

Operation Certification—How to Help Vets Succeed in the New Economy

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George Kilgore devoted eight and half years to serving his country in the United States Marine Corps as a combat medic. During his service, Kilgore received high-quality medical training to treat his fellow marines, as well as an impressive amount of on-the-job experience. After his time in the service, Kilgore hoped to take the skillset he developed during his time in the military and apply it to a civilian career as a registered nurse.

Yet, when he returned home to Fort Wayne, Indiana, Kilgore discovered that his training as a military medic was not recognized by the state's licensing boards. Though his experience and training exceeded that of his civilian counterparts, Kilgore had to file for unemployment, take a factory job, and then spend precious time and money going through medical training that he already knew. Over a decade later, he finally began his civilian career as a nurse.¹

George Kilgore is not alone. It is estimated that 250,000 service members will transition from military to civilian life annually over the next several years.² This influx of skilled workers presents new opportunities to grow the U.S.

economy as well as the American middle class. But success in civilian life is not a guarantee for service members, especially if their skillsets don't lead to available jobs. In this brief, we propose a way to better equip outgoing service members with the tools they need to successfully and immediately integrate into the civilian workforce.

“When a military unit moves out, its support services include everything that a small city might have. There are people who do everything, from cooks to mortuary affairs. Now a lot of times they really don't have the certifications that allow them to achieve licensure or certification. As I understand it, our medical technicians in the military may not be able to come out and be Emergency Medical Technicians in their communities. And yet they've done everything from soup to nuts.”³

—Veteran discussing frustration with leaving the military with the necessary job skills via the Department of Veterans Affairs Survey, April 2013

The Problem

The U.S. military is not well integrated with, or responsive to, today's job market. The military invests billions of dollars annually to train service members in a variety of fields—from emergency medical technicians to police officers, truck drivers, and mechanics, among many others. In fact, the Labor Department determined that skills developed in the military have value in 962 civilian occupations,⁴ and the sheer number of individuals they are training is staggering. For example, last year the Department of Defense trained:

- 71,479 individuals in health care;
- 129,760 in electrical repair; and

- 161,295 to be vehicle and machinery mechanics, among many other professions.⁵

That sounds like a boon to the U.S. economy. ***Yet, service members leaving the military are struggling to find their footing in the civilian job market.*** New veterans report finding employment is the top challenge associated with transitioning out of the military.⁶ Studies of some parts of the country have found that eight in ten veterans left the military without a job lined up, and one in four veterans were underemployed and earning below-poverty wages.⁷ Economic hardships extend to spouses as well, with studies reporting 90% of female spouses of active duty service members being underemployed.⁸ With military families finding it difficult to secure civilian sector jobs that match their skills and training, it is little wonder that nearly 70% of post-9/11 veterans reported difficulty adjusting to civilian life after transitioning out of the military.⁹

Part of the problem stems from ***a large disconnect between the skills service members receive in the military and the licensing and certification that many professions require, which varies state by state.*** Despite having the skills and extensive training to perform jobs in the civilian sector, veterans face rigid, formalized requirements to get certified into a state's professional community. These credentialing requirements vary from state to state and often fail to recognize outside skills and training, including military experience. This means that many veterans have to start again at square one when finding work.¹⁰

This overall lack of integration between the U.S. military and the civilian job market is causing significant and unnecessary issues for our veterans.

For one, ***veterans are having to spend precious time and money duplicating training they have already received.*** With highly relevant skills and experience acquired through the military, requiring veterans to re-take training courses to obtain formal documentation imposes unnecessary costs on military households. This duplicative training also imposes costs on

the broader economy because it artificially blocks the competition that would naturally increase productivity as well as lower costs for consumer goods and services.¹¹

Second, *the patchwork of state-level licensing and credentialing regulations contributes to confusion among transitioning veterans about where to find jobs that fit their skills and experience.* This uncertainty is overwhelmingly their biggest obstacle in finding civilian employment.¹² What states will allow an army veteran trained in auto repair to get to work as a mechanic soonest and with the least amount of re-training? Will a veteran's medical training allow them to get a job as an EMT? Pick the wrong state and your years of experience could amount to nothing.

