

COMMONWEALTH of VIRGINIA

Department of Veterans Services

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October 1, 2017

Via Electronic Mail

The Honorable Carlos Hopkins Secretary of Veterans and Defense Affairs Patrick Henry Building 1111 East Broad Street Richmond, VA 23219

The Honorable S. Chris Jones Chairman House Appropriations Committee Post Office Box 5059 Suffolk, VA 23435 The Honorable Thomas K. Norment, Jr. Co-Chairman
Senate Finance Committee
Post Office Box 6205
Williamsburg, VA 23188

The Honorable Emmett W. Hanger, Jr. Co-Chairman
Senate Finance Committee
Post Office Box 2
Mount Solon, VA 22843

Re: Annual Report, Veterans Employment Grant

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

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 Period: July 1, 2016 – June 30, 2017

-Number of applications submitted: 92

-Number of applications approved for payment: 85

-Total grant funds dispersed: \$85,000

In Fiscal Year 2016 the total payments made were \$33,0000. In 2016 legislative session, the General Assembly modified the grant criteria to increase the pool of legibility 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 change had significant results in FY2016 and the trend has continued with an increase of 39% in the number of awards granted in FY 2017.

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 800 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.

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

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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

Ms. Marie Juliano

Chairman, Joint Leadership Council of Veterans Service Organizations