

**STATEMENT OF
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THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
THE U.S. DEPARTMENT OF LABOR, VETERANS' EMPLOYMENT AND
TRAINING SERVICE**

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Mr. Chairman and Members of the Subcommittee:

The American Legion appreciates this opportunity to share its views on the performance of Department of Labor's (DOL) Veterans' Employment and Training Service (VETS), its resource needs, and review the state grant program which funds Disabled Veteran Outreach Program Specialists (DVOP) and Local Veterans Employment Representatives (LVER).

The mission of VETS is to promote the physical, emotional and economic security of America's veterans. The vision of the VETS program is to create a seamless transition back to civilian life for veterans. The American Legion views the VETS program as one of the Federal government's best-kept secrets. It is composed of many dedicated professional veterans who struggle to maintain a quality veteran oriented program. However, the VETS program is presently lacking in adequate funding, resulting in a reduction in staff and services.

Every year 250,000 service members are discharged from the Armed Services. These former service personnel are actively seeking either employment or the continuation of formal or vocational education. The VETS program offers:

- Creative outreach designed to improve employment and training opportunities for veterans.
- Information in identifying military occupations requiring licenses, certificates or other credentials at the local, state, or national levels, and seeks to
- Eliminate barriers faced by former service personnel, transitioning from military service to the civilian labor market.

President Bush's FY 2006 budget request for the VETS is \$224 million. This marks a modest \$3 million increase from the final funding allocated in the FY 2005 Omnibus Appropriations bill.

The American Legion remains steadfastly supportive of VETS within DOL as administered by the Assistant Secretary of Labor for Veterans' Employment and Training (ASVET) and the

critical role each program continues to have in the lives of America's veterans and their families. The American Legion recommends \$339 million for the Veterans' Employment and Training Service in fiscal year 2006. This would provide funding for the State Grants for LVERs and DVOPs, the National Veterans Training Institute (NVTI), the Homeless Veterans Reintegration Program (HVRP), and the Veterans Workforce Investment Program (VWIP).

With the enactment of Public Law 107-288, the "Jobs for Veterans Act," The American Legion remains skeptical as to whether VETS will improve employment and training services to meet the needs of the local veterans' community. Especially since VETS has not reported to Congress progress made by the implementation of Public Law 107-288. The American Legion has some serious concerns with the implementation of the new approach to local staffing levels and job performance standards.

The American Legion is concerned that the rate of job placement of veterans, training programs and other vital services has decreased. Under the previous performance data reporting system veterans seeking employment and those entering employment could only be counted after a mediated service was provided. Under the current system individuals only have to register and enter the employment system to be counted as an assisted veteran, thereby giving the false impression that the One Stop Career Centers are doing a better job of finding employment and training opportunities for veterans.

A General Accounting Office report (GAO) of October 30, 2001, noted, "VETS need the legislative authority to grant each state more flexibility to design how this staff will fit into the one-stop center system." Some DVOPs and LVERs are reporting that they spend 90% of their time assisting non-veterans while only spending 10% of their time assisting veterans seeking employment. In some states several part-time LVERs and/or DVOPs are assigned to the same office in a metro area. Also, converting current full time LVERs and DVOPs to part time employees drastically limits the effectiveness of the program. Still others are so over tasked with clerical duties and office administration that they have little time to provide much-needed outreach to job-seeking veterans. Stronger oversight needs to be provided to ensure that DVOPs and LVERs are given the resources needed to provide the services for which they are responsible.

The American Legion is concerned with not only how employment services are delivered by the One Stops, but also with veterans receiving priority of services as outlined by the 2002 Jobs for Veterans Act. The American Legion is pleased to hear from Department of Labor (DOL) officials that veterans are receiving priority of service. However, VETS has not published any data for determining how effective its priority veteran services are, nor have they reported to Congress on any progress made in regards to the implementation of key aspects of the 2002 Jobs for Veterans Act. The American Legion is concerned that the current reporting time frame reflects a six-month delay. The American Legion strongly recommends a revision of existing VETS reporting requirements for measuring performance standards and for determining compliance with requirements for providing employment services to veterans. The rolling quarter reporting system should be administered in a timely manner to better project the employment services being sought by veterans and to more accurately reflect the efforts of DVOPs and LVERs.

The Front Line Warriors

The LVERs and DVOPs are the heart and soul of VETS. The unique roles of these two programs are outlined in Title 38, Chapter 41, United States Code. However, annual underfunding and understaffing have limited the success of these programs.

The role of VETS is to augment local employment service offices and handle the hard-to-place veterans, not just any veteran that walks in the door. Clearly, an LVER is required to effectively perform many different roles. A quick review of the LVER's role:

- Ensure veterans are receiving quality services from local employment services employees;
- Maintain regular contact with community leaders, employers, labor unions, training programs, and veterans' service organizations;
- Provide directly or facilitate labor exchange services to eligible veterans;
- Job development with employers and labor unions – to include on-the-job training and apprenticeship programs;
- Promote and monitor the participation of veterans in federally funded employment and training programs;
- Monitor the listing of jobs and subsequent referrals to Federal contractors;
- Work closely with VA's Vocational Rehabilitation Program;
- Refer veterans to training, supportive services, and educational opportunities;
- Assist in securing and maintaining current information on employment and training opportunities;
- Assist in identifying and acquiring prosthetic and sensory aids and devices needed to enhance employability of disabled veterans; and
- Facilitate guidance and counseling service to certain veterans.

