



Texas Conservative Coalition Research Institute

Comments to the House Committee on International Relations & Economic Development

August 31, 2020

Regarding the Committee Interim Charge 5: Review the connection between the economic vitality of business and industry and the economic vitality of our military veterans transitioning into the workforce. Specifically, the committee should analyze barriers to military veterans transitioning from active duty to civilian life, the effectiveness of government transition and training benefits, and current and ongoing demand for veteran and military spouse employment from industry in Texas. (Joint charge with the House Committee on Defense & Veterans' Affairs)

Interim Charge 5, related to veteran workforce issues, is an important one. The Texas Workforce Investment Council estimates roughly 1.5 million veterans live in Texas, which amounts to nearly 8 percent of the adult civilian population in the state.¹ It is important that we honor our veterans for reasons eloquently stated by President Ronald Reagan:

Freedom is never more than one generation away from extinction. We didn't pass it on to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free.²

Indeed, Texas and the nation owe a great debt to our men and women in the military, one that the Legislature has done a commendable job of paying. Assistance for military veterans entering the workforce is considerable, as are ongoing efforts to add to that assistance. Searching the Texas Legislature Online website for bills filed in the 86th Legislative Session relating to "military and veterans" returns more than 180 results.³ Roughly one-third of these bills passed to become law. They include a host of bills relating to veterans and the workforce. 54 bills relating to both veterans and workforce development passed to become law.⁴ These include, for example, House Bill 696 (Blanco), which requires the Texas Workforce Commission to run a "welcome home program" to expedite the entry of veterans into the workforce using referral programs and veteran networking resources.⁵

The efforts in the 86th Legislative Session add to a host of programs meant to help veterans successfully re-enter the workforce. At the state level, these include a state-run job matching system to help search jobs, create a resume, and submit applications to jobs with priority access to veterans and jobs targeted at veterans. It also includes a government database of private employers that have a policy for veteran employment preferences,⁶ a Texas Workforce Commission program called "Skills to Work" to help veterans translate their military experience to the labor market,⁷ 28 "Workforce Development Boards" around the state that help Texans, including veterans, find gainful employment,⁸ and a "Just for

Veterans” page on the Texas Workforce Commission website to help find all of these benefits in one place.⁹ A veterans’ service overview page on the Texas Workforce Commission website touts job search assistance, pre-employment and work readiness, education, training, assessment and planning, case management, information and referral to support services, life skills, priority service for all workforce services, the availability of base realignment and closure grants, additional programs like the “Hard-to-Serve” veterans initiative and the “Comprehensive Veterans Initiative.”¹⁰ Veterans have access to “resource and referral specialists” and programs that award college credit for their military experience.¹¹ This list of state-level benefits is nowhere near exhaustive.

