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**NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES (NASWA)
EXECUTIVE SUMMARY OF TESTIMONY
ON VETERANS STATE EMPLOYMENT GRANT IMPROVEMENT ACT OF 2006**

**Submitted By
Donald Ingram, Chair of the NASWA Veterans Affairs Committee
and
Employment Service Administrator,
Tennessee Department of Labor and Workforce Development**

April 27, 2006

NASWA has reviewed the Subcommittee's legislative discussion draft that would amend Title 38 of the United States Code to improve employment services for veterans provided under the Veterans Employment and Training program. We support the intent of this proposed legislation to improve services to veterans and strengthen the DVOP and LVER programs and respectively request the Subcommittee's consideration of the following recommendations to make sure this goal is achievable in each state:

- Secretary of Labor guidance to states on DVOP and LVER qualifications should accommodate the variation in state organizational structures, staffing requirements and procedures, personnel classification systems, bargaining-unit agreements, and demographics.
- The clarification of the definition of part-time DVOPs and LVERs is appreciated and should be included in statute.
- The local performance information should be managed by the state workforce agency.
- NASWA supports state licensing and certification (L&C) programs for veterans but recommends additional appropriations to cover administrative costs. If additional funds are not appropriated for this purpose, it is requested the Act clarify that costs for establishing and implementing L&C programs be an allowable cost under the DVOP and LVER state grants.
- NASWA supports requiring DVOP and LVER training at the NVTI, but language should be included to permit exemptions. Reduction of funds for non-compliance should not be taken from current year funds.
- Contractors applying for funds should be required to submit a letter from the state workforce agency to show the proposal is consistent with the state workforce plan and state policies. State grant funds should not be reduced to provide funding for these services.
- Incentive awards grants should be available to individuals, offices, or units within offices and administered by the Assistant Secretary of Labor for Veterans' Employment and Training.
- Regulations for priority of service to veterans should be prescribed.

**NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES (NASWA)
STATEMENT ON THE VETERANS EMPLOYMENT STATE GRANT
IMPROVEMENT ACT OF 2006**

**SUBMITTED BY DONALD INGRAM, CHAIR OF THE NATIONAL ASSOCIATION
OF STATE WORKFORCE AGENCIES (NASWA)
VETERANS AFFAIRS COMMITTEE AND
EMPLOYMENT SERVICE ADMINISTRATOR,
TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT**

April 27, 2006

Chairman Boozman, Congresswoman Herseth, and Members of the Subcommittee, on behalf of the National Association of State Workforce Agencies (NASWA), I thank you for the opportunity to share information regarding states' perspectives on the Veterans Employment State Grant Improvement Act of 2006. Although we are interested in all areas related to employment of veterans, our comments will focus on the Employment State Grant Improvement Act, referred to as "the Act" in our testimony. The National Association of State Workforce Agencies (NASWA) respectfully submits this testimony for the record.

The members of our association constitute state leaders of the publicly-funded workforce investment system vital to meeting the employment needs of veterans through the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representatives (LVER) programs. The mission of NASWA is to serve as an advocate for state workforce programs and policies, a liaison to federal workforce system partners, and a forum for the exchange of information and practices. Our organization was founded in 1937. Since 1973, it has been a private, non-profit corporation, financed by annual dues from member state agencies.

Our members are committed to providing the highest quality of service to our nation's veterans, National Guard members and Reservists. We are focused on our highest priority, serving recently separated veterans and disabled veterans. With the war efforts in Iraq and Afghanistan, this is a critical time to ensure high quality workforce services are available for those who served our country in time of war. During Program Year 2004 (July 1, 2004, through June 30, 2005), our DVOPs and LVERs assisted 365,435 veterans in entering employment for an entered employment rate of 61 percent.

The Jobs for Veterans Act (P.L. 107-288) provides greater flexibility for the Veterans Employment and Training Service (VETS), states, and the DVOP and LVER staff in serving veterans. This flexibility allows states to tailor programs to meet the unique needs in each state and local area, while instituting minimum standards to ensure consistently high quality programs are available to veterans across the nation.

On July 27, 2005, NASWA submitted written testimony for the record to this Subcommittee on the draft discussion paper regarding minimum qualifications for DVOPs and LVERs. In that testimony, NASWA recommended the Subcommittee consider our concerns and recommendations before movement of the proposed legislation. We sincerely appreciate your efforts to further study the proposal before conducting a hearing.

NASWA supports the intent of this proposed legislation to amend Title 38, United States Code, to improve the DVOP and LVER programs and to ensure services to our nation's veterans are provided in an efficient manner.

Section 2 of the Act directs the Secretary of Labor to establish and maintain guidelines for use by States in establishing the professional qualifications for the DVOP and LVER positions. NASWA supports this approach to give states the latitude under guidelines to establish their own qualifications and hiring standards. The establishment of guidelines would ensure states' DVOP and LVER representatives are properly skilled while enabling them to function within each state's structure. Our understanding of this language is the Secretary is to provide guidance – and not directives - to states and states are to report annually in their grant requests describing the criteria in this section. Since there is wide variation in state organizational structures, staffing requirements and procedures, personnel classification systems, bargaining-unit agreements, and demographics, it is important the guidance allows for these variations among states.

