STATEMENT OF
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THE AMERICAN LEGION
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
"VETERANS EMPLOYMENT"

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The Department of Labor (DOL) reports that one in three Iraq and Afghanistan veterans under the age of 24 are currently out of work. The unemployment rate for veterans of all ages was 9.8 percent in March. The total number of unemployed veterans of the two wars is about 250,000. Unfortunately, many of the thousands of service members who are currently leaving the service are from the combat arms and non-skilled professions and thus may lack technical skills that are readily transferable to the civilian labor market. The American Legion understands that, with an overall unemployment rate at 14.7 percent for Iraq and Afghanistan veterans, there is an immense need to ensure that veterans are getting trained and are afforded ample opportunities to succeed in this unstable job market.

DEPARTMENT OF LABOR (DOL) VETERANS EMPLOYMENT AND TRAINING SERVICE (VETS)

The American Legion is eager to see VETS grow; and especially would like to see greater expansion of entrepreneurial-based, self-employment opportunity training. The mission of VETS is to promote the economic security of America's veterans. This mission is executed by assisting veterans in finding meaningful employment. The American Legion believes that by strengthening American veterans, we in turn strengthen America. Annually, DOD discharges approximately 200,000 service members. Recently separated service members will seek immediate employment or, increasingly, have chosen some form of self-employment. In order for the VETS program to assist these veterans to achieve their goals, it needs to:

- Expand its outreach efforts with creative initiatives designed to improve employment and training services for veterans;
- Provide employers with a labor pool of quality applicants with marketable and transferable job skills;
- Provide information on identifying military occupations that require licenses, certificates or other credentials at the local, state, or national levels;
- Eliminate barriers to recently separated service members and assist in the transition from military service to the civilian labor market;

- Strive to be a proactive agent between the business and veterans communities to provide greater employment opportunities for veterans; and,
- Increase training opportunities, support, and options for veterans who seek self-employment and entrepreneurial careers.

The American Legion believes staffing levels for DVOPs and LVERs should match the needs of the veteran's community in each state and should not be based solely on the fiscal needs of the state government. Such services will continue to be crucial as today's active duty service members, especially those returning from Iraq and Afghanistan, transition into the civilian work world. Education, vocational and entrepreneurial training and employment opportunities will enable these veterans to succeed in their future endeavors. Adequate funding will allow the programs to increase staffing to provide comprehensive case management job assistance to disabled and other eligible veterans.

Section 4103A, title 38, USC, requires that all DVOP specialists shall be qualified veterans and preference be given to qualified disabled veterans in appointment to DVOP specialist positions. Section 4104(a)(4), title 38, USC states: *"[I]n the appointment of local veterans' employment representatives on or after July 1, 1988, preference shall be given to qualified eligible veterans or eligible persons. Preference shall be accorded first to qualified service-connected disabled veterans; then, if no such disabled veteran is available, to qualified eligible veterans; and, if no such eligible veteran is available, then to qualified eligible persons."*

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 and should be additionally educated to be able to address the needs of veterans who desire entrepreneurial support. The American Legion also believes that all employees of the Veterans Employment and Training Services should be eligible veterans including Veteran Program Specialists.

The American Legion supports legislation to restore language to Chapter 41, title 38, USC, that requires that half time DVOP/LVER positions be assigned only after approval of the VETS program, and that the Secretary of Labor be required to monitor all career centers that have veterans on staff. PL 107-288 eliminated the requirement DOL-VETS review all workforce centers annually and this has minimized Federal oversight of the programs. The Assistant Secretary (ASVET) has drastically cut funds for this activity and established a policy that only 2 percent of the centers operated under title 38 will be reviewed. PL 107-288 removed the job descriptions of DVOPs and LVERs from title 38 and gave the States the ability to establish the duties and responsibilities, thus weakening the VETS program across the country by eliminating the language that required these staff positions provide services only to veterans. Additionally, The American Legion seeks legislation that will transfer all DVOPs and LVERs from the State Agencies to DOL-VETS for supervision and oversight in order to ensure that the individuals employed to serve veterans are not used for other programs.