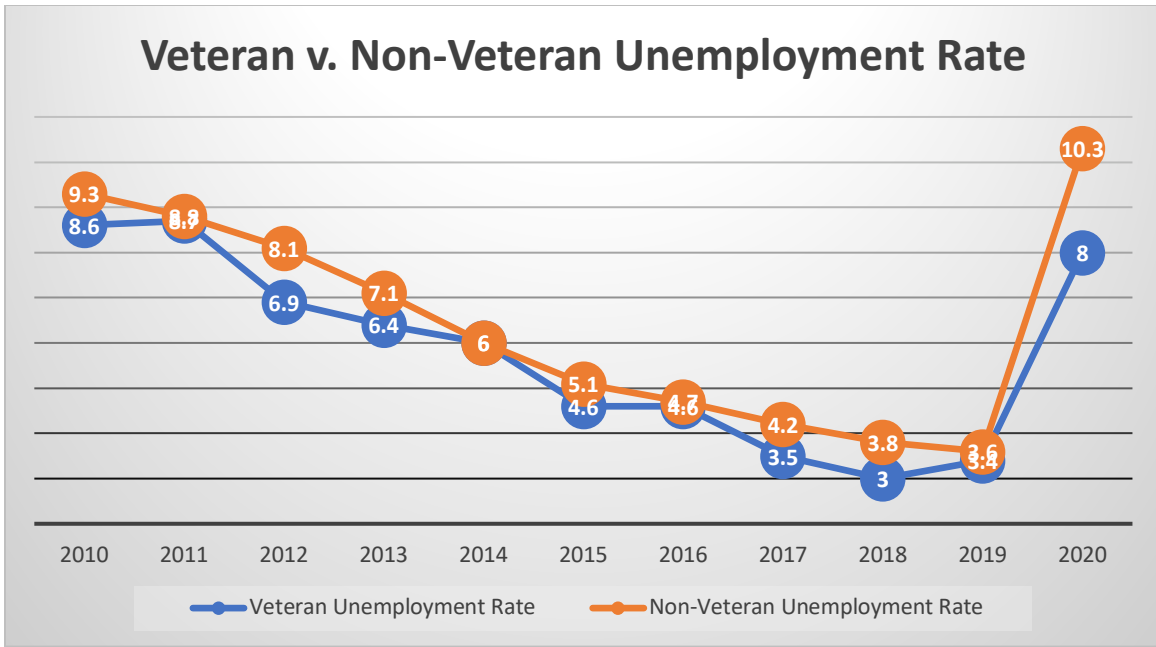
Federal programs are at least as numerous as state programs. There is also a federal job matching service for veterans.¹² Employers are incentivized to hire veterans with the offering of generous tax credits under the Work Opportunity Tax Credit program.¹³ The HIRE Vets Medallion Program¹⁴ gives awards to businesses that hire veterans, there are veteran preferences for a host of federal jobs,¹⁵ the Veterans Opportunity to Work and Hire Heroes Act of 2011 (VOW Act) and the Transition Assistance Program (TAP). The VOW Act also required the U.S. Department of Labor to redesign its employment workshop to help veterans transition into the private workforce. This list of federal-level benefits is nowhere near exhaustive.

The private market also has a plethora of services to help veterans find gainful employment. Google, for example, has created an algorithm specifically designed to help veterans find job.¹⁶ All of this is to say that Texas, the federal government, and the private market place have done good job making workforce transition for veterans as easy as possible.

The purpose of this Testimony is to point out that while veterans should be honored and their service to the nation respected, repeatedly piling on new, expanded, and in some cases, duplicative benefits legislative session after legislative session is unnecessary. Veterans are strong, smart, qualified, determined and resourceful. Preferences and priority in hiring veterans effectively perpetuates an affirmative action program for veterans and their families, a program that is not needed by the typical veteran.

Veterans Are Consistently Employed at Rates Higher Than the General Population

With respect to the Committee’s charge, veterans do quite well for themselves in the labor market, as one would suspect. It should be pointed out that the unemployment rate for veterans is consistently lower than it is for the general population:



Data Source: U.S. Bureau of Labor Statistics¹⁷

All data points are from July of the stated year. As the data show, with the exception of 2014, in which the unemployment rate for both groups was the same, *veterans have had better employment numbers than non-veterans consistently for at least a full decade.*

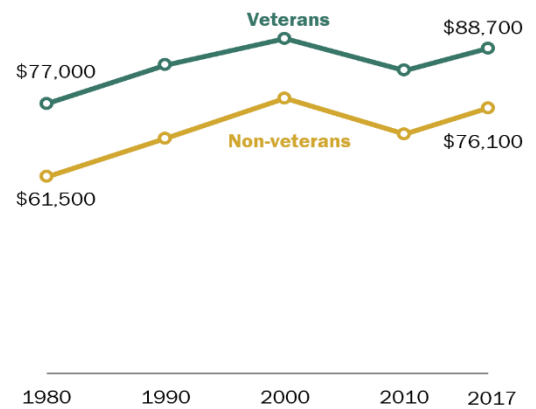
Veteran Households Do Better Economically Than Non-Veteran Households

Also not surprising is the success veterans have once in the labor market. According to the Pew Research Center, veterans have had a higher standard of living than non-veterans for at least four decades.¹⁸ Indeed, the median annual income for veteran households in 2017 of nearly \$89,000 was more than \$12,000 higher than the median annual income for non-veteran households.¹⁹ Much like the unemployment rate, this has remained consistent over time, as the chart from the Pew Research Center shows.

