

TESTIMONY OF

VIETNAM VETERANS OF AMERICA

SUBMITTED BY

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BEFORE THE

THE HOUSE VETERANS AFFAIRS SUBCOMMITTEE ON BENEFITS

REGARDING

H.R. 4015

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Good morning, Mr. Chairman. On behalf of our National President, Thomas H. Corey, Vietnam Veterans of America (VVA) thanks you for the opportunity to appear here today to express our views on this vital veterans' issue. My name is Rick Weidman, and I currently serve as Director of Government Relations for VVA.

VVA congratulates you and Mr. Reyes and the Committee for your strong leadership in tenaciously pursuing much needed reforms of the veterans employment system. VVA strongly believes in the "whole veteran" concept. That means that there exists a covenant between the veteran and the people of the United States that asked that citizen soldier to put their life and limb on the line in defense of the Constitution of the United States of America that says: in whatever way that citizen has been lessened by virtue of military service, it is the duty and obligation to do all that is humanly possible to restore that person physiologically, psychologically, economically to the point that they would have been had they not served in the common defense.

The United States, through the Congress, provides billions of dollars for health care, rehabilitation, treatment of physical and neuro-psychiatric wounds by funding the VA hospitals, the VA VET CENTERS, VA Vocational Rehabilitation, substance abuse & recovery programs and the like. One could certainly argue that there is not enough provided to do the job correctly for all veterans in need of such services, but the fact remains that we do dedicate billions to this purpose. All of these programs do, or should, have as their single measure of success of in what way and how much they contribute to helping the veteran become as fully autonomous and independent in our society as possible. For veterans of working age, helping them to be fully independent means helping veterans, particularly service connected disabled veterans, obtain and sustain meaningful employment at a decent living wage. If we do not help the veteran take the last step of actually obtaining and sustaining meaningful employment at a decent living wage, then the ensuing unemployment renders all the care, services, and rehabilitation that went before largely ineffective.

The plain fact is that we can and must do a better job of assisting veterans with job placement. The primary target groups here for the Federally funded state staff known as Local Veterans Employment Representatives (LVER) and Disabled Veterans Outreach Program specialists (DVOP) should be to assist those who have some kind of barrier(s) to securing such decent employment. Even if the program were fully funded at the currently authorized levels (and it is far from that at present) there would not be enough such staff or other resources to be all things to all veterans. Therefore there must be prioritization of whom we concentrate on for receipt of such intensive services.

From the inception of the Job Service as a result of the enactment of the Wagner-Peyser Act of 1933, priority of services for veterans was a component of the law. Also from the inception of this Federally funded but state operated program was the chronic problem of very uneven provision of “priority of service” from state to state, and from office to office within a state. As a result of this problem, and the particularly rough treatment accorded to early returnees to civilian society from the Armed Forces during World War II (especially disabled veterans) the LVER program was created as one of the provisions of the GI Bill of 1944. If there had not been a major problem, both real and perceived, the LVER position would never have been created. Their job was to be a functional supervisor to help the office manager ensure that veterans actually received priority. Once again, while there was an initial improvement in many places, quality assurance remained a problem.

The DVOP program was created in response to a problem as well. In the mid-1970s Senator Alan Cranston chaired a series of hearings in the United States Senate in regard to veterans employment. The statistics that the Job Service was doing a terrible job of reaching and assisting Vietnam veterans and disabled veterans was irrefutable. The witnesses representing the State agencies repeatedly stated that they were not placing Vietnam veterans, particularly disabled veterans because their agencies could not find the veterans who needed help! As a result of President Carter’s decision all who fled the country to avoid induction to military service during the war, the White House decided that some political cover was needed. Thus came the instant decision to use discretionary funds from the Comprehensive Employment & Training Act (CETA) to create the DVOP program, largely designed by Vietnam veterans Dennis Rhoades of USDOL and by Ron Drach of the Disabled American Veterans. Thus was the DVOP program born of a political need and to meet a major shortcoming of the State workforce agencies (then known as the employment security agencies) that left veterans, particularly disabled veterans, without proper assistance in finding work.

