

**STATEMENT OF
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NATIONAL LEGISLATIVE COMMISSION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON BENEFITS
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
ON
H.R. 4015, JOBS FOR VETERANS ACT
APRIL 18, 2002**

Mr. Chairman and Members of the Subcommittee:

The American Legion welcomes the opportunity to present testimony on H.R. 4015, Jobs for Veterans Act, to amend title 38, United States Code (USC), to revise and improve employment, training, and placement services furnished to veterans, and for other purposes.

The American Legion remains steadfastly supportive of the Veterans' Employment and Training Service (VETS) within the Department of Labor (DoL) and the critical role of each program, administered by the Assistant Secretary of Veterans' Employment and Training Service (ASVET), in the lives of America's veterans and their families.

Section 4100 of Chapter 41, title 38, USC, effectively identifies the purpose of VETS -- as long as unemployment and underemployment continue to be serious problems among disabled veterans and other veterans with specific barriers to employment, VETS must remain a national responsibility. The special nature of employment and training needs and the national obligation to meet those needs, policies and programs to increase opportunities for such veterans to obtain employment, job training, counseling, and job placement services and assistance in securing advancement in employment should be effectively and vigorously implemented by the Secretary of Labor and such implementation should be accomplished through the ASVET.

The American Legion believes the core problems hampering VETS and its programs can be narrowed down to three key points:

- Leadership – failure to provide veterans' employment professionals in local offices the flexibility to perform their Federally mandated duties and responsibilities.
- Leadership – failure to fully fund and staff veterans' employment professionals to the Federally mandated levels.
- Leadership – failure to implement a performance accountability system that properly records the successful accomplishments of veterans' employment professionals.

Clearly, these leadership shortfalls are at the local, state, and national levels. The American Legion believes many of the proposed changes in H.R. 4015 are superfluous and unnecessary. Other provisions appear to merely address political correctness rather than tangible and intangible problems.

Operating from this fundamental understanding, The American Legion applauds the focused commitment of this Subcommittee to reform VETS – at least legislatively; however, careful consideration should be taken to not let the zeal of the moment compromise the hard work and dedication of many VETS personnel.

Section 1. Short Title; References to Title 38, United States Code; Table of Contents.

The American Legion recommends changing the short title from “Jobs for Veterans Act” to “Leave No Veteran Behind Act.” Thanks to the service of America’s veterans, this country continues to enjoy the most envious economy in the Free World. Empowering veterans to fully realize the spoils of their labors and their selfless devotion to freedom, is a worthwhile endeavor. No veteran, especially those with service-connected disabled medical conditions or significant barriers to employment, should ever be denied meaningful employment. This bill alone does not generate employment opportunities, but it does focus on veterans helping veterans – a common theme throughout the veterans’ community.

Section 2. Priority of Service from Veterans in Department of Labor Job Training Programs.

Although The American Legion supports this move to provide veterans preference in Federal job training programs, it sees this section as a bittersweet provision. The American Legion deeply regrets that successful veterans’ job training programs, such as Veterans Job Training Act (VJTA) and the Service Members Occupational Conversion and Training Act (SMOCTA), failed to receive adequate and continued Federal funding. Both programs were highly successful and consistent with the stated goals of VETS, but more importantly, both programs were limited in scope to only veterans. Honorable military service was the prerequisite for eligibility for participation in these unique programs. Truly, VJTA and SMOCTA, were generous gestures from a grateful nation to assist veterans in overcoming specific employment barriers. The American Legion would strongly encourage Congress to reconsider the value of these programs and fully fund either program.

Section 2 would give “covered persons” priority in job training programs they would qualify for based on eligibility criteria under *other than veterans’ status*. Honorable military service is not a factor until other eligibility requirements are met. Under this provision, what performance standard will be in place to measure compliance by those administering the job training programs? What recourse will VETS have should those administering the job training programs choose to ignore this Federal mandate? Do we really want veterans to become economically indigent or convicted felons before they can “qualify” for vocational assistance? What is the goal – smooth transition for the military to civilian workforce or working the vocational training gambit?

