

STATEMENT OF FEDERICO JUARBE JR.
ASSISTANT SECRETARY FOR
VETERANS' EMPLOYMENT AND TRAINING
BEFORE THE
SUBCOMMITTEE ON BENEFITS
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

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Mr. Chairman and Distinguished Members of the Subcommittee:

Thank you for inviting me to testify today on H.R. 4015, the "Jobs for Veterans Act." This is my first opportunity to appear before this Subcommittee as the Assistant Secretary for Veterans' Employment and Training and it is an honor for me.

The Administration is deeply committed to helping our veterans find high-quality jobs. Our Nation's veterans deserve nothing less than access to high-quality services in both employment and training. This Administration understands and deeply appreciates the patriotism, dedication, skills and experiences veterans bring to the civilian labor force.

We appreciate the keen interest of this Subcommittee in helping to move the Veterans' Employment and Training Service (VETS) into the 21st century by removing many of the statutory roadblocks that have tied us to the past.

As the Subcommittee is aware, the Administration also has a proposal for improving employment services for veterans, which will be introduced in the near future. That proposal reflects the core principles of competitive, performance-based funding as the best way to improve services to veterans. The proposal would, on a temporary basis until such time as the competitive provisions are in place, transfer administration of the grants programs for the current Disabled Veteran Outreach Program (DVOP), the Local Veteran Employment Representative (LVER), and the Homeless Veterans Reintegration Program (HVRP) to the Department of Veterans Affairs. The DVOP and LVER programs would remain in effect until the Secretary of Veterans Affairs implements a new program of employment-related services that would require competition, be results-based, and provide an integrated, seamless continuum of services to veterans.

We are continuing to review H.R. 4015 and do not presently have a position on every provision of the bill. However, because the bill has a number of elements that have similar goals to the Administration's plan, we can support the intent of a number of aspects of H.R. 4015. I will now comment on some of the major provisions of H.R. 4015.

The repeal of the statutorily defined duties of DVOP Specialists and LVERs has long been necessary and would go a long way toward improving Chapter 41 of Title 38 of the United States Code. This would provide us, and those delivering services in the respective states, with needed flexibility and would help provide a renewed focus on the best ways of achieving the mission and goals of this agency. The Department of Labor endorses the idea of providing states the flexibility to deploy resources to secure needed coverage in rural, remote or underserved areas. Under H.R. 4015, states would be able to more effectively determine where DVOPs and LVERs should be placed with the use of half-time DVOPs, similar to half-time LVERs. In our view, flexibility is critical to making services more accessible to veterans.

Incorporating the expectation of high performance is an essential component of an effective workforce system. H.R. 4015 provides incentives not only to those states that provide the highest levels of performance, but also to those states that show significant improvements. In addition, the Committee's proposal permits incentive awards to be used for additional staffing, modernization of service delivery and pilot projects to test new approaches to enhance services to America's veterans. We believe that the Administration's bill would provide stronger incentives for high performance by adding consequences for poor performance. Our bill also takes a different approach to modernizing service delivery through pilot projects coordinated at the national level.

Other positive elements of this bill include the elimination of the state residency requirement and relief from the application of formula requirements. Residence and

formula requirements have hindered the deployment of staff in response to workload requirements and deprived deserving individuals of opportunities for career growth. We believe that veterans should fill the political and senior-level positions, and intend to act accordingly, but we note that the legislation should be amended to provide that the holders of those positions "should" be a veteran, rather than "shall" be a veteran. Also, the legislation should be amended to provide that no person "should" rather than "may" be appointed as Deputy Assistant Secretary of Labor for Veterans' Employment and Training unless the person has five years of Government service as a career civil servant. As a constitutional matter, the Congress cannot unduly burden the nomination and appointment power of the President, in the case of the Assistant Secretary, and the appointment power of the Secretary, in the case of the other positions, by substantially restricting the pool of qualified persons from which the nomination or appointment may be made.

If there is one consistent message that I hear from our state partners, it is to give the states greater flexibility. The current staffing grant formula process for the allocation and assignment of positions does not address the individual requirements of states in providing services to veterans. Economic and demographic conditions, including consideration for rural, urban, inner city, and suburban areas, are just a few of the factors that impact on a state's need to determine assignment of positions. By removing the current restrictions on the assignment and types of positions funded by formula, this bill would allow the states the opportunity to develop service delivery plans that address their unique needs and situations.

As the Subcommittee knows, the Veterans' Employment and Training Service will implement new state performance measures that are aligned with those of the Workforce Investment Act (WIA), beginning in July of this year. This makes it easier for service providers to achieve the overall national goal of integrating and streamlining employment and training services through the One-Stop delivery system.

The Subcommittee has recognized the important role employers play in the employment and training arena by the establishment of the "President's National Hire Veterans Committee" in H.R. 4015. The Hire Veterans Committee would increase employers' awareness of the advantages of hiring veterans and utilizing their military training to enhance the employers' workforce. The Hire Veterans Committee also may be able to help narrow the skill gaps between military and civilian licensing and certification requirements. In sum, the Hire Veterans Committee has the potential to add significant value to the entire employment and training community.

In conclusion, VETS supports bringing Title 38 up to date to meet the needs of the 21st century veteran and the 21st century workplace. The Administration commends the Subcommittee on its bipartisan approach to do that. We look forward to continuing to work with this Subcommittee on both H.R. 4015 and the Administration's proposal in an effort to enhance veterans' training and employment.

Thank you again for the opportunity to address these important issues.