an unemployable veteran, the unmarried widow or widower of a veteran, or the mother of a deceased or disabled veteran. However, many National Guard members do not have the requisite Title 10 experience to be recognized as veterans. Many serve their country faithfully in homeland defense and disaster relief missions here in the CONUS, yet are not eligible to receive any federal hiring preference points.

The men and women of the National Guard possess both civilian and military skills that make them fantastic candidates for many positions, but they are applying for those jobs with one hand tied behind their backs. With the increased ops tempo of the National Guard and Reserves for the foreseeable future, the high unemployment rate amongst their ranks is likely to continue, and it would be beneficial if federal agencies addressed this fact by awarding separate preference points to serving members of the National Guard and Reserve. By not recognizing their service and assigning veterans preference points, the federal government is, in effect, discriminating against some National Guardsmen; as if they are not equal to troops who have served on 180-days or more of Title 10 service. No employer should discriminate against the hiring of members of the Guard, especially the federal government.

Making the Transition Assistance Program (TAPS) and Transition Goals Plans Success (Transition GPS) work for the average member of the Guard and Reserve

The Transition Assistance Program (TAP) provides pre-separation services and counseling on a number of transition-related topics to those members of the Armed Forces that are separating from service. TAPS not only provides assistance on general topics such as healthcare and financial planning, but it also has many specific career centric focuses as well. Separating military members can also take advantage of a three-day employment workshop or a veteran's benefits brief organized by the VA. However, TAP services are provided only at military installations, which often times are not readily accessible National Guardsmen, especially for members of the Guard and Reserves from rural portions of the country.

The TAP program was recently revamped as part of the Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011 and is now called Transition Goals Plans Success (Transition GPS). Due to the VOW to Hire Heroes Act, TAP is now mandatory for nearly all separating military personnel. This mandatory five-day seminar is supposed to give transitioning service members an individualized assessment of what various civilian career paths are good matches to their military skill set.

However, for members of the National Guard, this mandatory participation only applies when Guardsmen come off active duty following a mobilization. This means that thousands of Guard members will not attend the Transition GPS program when they transition out of the Guard, because the existing DoD model is designed and programmed around exiting active duty, not part time duty. Realistically, it will be very difficult to get a rurally located National Guardsman to travel hours away to attend a five-day TAP program before he/she leaves the Guard because there are not adequate financial resources for that. Conversely, it would be cost-prohibitive to send a mobile TAP team to rural armories for a handful of people.

The Transition GPS program seems to be an effective way to help those separating from active-duty. However, despite its good intentions, it is not effective for many traditional members of the National Guard and Reserves. So what else can be, or is being done, to help those serving in the National Guard and Reserves? There are many great programs being pursued by private industry and non-profit organizations. Programs like VetJobs.com and the U.S. Chamber of Commerce's Hiring Our Heroes program.

US Chamber of Commerce Foundation's Hiring Our Heroes program

Since its launch in March 2011, the U.S. Chamber of Commerce Foundation's Hiring Our Heroes program has been working to help veterans, transitioning service members, Guard and Reservists, and military spouses find meaningful employment. To do so, Hiring Our Heroes has leveraged the U.S. Chamber's network of 1,600 state and local chambers of commerce and collaborated with other strategic public, private, and nonprofit partners to help create a movement across America.

In less than two years, Hiring Our Heroes has hosted more than 420 hiring fairs in all 50 states, the District of Columbia and Puerto Rico. 14,100 veterans and military spouses have been hired as a direct result of these fairs, many of whom are or have served in the Guard and Reserve. Businesses across America have also stepped up to participate in their Hiring 500,000 Heroes campaign launched a year ago. The goal is to engage both small and large businesses to commit to hire half a million veterans and military spouses by the end of 2014. Thus far, the campaign has secured 212,000 commitments and confirmed 93,000 hires.

One example is Micahel Zetts, who served in the U.S. Army and the Minnesota National Guard from 2003 – 2010. After his second deployment to Iraq, Michael was ready to transition into a new career. He used his GI Bill to go to school for his associate's degree, believing that the degree would better prepare him for the job market. After school, however, he found himself walking from job fair after job fair for almost a year without any offers or leads. Michael told Hiring Our Heroes: "I had been to other career fairs before [and] it seemed like being a veteran was a hindrance. I had that experience plus two associate degrees. People were either looking for something fresh or someone with a lot of experience. I fell in between. At Hiring Our Heroes, I felt like people were really talking to me. Afterwards, I was pursued by a few opportunities." After attending a March 2012 Hiring Our Heroes career fair in Columbus, Ohio, Michael accepted an offer from Advanced Language Access, Inc. and has offered to help Hiring Our Heroes at upcoming job fairs in Columbus, so that he can help others like him find veteran-friendly companies that understand the skills a veteran can bring to their company.

While hiring fairs remain a top priority of the Hiring Our Heroes program, it is evolving to address the systemic employment issues facing veterans, members of the National Guard and Reserves, and military spouses. Hiring our Heroes is developing several online tools that will serve as valuable resources for the talented men and women who have served our country.

Although the past 10+ years of deployments and increased ops tempo of our National Guard citizen soldiers have strained the relationship between many employers and military employees, there are still many other companies that remain Guard and Reserve friendly. Programs like Hiring Our Heroes are acting as a bridge between Guard friendly employers and the unemployed men and women currently serving in the National Guard. With another million men and women expected to leave the military in the next five years, we must all continue to raise awareness of this issue as we work every day to hire our heroes.