There was also significant concern in the Congress then that VA Vocational Rehabilitation was not doing nearly enough to actually assist veterans to receive the higher level skill training of which they were capable, and of actually assisting disabled veterans to obtain and sustain meaningful employment. That concern of the Congress, particularly this Committee with the efficacy and focus of VA Vocational Rehabilitation has been a recurrent theme up until the last two or three years. VVA remains concerned in this regard today.

From the time of the creation of the LVER program to the creation of the USDOL Director of Veterans Employment and Training (DVET) monitoring structure to try to get the states to live up to the law, quality assurance (or lack thereof) regarding priority of service to veterans remained a significant problem. As noted above, the DVOP program was administratively created as a short term political fix. However the problems were very real indeed, especially for disabled veterans who could not find and keep decent jobs. Therefore, the

Congress made the DVOP program permanent, and created the position of Assistant Secretary for Veterans Employment (later to become the Assistant Secretary for Veterans Employment & Training, and the Veterans Employment Service to become the Veterans Employment & Training Service, or VETS).

The Congress responded to the continuing problems with the programs at the service delivery point by enacting more and more prescriptive language into Chapter 41 of the United States Code to attempt to force state and local managers to do the right thing, and let DVOPs and LVERs do their job. While the Veterans Service Organizations (VSO) and the Members of Congress hoped that we could thereby impel those managers to do the right thing by adding to the job duties for DVOP and LVER in Chapter 41, we were wrong. Certainly all concerned in the Congress and the advocates all had the best intention, but there was no means of getting and keeping the attention of these managers in some states. It simply did not work. Many State agencies and local managers still continued to do whatever they pleased, but developed ways of not getting caught overtly violating the law. While the rhetoric was usually pro-veteran, the actions said otherwise.

During the decade of the 1980s and into the 1990s the number of the Wagner-Peyser funded staff at the Job Service agencies continued to dramatically decline, following reductions already made in the late 1970s. While the percentage of DVOP/LVER was about 7% as late as 1985-8, the reductions in 1987 and two subsequent rounds made it clear that while we had lost veteran staff, the number of Wagner-Peyser staff had already declined at a much sharper rate. Today the percentage of the administrative overhead borne by the DVOP/LVER program is just simply inordinate. A concomitant phenomena to this rising percentage of DVOP/LVER in proportion to other staff is that the overwhelming percentage of reportable services to veterans is performed by the DVOP/LVER in most states, and in most offices. There are of course, notable exceptions, such as South and North Carolina, South Dakota, and a number of other relatively small states that have long had good leadership and a culture that appreciates and honors those who have been harmed by virtue of military service to our country.

All of the above leads to where we find ourselves today, which is essentially at a crossroads. Either there will be structural changes in the program that employ the best of private sector principles by linking increased money to actual performance, or the program will continue decline in usefulness to both veterans and employers. VVA respectfully urges expeditious movement of this vital legislation in the House. VVA pledges to do everything we can to encourage early passage by the Senate of the House measure, and will certainly press for the President to enact this bill into law at the earliest possible date.

It is simply unacceptable to VVA to do nothing in the face of this serious situation that affects the opportunity of the veterans who most need it to receive proper assistance in getting and keeping a decent job. The time for action is now.

There is so much that is good in this bill that VVA wishes to stress that the comments offered as to specific detail should not lead anyone to conclude that our support is anything but strong and complete for passage of the core elements of this legislation, this year.