The ability to hire or assign part-time DVOPs (per P.L. 107-288) has greatly benefited states by allowing them to stretch their limited positions to more offices and cover larger areas. We appreciate the clarification of the definition of part-time DVOPs and LVERs means performing their respective functions no less than half-time.

Regarding the local performance information system requirements, most states have some capability to capture local information, but others will need to implement programming and process changes in order to meet this requirement. Many states also rely on software produced and distributed by the U.S. Department of Labor Employment and Training Administration (ETA) for generating performance reports. The ETA software currently does not allow reporting local performance information. According to ETA, it is in the process of changing this specification, but the three year time period allowed for developing local reporting seems reasonable. For many states, the ability to meet the requirements in Section 4 of this Act will depend on this software. ETA is likely to focus on common measures and other initiatives when developing criteria.

NASWA recommends the local performance information be collected and monitored at the state workforce agency level. We believe local information should be managed at the state level and would be too cumbersome to be sent to the U.S. Department of Labor on a regular basis. The local information will assist state workforce agencies to ensure services are provided appropriately in every workforce center, to ensure veterans are served proportionate to the population in a local area, and to manage and verify individual and office performance. The local information would be available for monitoring, auditing, or study purposes by the U.S. Department of Labor or the Government Accountability Office (GAO) as needed.

We applaud the inclusion in this Act of state licensing and certification (L&C) programs for veterans. There are currently several resources available to crosswalk military occupational classifications (MOC) and skills with civilian classifications and skills. The O*NET Online Crosswalk Search, available at <http://online.onetcenter.org/>, is a good example. However, the ability to crosswalk skills is only the first step in the L&C process. Some states have initiated a few L&C programs for veterans; most would need to begin the process. NASWA recommends additional funds be appropriated by Congress to cover the cost to implement state level L&C programs. If additional funds are not appropriated for this purpose, it is requested the Act clarify that costs for establishing and implementing L&C programs be an allowable cost under the DVOP and LVER state grants.

The proposed legislation cited as “The Veterans Certification and Licensure Act of 2006” would be very helpful for states to carry out the L&C requirements in the Act. We suggest the state workforce agencies be represented on the Veterans Advisory Committee on Certification, Credentialing, and Licensure.

NASWA supports and appreciates the sections in this Act to require all DVOPs and LVERs to attend training at the National Veterans Training Institute (NVTI) within three years of being designated as a DVOP or LVER. The National Veterans Training Institute (NVTI) is an invaluable resource to provide such professional development for DVOPs and LVERs. However, the current language does not appear to allow for exceptions. We believe there should be exceptions allowed in unusual cases, for example: state travel bans, NVTI not being able to provide the training, or inability for disabled individuals to attend such training. Also, we request it be clarified that the reduction of funds for non-completion of required NVTI training be applied for the following year and not retroactively. The exceptions and clarification should apply to both new DVOPs and LVERs designated after the enactment of this Act and those hired prior to enactment.

Section 7 of the Act allows the U.S. Department of Labor to contract up to \$3,000,000 for placement of veterans in high-unemployment areas. Although we do not oppose this new option, we recommend the contractor be required to coordinate with the State workforce agency and the DVOPs and LVERs in the area. We recommend any contractor applying for these funds be required to submit a letter from the state workforce agency indicating the proposal is consistent with the state workforce plan and state policies. We also request the Act clarify state grants funds are not to be reduced in order to contract these services. Funds for these projects should be from new funding, recaptured funds or national level funds.

The performance incentive awards required in the Jobs for Veterans Act has been successfully implemented in most states; however, several states have been unable to implement the awards because of state law, state policy or philosophical concerns regarding the provision of awards to individuals. NASWA’s May 12, 2005, testimony advocated more flexibility in the incentive awards program. We appreciate the change in this Act which allows awards to be presented to local offices. We recommend states be allowed to continue to award individuals if they choose. NASWA requests clarification that the new language would allow states to provide the incentives to individuals, offices, or units within offices.

We do not support changing the administration of the incentive awards grants from the Assistant Secretary of Labor for Veterans' Employment and Training to the Director for Veterans' Employment and Training (DVET) for each of the states. Although we promote state flexibility, the policies and approval for the incentive awards should be established at the national office level. In the current system, the DVET must review and transmit the incentive awards to the national office. Maintaining the responsibility at the national level ensures a certain level of consistency and fairness of awards across the nation.

NASWA supports Section 9, which requires the Secretary of Labor to prescribe regulations for priority of service for veterans. However, the 180-day requirement may not be realistic.

In conclusion, NASWA thanks the Subcommittee for its dedication to ensure workforce services are provided to all veterans, especially to newly-separated and disabled veterans. NASWA is willing to assist the Subcommittee and the U.S. Department of Labor in any way possible.

Thank you for the opportunity to address these important issues.