



June 28, 2019

The Honorable Chuck Grassley  
U.S. Senate  
Washington, DC 20510

The Honorable Ron Wyden  
U.S. Senate  
Washington, DC 20510

The Honorable Richard Neal  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Kevin Brady  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairmen Grassley and Neal and Ranking Members Wyden and Brady:

The Military Coalition (TMC), a consortium of organizations representing 5.5 million service members, veterans, their families and survivors, writes to express our support for renewing the expiring Work Opportunity Tax Credit (WOTC) for qualified veterans and expanding it to employers who hire military spouses and reserve component (RC) members. The WOTC has helped thousands of service members make successful transitions to civilian life and find employment despite their disabilities and would provide similar support for other military populations facing unique circumstances.

In 2011 the *VOW to Hire Heroes Act* (P.L. 112-56) was passed, allowing employers to qualify for WOTC when hiring certain veterans. Since this time we have seen a decline in the veteran unemployment rate – currently 2.7 percent according to the Department of Labor (DOL). Overall, WOTC certifications have nearly doubled from over 1.3 million in fiscal year 2014 to over 2.2 million in fiscal year 2018<sup>1</sup>. Renewing this heavily utilized tax credit will continue to boost the employment rate among veterans – in 2018 alone, nearly 200,000 WOTC certifications were approved for employers across the country to hire veterans<sup>2</sup>.

The Military Coalition would also like to see an expansion of the WOTC. According to the Department of Defense (DoD), military spouses have a stagnant unemployment rate of 24 percent despite many Federal, State and local efforts<sup>3</sup>. Some employers have expressed concern that hiring and training a military spouse who may move within a few years is not cost effective for their company. We believe that expanding WOTC to include a military spouse target group would provide a multi-pronged approach to encourage employers to tap into a talented pool of employees while also tackling the extreme unemployment rate of military spouses.

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<sup>1</sup> [https://www.doleta.gov/business/incentives/opptax/docs/WOTC\\_Fact\\_Sheet.pdf](https://www.doleta.gov/business/incentives/opptax/docs/WOTC_Fact_Sheet.pdf)

<sup>2</sup> [https://www.doleta.gov/business/incentives/opptax/performance-reporting/docs/FY\\_2018\\_WOTC\\_Reporting\\_Data.pdf](https://www.doleta.gov/business/incentives/opptax/performance-reporting/docs/FY_2018_WOTC_Reporting_Data.pdf)

<sup>3</sup> <https://download.militaryonesource.mil/12038/MOS/Surveys/Survey-Active-Duty-Spouses-2017-Overview-Briefing-MSO.pdf>

Additionally, the Coalition would like to see a WOTC target group encompassing RC members who serve in the National Guard and Reserve. As the country's RC represents almost 50 percent of military personnel, a substantial amount of our constituency sustains itself on employment outside of DoD. We believe that properly incentivizing outside employers to hire and retain RC members within their companies will provide an economic boost to the company while encouraging civilian employment stability for RC members. After more than 17 years of war, employers who retain RC members face the prospect of losing out on months of top talent each year due to training and deployment opportunities available to their dual-status employees.

We appreciate your commitment to those who have served, continue to serve, their families and survivors. The Coalition stands ready to continue working with you to encourage strong workforce participation

Sincerely,  
The Military Coalition

Air Force Association (AFA)  
Air Force Sergeants Association (AFSA)  
American Veterans (AMVETS)  
Army Aviation Association of America (AAAA)  
Association of Military Surgeons of the United States (AMSUS)  
Association of the United States Navy (AUSN)  
Blinded Veterans Association (BVA)  
Chief Warrant & Warrant Officers Association, U.S. Coast Guard (CWOAUSCG)  
Commissioned Officers Association of the U.S. Public Health Service (COAUSPHS)  
Enlisted Association of the National Guard of the United States (EANGUS)  
Fleet Reserve Association (FRA)  
Iraq and Afghanistan Veterans of America (IAVA)  
Jewish War Veterans of the United States of America (JWV)  
Marine Corps League (MCL)  
Marine Corps Reserve Association (MCRA)  
Military Chaplains Association (MCA)  
Military Officers Association of America (MOAA)  
National Guard Association of the United States (NGAUS)  
National Military Family Association (NMFA)  
Non Commissioned Officers Association (NCOA)  
Reserve Officers Association (ROA)  
Tragedy Assistance Program for Survivors (TAPS)  
The Retired Enlisted Association (TREA)  
United States Army Warrant Officers Association (USAWOA)  
U.S. Coast Guard Chief Petty Officers Association (USCGCPOA)  
Veterans of Foreign Wars (VFW)  
Wounded Warrior Project (WWP)

Cc Senate Finance and House Ways and Means Committee Member