The American Legion questions the decision to expand VETS programs to all veterans seeking employment. Originally, VETS was designed to meet the employment and job training needs of a much smaller portion of the veterans’ population -- special disabled veterans, other disabled veterans, and other eligible veterans. Opening the eligibility to all veterans, job ready as well as

those with employment barriers, would overwhelm programs without significant additional staffing and full funding. It is difficult to recall when the current manning formula for Local Veterans' Employment Representatives (LVERs) and Disabled Veterans' Outreach Program (DVOPs) specialists were fully manned and funded. Increasing the eligible veterans' population without increasing the staff to meet the new demands is the first dangerous step towards diluting services to the very population in most need – special disabled veterans, other disabled veterans, and other eligible veterans.

With regard to “Employment of Veterans With Respect to Federal Contracts,” The American Legion applauds the intent; however, these requirements must be met before the work begins. If the contractor complies with this mandate after the work is completed or all employees are hired, the language is useless. There is absolutely no real enforcement should a contractor choose not to hire any qualified veterans.

The American Legion recommends adding a statement at the end of the sentence in the proposed Section 4212(a)(2)(A) “...employment service delivery system listing employment openings immediately through the appropriate employment delivery system *and prior to other recruitment activities.*” There are examples where some Federal contractors have filled jobs before having it listed, this addition is to suggest to Federal employers that they consider hiring veterans first.

The American Legion would recommend that a *Notice of Compliance* be issued to a Federal contractor by the appropriate employment service delivery system before any actual work on site begins. This certificate would validate that the Federal contractor complied with these requirements and identify the number of positions available prior to beginning work, thus allowing VETS the opportunity to fill job orders.

Expanding this definition to include certain spouses is acceptable; however, The American Legion recommends that the spouse of any veteran who has a total disability resulting from a service-connected disability, should be eligible regardless of whether it is permanent in nature or not. In this unfortunate situation, the spouse should be eligible for needed vocational assistance.

Section 3. Performance Incentive Awards for Quality Veterans Employment, Training, and Placement Services.

The American Legion opposes granting monetary incentive awards for States that meet or exceed their benchmarking goals. Using money, as an incentive, is not a progressive means of motivating State and Federal employees to improve performance standards. If monetary rewards were the ultimate goal of veterans' employment professionals, they would most likely be working in the private sector. The intrinsic value of their job is helping unemployed veterans find meaningful employment.

Rather than upgrading the performance level nationally, this section would enhance the performance of the better performing States. This “rich get richer and the poor get poorer” approach seems to be counter-productive in addressing the global veterans' employment issue. The American Legion would rather see these funds spent on improving the performance of those States that may be struggling to meet the needs of unemployed veterans. Top performers should

be rewarded and considered for promotions or unique job opportunities. The American Legion believes the collateral damages of this provision could be, potentially and inadvertently, devastating to VETS nationally. The American Legion believes annual personnel performance reviews would be a more effective venue for performance incentive awards.

The American Legion recommends the creation of regional VETS FOCUS TEAMS consisting of selected top performers from across the nation. The ASVET would deploy this team to those States with underachieving performance to offer assistance. The team would conduct an inspection of all operations, visit with all LVERs and DVOPs, and formally report to the ASVET, through the DVET and Regional Administrator. This report would identify common problems and offer specific recommendations for improvement.

VETS FOCUS TEAM members should be given serious consideration for future employment in VETS leadership positions at the local, state, and national levels.

Section 4. Refinement of Job Training and Placement Functions of the Department.

The American Legion opposes the mandate that the Deputy Assistant Secretary of Labor for Veterans' Employment and Training be required to have at least five years of continuous service in the Federal civil service in the executive branch immediately preceding appointment as the Deputy Assistant Secretary. The American Legion believes a more appropriate requirement would be at least five years of continuous service in VETS immediately preceding appointment as the Deputy Assistant Secretary. In depth knowledge of VETS would be more beneficial than in depth knowledge of the Federal bureaucracy. The ASVET needs technical support more than political support.

The American Legion also believes there should be a residency requirement for Directors and Assistant Directors for Veterans' Employment and Training (DVETS and ADVETS). It is important that any employee be attuned to the needs of the veterans that reside within the State. A person coming from another State (especially a smaller State) does not fully understand or appreciate the specific needs of veterans within that State.

The American Legion strongly supports the requirement that only "veterans" be appointed to VETS positions, with special emphasis on placing service-connected disabled veterans in DVOP positions. This makes good sense. The intrinsic relationship between veterans is a very meaningful bond between those with common military experiences -- comradery.