Credentials that differ from state to state can also reduce the mobility of military households and constrain job options, keeping veterans in areas of lower growth.¹³ For example, a veteran that has fulfilled most of the requirements to be a mechanic or security guard in South Carolina may not consider moving out of state because, in many cases, that will entail further education, training, testing requirements, as well as the associated fees—all to stay in the same occupation. In fact, the White House's Council of Economic Advisors found that those working in occupations that are protected by credentials and licenses were far less likely than workers in non-licensed professions to move across state lines.¹⁴ This, in turn, can prevent veterans from finding work that best matches their skills or allows them to advance in their career—hurting their productivity and earning potential. This can have an especially high cost for military spouses, who are ten times more likely than their civilian counterparts to move across state lines. One out of three military spouses work in professions that require state licensing and certification.¹⁵ Recent efforts by the White House on behalf of military spouses have set the stage for permanent credentialing and licensing reforms for military households.¹⁶

Three Examples of How Requirements Differ from State to State ¹⁷

Licensing requirements and standards vary widely from state to state, despite similar jobs. ¹⁸ For example, the share of licensed workers in Iowa is 12% versus 33% in South Carolina. All of this makes for a complex landscape for transitioning service members that are looking to find work after leaving the military.

Truck Driver	All 50 states and the District of Columbia have requirements to drive tractor-trailer and large capacity trucks. Every jurisdiction requires at least four written and skills tests. However, length of experience is a big differentiator. The state of West Virginia requires two years of driving experience while the state of Virginia only requires eight days.
EMT	Requirements vary across all 50 states and the District of Columbia for Emergency Medical Technicians (EMTs). Alaska requires 140 days of education and internship experience plus passage of two exams, where EMTs in Illinois only need 26 days of experience and coursework as well as passage of one exam. The District of Columbia does not have any experience or coursework requirements and only requires passage of two exams.
HVAC Technician	Forty states require contractors that repair air conditioning and heating systems in commercial settings to have a license to work. The state of Minnesota requires nothing but a \$15 fee to obtain a license. The state of Nevada requires \$1,030 in fees, 1,460 days of training and education, and the passage of two exams.

Finally, *the lack of integration is tying the hands of the military.* Secretary of Defense Ash Carter has spoken about the need to prepare those serving in the military for civilian careers as soon as they enter the service. ¹⁹ But the numerous state credentialing requirements impairs the ability of the military to administer effective job training to service members before they leave the service. Should they be training to California's standards or Idaho's requirements? Should they be integrating skills that would allow a veteran to pass a Massachusetts credentialing test or one from Illinois? Without clear training targets, the military is not in a position to help service members get certified and licensed prior to their separation from the military.

The Solution

We need to better connect military service to middle class jobs. While there have been productive efforts through the 2011 Veterans Opportunity to Work Act and the Obama Administration to help new veterans and military spouses secure civilian work, we need to do more.

Over the next eight years, the Department of Labor projects that the number of licensed nurses in the country will increase by 117,300.²⁰ We'll need 60,400 more carpenters²¹ and 49,100 plumbers.²² We'll have 33,100 more police officers,²³ 98,800 more tractor-trailer truck drivers,²⁴ and 39,100 more auto service technicians.²⁵ All of these growing professions have a few things in common. They pay middle class wages, they require skills taught to thousands of people while in military service, and in many states they require a credential or license.

To help link veterans to these middle-class jobs, we need clear and consistent credentialing standards for the most in-demand veteran occupations that states can adopt and use to attract highly-skilled military households. The development of a single standard for select occupations also greatly focuses and enhances the preparation and workforce training that can be provided to military service members while they are in service. We call it Operation Certification—here's how it would work:

Step 1: Develop new, nationwide standards for high-demand occupations

The government already maintains data on projected growth rates and median pay for 575 different occupations.²⁶ Congress should work with labor experts, industry officials, and the military to identify a target group of high-demand occupations that veterans could transition to after their military career. This target list of, for example, 15 professions could focus on high-growth sectors that pay middle class wages and feature skillsets often taught in the military. An effective vehicle for this would be to appoint a Congressional commission comprised of a set number of non-elected subject matter experts.