Employer Support for the Guard and Reserve and Hero 2 Hired Program

The DoD established the Employer Support for the Guard and Reserve (ESGR) agency 40 years ago with the mission of maintaining employer support for Guard and Reserve service. ESGR advocates for pro-Guard and Reserve initiatives, recognizes outstanding employer support of the Guard and Reserve, helps to mediate conflicts and potential conflicts between service members and employers, and to bring increased awareness for Guard and Reserve laws and legislation such as USERRA. The core of ESGR's mission is to show that Guard and Reservists can, do, and will bring their military skills of integrity, global perspective, and proven leadership to a civilian workplace. EANGUS is proud to be a partner of ESGR and we are encouraged by the fact that they are represented here today at this committee hearing.

One ESGR program that we would like to highlight, is their Hero 2 Hired (H2H) program. Launched in December 2011, H2H is a comprehensive employment program that helps to highlight the unique skills and job needs of Reserve Component members. The H2H program is helping to reduce the number of unemployed National Guard and Reserve members by simplifying their job search while also allowing military-friendly company's access to Guard and Reserve job seekers.

H2H currently has over 108,000 registered job seeker profiles, nearly 15,000 employers registered, and as of March 3, 2013 there are an estimated 3.7 million job openings available on the H2H website. Between October 2012 and February 2013, H2H was able to assist 5,512 veterans, Guard and Reservists, and military family and spouses in finding employment.

Southwest Truck Driver Training

Job fairs and career web pages are tremendous ways to get Guard and Reservists in touch with military-friendly employers. But there are also many military-friendly employers who go out of their way to help our military job seekers. One such company is Southwest Truck Driver Training (SWTDT) school in Tucson, Arizona. Southwest started in 1999 as a true small business, with a beginning staff of a handful of family members and friends – it now has built its reputation throughout Arizona, Nevada, and the local communities in which it operates.

Southwest has a 92% placement rate for their graduates and goes out of their way to ensure that Guard and Reservist students are placed with military-friendly companies that understand their unique needs, monthly drill and training schedules, and possibility of immediate call-ups. If Congress and the commanders of our National Guard and Reservists are serious about tackling unemployment problems, we need to look at all opportunities, including the vocational trades, where there are immediate job openings and gainful employment can be obtained. According to the U.S. Department of Transportation and the National Highway Traffic Safety Administration, 300,000 new truck drivers will be needed each year for the next 10 years to meet America's demands.

During the 112th Congress, the Military Commercial Driver's License Act of 2012 was signed into law. The Military CDL Act gave active duty military personnel, military reservists, members of the National Guard, and others more flexibility in obtaining a Commercial Driver's License, in an attempt to help them pursue job opportunities immediately after leaving the service. The legislation allowed them to obtain a CDL in either the state where they serve or where they received their military training, regardless of whether it is their state of permanent residence. The legislation was endorsed by the American Trucking Association, Owner-Operator and Independent Drivers Association, and many Military Service Organizations including EANGUS.

The Military CDL Act was a great first step, but military truck drivers need some additional skills and training to be able to effectively operate a tractor trailer. Currently the DoD does not have a training program that trains service members to operate civilian tractor trailers. Companies like Southwest are able to assist military truck drivers gain those additional skills, to include driving ten-speed manual transmission trucks, how to properly enter information into mandated log books, and other service standards. This type of training costs between five and six thousand dollars and qualify military job seekers to find nearly immediate employment with a salary of 40–80 thousand dollars a year. However, the vocational trades are often times marginalized by chains of command, which is counterproductive to putting unemployed service members in touch with companies who are offering gainful employment.

Veterans use CDLs and vocational trades everyday to work while attending post-secondary schooling. Many services members use the industry as a short term tool to makes ends meet while they are completing their education, but a large percentage also continue in the career field. It is not an industry for everyone, but it is a respectable option for service-members unemployment woes.

Consider Exemptions for Military Technicians

In closing, I'd like to discuss something that can be done immediately to save the jobs of 7,600 National Guard troops, and stop another 52,000 from becoming "under-employed." While all military components are dutifully scrambling to absorb \$47 billion in cuts throughout the Department of Defense, including the furloughs of 800,000 military civilians, there is one sub-group that justifies an exemption: National Guard Military Technicians.

Currently, there are 52,000 of these military technicians wearing their U.S. Army and Air Force uniforms to work every day, and they represent more than half of the National Guard's full time force. While they are slated to be furloughed along with the other DoD civilian employees, their unique status should merit an exception. Unlike regular civilian employees, military technicians are required to be a member of the National Guard, attend weekend drills and annual training with their National Guard unit, maintain all fitness and readiness standards of their active-duty counterparts, and can be involuntarily ordered to active duty at any time. National Guard military technicians are the primary maintainers of National Guard ground equipment, airframes, equipment upgrades, and administrators of training at the unit level.

These uniquely hybrid positions have been developed over decades as the most cost-efficient and stable maintenance work-force in the DoD. What makes them distinct from other DoD civilians is their title: Military Technicians. Their predecessors

were known as Civilian Technicians, and it was Congress that decided they were more military than civilian, authorized them to wear their uniforms to work every day, and awarded them that title, along with expectations of fulfilling roles and responsibilities beyond that of their former duties.