This bill does not address the need for placing DVOPs and LVERs throughout the entire State, not just in large urban areas. Outreach is probably one of the most important aspects of VETS and the least emphasized. For many employers and job seekers, State Employment Security Agencies (SESAs) are still viewed as the "unemployment office" and not a "headhunting firm." Outreach plays a major role in helping to change that image. Outreach takes the message from the computers and automated phone systems to face-to-face meetings with employers and job seekers in their environment.

Salesmanship is critical to recruiting job orders from employers. Salesmanship is also critical to recruiting veterans with barriers to employment. Salesmanship is critical to shaping the corporate image throughout the community. The very best vehicle to achieve this goal is through interpersonal interaction with civic, business, and fraternal organizations. The customer's image of VETS is based on their most recent experience dealing with them. If the experience was positive, the image is positive. If the experience was negative, it will remain negative until proven otherwise. VETS should invest in effective outreach in order to ensure a positive image.

Local SESA office managers that "tether" DVOPs and LVERs to the office handling only "walk-in" veterans, fail to understand the goal of VETS. These managers place personal performance goals ahead of a national priority. Outreach is a Federally mandated role of both a DVOP and an LVER that is routinely ignored by local office managers across the country.

The American Legion is concerned about the State funding formula under the "Conditions for Receipt of Funds" provision in this Section. We believe basing VETS programs funding on an unstable economic factor would adversely impact the quality of these critical veterans' programs. Recruitment and retention of quality, well-trained veterans' employment professionals would become a major problem due to questionable employment stability. If these employment professionals are highly productive and are successful in reducing unemployment in their local veterans' community, they would feel the impact with reduced program funding levels the next year; however, if unemployment in the veterans' community increased, the State would realize increased funding. The American Legion believes this issue would be even more significant in those States with smaller veterans' populations. VETS is a national veterans' employment program, not limited to only those States with a greater veterans' population.

The American Legion does not understand why veterans over age 65 have been excluded from this formula. We believe there is a need for job placement opportunities for veterans over the age of 65. Labor experts estimate 10 to 15 percent of veterans seeking employment services in various states are between the ages of 70 to 91 years of age. These veterans for various reasons are not able to live on whatever benefits they are receiving and they should be afforded the opportunity to receive employment assistance through VETS.

The American Legion deeply regrets that this law fails to provide specific job training opportunities for veterans, such as, VJTA and SMOCTA. Both of these programs proved productive for both veterans and employers. Both programs matched employers with veterans willing to learn not just a job, but a career. What about those veterans that fail to qualify for other Federally funded job training programs? What alternatives are available for those veterans' not meeting eligibility criteria?

The American Legion fully supports the establishment and implementation of a measurable, meaningful, and equitable performance accountability system. These performance measures must be appropriate for the task at hand. For example, when veterans' employment professionals participate in Transitional Assistance Programs (TAP) on military installations, the impact of that visit on each attendee would be extremely difficult to measure. Many of those in attendance are job ready and would probably never enroll in a local employment services delivery office, yet they received services from a DVOP or LVER. Should that veteran obtain employment based on

the job search information provided during the TAP session, how will that intensive service performance be measured? Others may register in their local employment services delivery office based solely on the recommendation of the veterans' employment professional addressing this TAP session – how will that intensive service performance be measured? Clearly, intensive services were provided without successfully capturing the outcomes.

Another questionable performance standard is the length of employment in a position obtained through a job referral from a veterans' employment professional. Stop-gap employment is a proven job search technique that accomplishes several roles – generate immediate income, camouflage breaks in employment, auditioning, and enhanced networking. Should this short-term employment lead to another job with no break in employment, how would the performance be measured? In reality, the veterans' employment professional assisted the veteran in obtaining two jobs, but more importantly, enhanced the veteran's life-time job finding skills.

The American Legion would strongly recommend that the ASVET allow the creation of a performance accountability system by a select group of veterans' employment professionals, in consultation with the National Veterans Training Institute (NVTI). Such a system created by stakeholders would accurately score the performance of the peers and colleagues of the entire veterans' employment community.

The American Legion strongly recommends that the fundamental job requirements of veterans' employment personnel be codified to provide national continuity. Such intensive services as outreach, case management, employer development, and job placement should be clarified for the DVOP specialists. There are clearly similar, but unique core activities identifiable for the LVER. Additionally, the recommended number of LVERs and DVOPs was based on specific manning formulas. The American Legion encourages Congress to keep stable manning formulas – making adjustments, only when necessary. This is especially critical for States with smaller veterans' populations. The American Legion would welcome the opportunity to work with the Subcommittee in determining adjusted manning formulas for both LVERs and DVOPs.