The LVER has no counterpart in a local employment service office. The only supervisory control the LVER has is over any assigned DVOP. As taxed as the LVER may be, the DVOP's job is just as demanding. DVOP's can be relied on to:

- Develop job leads and job training opportunities through contacts with employers;
- Promote and develop apprenticeship and on-the-job training opportunities with employers;
- Carry out outreach activities to locate veterans in need of job assistance;
- Provide assistance to employers in securing job training opportunities for eligible veterans;
- Assist local employment services office employees with their responsibilities for serving veterans;
- Promote and assist in the development of entry-level and career job opportunities;
- Develop outreach programs with VA Vocational Rehabilitation (VOC Rehab) Program participants;

- Provide case management.

Like the LVER, DVOPs have no counterpart in the local employment service office. The American Legion believes these two federal programs were designed to support local employment service office personnel, not supplant nor integrate. VETS must retain complete autonomy in order to be successful. Through the creation of these positions, Congress sought to assure:

- All veterans received priority of service;
- Certain veterans received extensive case management;
- Employers hire veterans;
- Outreach activities recruited and assisted chronically unemployed or underemployed veterans;
- Close contact was established and sustained with the veterans' community;
- Effective marketing of federal and state vocational training opportunities;
- Monitoring of veterans' hiring practices by federal contractors; and
- The presence of veterans' employment advocates throughout the local community.

The American Legion strongly believes funding levels for DVOP and LVERS should match Federal staffing level requirements and that they be allowed to provide service to veterans only. Adequate funding would allow the programs to increase staffing to offer specialized comprehensive case management job assistance to disabled and other eligible veterans.

VETS was created to work with the local employment service office, not to be incorporated into those offices. Prior to the creation of VETS, the local employment service offices were failing to meet the employment and training needs of veterans, especially disabled and minority veterans. Many veterans were faced with significant barriers to employment and needed more focused case management and personal assistance because there was no appropriated funding for veterans. In the beginning, VETS had the necessary funding and staff to deal effectively with the employment problems throughout the veteran population.

With the dramatic increase in the number of veterans from the wars in Iraq and Afghanistan being discharged and the increasing importance of the One Stop Centers in assisting all transitioning veterans, the American Legion strongly recommends that VETS continue frequent monitoring visits to the centers and provide strict oversight of these programs. DOL must ensure that veterans receive priority in all DOL programs and services created specifically for their unique needs.

38 USC, 4103A required that all DVOP specialists shall be qualified veterans and that preference be given to qualified disabled veterans in selecting and filling DVOP specialist positions. This provision was changed by P.L. 107-288, which allows the appointment of non-veterans to these positions for up to six months with out any justification. For over 20 years, these positions were filled with veterans and proved to be a winning combination. The American Legion opposed this change and urges that this be corrected. The American Legion believes that military experience is essential to understanding the unique needs of the veteran

and that all LVERs, as well as all DVOPs, should be veterans. In addition, The American Legion is in strong opposition to part time DVOP and LVERs because that may lead to limited services to veterans. Ensuring that the half time DVOP or LVER serves veterans adequately is difficult and overly dependent on management within the career centers. Part time positions lead to less than adequate services, create managerial challenges and should only be allowed with the concurrence of the DVET in the state.

Additionally, The American Legion recommends adequate funding for the National Veterans Training Institute (NVTI) budget. The NVTI provides standardized training for all veterans employment advocates in an array of employment and training functions. This excellent program helps to prepare employment service personnel to professionally address the vocational needs of veterans, especially those with barriers to employment.

Over the past six years, VETS has endeavored to reinvent itself within the confines of continued funding constraints, while faced with major changes made under the Workforce Investment Act. VETS makes up about 15 percent of the system operated in the states by the Employment Training Administration.

Approximately 56.2 percent of all unemployed veterans are over the age of 45; therefore, many of these veterans are victims of corporate restructuring, technology changes, or age discrimination. These veterans need training to remain in their previous professions or to begin new careers. Section 168 of the Workforce Investment Act (formerly JTPA IV-C) is that portion of the statute, which provides for this type of training for veterans.

For the past three years, this account received \$7.5 million in annual funding, which has allowed the program to continue to operate in only 11 states. This is absolutely unacceptable. There are thousands of veterans available for work in this new economy, but they may lack marketable technological skills. The problem is clearly a lack of funding. The only participants in the specific program are military veterans. The baseline needs to be at least increased to allow VETS to begin training in all fifty states. Therefore, The American Legion would recommend \$17 million for Veteran Workforce Improvement Program in FY 2006.

Although P.L. 107-288 requires that veterans receive priority in all DOL programs, the American Legion urges the reinstatement of the Service Members Occupational Conversion and Training Act (SMOCTA). SMOCTA was developed as a transitional tool designed to provide job training and employment to eligible veterans discharged after August 1, 1990 and provides an incentive for employers to hire veterans. Veterans eligible for assistance under SMOCTA were those with a primary or secondary military occupational specialty that DoD has determined is not readily transferable to the civilian workforce; or those veterans with a service connected disability rating of 30 percent or greater.

Eligible veterans received valuable job training and employment services through civilian employers that built upon the knowledge and job skills the veterans acquired while serving in the military. This program not only improved employment opportunities for transitioning service members, but also enabled the federal dollars invested in education and training for

active duty service members to be reinvested in the national job market by facilitating the transfer of skills from military service to the civilian workforce.

The American Legion continues to encourage Congress to reauthorize and adequately fund SMOCTA. Many LVERs and DVOP publicly praised the effectiveness of SMOCTA in successfully returning veterans into the civilian workforce. The American Legion recommends \$45 million for SMOCTA funding in FY 2006. Should SMOCTA not be reauthorized, these training dollars should be added to Veteran Workforce Improvement Program (VWIP) job training opportunities.