The President, Congress, and the DoD all agreed to exempt uniformed personnel from the sequester to limit the impact on military readiness. We believe the furlough of National Guard Military Technicians violates that intent. While they are technically civilian employees, they are decidedly uniformed personnel. Allowing half of the National Guard's full-time members to be furloughed will result in an immediate reduction in the National Guard's operational readiness across all state and federal missions. This will greatly impact the Guard's ability to respond to domestic emergencies, homeland defense, and natural disasters.

We encourage this committee, through any possible avenues, to make provision in the Continuing Resolution to exempt National Guard Military Technicians from the impending furloughs of all DoD civilians.

Executive Summary

Since 9/11 more than 600,000 soldiers and airmen of the National Guard have been mobilized and deployed overseas; when you account for both Guard and Reservists - the number balloons to more than 1 million individuals. Over 50% of the members of the National Guard are now combat veterans – these men and women are no longer “weekend warriors” – but battle tested citizen-soldiers, many of whom are returning home to find their only option is the unemployment line.

It has been estimated by some that 20 percent of returning National Guard soldiers and airmen are unemployed. However, if you look at some anomalies in those figures the actual percentage may be slightly less, due to the fact that many of the younger returning members in the 18–24 year old range, were in high school or college prior to deploying and did not have jobs waiting for them or are continuing their education. However; even if you take into account a percentage of returning veterans who are resuming or beginning their educational journey, the number of unemployed National Guardsmen is still significantly higher than the national average.

The Enlisted Association of the National Guard of the United States' (EANGUS) testimony before the House of Representatives Committee on Veterans Affairs, subcommittee for Economic Opportunity comprises of the following suggestions on ways to improve the unemployment rate amongst those serving in the National Guard and Reserves:

- Educate and encourage Small Business Owners to pay for Tricare Reserve Select premiums for their Guard & Reserve employees.
- Investigate allowing for the issuance of Federal Hiring Preference Points for National Guard and Reserve service.
- Making the Transition Assistance Program (TAPS) and Transition Goals Plans Success (Transition GPS) work for the average member of the National Guard and Reserves.
- The U.S. Chamber of Commerce Foundation's efforts to help veterans through their Hiring Our Heroes program.
- The Employer Support for the Guard and Reserve (ESGR) agency's Hero 2 Hired program
- How Southwest Truck Driver Training has been able to achieve a 92% placement rate for their National Guard and Reserve graduates.
- Working to prevent over 50,000 National Guard Military Technicians from being furloughed or laid off, adding them to the percentage of unemployed and underemployed members of the National Guard.

Prepared Statement of Major General David Baldwin

Early in my tenure as The Adjutant General (TAG) of California I became aware of a problem that was reducing the readiness of our force. Historically high unemployment and underemployment in our ranks was negatively affecting morale, training, accountability, Soldier and family resiliency, and good order and discipline. The Work for Warriors (WFW) program was developed to solve this readiness problem.

With a one-time grant from the Speaker of the California Assembly, we stood up WFW as a pilot program in July 2012 with the goal to reduce unemployment in the California National Guard (CNG) by 25% in one year.

The WFW team is made up of one Program Manager, two Applicant Coordinators, one Information Technology Specialist, and one Business Coordinator. In addition, the Department augmented the WFW program with an existing State Active Duty position to lead the effort.

WFW directly places unemployed CNG members into jobs. Private sector businesses contact the WFW Business Coordinator with job openings. The Applicant Coordinators use the WFW database to identify unemployed CNG candidates that meet the specific job requirements. The WFW staff then guides the unemployed CNG member all the way through the hiring process (resume preparation, interview prep, and employment acceptance). The attached enclosure includes the many businesses and business partners we are working with to place Guard members into the civilian workforce.

The WFW program is especially effective in reducing the high unemployment rates of CNG units returning from deployments overseas. We've found that many units returning from deployments have unemployment rates well over 50%. This high rate of unemployment had remained a problem because federal programs that assist deployed reservists do not begin until 180 days after the service member returns to California. To close this gap, the WFW staff contacts the units while they are still overseas and works with unit leadership to develop a plan to immediately reintegrate unemployed Soldiers and Airmen into the civilian workforce. Once the unit is back in the United States, the WFW staff provides the unit with program information at their federal demobilization site, often located in another state, and begins setting up job interviews for deployed service members. The results have been dramatic. Placing Soldiers and Airmen in jobs immediately upon their return from overseas allows for a more successful reintegration and can reduce behavioral health problems, substance abuse, and domestic violence.

The success of the program is based on our use of the chain of command. Our staff uses the existing CNG chain of command to ensure unemployed service members are made aware of the WFW program, and encouraged by their first-line leaders to participate. WFW is also using social media and web services to get information to service members. Leveraging this no-cost method of communication has allowed the WFW team to push information quickly to mobile devices and computers and place members into jobs as quickly as 24 hours from receiving a job opening.

The WFW program is the most effective direct job placement program of its kind in the nation; on average the program places two guardsmen every day. The program is remarkably cost effective compared to federal standards and represents significant savings to the government when factoring in unemployment compensation costs. Successful federal veterans' employment initiatives typically have a total cost of over \$10,000 per veteran placed. The WFW program is averaging a \$550 cost per placement.

The following WFW program information incorporates data from the program's inception on March 29, 2012 through the 2012 calendar year:

- Number of Service members Directly Asking for Employment Support: 2,171
- Number of Resumes Completed: 875
- Number of Resumes Submitted for Interviews: 975
- Number of Service members Placed into Jobs: 965
- Number of Companies Providing Jobs to Fill: 92

The WFW program has helped hundreds of California's Guard members find employment so they can support their families and contribute to their communities. This direct placement model is transferable to other states that have high unemployment and/or underemployment in their National Guard force. It is also directly transferable to the Reserves.