Once the initial set of target occupations are identified, this commission would be tasked with developing a national standard for each. For example, the commission could evaluate all the different state standards for tractor-trailer

truck drivers and recommend a single, federally-approved standard.

Step 2: Get states on board with a “Blue Star”

After the commission has developed these new standards, the next step is to get states on board. As states align their credentials with the federal standard, they should be recognized with a “Blue Star” designation by either the Department of Veteran’s Affairs or the Department of Labor.

“Blue Star” recognition is significant because it serves as a guide to transitioning service members as to which states offer the greatest economic opportunity for the skillset and training they have obtained. Put another way, this designation is a powerful indicator that a state is open for business to veterans and their families looking for work. This will, in turn, help alleviate concerns of military families regarding where to re-locate to find jobs, and also serves as an incentive for states to adapt new standards to attract veteran households. Strong adherence to Blue Star standards is also a benefit to the military and taxpayers as it would ease the deployment of job training services to veterans, easing the cost of duplicative training and supporting veterans’ employment efforts efficiently.

Step 3: Get the military on board

These new federal standards would also help direct the set of high-demand skills that can be trained throughout the American military. With clear certification standards in hand, military bases and training programs will be able to provide enhanced training and, more importantly, credentialing that will ensure veterans are developing competitive, employable skillsets and certifications while they are still in the military —preparing them for a quick transition to civilian employment.

This enhanced training will lead to a better prepared workforce. It will also drive down costs to re-train veterans as well as the costs of veterans’ unemployment compensation,

and it will provide service members with a greater degree of confidence in their economic position as they enter the civilian workforce. Employers would also have a clear sense of what skills and training veterans possess, reducing the uncertainty that currently stifles veteran hiring.

The Impact

Though the benefits to these reforms will be realized by taxpayers, participating states, the U.S. military, employers, and others, the greatest benefit will accrue to transitioning military households. Below is a simple description of the impact these reforms will have on transitioning service members as they find their economic footing in the civilian world.

The Economic Impact on Transitioning Veterans

Without a process in place to equip military service members with job-ready licenses and certifications, new veterans are confronted with a system that looks like this:

- In-service training with some application to civilian occupations
- Many leave the military with career counseling services but insufficient credentials to secure employment
- Without comprehensive guidance on where to find jobs that best fit their training, many veterans transition to civilian life on military unemployment (UCX) trying to figure out licensing and certification requirements of their state
- Enrolling in gap training and re-training training using veterans' benefits to fulfill state-specific credentialing requirements that may be duplicative
- Those that earn state specific credentials maybe behind in time and resources and may face similar barriers should they decide to re-locate across state-lines

Establishing a new process by which service members can access full licensing and credentialing will provide economic stability during transitions to the civilian workforce:

- Service members will be able to receive training that meets new national credentialing standards in select high-demand civilian occupations
- Separating veterans leave the military with licenses and certifications in-hand
- Transitioning service members receive comprehensive guidance on which states have a high degree of adherence to standards that have been met through in-service training (Blue Star states) and how to begin work in their fields immediately
- Blue Star states minimize unnecessary training requirements in select occupations to be able to attract fully trained and highly skilled veterans
- Credentialed and licensed veterans will be able to re-locate seamlessly from one Blue Star state to another

Conclusion

For millions of Americans, service in the military represents an opportunity to serve their country, but it is also an opportunity for many brave Americans to pursue a path to the middle class.

Today's veterans need more than health benefits and the GI bill, they need a complete compensation package that includes civilian job training and skills development services that address the unique challenges of entering and competitively engaging in today's economy. With the military expected to transition a million service members over the next several years into the civilian world, now is the time to address how our veterans can be employed as they transition to civilian life.²⁷ The taxpayers have invested billions into the skills of the world's greatest military force. By putting them to use in the civilian world, we fulfill our commitment to our veterans, make our military more efficient, and develop a new economy workforce.

END NOTES

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