



DISABLED AMERICAN VETERANS

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LEGISLATIVE BULLETIN

February 2008

Fiscal Year 2009 Department of Veterans Affairs Budget

The President submitted his fiscal year (FY) 2009 budget to Congress on February 4, 2008. The budget plan contains a total of \$93.7 billion in budget authority for the Department of Veterans Affairs (VA); nearly half of that amount is for mandatory funding for disability compensation, pension, vocational rehabilitation, and education benefits. While the proposal is a welcomed increase from previous years' proposals, the budget submission would also generate \$2.5 billion in new charges which would require some veterans to pay from \$250 to \$750 per year for VA medical services, doubling the prescription copayment, and double billing to collect copayments from certain veterans.

For VA health care, the Administration proposes a budget of \$41.2 billion, an increase of approximately \$2.1 billion over the FY 2008. *The Independent Budget (IB)*, a comprehensive budget policy document co-authored by AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars, recommends \$42.8 billion in funding for veterans' health care for FY 2009. This represents an increase of \$3.7 billion over the projected FY 2008 appropriations level, and it is designed to meet realistic inflation and health care demand increases.

The President's budget submission is also about \$322 million below the IB recommendation for the Veterans Benefits Administration. This recommendation does not appear to be aligned with the Administration's stated goal to adequately address the backlogged compensation claims, the projected number of claims to be filed this year, and the growing complexity of such claims. For nearly a decade VA has struggled to find a way to address claims processing problems and establish a viable long-term claims process.

Moreover, the President's budget would: reduce Medical and Prosthetic Research by \$38 million while the IB recommends and increase of \$75 million to a total of \$555 million; decrease funding for the National Cemetery Administration of about \$14 million while the IB recommends an increase of \$56 million to \$252 million; decrease construction funding by \$876 million and the IB recommends an increase of \$234 million to \$2.14 billion.

The House and Senate Committees on Veterans' Affairs submitted their views and estimates in February 2008, to their respective Committee on the Budget for consideration in formulating a budget blue print known as a budget resolution. The budget resolution provides the framework for subsequent budget related legislative action for taxes and spending such as annual appropriations bills to fund federal agencies like VA. Below you will find a comparison for selected VA accounts:

(In Billions)	FY 2008	President's Request	Independent Budget	HOUSE VETERANS COMMITTEE		SENATE VETERANS COMMITTEE	
				Majority	Minority	Majority	Minority*
Medical Care	\$36.721	\$38.737	\$42.822	\$41.237	\$40.274	\$41.298	
Collections	\$2.414	\$2.467	-	\$2.467	\$2.467	\$2.467	
Research	\$0.480	\$0.442	\$0.555	\$0.555	\$0.525	\$0.555	
VBA	\$1.327	\$1.372	\$1.694	\$1.569	\$1.469	\$1.439	
Construction	\$1.904	\$1.028	\$2.138	\$2.361	\$2.080	\$3.154	

*Senate Committee on Veterans' Affairs views and estimates did not specify funding levels.

While the Senate Budget Committee has yet to mark-up their budget resolution, the House Committee on the Budget approved a FY 2009 budget resolution that would provide VA a total discretionary budget authority of \$47.9 billion. We applaud this increase of \$4.8 billion over the current-year appropriation and \$3.1 billion more than the inadequate level requested by the Administration.

The traditional budget calendar indicates that after the Senate and House passes their respective budget resolutions; Congress produces a concurrent resolution on the budget by mid-April. Subsequently, the House Appropriations Committees begin work in May on the 13 annual spending bills designed to be signed into law before the fiscal year begins on October 1.

The Stand Up For Veterans Initiative

As presented during the 2008 Mid-Winter Conference, members were encouraged to take copies of the "Congressional Pledge to Stand Up For Veterans" during their hill visits for their elected representatives to sign. The pledge involves the members support for legislation to:

- Properly screen and treat the psychological wounds of our veterans.
- Properly screen and treat all veterans who may have suffered traumatic brain injury
- Provide comprehensive support to family care givers of severely disabled veterans
- To make veterans health care funding sufficient, timely, and predictable

To date, we have received six pledges signed by members of Congress listed below. We will post the names of all members of Congress who sign our pledge on our Stand Up For Veterans website at www.standup4vets.org as soon as we receive them:

Rep. Thomas H. Allen (ME-1)
Rep. Shelley Berkley (NV-1)
Rep. Sanford D. Bishop, Jr. (GA-2)

Rep. Ron Kind (WI-3)
Rep. Mike McIntyre (NC-7)
Sen. John D. Rockefeller (WV)

Stand Up For Vets posters were also unveiled during Mid-Winter. Due to the number of inquiries, copies for this new DAV initiative will be made available on-line at www.standup4vets.org and the DAV website at www.dav.org for DAV Departments and Chapters to utilize in their newsletters or for any local advertising; however, any Stand Up For Veteran advertisements *must not be changed without prior approval* from the Office of the DAV National Legislative Director. This office should also be contacted if any DAV Department or Chapter is interested in obtaining copies of the videos created for this initiative.

Progress of this initiative is evident as a comprehensive and bipartisan bill was introduced in the House by Rep. Stephanie Herseth-Sandlin (SD) and Rep. Ginny Brown-Waite (FL-5) that addresses women veterans' needs. H.R. 4107, the Women Veterans Health Care Improvement Act, seeks to expand and improve VA health care services for women who have served in Operations Enduring and Iraqi Freedom (OEF/OIF) as well as from previous wars.

