



Examination of Strategies States are Employing to Attract Service Members Separating from Active Duty

Kristi Brawley
Katie Davenport, Ph.D.
Jillian Rodgers, M.P.S.
Daniel F. Perkins, Ph.D.

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Introduction

This examination aimed to identify other States' strategies to attract Service Members as they separate from active duty. It was undertaken to inform the collaborative effort between the Clearinghouse for Military Family Readiness at Penn State (Clearinghouse) and The Heinz Endowments to develop an evidence-informed state-level policy proposal for the Commonwealth of Pennsylvania. Specifically, given the Commonwealth's significant and growing labor force shortage, due to outmigration and an aging workforce, this investigation aims to provide information about potential strategies to attract and retain soon-to-be-veterans to Pennsylvania.

Method

To identify efforts in other states, Clearinghouse researchers searched veteran relocation incentives and campaigns aimed at attracting working-age veterans. The search included comprehensive web-based search using the Google search engine and an examination of installation-level transition office websites and military recruiting websites for job fair participants. In addition, the National Conference of State Legislatures (NCSL) Military and Veterans State Legislation Database was reviewed for bills that have been enacted that may attract veterans.

Findings

Based on the above process, Clearinghouse researchers identified three approaches states employed to attract veterans. These recruiting strategies were visible efforts found among states. This effort did not include an examination into every state's approach to attracting veterans.

The three types of approaches are passive, active, and indirect strategies. The first approach is passively recruiting soon-to-be veterans through websites highlighting the advantages of residing in a state, benefits available to veterans, and available employment support and opportunities. In general, states utilize minimal advertising for these efforts. Pennsylvania, Texas, and Vermont are examples of states using this approach. The second approach is actively recruiting veterans through marketing campaigns directly outreaching to transitioning service members. These campaigns highlight the benefits available to veterans and link veterans with jobs or training programs. Florida and Indiana are two states currently using this method. Wisconsin had a well-funded nationwide marketing program to attract newly transitioning veterans, but it ended after two years. Lastly, at least 14 states (Alabama, Alaska, Delaware, Florida, Illinois, Maryland, Massachusetts, Missouri, New Mexico, New York, Utah, Virginia, West Virginia, and Wisconsin) are indirectly attracting veterans through tax credits for employers who hire veterans, funding industry-specific training for veterans or subsidizing the salary of employees who are veterans. Discussions are ongoing in at least four other

states (Oklahoma, Vermont, Arizona, and West Virginia) about how each state can attract more veterans. Examples of the different approaches are presented below.

Passive Recruitment

Pennsylvania. Pennsylvania launched the Welcome Back Veterans website in June 2023. The site is intended to be a starting point for locating information about veteran benefits in the Commonwealth. The Welcome-Back-Veterans website links to information on employment (i.e., Pennsylvania CareerLink offices, open state government positions, how to join the Pennsylvania National Guard), crisis intervention, safeguarding military records, educational benefits, professional licensing, PA VetConnect, PA Veterans Registry, and a veterans resource guide. However, the implementation of the site was riddled with problems and did not offer new support or resources. <https://www.pa.gov/welcome-back-veterans/>

Texas. Texas Operation Welcome Home is a program intended to meet the needs of transitioning Service Members and military spouses by presenting available resources and employment opportunities. The site links to employment resources (i.e., job matching network and skills training programs), Texas veterans benefits and services, educational benefits, and the Texas Veterans Commission. Many of the links are broken and prevent access to the information. <https://texasoperationwelcomehome.portal.texas.gov/>

Vermont. Vermont has a website that encourages veterans to consider settling in the state because of the entrepreneurial climate, job transition assistance, and other state-provided veterans programs and resources. The site links to Vermont veterans benefits and services, professional licensure assistance, employment resources (i.e., resume assistance, interview, job search skills training, a job board, and how to join the Vermont National Guard), and entrepreneurial support. The site's links were functional and directed users to veterans' specific information. <https://thinkvermont.com/veterans/>

Active Recruitment

Florida. In 2014, Florida created and funded a non-profit entity called "Veterans Florida" that promotes Florida as the "nation's most veteran-friendly state" and assists service members transitioning to civilian life. Veterans Florida's mission is to attract and retain veterans to Florida and make Florida their permanent residence. The organization provides employment support (i.e., resume assistance, interview preparation, career counseling, and career placement services), entrepreneurship support (i.e., networking events, co-working space, business courses/workshops, access to mentors), and employer support for hiring veterans (i.e., workforce training grants and recruiting services). There are 14 staff who work as an employment agency linking veterans with employers. Veterans Florida used \$3.4 million (Fiscal Year 2020) in state funding to advertise to veterans in other states about Florida's benefits to veterans and military families. They participate in job fairs, advertise on social media, and host an annual expo for veterans and employers. <https://www.veteransflorida.org/>

Indiana. INVets is a non-profit organization founded by veterans that partners with the state of Indiana to attract veterans to the state and connect them to Indiana employers. INVets provides employment support (i.e., career planning and coaching, resume assistance, networking, and interview preparation) and highlights the advantages of living in Indiana. INVets reaches soon-to-be veterans by attending transition assistance events on military installations and military-themed hiring events such as Hiring Our Heroes hiring fairs. INVets touts bringing 11,000+ veteran families to the state. <https://www.invets.org/>