We will remain committed to this important program until it is no longer needed. We are already working with the National Guard Bureau and other states to share the program and the best-business-practices we have developed. I look forward to working with the Committee to be part of the solution in getting our Soldiers, Airmen, and Veterans back to work.

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Statement For The Record

The Reserve Officers Association

EXECUTIVE SUMMARY

Improvements to increase employment supported by ROA and REA follow:

Education:

- Exempt earned benefit from GI Bill from being consider income in need based aid calculations
- Develop a standard nation-wide payment system for private schools
- Re-examine qualification basis for yellow ribbon program, rather than first come first serve.
- Increase MGIB–Selected Reserve (MGIB–SR) to 47 percent of MGIB–Active.
- Enact Uniformed Services Employment and Reemployment Rights Act (USERRA) and Service members Civil Relief Act (SCRA) protections for mobilized Guard-Reserve students to adjust interest rates on federal student loans of mobilized Reservists when the market rate drops below 6 percent.

Employer Support:

- Continue to enact tax credits for health care and differential pay expenses for deployed Reserve Component employees.
- Provide tax credits to offset costs for temporary replacements of deployed Reserve Component employees.
- Support tax credits to employers who hire service members who supported contingency operations.

Employee Support:

- Permit delays or exemptions while mobilized of regularly scheduled mandatory continuing education and licensing /certification/promotion exams.
- Continue to support a law center dedicated to USERRA/SCRA problems of deployed Active and Reserve service members.

Uniformed Services Employment and Reemployment Rights Act (USERRA)/ Servicemembers' Civil Relief Act (SCRA):

- Improve SCRA to protect deployed members from creditors that willfully violate SCRA.
- Fix USERRA/SCRA to protect health care coverage of returning service members and family for continuation of prior group or individual insurance.
- Broad the types of insurance that the service member is entitled to reinstate after returning from military service, such as protections for professionals, dental, and disability coverage.
- Enact USERRA protections for employees who require regularly scheduled mandatory continuing education and licensing/certification and make necessary changes to USERRA to strengthen employment and reemployment protections.
- Amend SCRA to add a provision that the expiration dates of any license or certification issued by any state or federal agency (including driver's, nurses', contractor's licenses, etc.) shall be extended to a period of 90 days after release from active duty.
- Include protections on leases and contracts impacting mobilized small business owners, including the ability to terminate or suspend a contract or lease for services or goods.
- Exempt Reserve Component members from federal law enforcement retirement application age restrictions when deployment interferes in completing the application to buy back retirement eligibility.
- Encourage Federal agencies to abide by USERRA/SCRA standards.
- Ensure USERRA isn't superseded by binding arbitrations agreements between employers and Reserve Component members.
- Make the states employers waive 11th Amendment immunity with respect to USERRA claims, as a condition of receipt of federal assistance.
- Make the award of attorney fees mandatory rather than discretionary.

Veterans Affairs:

- Extend veterans preference to those Reserve Component members who is currently serving, or has completed 20 years of service in good standing.

- Permit any member who has served under honorable conditions and has received a DD-214 to qualify for veteran status.
- Support the issuance of a DD-214R to Reserve Component members to accumulate periods of active duty.

INTRODUCTION

On behalf of our members, the Reserve Officers and the Reserve Enlisted Associations thank the committee for the opportunity to submit testimony on veteran and National Guard and Reserve employment issues, and whether they have improved. ROA and REA applaud the ongoing efforts by Congress and this committee to address employment problems faced by so many veterans and service members.

As contingency operations continue with increased mobilizations and deployments, many of these outstanding citizen soldiers, sailors, airmen, Marines, and Coast Guardsmen have put their civilian careers on hold while they serve their country in harm's way. As we have learned, they share the same risks and their counterparts in the Active Components on the battlefield, but don't have a guarantee of a job when they return home. Just recently we passed the 867,000 mark for the number of Reserve and Guard service members who have been activated since post-9/11. More than 285,000 have been mobilized two or more times. The United States is creating a new generation of combat veterans that come from its Reserve Components (RC). It is important, therefore, that we don't squander this valuable resource of experience, nor ignore the benefits that they are entitled to because of their selfless service to their country.

The unemployment rates of veterans and Guard and Reserve have been higher than the national average for veterans overall. The Bureau of Labor and Statistics reports that in January of this year 36 percent of veterans between 18 to 24 years of age were unemployed. This group of returning veterans is made up almost entirely of Reserve and Guard members.

While non-affiliated veterans have a better employment rate than the national average at 6.9 percent, stealth discrimination continues to make employment and even reemployment harder for returning Reserve and Guard members, because they are veterans who continue to serve.

EMPLOYMENT

Employment Protections

Veterans and service members are provided protections through the National Committee for Employer Support of the Guard and Reserve (ESGR), the Uniformed Services Employment and Reemployment Rights Act (USERRA), and the Servicemembers' Civil Relief Act (SCRA).

Notwithstanding the protections afforded veterans and service members, and anti-discrimination laws it is not unusual for members to lose their jobs due to time spent away while deployed. Sometimes this is by employers who go out of business, but more because it costs employers money, time, and effort to reintroduce the employee to the company. The National Guard Bureau reports that throughout its 54 regions, the overall unemployment rate for Guard members is 21 percent.