Veterans returning from Afghanistan, Iraq and other tours of duty are not always coming back to a hero's welcome---at least from employers. The jobless rate for veterans between ages 18 to 24 was 21.1 percent in 2009. Numerous national publications have reported veterans are having a more difficult time finding jobs due to physical and mental disabilities, multiple deployments

and challenges with translating military skills in civilian workforce language. The employment market is tougher for young veterans. This is a major reason why funding the VETS program is so critical.

Veterans need proper training and tools to begin new careers after they leave military service. The Veterans Workforce Investment Program (VWIP) has received $9.6 million in funding, which allows the program to operate in only 15 states. There are thousands of veterans available for work, but they lack marketable, technological skills, especially for jobs that exist in the Information Age economy. The problem is clearly a lack of adequate funding. Veterans are the only participants in this program. The budget baseline needs to be increased to allow VETS to train eligible veterans in all 50 states in FY 2011.

MILITARY OCCUPATIONAL SPECIALTY TRANSITION (MOST) PROGRAM

The American Legion supports the new legislation, H.R. 929, introduced by Representative Welch (VT) that would authorize $60 million for the next ten years to fund a program modeled after the highly successful Service Members' Occupational Conversion and Training Act (SMOCTA).

SMOCTA was originally established to respond to the needs of veterans who had been hurt by the downsizing of the military in the 1990s by providing job training and employment to eligible veterans. Veterans eligible for assistance under SMOCTA were those with a primary or secondary military occupational specialty that DOD determined were not readily transferable to the civilian workforce or for those veterans with a service-connected disability rating of 30 percent or higher. SMOCTA was a unique job-training program because there was a job for the veteran upon completion of training. Many LVERs and DVOPs publicly praised the effectiveness of SMOCTA because it successfully returned veterans to the civilian workforce.

H.R. 929, The Military Occupational Specialty Transition Act (MOST), builds upon the success of SMOCTA and would help veterans who are not currently eligible for training or education benefits, are unemployed or underemployed, and whose military training does not readily transfer to the civilian workforce. MOST would help businesses defray the costs of providing veterans with the on-the-job training by providing up to 50 percent of a veteran's wages during training. The Congressional Budget Office estimates MOST could provide 3,000 veterans a year with the skills they need to compete in this challenging economic environment.

If enacted, MOST would be the only Federal job training program available strictly for veterans and the only Federal job training program specifically designed and available for use by state veterans' employment personnel to assist veterans with barriers to employment.

Today, with a tough economy and the high demands this nation places on veterans, the rationale for reestablishing a modernized version of an effective job placement and on-the-job training program is stronger than ever.

VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE (VR&E)

Since the 1940s, VA has provided vocational rehabilitation assistance to veterans with disabilities incurred during military service. The Veterans Rehabilitation and Education Amendments of 1980, Public Law (PL) 96-466, changed the emphasis of services from training, aimed at improving the employability of disabled veterans, to helping veterans obtain and maintain suitable employment and achieve maximum independence in daily living. Vocational Rehabilitation and Employment (VR&E) program employment goals are accomplished through training and rehabilitation programs authorized under Chapter 31 of title 38, U.S. Code. Title 38 provides a 12-year period of eligibility after the veteran is discharged or first notified of a service-connected disability rating. To be entitled to VR&E services, veterans must have at least a 20 percent service connected disability rating and an employment handicap or less than a 20 percent disability and a serious employment handicap.

The mission of the VR&E program is to help qualified, service-disabled veterans achieve independence in daily living and, to the maximum extent feasible, obtain and maintain suitable employment. The American Legion fully supports these goals. As a nation at war, there continues to be an increasing need for VR&E services to assist Operations Iraqi Freedom and Enduring Freedom veterans in reintegrating into independent living, achieving the highest possible quality of life, and securing meaningful employment.