Other economic measures, including poverty, also show veteran households doing better than the non-veteran general population. In 2017, the poverty rate in veteran households was 6.6% while the poverty rate for non-veteran households was 13.0%, a considerable gap.²⁰

Households headed by veterans have higher incomes than those of non-vets

Median income for households headed by veterans/ non-veterans ages 25-54, 1980-2017



Note: Income is adjusted for household size and expressed in 2018 dollars. "Veterans" includes civilians who have formerly served in the U.S. armed forces. Current armed service members are not included among non-veterans.
 Source: Pew Research Center analysis of 1980, 1990 and 2000 decennial census and 2010 and 2017 American Community Survey (IPUMS).

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Conclusion

The Committee's charge is important, but members of the legislature should not lose sight of how capable and successful military veterans are. The positive economic information surrounding veterans is perhaps, in part, a product of government's efforts, but if that is the case, it should also be viewed as evidence that existing programs are sufficient and further additions and expansions are not necessary.

Efforts such as Senate Bill 1200 (Campbell), which drastically increased the ability of military spouses to engage in licensed occupations in Texas, are absolutely the right types of reforms the Legislature should pursue because licensing should be less burdensome for qualified applicants. But that reform should be expanded to *everyone* who is qualified to work in a particular occupation. To the extent that there ever were barriers to military veterans transitioning to civilian life, those barriers have been knocked down. The demand for veterans and their spouses in the marketplace—as evidenced by objective economic indicators—is higher than ever (relative to the current conditions happening in the larger economy).

ENDNOTES

- ¹ “Veterans in Texas: A Demographic Study,” *Texas Workforce Investment Council* (2016 Update), https://gov.texas.gov/uploads/files/organization/twic/Veterans_in_Texas_2016_Update.pdf.
- ² Address to the annual meeting of the Phoenix Chamber of Commerce, (30 March 1961)
- ³ Texas Legislature Online “Bill Search” function, <https://capitol.texas.gov/Search/BillSearch.aspx>.
- ⁴ *Id.*
- ⁵ “Bill Summary” for House Bill 696 (86R, Blanco), <https://capitol.texas.gov/BillLookup/BillSummary.aspx?LegSess=86R&Bill=HB696>.
- ⁶ “Veteran Friendly Employers,” *Texas Veterans Commission*, <https://www.tvc.texas.gov/employment/veterans/veteran-preference/>.
- ⁷ “Skills to Work,” *Texas Workforce Commission*, <https://texasskillstowork.com/>.
- ⁸ “Workforce Development Boards’ Websites,” *Texas Workforce Commission*, <https://www.twc.texas.gov/partners/workforce-development-boards-websites>.
- ⁹ “Just for Veterans,” *Texas Workforce Commission*, <https://www.twc.texas.gov/jobseekers/just-veterans>.
- ¹⁰ “Veterans’ Services – Program Overview,” *Texas Workforce Commission*, <https://www.twc.texas.gov/programs/veterans-services-program-overview>.
- ¹¹ “College Credit for Heroes,” *Texas Workforce Commission*, <https://www.twc.texas.gov/jobseekers/college-credit-heroes>.
- ¹² “Veterans Job Matcher,” *Career One Stop: U.S. Department of Labor*, <https://www.careeronestop.org/Toolkit/Jobs/match-veteran-jobs.aspx>.
- ¹³ “Hiring Veterans,” *Texas Workforce Commission*, <https://www.twc.texas.gov/businesses/hiring-veterans#helpingYourEmployeesWhoAreReturningVeterans>.
- ¹⁴ “HIRE Vets Medallion Program,” <https://www.hirevets.gov/>.
- ¹⁵ “Veterans’ Preference Information,” *U.S. Department of Labor*, <https://www.dol.gov/agencies/vets/programs/vetspref>.
- ¹⁶ “Veteran Google Search for Civilian Jobs,” <https://militarybenefits.info/veteran-google-search-jobs/>.
- ¹⁷ “Databases, Tables & Calculators by Subject,” *U.S. Bureau of Labor Statistics*, https://data.bls.gov/timeseries/LNS14049526&series_id=LNS14049601.
- ¹⁸ Jesse Bennett, “Veteran Households in U.S. are Economically Better off Than Those of Non-Veterans,” *Pew Research Center* (Dec. 9, 2019), <https://www.pewresearch.org/fact-tank/2019/12/09/veteran-households-in-u-s-are-economically-better-off-than-those-of-non-veterans/#:~:text=In%202017%2C%20the%20median%20annual,difference%20of%20more%20than%20%2412%2C000>.
- ¹⁹ *Id.*
- ²⁰ *Id.*