In February of this year the unemployment rate for veterans between 18 to 24 years of age was 36 percent, nearly five times the national rate. The unemployment rate for the 25 to 29 year old veterans in February was 9.5% down from January's 14.8%. These higher numbers reflect the high percentage of Guard and Reserve in each group.

Higher unemployment rates for younger Reserve and Guard members provide silent testimony to the stealth discrimination that remains. Faced with an operational Reserve model, many employers anticipate that Reserve Component members will continue to be called up once every five years. Smaller businesses can ill-afford to lose key people and remain productive. They may congratulate an applicant on his or her military service, and then simply fail to follow-up.

While the USERRA and SCRA laws can be strengthened, working to better educate employers needs to be part of any employment campaign.

Small Business hiring of Reserve and Guard members

Deployment of Reserve and Guard members has the hardest impact on small businesses. Such businesses are the backbone of the American economy, and are expected to do the majority of the hiring in the near future. The Small Business Administration defines a small business (depending on the industry) as a business with fewer than 500 employees. A micro-business is defined as having fewer than 10 employees.

ROA supports initiatives to provide small business owners with protections for their businesses while a Reserve Component employee is on deployment. Employer

care plans should be developed in a way that will assist with mitigation strategies for dealing with the civilian workload during the absence of the service member employee and lay out how the employer and employee would remain in contact throughout the deployment.

Employer Incentives

Partnerships: The Army Reserve under Lieutenant General Jack Stultz initiated the Employer Partnership Program with civilian employers that is an initiative designed to formalize the relationship between the Reserve and the private sector, sharing common goals of strengthening the community, supporting RC service members and families, and maintaining a strong economy. Over 1,000 companies are currently in various preliminary stages of implementing partnership programs. This sets a model for businesses to hire veterans. The program has its own website <http://www.employerpartnership.org/> and provides job search, a resume builder, professional staff support, a list of employer partners and career resources.

This program grew into the Army's Heroes 2 Hire program, which has now been taken DoD-wide.

Periodic and Predictable: Employers need increased notification time in order to better support their personnel. The military services and components should provide greater notice of deployments to RC members, so that they, as well as their families and their employers, can better prepare. Collaboration between industry and the military needs to occur as the military considers deployment cycle models so that the nation's defense needs are met but its industrial base is not compromised.

Employer care plans should be developed that will assist with mitigation strategies for dealing with the civilian workload during the absence of the service member employee and lay out how the employer and employee would remain in contact throughout the deployment.

CNGR: The Commission on the National Guard and Reserve suggested key recommendations included expansion of the Employer Support of the Guard and Reserve (ESGR) committee to be able to work new employment as well as reemployment opportunities, the creation of an employer advisory council, and regular surveys to determine employer interests and concerns over reemployment of Guard and Reserve members. Unfortunately, the budget recommendation is to reduce ESGR's budget.

TRICARE as an employee/employer benefit: An employer incentive is when an employee brings importable health care such as TRICARE, reducing the costs for the employer. Guard and Reserve members as well as military retirees should be permitted to tout the availability of TRICARE as an employee asset, and permit employers to provide alternative benefits in lieu of health care.

Another option is to fully or partially offsetting employer costs for health care payments for Guard and Reserve members who are employed, especially when companies continue civilian health insurance for service members and or their families during a deployment. DoD should provide employers – especially small businesses – with incentives such as cash stipends to help offset the cost of health care for Reservists up to the amount DoD is paying for TRICARE, with the understanding that the stipend is tied to reemployment guarantees upon the serving members return.

Other incentives: Incentives of various types would serve to mitigate burdens and encourage business to both hire and retain Reservists and veterans. A variety of tax credits could be enacted providing such credit at the beginning of a period of mobilization or perhaps even a direct subsidy for costs related to a mobilization such as the hiring and training of new employees. Employers felt strongly that, especially for small businesses, incentives that arrive at the end of the tax year do not mitigate the costs incurred during the deployment period. Also cross-licensing/credentialing would ease the burden of having to acquire new licenses/credentials in the private sector after having gained them during their military service, and vice versa.

While not under this committee's jurisdiction we hope that the House Veterans' Affairs Committee can support specific tax incentives to hire returning veterans and Guard and Reserve members.

EDUCATION

Montgomery GI Bill

The Montgomery GI Bill for Selected Reserve should be updated to provide better education support. It pales in comparison to the Post 9/11 GI Bill. The monthly education stipend of \$356 for MGIB for Selected Reserve is just 11.5 percent of the monthly tuition and allowance of \$156 for the GI Bill.

To assist in recruiting efforts for the Marine Corps Reserve and the other uniformed services, ROA and REA urge Congress to reduce the obligation period to qualify for Montgomery "GI" Bill-Selected Reserve (MGIB-SR) (Section 1606) from six years in the Selected Reserve to four years in the Selected Reserve plus four years in the Individual Ready Reserve, thereby remaining a mobilization asset for eight years.

Because of funding constraints, no Reserve Component member will be guaranteed a full career without some period in a non-pay status. BRAC realignments are also restructuring the RC force and reducing available paid billets. Whether attached to a volunteer unit or as an individual mobilization augmentee, this status represents periods of drilling without pay. MGIB-SR eligibility should extend for 10 years beyond separation or transfer from a paid billet.

SERVICE MEMBERS LAW CENTER

In the summer of 2009 ROA established the Service Members Law Center (SMLC) as a source of excellence in the areas of employment and consumer law for active, Guard and reserve personnel. It has been contacted by both active and Reserve veterans ever since, average over 500 phone calls and e-mails monthly.

