Assisting Veterans With Employment

By Christopher Bagley and James B. Reed

A large majority of military veterans describe “finding a job” as the most difficult challenge in making the transition back to civilian life. Veterans face several obstacles that can often be overlooked by employers and unaccounted for by transitional programs. These include translating military skills into business environments, mental and physical health issues, competition in the workforce and education prerequisites. Within the past six years, the federal government and all 50 states have increased efforts to improve the employment situation for returning veterans.

From 2010 to 2012, the United States experienced its highest unemployment rates in recent history for a number of populations. While the unemployment rate for all veterans has been lower than that of non-veterans in recent years, unemployment for post-9/11 veterans has been persistently high. This trend was most pronounced in female veterans, who faced a jobless rate of 12.5 percent in 2012—higher than the peak for non-veterans (9.4 percent in 2010) and male veterans (12.0 percent in 2011).

Federal Action

Following the financial crisis of 2008 and the subsequently high rates of veteran unemployment, Congress passed the “VOW to Hire Heroes Act” in 2011, with overwhelming bipartisan support. One of the act’s key provisions reformed the Transition Assistance Program (TAP), a three-day classroom session designed to help separating service members transition from the military into civilian careers. Since its establishment in 1990, TAP had remained largely unchanged and had received a considerable amount of criticism from veterans for being outdated and incomplete. The new, revamped program, Transition GPS (Goals, Plans, Success), not only extends the session to seven days and requires mandatory attendance, it also expands counseling and other career guidance services.

Transition GPS is jointly administered by the departments of Defense, Labor, Homeland Security and Veterans Affairs. The program offered 6,700 workshops in Fiscal Year 2014, serving 207,000 participants. According to the DoD, the latest survey results from graduates of the redesigned program show that more than 80 percent of former service members believe the curriculum prepared them well to re-enter the civilian workforce. However, concerns remain about how effective the program is in connecting veterans to employers.

Another major provision of the VOW Act is the “Work Opportunity Tax Credit” (WOTC), a federal tax credit available to private-sector businesses and nonprofit organizations for hiring veterans. Under WOTC, employers can apply for varying levels of tax credits, depending on the veteran’s employment status and disability designation. The “Returning Heroes Tax Credit” applies to veterans who have been unemployed for at least four weeks, and allows employers to receive a maxi-
mum of $5,600 in tax credits for each veteran hired. The “Wounded Warrior Tax Credit” is for unemployed veterans with service-connected disabilities, and creates a maximum tax credit of $9,600 for each applicable veteran hired.

**State Action**

States are also taking steps to increase veteran employment numbers by implementing their own employer incentives. So far in 2016, at least 19 states—Alabama, Alaska, California, Colorado, Connecticut, Delaware, Florida, Idaho, Illinois, Maryland, Mississippi, New Mexico, New York, Oklahoma, Utah, Vermont, Washington, West Virginia and Wisconsin—provide tax credits or grants to encourage private employers to hire returning veterans. Providing grants to businesses encourages the hiring of veterans but also helps defray the costs associated with retraining. Employers can typically claim the tax credit for the first and second taxable year in which they employ one or more qualified veterans. These credits range from $1,000 to $5,000 for each veteran hired.

At least 21 states have created a commission, task force or job placement service to help transitioning veterans, most of which were formed in the last five years, according to NCSL research. These programs facilitate the exchange of information between the state and employers, with the goal of connecting returning veterans with businesses looking to hire. For some veterans, the search for civilian employment marks the first time they have prepared a resume, participated in an interview or even engaged in the civilian labor force.

**Florida’s Veterans Employment and Training Services** program offers skills assessments, provides information on other state services and assists veterans in preparing employment applications. Oregon requires state agencies to partner with the state Military Department to provide reintegration services for veterans through regional strategies.

States are also helping veterans transfer the skills they gained through military education, training and experience to civilian professions. Since 2010, all 50 states and Puerto Rico have enacted legislation assisting active-duty service members and veterans in transferring and obtaining occupational licenses and certifications. Some laws apply to specific professions while others are broader, and many states are expanding existing legislation to cover more professions and address barriers that may impede licensure. For example, in 2013 Michigan enacted a bill that authorizes the use of military experience for licensure as a medical first responder, emergency medical technician, emergency medical technician specialist, paramedic or emergency medical services instructor-coordinator.

So far in 2016, the rate for post-9/11 veterans has dropped to 5.7 percent for females and 4.8 percent for males, while veterans as a whole represent a total unemployment rate of 4.2 percent compared to 4.9 percent for all non-veterans.

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