



# COMMONWEALTH of VIRGINIA

## *Department of Veterans Services*

John L. Newby II  
Commissioner

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September 30, 2016

The Honorable John C. Harvey, Jr.  
Secretary of Veterans and Defense Affairs  
Patrick Henry Building  
1111 East Broad Street  
Richmond, Virginia 23219

The Honorable Thomas K. Norment, Jr.  
Co-Chairman  
Senate Finance Committee  
Post Office Box 396  
General Assembly Building  
Richmond, Virginia 23218

The Honorable S. Chris Jones  
Chairman  
House Appropriations Committee  
Post Office Box 406  
General Assembly Building  
Richmond, Virginia 23218

The Honorable Emmett W. Hanger, Jr.  
Co-Chairman  
Senate Finance Committee  
Post Office Box 396  
General Assembly Building  
Richmond, Virginia 23218

Re: Annual Report, Veterans Employment Grant

Dear Secretary Harvey, Delegate Jones, Senator Norment and Senator Hanger:

Item 461(A), Chapter 665, 2015 Acts of Assembly, instructs that:

*The Department shall report no later than October 1 of each fiscal year after the program is implemented on the demand for the program, and any shortage of funding resulting from requests in excess of the available appropriation.*

Accordingly, this Memorandum comprises the Department of Veterans Services' ("the Department") report to the General Assembly Money Committees on the status of the Veterans Employment Grant ("the Grant").

**Background.** The Virginia Values Veterans (“V3”) Program supports employment opportunities for Virginia veterans by educating and training employers to implement nationally recognized best practices in recruiting, hiring, and retaining veterans. The Grant provides an incentive to V3 Companies to capitalize on new veterans’ knowledge, skills, and abilities, and to be proactive in hiring, training and retaining a growing number of military service members transitioning from Virginia’s military installations. Specifically, the Grant targets V3 Companies of 300 or fewer employees that hire and retain a veteran for at least one year on or after July 1, 2014. A qualifying veteran must have been discharged from active duty within 5 years of employment; hired in a full-time capacity; and retained for at least one year. Retaining these highly-trained leaders in the Commonwealth is a key initiative to filling a widening labor gap in skilled trades and other occupations, and will contribute to an invigorated New Virginia Economy.

**Grant Response.** Since July 1, 2016:

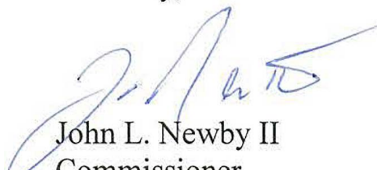
- Number of applications submitted: 34
- Number of applications approved for payment: 33
- Total grant funds dispersed: \$33,000

At this time last year, the total amount in payments was \$7,000, and the total amount paid in Fiscal Year 2015 was \$36,000. In the 2016 legislative session, the General Assembly modified the grant criteria to increase the pool of eligibility for qualifying Veterans. Specifically, the prevailing average wage requirement was eliminated, and Veterans could be hired within 5 years of discharge from active duty instead of 1 year. **This has resulted in nearly 5 times the number of approved applications and awards to V3-certified companies.**

With a robust advertising campaign that has reached an audience of over 2 million Virginians, the V3 Employment Grant continues to attract small businesses with minimal experience in hiring Veterans. Over 400 companies have joined V3 since the initial grant legislation was passed, and more than 75% of these new V3 clients have 300 or fewer employees – one of the criteria for grant eligibility. As more of these companies complete the training requirements for official certification, the amount of grant payments will continue to increase. That the V3 Program has already awarded nearly the same amount in grants by October 2016 as the total amount awarded for the entire 2015 fiscal year demonstrates the continued interest in the V3 Grant and the effectiveness of removing specific limiters for qualifying Veterans.

Thank you for allowing our Department to be of service, and thank you for your support of Virginia’s veterans. Please let me know if you have any further questions.

Sincerely,



John L. Newby II  
Commissioner

September 30, 2016

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cc (*via email*): Mr. Paul Van Lenten, Jr.,  
Legislative Fiscal Analyst, House Appropriations Committee  
Mr. Dick Hickman  
Deputy Staff Director, Senate Finance Committee  
Mr. Richard Hall-Sizemore  
Budget Analyst, Department of Planning & Budget  
Mr. James Icenhour  
Chairman, Board of Veterans Services  
Mr. Harold H. "Bart" Barton, Jr.  
Chairman, Joint Leadership Council of Veterans Service Organizations