This section removes the formula for the assignment of the number of DVOPs and LVERs assigned to the State. Making VETS a State-driven program rather than a national priority. Since many veterans' benefits vary from State to State, allowing each State to determine the number of DVOPs and LVERs, as well as, assigning their duties would seem counter-productive and a disservice to veterans with barriers to employment.

In addition to the eligibility criteria, the American Legion highly encourages the VETS program to collect all necessary data needed to measure and articulate to the Veterans Service Organizations the effectiveness of the program on an annual basis. In the September 2001 Government Accounting Office (GAO) report titled *Veterans Employment and Training Service, Flexibility and Accountability Needed to Improve Service to Veterans*, it was recommended that some type of measurement of effectiveness be instituted.

The American Legion applauds the mandate to establish electronic One-Stop Employment Services for use by VETS. This is clearly a valuable job finding resource; however, technology should be viewed as a tool for job ready veterans, not a replacement for personal assistance

provided by veterans' employment professionals. The American Legion looks forward to the full implementation of this program

Employability is a personal issue and requires a "hands-on" approach by trained veterans' employment professionals. Technology offers excellent advantages, but should never be considered the final solution to employment. Not every job seeker is comfortable with using state-of-the-art equipment – clearly a barrier to employment in the 21st Century. When (SESAs) began diverting funds from human resources to technological modernization, SESA began to experience a significant loss in job openings, job orders, employer contacts, and personal services provided to both employers and job seekers. According to sources inside SESA, there has been a 73 percent decrease in job openings received from July 1, 1998. This loss is not due to increased technology, but rather due to the loss of interpersonal communication.

Self-registration, self-referrals, and computerized intensive services are among the new technological advances, but the lack of personal interaction is obvious. Talking to an automated phone system has its advantages, but in a service-driven, customer based organization, it also has disadvantages. The lack of interpersonal communication could be detrimental when working with VETS targeted population of veterans with barriers to employability. For many of these unique job seekers, the keys to employment involve:

- Restoring of confidence,
- Restoring self-esteem,
- Motivating,
- Encouraging,
- Coaching, and
- Providing feedback and constructive criticism.

Computers can't read body language. Computers can't sense frustration. Computers can't understand the feelings of rejection. These are the very reasons why veterans' employment professionals are so critical in meeting the overall objectives of VETS – putting veterans back to work!

The American Legion continues to encourage sustaining the outstanding services offered by NVTI. The American Legion recognizes the value of NVTI to the successful standardization of services provided by veterans' employment professionals. In fact, The American Legion often recommends that DoL create a formal continuing education program that emulates NVTI for the entire Employment and Training Services community.

Section 6. Committee to Raise Employer Awareness of Skills of Veterans and Benefits of Hiring Veterans.

The American Legion looks forward to the full implementation of this mandate and would welcome the opportunity to serve on such a Committee. Additionally, we suggest identifying a retired LVER and a retired DVOP to be assigned to the Committee in an advisory capacity.

Section 7. Sense of Congress Commending Veterans and Military Service Organizations.

The American Legion established an Employment Committee within the National Economic Commission whose primary function is to create a favorable climate for employing veterans in industry, business, and government. The National Economic Commission prepares and distributes a **Manual for Employment Chairmen** to assist local Post Employment Chairmen.

The Employment Committee and its counterparts at Departments and Posts have developed programs that:

- Expand counseling and job placement services for veterans in depressed and rural areas of chronic underemployment, and for older veterans who are disabled or have been displaced by automation and technological changes in their jobs; and
- Place special emphasis on the re-employment rights of veterans and increase employment opportunities for disabled veterans.

The purpose of The American Legion's **Employment Service Award** is to confer national recognition annually on one outstanding LVER, one DVOP, and one local employment services office. In addition, The American Legion offers awards for **The Employer of Older Workers Award**, **The Employer of Veterans Award**, and **The Employer of the Year Award** during its annual National Convention.