The Law Center's goals include the following:

- Advise Active and Reserve members who have been subject to legal problems that relate to their military service.
- Continue to publish a series of legal review, informing laymen as well as lawyers about employment law.
- Develop a network of legal scholars, law school clinics and private practitioners interested in legal issues of direct importance to service members.
- Advance world-class continuing legal education on issues relating to the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Servicemembers Civil Relief Act (SCRA).
- Broaden the existing database of USERRA and SCRA research.
- In conjunction with bar associations, develop standards that will help to ensure that lawyers to whom service members are referred for legal services have the requisite expertise to represent them effectively.

Recruiting and retaining members of the armed services depends in part on assuring current and future National Guard and Reserves warriors that laws and regulations are in place to protect them effectively from discriminatory practices.

The Law Center is functioning at a modest but effective level. ROA is pursuing efforts to obtain private or public funding and to identify public and private entities willing to sustain this effort in order to expand this service to fuller capacity. This is especially needed following potential cuts to ESGR.

As part of the SMLC and under director Captain Sam Wright, JAGC, USN (Ret.) the Law Center maintains the "Law Review" data base and indices contain over 700 articles on USERRA and SCRA issues (available at www.roy.org/law-review-archiv).

The Law Center's services include:

- Counseling: Review cases, and advise individuals and their lawyers as to lawfulness of actions taken against deployed active and reserve component members.
- Referral: Provide names of attorneys within a region that have successfully taken up USERRA, SCRA and other military-related issues.
- Promote: Publish articles encouraging law firms and lawyers to represent service members in USERRA, SCRA and other military-related cases.
- Advise: File amicus curiae, "friend of the court" briefs on service member protection cases.
- Educate: Quarterly seminars to educate attorneys a better understanding of USERRA, SCRA and other military-related issues.

The Service Members Law Center is available at www.roy.org/Servicemembers-Law-Center.

CONCLUSION

ROA and REA appreciate the opportunity to submit testimony. ROA and REA look forward to working with the House Veterans' Affairs subcommittee on Economic Opportunity, so that we can present solutions to these and other issues, and offer our support, and hope in the future of an opportunity to discuss these issues in person.

ROA and REA encourage this Committee to utilize the Service Members Law Center as valuable assets, and to share its law reviews with your constituents and other Congressional members.

Submissions For The Record

Support Letter For Work for Warriors Program (WFW) From: Military Department Office of the Adjutant General, California National Guard, (CNG)

Work for Warriors Program Information Paper

The Work for Warriors Program (WFW) was established in 2012 with funding appropriated in the Department's 2012–13 state budget. The mission of the WFW program is to reduce unemployment in the California National Guard (CNG) by 25%. State funding provides for the following personnel: one Program Manager, two Applicant Coordinators, one Information Technology Specialist, and one Business Coordinator. In addition, the Department augmented the WFW program with an existing State Active Duty position.

WFW directly places unemployed CNG members into jobs. Businesses contact the WFW Business Coordinator and provides details on job openings. The Applicant Coordinators identify unemployed CNG candidates that meet the specific job requirements. The WFW staff then guides the unemployed CNG member all the way through the hiring process (resume preparation, interview, and employment acceptance).

The WFW program also focuses on reducing the high unemployment rates of CNG units returning from deployments overseas. CNG units returning from deployments have recently reported having 50% civilian unemployment rates. Federal programs that assist deployed reservists do not begin until 180 days after the service member returns to California. To close this gap, the WFW staff contacts the units while they are still overseas and prepares them for reintegration into the civilian workforce. Once the unit is back in the United States, the WFW staff provides the unit with program information at their federal demobilization site, often located in another state, and begins setting up job interviews for deployed service members. This process has been extremely successful in placing Soldiers and Airmen in jobs immediately upon their return, thereby reducing the high unemployment rates of our returning CNG units.

With regard to the program's outreach efforts, our staff uses the existing CNG chain of command to ensure unemployed service members are made aware of the WFW program. The Department is also using social media and web services to get information to service members. Leveraging this no-cost method of communication has allowed the WFW team to push information quickly to mobile devices and computers and place members into jobs as quickly as 24 hours from receiving a job opening.

The WFW program has shown to be very effective in placing unemployed CNG members. The program is remarkably cost effective compared to federal standards and represents significant savings to the government when factoring in unemployment compensation costs. Successful federal veterans' employment initiatives typically have a total cost of over \$10,000 per veteran placed. The Department's WFW program has a total cost of \$500 per placement.

The following WFW program information incorporates data from the program's inception on March 29, 2012 through the 2012 calendar year:

- Number of Servicemembers Directly Asking for Employment Support: 2,171
- Number of Resumes Completed: 875
- Number of Resumes Submitted for Interviews: 975
- Number of Servicemembers Placed into Jobs: 965
- Number of Companies Providing Jobs to Fill: 92

The WFW program has helped hundreds of California's Guard members find employment so they can support their families and contribute to their communities.