VVA offers the following specific comments to the Committee, on a section by section basis:

Section 2. Priority Service for Veterans in Department of Labor Job Training Programs

- **Section 2(a)**: grants the Secretary of Labor the authority to establish priorities of service among “covered persons” in job training programs. VVA believes it is a mistake to provide the Secretary with the authority to grant priority of service to anyone beyond a disabled veteran, special disabled veterans, recently separated veterans, combat theater veterans or a spouse of a veteran who either died of a service-connected disability, is rated as 100% totally and permanently disabled due to a service connected disability, is either MIA, detained or is a POW. With the sole exception of “at risk” veterans (e.g., current, former homeless veterans, and those who are at serious and serious risk of being homeless, decisions on priority of service for job training programs should only be made on service related criteria and nothing else (e.g. ethnicity, race, gender, or any other factor).

VVA urges that the Committee also seek to require that a veterans representative, nominated by veterans service organization(s) serve as a “must” appointment on both the local and Statewide “Workforce Investment Boards.” Further, VVA recommends that in addition to ensuring that veterans receive services and training *at least* at the level of the veterans incidence in the workforce, that since the overwhelming majority of veterans rated by the VA at or above the 60% disabled level are out of the labor force, that the participation of the incidence in the population of these veterans serve as the benchmark for analysis.

That a similar type of benchmark could and should be established for homeless veterans. (It is worth noting that in FY 1996, of all of the billions that USDOL had for job training funds for that year, only 242 homeless veterans were assisted in their struggle to secure and sustain a decent job from all of the billions spent on such purposes under the Job Training Partnership Act (JTPA) that year. That only 242 were selected to actually receive services, out of a total estimate of homeless veterans that is more than 260,000 is just simply outrageous. On any given day during the year, and as many as 600,000 veterans either will or have been homeless at some point during the year. (Estimates derived by HUD and VA).

While some veterans do inadvertently receive services, very few actually receive any special services for the problems that they have as veterans, over and above other problems that non-veteran participants may have. This lessens the chances that the training will successfully result in helping the veteran obtain and sustain meaningful employment. VVA also believes that veterans are likely over-represented in the economically disadvantaged adult eligibles as well as in the dislocated worker category of eligibles. The Department of Labor has never conducted any studies of this despite being requested to do so, so nobody really knows. Our anecdotal evidence over the years, however, suggests that this is the case. Therefore, VVA suggests that the benchmark for participation of veterans in such programs should be their incidence in the population.

Section 2(b) -Employment Of Veterans With Respect To Federal Contracts

- This section provides that an entity with any contract in the amount of \$100,000 or more shall take affirmative action to employ and advance in employment qualified covered veterans. This is problematic. The word “any” seems to mean that an entity could have a hundred contracts for \$85,000 but as no one contract meets the \$100,000 threshold they would not need to take “affirmative action”. The language should be amended to read something like this: **(a)(1) Any contract or number of concurrent contracts with a combined total value of \$100,000 or more** VVA also objects to the term “affirmative action” and urges that it be changed to “veterans preference, especially for disabled veterans.”

Since the Office of Federal Contract Compliance Programs (OFCCP) is virtually totally ineffective in assisting any group obtain jobs with Federal contractors, much less combat theater or disabled veterans, VVA believes that there must be some kind of enforcement mechanism in this law. Frankly, even if we could halt the discrimination against veterans by Federal contractors, particularly the large ones, then this program would become self-enforcing. Therefore VVA suggests that the Congress accord combat theater veterans and disabled veterans the right to sue if they have been discriminated against, and authorize up to \$500,000 punitive damages in addition to actual damages for settlement of such suits. It will only take one or two such judgments and the Federal contractors will not only list all of their jobs, but reach out actively to such veterans.

An additional measure that you may wish to consider is an incentive of .5 percent incentive of the amount of the contract award or grant for contractors or grantees who actually hire and promote a good number and percentage of service disabled veterans and combat theater veterans. VVA also strongly urges that all state, local, and other entities

that receive block grants or any other Federal largesse also be explicitly defined as contractors for purposes of this provision.

Similarly, since self-employment, “micro-business.” or very small business may not only be the best option for many service disabled veteran, but may well be the only option. Therefore, VVA asks that that this distinguished committee work with other committees in the Congress to effect a similar incentive for large Federal contractors who actually meet the 3% subcontracting goal for service disabled veteran owned and operated businesses.