The 13-point Post Employment Program adopted by The American Legion's National Economic Commission's Employment Committee is a step-by-step guide for the Chairman of the Post Employment Committee to help veterans find jobs in the local community:

1. Get acquainted with the state employment service office to ensure all unemployed veterans are registered.
2. Use the Local Veterans' Employment Representative in the area for speaking engagements and other purposes.
3. Discuss employment problems at all Post meetings.
4. Bring Post members with job vacancies together with members looking for work.
5. Obtain information from the state employment service on available jobs in the area and inform Post members.
6. Fight discrimination against workers due to disability, age, race, color, sex, or creed.
7. Urge employers to list job openings with the state employment service and possibly notify the Post.
8. Check with the state employment service and the local post office for civil service openings and inform Post members of job opportunities in other parts of the country.
9. Advise veterans of vocational rehabilitation and educational assistance available through the Department of Veterans Affairs.
10. Gain a working knowledge of veterans preference laws and regulations, and insist upon adequate re-employment rights for honorably discharged veterans.
11. Work with other civic and veterans' service organizations to bring new industries into the area to provide employment for veterans.
12. Participate in the Legion's "Job for Veterans" program and citation award programs, such as, National Disability/Employment Awareness Week, Employ the Older Worker Week, the Employer Award program, and the Employment Service Award program.

13. Maintain a close relationship with labor groups, employers, and other organizations who are interested in employing veterans.

Mr. Chairman and Members of the Subcommittee, The American Legion would encourage you and your staff to visit its website (www.legion.org) and visit TAOOnline Career Center, The American Legion Transitional Assistance Program. This is the newest proactive veterans' employment effort of The American Legion.

The American Legion also publishes four helpful employment related pamphlets that are available upon request:

- *A Resource Guide for the Homeless Veterans*
- *Questions and Answers About Your First Resume*
- *Questions and Answers About Veterans Preference*
- *Job Fairs for Veterans*

Section 8. Study on Economic Benefits to the United States of Long-Term Sustained Employment of Veterans.

The American Legion does not support this provision. The transitory lifestyle of Americans (as a whole) does not justify this study. Few employees enjoy long-term employment with the same employers. If the study applied to all clients of the employment service delivery system, to include veterans, then The American Legion would support such a study. However, the study would have to compare "apples to apples" -- non-veterans compared to veterans with similar barriers to employment and non-veterans compared to veterans that are job ready.

Then there is the issue of seasonal employment, especially in northern tier and agricultural communities. Employment is based on weather conditions – nothing more or less. These jobs include road construction, carpentry, ironworkers, farm laborers, and many others.

What about retired workers holding down part-time jobs – how will that be scored in such a study? Then, there are those workers that hold down multiple part-time jobs that offer little to no employee benefits, but a weekly paycheck. We also have employees that seek entry level positions in the business arena to gain experience or those considering a vocational change. Their short-term employment may be driven by reasons other than employability. There continues to be a substantial group of self-employed veterans.

Such a study in the early 20th Century would have been logical, but in today's society, the results would be of little benefit or added value. The funding would be better spent elsewhere.

Conclusion

Ever since the President's budget request for FY 2003 recommended the transfer of VETS from DoL to VA, The American Legion has heard from veterans' employment professionals (past and present) in complete opposition to that initiative. If DoL is the recognized expert in job placement, job training, and vocational counseling, what possible advantage would such a recommendation offer to veterans? The American Legion is extremely disappointed by this

shortsighted recommendation by the Administration. The American Legion believes the best solution to current problems within VETS is sound leadership and management practices.

With leadership comes responsibility. Many of the problems addressed in this legislation could be aggressively addressed and resolved by dynamic leadership and individual accountability. The job descriptions of LVERs and DVOPs are very clearly defined – but are they doing their jobs? If they are, then reward them. If they are not, clearly identify and document the shortcoming, then provide an opportunity for them to excel. If the substandard performance persists, termination is warranted.

Everyone in VETS has well defined duties and responsibilities to America's veterans facing unemployment and underemployment. Everyone, from the ASVET to the DVOP, must be held accountable to do his or her job. Congress confirmed the ASVET to lead and manage VETS. The ASVET is provided with ample staff at the state and national level to assist in that charge – it is time for focused leadership, not reinvention legislation.

Mr. Chairman and Members of the Subcommittee, The American Legion applauds the hard work in drafting this legislation, but without strong leadership – this bill passed without one change – will be equally ineffective. The American Legion would strongly recommend quarterly VETS oversight hearings to determine if the core problems are leadership, management, or legislative in nature.

Mr. Chairman, that concludes my statement and I am prepared to answer questions.