STATEMENT OF

JAMES N MAGILL, DIRECTOR NATIONAL EMPLOYMENT POLICY VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY COMMITTEE ON VETERANS AFFAIRS UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

OVERSIGHT OF THE U.S. DEPARTMENT OF LABOR'S VETERANS EMPLOYMENT AND TRAINING SERVICE

WASHINGTON, D.C.

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MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the 2.4 million men and women of the Veterans of Foreign Wars (VFW) and our auxiliaries, I wish to express our appreciation for being invited to articulate our views in today's oversight hearing on the U.S. Department of Labor's Veterans Employment and Training Service (VETS). We appreciate your continuing concern for our nation's veterans and their ability to be gainfully employed.

As representatives of the VFW travel throughout our nation and visit military installations overseas, one of the most frequently expressed concerns is whether military personnel will be able to transfer their skills to the private sector when they are released from active duty or retire. The VFW is also hearing from veterans who have retired and realize they now need to supplement their retirement income. They too are concerned about the possibility of not being able to find employment.

Mr. Chairman, veterans deserve and have earned an employment service dedicated specifically for them. They currently have such a system and while the VFW does not believe that system is broken, we do believe it can and must be improved. The VFW supported the provisions of the "Jobs for Veterans Act" (P.L. 107-288) as it provided a crucial element for VETS to be successful; that being "accountability." While progress is being made to implement P.L. 107-288, there are still no clear, well defined performance standards that can be used to compare one state to another or, for that matter, one office to another office within a state. Even where such standards have been produced, VETS and its regional administrators have almost no authority to reward a good job or impose sanctions for poor performance. It appears the only concrete tools VETS has at its disposal are its staff member's disciplinary skills and personal relationships that may have developed. It should be noted that similar problems in holding local managers accountable for performance are also being experienced by some State Employment Security Agency administrators. This may be attributable to the limits imposed on state civil service systems.

The only real authority, although seldom used, is the power to recapture funds when a state is in violation of law. The VFW believes this course of action could ultimately prove detrimental to the veteran and should only be used as a last resort.

For several years, many have seen a need for standards to be put in place for Disabled Veterans' Outreach Program specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs). Addressing this need, VETS initiated performance measures in 2002 that applied to all veterans served by the public labor exchange. In 2004, these same performance measures were applied to DVOPs and LVERs. These reforms are essential for a viable and accountable veteran placement service which meets congressional intent as expressed in 38 USC 4102.

The VFW believes VETS must complete its development of meaningful and enforceable performance standards and reward states that exceed established standards by providing additional funding. P.L. 107-288 authorizes VETS to provide cash and other incentives to individuals but not entities. Congress should amend this law so entities such as career One-Stops may be recognized.

The progressive movement toward One-Stops does not diminish the role of DVOPs and LVERs in providing employment services to veterans. The advantage of face-to-face interaction between DVOPs/LVERs and veterans is much too valuable to be eliminated.

The National Veterans Training Institute (NVTI) was established in 1986 and authorized in 1988 by P.L. 100-323. The NVTI is administered by staff from the DOL/Veterans Employment and Training Service (VETS) through a contract currently with

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the University of Colorado at Denver. The NVTI trains federal and state employees and managers who provide direct employment and training services to veterans and service members. The NVTI curriculum offers courses for staff of the Disabled Veterans' Outreach Program and Local Veterans' Employment Representatives Program in core professional skills, marketing and accessing the media, case management, vocational rehabilitation and employment program support, and facilitation of Transition Assistance Program (TAP) workshops.

The VFW is concerned that, after several years of level funding, appropriations for the NVTI for FY 2005 actually decreased. This reduction compromises the ability of the institute to provide quality training to those individuals serving veterans.

Congress must fund the NVTI at an adequate level to ensure training is continued as well as expanded to state and federal personnel who provide direct employment and training services to veterans and service members in an ever-changing environment.

Mr. Chairman, in recent years there has been an increased reliance on licensure and certification as a primary form of competency recognition. The public, professional associations, employers, and the government have turned to credentialing to regulate entry into employment. Hundreds of professional and trade associations currently offer certificates in their fields, and there have been an increase in occupational regulation by both state and federal governments. Trends suggest that in the 21st century reliance on competency examination recognition will increase.

The emphasis on Licensing and Certification can present barriers for transitioning military personnel seeking employment in the civilian workforce. Current standards are developed based on traditional methods for obtaining competency in the civilian workforce. As a result, many transitioning military personnel who have received their career preparation through the military find it difficult to meet certification and licensing requirements because the civilian sector lacks recognition of military training and experience. Those who are able to obtain employment in their fields without the applicable credentials may face decreased earnings and limited promotion potential.

While pilot programs have been initiated in some states to provide credentialing to service members in a limited number of fields, more must be done to assist transitioning military personnel to utilize their specialized training in obtaining civilian employment. A standardized licensure and certification requirement must be adopted by the appropriate

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federal and state agencies and recently separated service members must be afford the opportunity to take licensing and certification exams without a period of retraining.

The VFW regards the Homeless Veterans' Reintegration Program (HVRP) as one of the most effective and beneficial federally funded programs for homeless veterans. Providing grants to various state, federal, commercial and non-profit agencies and organizations, HVRP provides a multitude of services to homeless veterans including the all too crucial job training, counseling, resume preparation and placement The VFW strongly recommends Congress to appropriates at least \$50 million annually to enable the HVRP to continue its unparalleled accomplishments.

In closing Mr. Chairman, I would like to comment on the Administration proposal know as "WIA Plus". This proposal would fund the DVOP/LVER Program through a block grant to be used at the discretion of state governors. The grant would be administered by the Employment and Training Administration thus resulting in VETS having to relinquish all control and administration of the DVOP/LVER program. This proposal has the potential to ultimately lead to the dismantlement of both the DVOP/LVER programs as well as VETS itself. The VFW believes VETS is the proper office to continue to administer and provide oversight to this crucial veterans' program and therefore strongly opposes WIA Plus.

This concludes my statement, we look forward to working with you and members of your Subcommittee in preserving and enhancing the entitlements and benefits our nation's veterans have earned. James N. Magill, Director National Veterans Employment Policy Veterans of Foreign Wars of the United States

James N. Magill, a native of the Chicago suburb Aurora, Illinois has been a member of the Veterans of Foreign Wars (VFW) Washington Office staff since 1981 and is currently the Director of National Veterans Employment Policy.

Prior to being honorably discharged from the U.S. Navy in 1971 as a Hospital corpsman 2nd class, Jim served in Vietnam as a Rifle Platoon Corpsman and the 3rd Battalion, 1st Marines, 1st Marine Division. Upon his discharge, he joined the staff of U.S. House of Representatives as a Legislative Analyst responsible for legislation relating to veterans affairs. While working of the House of Representatives, he attended evening classes at George Washington University under the GI Bill where he earned his degree in Business Administration.

Jim resigned his position with the U.S. House of Representatives to join the Washington Legislative Staff as a Special Assistant Director and then later became the Director of National Legislative Service.

Currently as the Director for Veterans Employment Policy, Mr. Magill maintains liaison with federal officials. He works to ensure that policies and procedures for assisting veterans in obtaining and retaining federal employment are carried out in accordance with the spirit and intent of established laws.

He and his family reside in Gaithersburg, Maryland.

THE VETERANS OF FOREIGN WARS OF THE UNITED STATES IS NOT IN RECEIPT OF ANY FEDERAL FUNDING OR FEDERAL GRANTS

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