- **Section (2)(a)** relates to contractors listing “all” (up to and including the CEO of the company) of their employment openings with the appropriate employment service delivery system. The question then is: what will happen if the contractor fails to abide by this requirement? VVA believes this question needs to be answered. In other words, without rewards and sanctions this provision will continue to be ignored by most contractors. One only has to do a review of the mess that is known as the VETS 100 reports to understand that this provision is virtually meaningless to the veterans seeking a job.
- **Sections (2)(b) and (c)** – Anyone familiar with employment security agencies is probably also familiar with the term “under the blotter” or “in and out listings.” Under the blotter or in-out listings refers to individuals and/or offices keeping local job listings out of the system so that priority of service to veterans can be defeated or until they have found and placed individuals in the position. These types of behaviors from service delivery offices and individuals need to be addressed if priority of service to veterans in a public labor exchange is to be effective. It is a disservice to local employers and to applicants as well. What mechanism should be implemented to address these behaviors? Perhaps continuing the projected path of focusing on outcomes is the only way to accomplish this

Section 2 (c) – Employment Within The Federal Government

- **New Subparagraph (3)(A)** - States that all veterans who served during the Vietnam Era are out of the picture (except disabled 30% or more). Better language would be: a qualified covered veteran may receive such an appointment only within ten years of the date of enactment of this legislation or within ten years from the date of the veteran’s last discharge or release from active duty, whichever is later. Without this in-country or Vietnam era veterans are out in the cold. Argument for: The funneling of VRA appointments into custodial positions and other dead end positions that have been targeted by DOD and VA for elimination during the many RIFS of the 90’s and the twenty plus years of neglect by OPM and other agencies in their hiring practices.

Section 3. – Performance Incentive Awards For Quality Veterans Employment, Training, And Placement Services

VVA believes that there should be mandated veterans service organization input as well as a structured approval of this process by the House and Senate Veterans Affairs committees VVA also suggests that there be a mechanism whereby an outstanding Workforce Development Board can receive incentive funds even if the rest of the state is unable to perform correctly.

- **Requirement For Qualified Veterans** - VVA believes that because this legislation does not go nearly as far as the bill considered in 2000, that DVOPs must be service connected compensable disabled veterans, and that LVERs must be veterans should remain in effect. Otherwise, LVERs who are veterans are likely to be replaced with more senior non-veterans who in many cases will not be nearly as productive. We also note that some local and state managers may never find it “practicable” to hire disabled veterans for these slots. We believe that this legislation should strike the words “to the extent practicable” and just say shall employ qualified disabled veterans. Like the mandates of federal contractors these positions should be listed to ensure the hiring of qualified disabled veterans, an inch will be stretched to a mile in taking advantage of this loophole.

Local Veterans’ Employment Representative – At one time the LVER positions were dumping grounds for people that couldn’t be fired or lack the necessary training skills to be transferred to their local offices. This should not be allowed to happen again. These positions need to be filled by fully qualified disabled or other veterans.

In regard to the Deputy Assistant Secretary for VETS, VVA believes that there are as many highly qualified (and certainly more accountable) political appointees and there are senior career people in Federal service. If a career person can be appointed to this job as a political appointee and still keep permanent status, that would be acceptable to VVA.

VVA believes that in contracting of any sort by USDOL that the Secretary shall have to make an exhaustive search to find a service disabled veteran owned firm to fulfill the requirements of any and all contracts and subcontracts funded by the entire Department of Labor.

In addition to limiting the percentage of indirect overhead costs on these grants/contracts, VVA urges that the states be accorded direct administrative costs when they can demonstrate that travel and other funds were actually made available and spent by veterans staff.

VVA urges that funds be set aside for individual incentives for DVOP/LVER be set aside for such states who devise a way to award same. If the state agencies can figure out a way to accord managers with incentive/performance bonuses for managers (and virtually all of them

have figured a way to do this routinely), then they can do so for those outstanding line employees who deserve it. Those that don't respond will not have the money made available to them.