The success of the rehabilitation of our disabled veterans is determined by the coordinated efforts of every Federal agency (Department of Defense, VA, Department of Labor, Office of Personnel Management, Department of Housing and Urban Development, etc.) involved in the seamless transition from the battlefield to the civilian workplace. Timely access to quality health care services, favorable physical rehabilitation, vocational training, and job placement play a critical role in the "seamless transition" of each veteran, as well as his or her family.

Administration of VR&E and its programs is a responsibility of the Veterans Benefits Administration (VBA). Providing effective employment programs through VR&E must become a priority. Until recently, VR&E's primary focus has been providing veterans with skills training, rather than providing assistance in obtaining meaningful employment. Clearly, any employability plan that doesn't achieve the ultimate objective -- a job -- is falling short of actually helping those veterans seeking assistance in transitioning into the civilian workforce. Eligible veterans who are enrolled into the education and training programs receive a monthly allowance; those veterans who use VR&E for assistance with immediate employment do not. This policy leaves out needed assistance for veterans looking for immediate employment, which could lead that veteran into a different track and miss out on early entry into the civilian workforce.

Another problem hindering the effectiveness of the VR&E program, as cited in reports by the Government Accountability Office (GAO), is exceptionally high workloads for the limited number of staff. This hinders the staff's ability to effectively assist individual veterans with identifying employment opportunities. A recent GAO report noted that 54 percent of all 57 regional offices stated they have fewer counselors than they need and 40 percent said they have fewer employment coordinators than they need. As in the past, achieving ample staffing in

VR&E is a major concern. Without sufficient staffing, the success of VR&E programs becomes extremely challenging, especially due to the returning veterans from Iraq and Afghanistan and their more complex cases.

Vocational counseling also plays a vital role in identifying barriers to employment and matching veterans' transferable job skills with those career opportunities available for fully qualified candidates. Becoming fully qualified becomes the next logical objective toward successful transition. Veterans' preference should play a large role in vocational counseling as well. The Federal government has scores of employment opportunities that educated, well-trained, and motivated veterans can fill given a fair and equitable chance to compete. Working together, all Federal agencies should identify those vocational fields, especially those with high turnover rates, suitable for VR&E applicants. Career fields like information technology, claims adjudications, and debt collection offer employment opportunities for career-oriented applicants that also create career opportunities outside the Federal government.

LICENSING AND CERTIFICATION

DOD provides some of the best vocational training in the nation for its military personnel and establishes measures and evaluates performance standards for every occupation within the armed forces. There are various occupational career fields in the armed forces that easily translate to a civilian counterpart in the civilian workforce that require a license or certification. In the Armed Forces, these unique occupations are performed to approved military standards that may meet or exceed the civilian license or certification criteria. Upon separation, however, many service members, certified as proficient in their military occupational career, are not licensed or certified to perform the comparable job in the civilian workforce, thus hindering chances for immediate civilian employment and delaying career advancement. This situation creates an artificial barrier to employment upon separation from military service. Military Occupation Specialties (MOS) or ratings such as motor transport, corpsman or medic, need to undergo additional training, once out of the service, to work in their career path. This process slows down the veteran in obtaining gainful employment. The American Legion supports efforts to eliminate employment barriers that impede the transfer of military job skills to the civilian labor market. We also support efforts that require DOD take appropriate steps to ensure that service members be trained, tested, evaluated and issued any licensure or certification that may be required in the civilian workforce prior to separation. The American Legion supports efforts to increase the civilian labor market's acceptance of the occupational training provided by the military.