**Support Letter For Work for Warriors Program (WFW) From: SPC Edwin,
Lopez**

To whom it may concern,

My name is SPC Edwin, Lopez. I am a member of the U.S. Army National Guard. I have been with the work for warriors program for the last few months and it has been one of the most helpful programs I could of asked for. I've been under SFC Reyes who has been assisting me since I joined. I was let go from my job which I spent 2 years working for last year. It has been a struggle since then to find a steady job. I eventually lost my car, apartment, and any sense of independence. I don't have much family here in California so I found myself jumping from couch to couch while actively looking for work. I eventually became homeless. It became even harder looking for working when my number 1 priority was finding a safe place to sleep and food to eat. I then reached out to my father retired SGM Lopez and uncle who referred me to the program. SFC Reyes contacted me and from then on out he showed a genuine concern for my future and well being that I wasn't used to. He contacted me every day to make sure I was ok while actively searching for a solution. When I didn't have family here and my unit wasn't providing the true help I needed SFC Reyes and his team were there for me. Eventually SFC Reyes suggested joining California Conservation Core. After going through a plan we agreed it was a great option. From there SFC Reyes provided his personal transportation to gather what things I had and drove me to the Joint command building to provide a night of stay til I left for S. Lake Tahoe the next morning which is where my center is. Within that night I met Major Shepard and many members of the team. I really felt like family because of how good they treated me. They didn't judge me for being in the position I was in and had many positive words and ideas for me. They even drove me to the local Wal-Mart and gave me money to buy hygiene essentials and things I would need to get through until I started getting paid the next month at CCC. The whole team was just a large group of people who really did wanna help get me out of my current situations. SFC Reyes, Major Shepard, and their team did more then just "their job". Within a few months I went from homeless without a dollar in my pocket to an active member of the CCC. I am currently housed in Tahoe eating 3 meals a day working and earning certifications that will improve my work experience and resume. All of my recent success is in very large part of SFC Reyes and the Work for Warriors program. Even now SFC Reyes stills contacts me and refers jobs and offerings to me. I cannot thank SFC Reyes and his team for all the help they have provided and still continue to provide for me! I must say that the Work for Warriors program is the most helpful program I have seen in the army. I would refer it to any soldier in need and know that they will be taken care of. Once again THANK YOU SFC Reyes, Major Shepard, and every single member of your team! I don't know where I would be without you guys! You are much appreciated!

Sincerely,

SPC Edwin, Lopez

To Whom It May Concern:

I recently received assistance from the Work for Warriors Program to obtain a new Career with Cintas Corporation. SFC Reyes and 1LT Mitchell were extremely helpful in providing leads and giving advice to get through automated screeners in order to get interviews in a tough job market. Since being hired on at Cintas a month ago I am already moving up within the company. It took time, but the program was instrumental in me finding my new career.

Sincerely,

SSG Oldridge, Robert D.

I began my search about three months ago upon returning from Afghanistan. I utilized a number of online web postings and head hunter sites without a lot of success. At one of our yellow ribbon events I was introduced to Work for Warriors and after talking with some of the representatives of the program I decided to check out their website.

I contacted Work for Warriors by calling the Team phone number list on the site and within a few hours I had the application for a job that I found the their website as well as a list of documents needed to apply. I filled these out and returned them

to Work for Warriors who liaised with the hiring manager directly to put in my application. This was a huge part of the process because now I had an organization that the hiring manager was familiar with recommending me to a position. I was contacted for an interview a day later.

The Work for Warriors team prepared me for the interview and told me what I needed to bring, wear to the interview and even roll played how the interview would go. I went into the interview feeling very confident and prepared. About three hours after the interview, I received a call saying they wanted to offer me the position.

Work for Warriors works and works well. The liaison between the companies and the Service Member really sets the program apart from just applying to online job search engines.

-James Wolf, 1LT, MI

Approximately two months ago I was contacted by a member of the "Work for Warriors" program regarding a fellow soldier seeking employment. I was listed as one of his character references. As it turns out, the member of the program was Sal Reyes, someone that I have known for quite some time. After giving him the requested information regarding the soldier, we "caught up" on old times. It was then that he informed me of what he does and the "Work for Warriors" program. I stated that I was unaware of the program, and had been out of work since terminal leave (from deployment) ended in February of 2012. He asked for my information and copy of my resume. He came back with several employment opportunities throughout the state of California. I was insistent on staying in San Diego and in the Aviation field. Sal Reyes was persistent and contacted a local employment agency that I had previously used during the summer of 2012 but met with no success. I was skeptical, and I was wrong. I am currently going through the employment process with a large government contractor headquartered here in San Diego and expect to begin 13 March 2012. Work for Warriors works and I am very grateful! -SFC Helms

Los Angeles Times Article 'National Guard soldiers and airmen face unemployment crisis'

NATIONAL GUARD SOLDIERS AND AIRMEN FACE UNEMPLOYMENT CRISIS

NO LONGER 'WEEKEND WARRIORS,' AN ESTIMATED 20% OF RETURNING GUARD MEMBERS IN THE U.S. ARE JOBLESS. SOME EMPLOYERS ARE RELUCTANT TO HIRE THEM BECAUSE, UNLIKE OTHER VETERANS, THEY CAN BE CALLED UP AGAIN.

November 23, 2012 — By Alexandra Zavis, Los Angeles Times

For 1st Lt. Ernest Rodriguez, weekly chats with his young daughter via phone or Skype are the highlight of duty in Afghanistan.

The father from Sacramento desperately wants to come home to 7-year-old Samantha. But instead, he has signed up for another year in the war zone. He needs the money and he knows that returning National Guard troops face high unemployment.

More than half of those in his unit had no work when they got back to California in August. Across the country, an estimated 20% of returning National Guard soldiers and airmen are without jobs, former National Guard Bureau Chief Gen. Craig R. McKinley told Congress earlier this year. That is twice the rate for all military veterans who have served since September 2001.

