

TESTIMONY FOR U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON BENEFITS

ROGER B. MADSEN

DIRECTOR

IDAHO DEPARTMENT OF LABOR

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Mr. Chairman and Members of the Subcommittee:

My name is Roger Madsen. I am the Director of the Idaho Department of Labor and former Chair of the Veterans' Affairs Committee of the National Association of State Workforce Agencies.

Thank you for this opportunity to comment on the "Jobs for Veterans Act." I appreciate the Committee's commitment to enhancing employment and training opportunities for our veterans and to helping us bring these skilled workers together with our business and other employers. It is gratifying to see some of the ideas discussed during the testimony last October are present in this bill. We appreciate the flexibility of half-time DVOP staff, the updating of the federal contractor job listing program and the assistance of the President's National Hire Veterans'

Committee in informing business about the advantages of veterans as employees. We commend you on supporting the National Veterans' Training Institute, the national study to assess the benefit of our programs and the performance incentive grants. I also thank the Subcommittee for maintaining the Veterans Employment and Training Programs at the U.S. Department of Labor.

I hope we can continue to work together to build an employment and training service for veterans that responds to their needs, the needs of our business customers and our local communities. I hope, also, that we can work toward a federal-state partnership founded on our common mission: enhanced opportunities for veterans and flexibility to respond effectively to the demands of the state and local labor markets. I know, Mr. Chairman, that you share these goals for this program and I applaud the work you have done toward this end. That said, we are concerned with what appears to be an underlying philosophy in the bill to invest an increased level of control and oversight at the federal level, lessening state options regarding the needs and appropriate services for our veterans. We find that to be inconsistent with true and effective integration of the veterans' programs into the one stop system in our state. We encourage you to enact legislation which delineates, or empowers the Secretary to delineate, desired program outcomes, and empowers the states to determine program design to achieve those outcomes. Hold us accountable to achieve the desired results, but allow us reasonable discretion to determine how to do that most effectively within our state's one stop system.

I wish to address several specific topics in the order in which they appear in the bill. Section Two of the bill proposes priority service for veterans in all Department of Labor funded employment and training programs. While we agree in principle that veterans deserve special recognition for their service to the country, practically speaking it may be difficult to impose a

new service priority on existing, locally determined programs such as WIA, which has empowered state and local boards to determine who is most in need of service, and how to deliver services to those most in need. We support the original intent of Congress that these programs be locally designed to address local needs. Rather than mandating veterans' priority in these programs, we encourage you instead to support adequate funding for Section 168 of WIA which provides for training programs targeted to veterans. Funding for this program has been severely cut over the last several years. Adequate funding will help ensure that veterans who need training assistance will have better access to it.

Section Three of the bill proposes performance incentive awards for quality service. While we support the concepts of accountability, performance measurement and incentives, we have strong reservations about the award criteria proposed in the bill. First, we are concerned that the performance measures are patterned after those in the Workforce Investment Act, which have proven to be ineffective for program management as they are confusing, untimely, and based upon incomplete data. We recommend, instead, that the Secretary be directed to work with the states as full partners in developing outcome based performance measures which are meaningful for the system and practical to implement. Secondly, because incentive awards to a state may vary significantly from year to year, it may not be prudent or feasible for a state to use incentive awards to fund staff. To do so might result in wide swings in staffing levels year to year, which is very disruptive to program quality and effectiveness. Rather, it would be more productive to use incentive funds for building system capacity and infrastructure.

Section Four refines the functions of the Department. We have no comment on the establishment of the federal positions, except to wonder why the bill requires states to employ qualified veterans for the DVOP and LVER positions but does not require that the State Director and federal staff within a state must be veterans. We believe that all positions in this veterans' employment program should be filled by qualified veterans.

We appreciate that this bill strikes the outdated job descriptions for Local Veterans' Employment Representative and Disabled Veterans' Outreach Program staff. However, we do not believe it is necessary or advisable for the Secretary to determine the appropriate duties for a state to assign to their DVOP or LVER staff. Specific staff job duties should be left to the discretion of the states. We respectfully request that this concept be removed from the bill.

We are concerned with the language in subsection (f) establishing performance measures for veterans' employment and training staff including state employees, and giving DVETS direct input into individual annual performance ratings. We believe that this proposal over-emphasizes the federal role in our partnership, and appears to give USDOL/VETS additional and unnecessary oversight of DVOP and LVER staff. We look to the federal staff to define the mission and to provide resources and technical assistance in meeting the established program goals. We believe that the federal oversight role is most appropriate when it functions at the grant level. We recommend that the legislation be restructured to task the Secretary to negotiate outcome goals for each state's grant and let the grantee, the state, bear the responsibility for developing and implementing an action plan to achieve those outcomes. Performance of individual state employees, our LVER and DVOP staff, are rightfully the state's responsibility,

not that of the federal staff. We strongly oppose this aspect of the legislation, and respectfully request it be reconsidered.

Another concern is raised in Section five, sub paragraph c. The amendment to section 4101 paragraph 7 removes the reference to an “intrinsic management structure” as an identifying feature of an employment delivery system and changes the language to read that the service must only be “consistent with” services provided in accordance with the Wagner-Peyser act. While the intent may be to broaden the scope of the act, the result could be that the services of LVER and DVOP staff may not be provided to veterans within the framework of a Wagner Peyser funded delivery system, only that the system be “consistent with” or “similar to” the services provided under Wagner Peyser. This could undermine a legacy of cooperative assistance to veterans between the Wagner-Peyser and Veterans’ programs that is a cornerstone of the One Stop system.

I commend the chairman on the establishment of the “President’s National Hire Veterans Committee.” We know that the business customer ultimately determines who is hired and we welcome any support in our on-going efforts to provide quality service to that customer. It is the mission of our agency to assist business in solving employment and training related challenges. The added influence of our federal partner in marketing the skills and experience of our veterans is most welcome.

We applaud and support many of the key aspects of this bill, and believe they will help to enhance the employment and training services provided to veterans in Idaho. However, I am

told by my staff that in its present form, in many respects this bill has the potential to be more prescriptive and intrusive into state and local level program design and implementation than even the current legislation. I am concerned this may inhibit much needed flexibility to respond quickly and effectively to local labor market demands, and to maximize services to our veteran population. We urge the Committee to work with the states in refining some aspects of the legislation, and in defining a true federal-state partnership for effective administration and implementation of these very important and much needed veterans' employment and training services.

I again thank you, Mr. Chairman and members of the Subcommittee, for the opportunity to provide comments on this Act. As I stated previously, we at the Idaho Department of Labor respect the sacrifice of our veterans and desire only to help build an employment and training service that meets their needs with a minimum of bureaucracy and a maximum of responsiveness and efficiency. Anything less would not be worthy of their service.

I will be happy to take your questions.