VVA urges the Committee to avoid "entered-employment" language, and stick to job placement as the measure of success. It is expensive to assist veterans with significant barriers to employment, such as a service connected disability to get and keep a job, and we should accept that fact. We should not continue to go along with the inflated "body count" game that has been going on for many years, and honestly focus on the service connected disabled veterans (particularly the profoundly disabled), recently separated veterans, and veterans who are "at risk." Such a clear focus should be done in very close cooperation with VA as well as other veteran service entities. Such cooperation and collaboration should include the full time stationing of a DVOP or LVER in each VA Vocational Rehabilitation office, every VA VET CENTER, and at every VA Medical Center. (Incidentally VVA strongly believes that such DVOPs should be outstationed in conjunction with a requirement that there be a full time Compensation & Pension staff member stationed in every VA Medical Center.)

In regard to "core indicators" VVA has no faith in any measurement that we have yet seen devised by USDoL except direct placement. The "measuring" of success by comparing who registers with the state agency with payroll tax records some six quarters later is simply intellectually and otherwise dishonest, serving as a classic example of the "post hoc, ergo propter hoc" fallacy. Even the professor from the University of Maryland who was employed to devise this system admitted as much to the veterans service organizations in a meeting in early 2000.

In regard to the economic impact study, VVA recommends that appropriate input for veterans service organizations be structured into the bill, as well as a requirement that a draft of the request for proposal be submitted to the House and Senate committees at least 60 days before publishing same.

Lastly, VVA strongly urges that an entirely new Section 9 be added to this bill to place certain provisions of Public Law 106-50 (Title 17) into this section of Title 38, to legislatively mandate and authorize the Center for Veterans Enterprise, to ensure additional implementation efforts of P.L. 106-50, and to stress the importance of self employment, "micro-business", and small business in the overall effort to assist disabled and other veterans to secure meaningful work at a living wage, which for many will entail being in one of these categories.

Mr. Chairman, on behalf of all of us at VVA, I thank you for the opportunity to present here today. We would be pleased to answer any questions.

VIETNAM VETERANS OF AMERICA
Funding Statement
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The national organization Vietnam Veterans of America (VVA) is a non-profit veterans membership organization registered as a 501(c)(19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the House of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any federal grant or contract, other than the routine allocation of office space and associated resources in VA Regional Offices for outreach and direct services through its Veterans Benefits Program (Service Representatives). This is also true of the previous two fiscal years.

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Richard F. "Rick" Weidman serves as Director of Government Relations on the National Staff of Vietnam Veterans of America. As such, he is the primary spokesperson for VVA in Washington. He served as a 1-A-O Army Medical Corpsman during the Vietnam war, including service with Company C, 23rd Med, AMERICAL Division, located in I Corps of Vietnam in 1969.

Mr. Weidman was part of the staff of VVA from 1979 to 1987, serving variously as Membership Service Director, Agency Liaison, and Director of Government Relations. He left VVA to serve in the Administration of Governor Mario M. Cuomo (NY) as statewide director of veterans employment & training (State Veterans Programs Administrator) for the New York State Department of Labor.

He has served as Consultant on Legislative Affairs to the National Coalition for Homeless Veterans (NCHV), and served at various times on the VA Readadjustment Advisory Committee, the Secretary of Labor's Advisory Committee on Veterans Employment & Training, the President's Committee on Employment of Persons with Disabilities - Subcommittee on Disabled Veterans, Advisory Committee on veterans' entrepreneurship at the Small Business Administration, and numerous other advocacy posts in veteran affairs.

Mr. Weidman was an instructor and administrator at Johnson State College (Vermont) in the 1970s, where he was also active in community and veterans affairs. He attended Colgate University (B.A., (1967), and did graduate study at the University of Vermont.

He is married and has four children.