The Obama administration has helped reduce the unemployment rate for all recent veterans, from 15% nearly two years ago to 10% last month, by developing online tools to help returning troops find jobs, working with employers to increase recruitment and retention, and signing into law tax credits for hiring veterans.

But the rate remains stubbornly high for National Guard members and military reservists. Some employers are reluctant to hire them because, unlike other veterans joining the civilian workforce, they can be called up again.

"A person cannot run a company with their most valued asset, their human capital, being taken away for 12 to 18 months at a time," said Ted Daywalt, president of vetjobs.com, one of the largest Internet job sites for veterans.

No longer just "weekend warriors," the nation's more than 1 million National Guard and reserve members have been transformed by the wars in Iraq and Afghanistan into frontline forces. Even as the wars wind down, the troops are being tapped for peacekeeping duties in Africa, Europe and elsewhere. Those in the Guard

also have state obligations and can be called to respond to brush fires and other emergencies.

Federal law prohibits employers from discriminating against job applicants because of their military service. But such discrimination can be hard to prove.

Rodriguez, who is 40 and has a college degree, said he submitted hundreds of resumes after he was laid off in 2008 by a Sacramento housing developer.

"As soon as they found out I was in the Guard," he said, "I got hardly any sort of response from anybody."

Rodriguez shares custody of Samantha with her mother. By the time he received orders to deploy with the 756th Transportation Company, he had exhausted his unemployment benefits and was worried about putting food on the table. So when a position opened up in another unit in Afghanistan, he grabbed the opportunity.

"I didn't want to be in the ranks of the deadbeat dads," he said.

Other service members have returned from deployments to find their former employers out of business or their positions axed. The law generally requires employers to take them back, but not if they would have been let go even if they hadn't been called up.

Veteran unemployment is highest among the young. Like their active-duty counterparts, many in the Guard enlist out of high school and have little or no work experience before they deploy. The demands on the military have been so high, some have not needed to look for civilian jobs in years.

When Sgt. 1st Class Edward Dueñas got back from Iraq in 2009, many openings existed for Guard and reserve members to step in for departing active-duty soldiers. The 38-year-old father of two said he quickly found work in Washington state preparing other soldiers to deploy until he, too, was mobilized to go to Afghanistan with the 756th.

But he says there are fewer opportunities like that now. He has broadened his search to include law enforcement and security jobs. "I get call-backs, but it's very competitive," he said.

His post-deployment leave pay ended in October. He receives unemployment benefits. But even with his wife's earnings from a store on base, their income has been cut by half.

Although the job market is improving, advocates for veterans fear their employment difficulties will get worse as the U.S. completes its drawdown in Iraq and Afghanistan. The Pentagon estimates as many as 1 million service members will enter the civilian workforce in the next five years.

Guard leadership says unemployment is becoming a force readiness issue. "Soldiers can't show up if they don't have a car, if they don't have gas," said Maj. Ty Shepard, who heads a state program that aims to slash unemployment in the California National Guard.

1st Lt. Dalia Sanchez, who commands the 756th, also worries about the toll it can take on her soldiers' financial stability, family relations and mental health.

"I think it exacerbates any reintegration issues they already have," said Sanchez, a social worker in her civilian career. "It can make depression worse, anxiety worse, sleep problems worse."

Sgt. 1st Class Timothy King, a military police member from Whittier who deployed with the 756th, said his marriage collapsed because he was away for three of the last six years. But he needed the deployments because he couldn't find civilian work. Now he is in divorce proceedings and racking up credit card debt while caring for two young children and applying for jobs as a police officer.

"After being on deployment where your adrenaline is high every single day . . . it's just hard to sit on your butt all the time and not do anything," he said. "I don't feel like much of a man anymore."

Hoping to head off a crisis, the National Guard in California and other states is taking a more aggressive approach to unemployment.

Under a pilot program launched in late January, members of Shepard's Work for Warriors program reached out to the 756th to help troops start looking for work two months before they returned to the United States. They created a database with the service histories and educational qualifications of all those in need of employment. And they looked for jobs that would be a good fit.

Trucking and security firms had many openings. But soldiers applying for the slots often struggled to translate military skills into terms a civilian employer could understand, Shepard said. Work for Warriors staff helped them purge their resumes of military jargon and focus on skills that would be useful in the workplace: leadership, discipline, responsibility.

Others had skills they could not use because they lacked civilian credentials, such as commercial driver's licenses. A new state law will allow troops qualified to drive

large military vehicles to obtain the licenses without taking a road test. The California Trucking Assn. has provided vehicles for service members to take the test.

Work for Warriors also lined up training and certification opportunities for Guard members interested in security jobs and will soon begin offering the training itself.

At the same time, Shepard's office has been working to address any concerns employers have about hiring Guard members. They can even get a soldier excused from training if necessary.

To date, they have helped find work for more than 300 of the 1,789 members who contacted them, he said.

Nearly four months after the return of the 756th, unemployment among the 159 current members stands at 17%. That is slightly higher than for the California National Guard as a whole and five points higher than the state unemployment rate.

The figures don't include the many Guard members who are using their GI Bill benefits to go to school. Guard leaders had high praise for the program, which includes a small living stipend. But they worry that too many are using the benefit for subsistence rather than to upgrade their educational qualifications.

Unless the economy picks up substantially, Shepard said, they too may soon be joining the ranks of the unemployed.

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