Wisconsin. Wisconsin launched what it claimed to be the first nationwide campaign to attract transitioning military members in 2018. The Wisconsin Economic Development Corporation partnered with the Hiring Our Heroes program to promote Wisconsin as a desirable location for separating military members. In 2018 and 2019, \$2.2 million was budgeted for state employees to attend Hiring Our Heroes career summit events where Wisconsin would host a conference booth. The partnership between the Wisconsin Economic Development Corporation and Hiring Our Heroes ended in 2019, and the state no longer attends Hiring Our Heroes events. The Wisconsin Economic Development Corporation did not respond to requests for data on the program, and Hiring Our Heroes did not collect data. <https://inwisconsin.com/blog/agency-leaders-outline-details-proposed-6-8-million-talent-attraction-campaign/>

Employer Support

Missouri. Provides employers a 50% wage reimbursement for veterans in qualifying training for up to six months. <https://dese.mo.gov/adult-learning-rehabilitation-services/veterans-education/job-training-apprenticeship>

New Mexico. Provides up to \$1,000 to businesses each time they hire a veteran recently discharged from the military. <https://www.nmdvs.org/state-veteran-benefits/>

Virginia. Virginia offers programs to assist employers in recruiting, hiring, and training veterans. The Virginia Values Veterans Program (V3) helps transitioning veterans connect with services and companies to attract veterans and pays employers up to \$ 1,000 per eligible veteran hired. The V3 program was contacted to learn about their services, but they did not respond. <https://dvsv3.com/>

Active Recruitment	
Florida	<ul style="list-style-type: none"> • Promotes living in Florida • Assists with job placement, entrepreneurship support, and connecting with resources
Indiana	<ul style="list-style-type: none"> • Promotes living in Indiana • Assists with resume and interview preparation, networking
Wisconsin	<ul style="list-style-type: none"> • Promoted living in Wisconsin

Active Recruitment	
(No longer in effect)	<ul style="list-style-type: none"> • Assisted with job placement
Employer Support	
State Funded Incentive	
Alabama	<ul style="list-style-type: none"> • \$1,000 tax credit for hiring a recently discharged veteran • \$2000 for veteran-owned business start-up expenses
Alaska	<ul style="list-style-type: none"> • \$1,000-\$ 2,000 tax credit for hiring a veteran
Delaware	<ul style="list-style-type: none"> • A credit of 10% of a veteran's wages, up to \$1500
Florida	<ul style="list-style-type: none"> • Up to \$8,000 reimbursement of industry skills training costs for veteran employees
Illinois	<ul style="list-style-type: none"> • Up to \$5,000 tax credit for hiring a veteran from certain conflicts (OEF, OIF)
Maryland	<ul style="list-style-type: none"> • A credit of 30% of the first \$6,000 in wages paid to a veteran
Massachusetts	<ul style="list-style-type: none"> • \$2,000 for each qualified veteran hired
Missouri	<ul style="list-style-type: none"> • Reimburses employers 50% of wages for veterans in training programs
New Mexico	<ul style="list-style-type: none"> • \$1,000 payment for hiring a recently discharged veteran
New York	<ul style="list-style-type: none"> • Up to \$15,000 credit for hiring a veteran
Utah	<ul style="list-style-type: none"> • Up to \$4,800 credit for hiring a recently deployed veteran
Virginia	<ul style="list-style-type: none"> • Up to \$1,000 for hiring a veteran
West Virginia	<ul style="list-style-type: none"> • A credit of 30% of the first \$5,000 in wages paid to a veteran
Wisconsin	<ul style="list-style-type: none"> • Up to \$5,000 for hiring a disabled veteran • Reimburses employers the federal minimum wage salary amount for veterans in OJT programs (up to 1,040 hours)

In addition to the above-mentioned states, some cities are actively trying to recruit veterans. One example is Philadelphia, which provided a Veteran Employment Tax Credit to businesses that hired returning veterans. The credit was available from 2012 to 2020, but no businesses applied. There is limited research on the effectiveness of tax credits as an incentive for hiring. However, one report disseminated by RAND found that tax credits may be especially effective for disabled veterans. Tax credits are estimated to generate a statistically significant two percentage point increase in hiring, equivalent to 32,000 employed disabled veterans per year (RAND, 2012).

Conclusion

This examination detailed some examples of state attempts to attract and retain veterans. While this paper provides an array of activities currently being implemented or tried in the past, no data related outputs or outcome evaluations were found on the effectiveness of these approaches in recruiting veterans into the states laid forth in the examples. The best measure, albeit extremely limited, is population-level estimates of state veteran population change. Based on the VA's Veteran Projection Model estimates for 2000 to 2020 (https://www.va.gov/vetdata/veteran_population.asp), these measures do not increase growth in veteran residents in states with declining overall populations. For example, Wisconsin experienced a 31% reduction in veteran population from 2001-2020 and is ranked 17th in the highest veteran population decline among the states and territories. Largely, the states with the highest veteran population decline rates mirror the list of states experiencing overall population loss (<https://www.pewtrusts.org/en/research-and-analysis/articles/2022/04/25/a-third-of-states-lost-population-in-2021>). Regardless, these population change estimates are over too broad of a time period, and the recruitment strategies detailed above are likely to have small effects. Moreover, this crude measure may not be appropriate as the smaller military end-strength numbers led to fewer total veterans. The population model depicts fewer veteran residents in every state, with the average decrease being 25% at the state level. Further, this measure did not demonstrate any discernable difference between the population loss that occurred in states employing recruitment strategies versus those not employing them.

References

RAND, 2012. The effects of hiring tax credits on employment of disabled veterans. Occasional Paper. <https://apps.dtic.mil/sti/pdfs/ADA585435.pdf>