FEDERAL HIRING OF VETERANS

The American Legion believes changing and reforming the Federal hiring process is not an easy task but it is a necessary task. The antiquated ways of doing business caused veterans many months of waiting before getting word that they were or were not selected for a certain position. President Obama has announced two separate hiring initiatives that will assist veterans and help simplify and streamline the hiring process for veterans and all individuals who are looking to join the Federal workforce

The first of those initiatives was the *Executive Order on the Employment of Veterans in the Federal Government,* signed in November of 2009. This government initiative enhances the recruitment of and promotes employment opportunities for veterans within the executive branch of the Federal Government. It also seeks to align the skills and career aspirations of veterans with the staffing needs of Federal agencies. The Office of Personnel Management (OPM) has issued a government-wide strategic plan that will focus on creating infrastructure and programs for the successful recruitment and employment of veterans within agencies. The Departments of Defense (DOD), Labor (DOL), VA, and Homeland Security (DHS) as well as other agencies are partnering with OPM on the development of the strategic plan and its implementation.

The second of those initiatives is: *Improving the Federal Recruitment and Hiring Process,* which was signed on May 2009. The old way of doing business when hiring individuals is out the window and OPM has taken steps to streamline the process. No longer do veterans, or any individuals, have to fill out KSA's, but can submit just a resume and cover letter. In addition they are no longer taking the highest 3 but are allowing more flexibility with the hiring managers to pick all of those who qualified for the position. Veterans who have qualified will be placed at the top of that list in order to make sure Veterans' Preference is being used. OPM noted that the average time from initial screening to hire took the Federal government approximately 130 days. The Metric or goal that they are using will be to get that number down to 80 days or less. Veterans who are looking for immediate job placement will no longer have to wait the extended periods but will be allowed employment as soon as possible. The American Legion believes that Veterans who are seeking jobs within the Federal government should not have to wait 130 days but should be processed as quickly as possible.

The American Legion supports the Federal Hiring Initiative because it ensures veterans receive the maximum opportunity to continue their service to this nation by working for the Federal government. It also makes sense for the government to take aggressive steps to keep transitioning military service personnel within the Federal government. Federal agencies will benefit from the skill-sets of veterans and transitioning service members. Approximately 25 percent of federal employees are veterans. OPM reported in 2008 that DOD employed 257,933 veterans, while the VA employed 73,623 veterans. The American Legion wants to see more Federal agencies reach these significant numbers of veteran employees.

The American Legion strongly urges all Federal agencies to ensure veterans' preference is being enforced and not passed over for another hiring process. Veterans have served and fought for this great nation and since the Civil war veterans have been granted preference for Federal hiring, a practice that The American Legion believes is being passed over for other hiring practices.

Finally, The American Legion encourages Congress to exercise its oversight authority to ensure that veterans are being interviewed and hired. It is vital that human resource personnel be properly trained on and properly implementing veterans' preference and using all available means to hire veterans. Veterans are and will continue to be an important source of talent for the Federal workforce.

FEDERAL CAREER INTERNSHIP PROGRAM (FCIP)

The FCIP program was established by Executive Order in 2000 as an excepted service hiring authority under the oversight of OPM. As an excepted service hiring authority, the FCIP gives agencies broad discretionary authority to hire employees without using the competitive hiring process or the public notice processes ordinarily required. Since the program's inception in 2000, federal agencies have steadily increased their hiring through the FCIP. In 2003, for example, only 400 positions were filled using this program, while in 2008 this number had increased to over 22,500 and the program now accounts for 50% of all new hires in professional and administrative positions in the GS-05, GS-07, and GS-09 grade levels.

The American Legion is concerned by reports that this program, which is designed to facilitate federal hiring, is also making it easier for agencies to circumvent veterans' preference laws and we applaud the administration for ordering OPM to evaluate it and to "provide recommendations concerning the future of that program."

Veterans have made tremendous sacrifices for the nation and a high priority must be placed on making sure that they are able to find and retain jobs. Addressing the soaring joblessness among veterans today, especially those serving in Operation Iraqi Freedom and Operation Enduring Freedom, is imperative and The American Legion appreciates efforts by this committee to address the employment issues that veterans face in these tough economic times. We look forward to continuing to work with this committee and staff.