H.R. 5554 is another comprehensive and bipartisan measure recently introduced by Rep. Michael Michaud (ME-2) and Rep. Jeff Miller (FL-1). This bill would expand Substance Abuse Programs in VA, provide equitable allocation of program funding, require an annual report to Congress on these programs and authorize a pilot program to offer web-based options for substance misuse and abuse among returning OIF/OEF veterans, built on the work on the current PTSD web based pilot.

DAV Mid-Winter Conference 2008

The DAV held its annual Mid-Winter Conference at the Crystal City Marriot in Arlington, Virginia. The conference was well attended with over 500 participants who gathered for the planned workshops and seminar. DAV National Commander Robert T. Reynolds presented DAV's 2008 legislative program before a well attended joint session of the House and Senate Committees on Veterans' Affairs on Tuesday, March 4, 2008, to ensure veterans are provided the promised benefits and services they earned through service and sacrifice.

DAV Opposes S. 2674 and H.R. 5509

U.S. Senator Richard Burr (R. N.C.), the Ranking Member on the U.S. Senate Committee on Veterans' Affairs introduced legislation in late February 2008 titled "America's Wounded

Warriors Act,” or S. 2674. Likewise, Congressman Steve Buyer (R. Ind.), Ranking Member on the U.S. House of Representatives Committee on Veterans’ Affairs introduced sister legislation in the House titled the “Noble Warrior Act,” or H.R. 5509. Senator Burr, in a February 2008 press release, stated the legislation “would require VA to replace the current outdated VA rating schedule with a new schedule that takes into account both average loss of earning capacity and loss of quality of life.” Congressman Buyer iterated similar statements regarding H.R. 5509. Each bill creates a new transition system for injured service members *and* creates a new VA disability compensation system.

Senator Burr and Congressman Buyer each tout this new legislation as incorporating major improvements in VA’s compensation system. While the DAV has cautious reservations regarding minor points in the portion of the bills dealing with service members transitioning from the military to VA, the DAV has serious objections to the second portion of the bills that create a new VA disability compensation system. The DAV’s primary objections to this measure are:

- It creates a second compensation system superimposed onto VA’s current compensation system. All newly discharged veterans would be evaluated under the new system, while veterans already receiving benefits under the current system would continue to receive such benefits, until they are involuntarily forced into the new system via new or reopened claims. Once a veteran is compensated under the new system, he/she would be unable to revert to the old system. Also, there are no protections for ratings in effect for 20 or more years in the new system. We believe this transformation would overwhelm VA’s claims process.
- It lures veterans into the new system by compensating them for loss of quality of life, while refusing to compensate veterans in the current system for loss of quality of life.
- Once in the new system, veterans are subject to scrutinizing reexaminations indefinitely, or until a physician directs VBA that additional examinations are no longer necessary.
- It directs VA to reduce a veteran’s disability rating upon showing of improvement, but also directs VA to reduce a veteran’s disability rating based on a change to the rating schedule *since* last examination. Essentially, VA could reduce a rating wherein no change in condition occurs but rather a change in the Rating Schedule occurs, or could *drastically* reduce a rating based on change in condition *and* change in Rating Schedule. This type of constant threat to one’s benefits will serve as a constant force of instability and disruption to veterans’ lives.

The foregoing will result in VA never being able to close a veteran’s case via stability *until* directed by VHA physicians. Because VA will only be able to close a small number of cases, the claims backlog will grow exponentially year after year. These perpetual claims will eventually lead VA’s claims backlog to a point of no return.

- It removes VA’s authority over the Rating Schedule and gives the authority to Congress thereby allowing Congress to determine which disabilities will be ratable. There are many disabilities, such as hemorrhoids and flat feet, that some in Congress would rather see removed from VA’s Rating Schedule, thereby prohibiting veterans from receiving compensation for those disabilities, or any residual thereof.
- It links *compensation* for service-connected disabilities to *treatment* for service-connected disabilities.
- It removes the 20-year protection on disability ratings, even for those *already protected*, and prevents anyone else from gaining protection of ratings.

Contact your Senators and Representatives today and urge them to oppose these bills.

S. 2309, the Compensation for Combat Veterans Act

Amends title 38, United States Code, section 1154(b) to clarify that service treatable as service wherein a veteran “engaged in combat with the enemy,” for utilization of non-official evidence as proof of service-connection for a combat-related disease or injury.

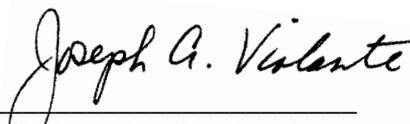
Establishes that a veteran, who served in a combat zone for the purposes of section 112 of the Internal Revenue Code of 1986, or a proceeding law, shall be treated as having engaged in combat with the enemy.

This bill is currently pending in the Senate Committee on Veterans Affairs. Chairman Akaka has indicated that he would like to move the bill out of Committee this year for consideration by the full Senate.

Conclusion

As always, your support of DAV’s legislative goals is appreciated. Your hard work and efforts on behalf of our nation’s service-disabled veterans have not gone unnoticed by Members of Congress. Substantial increases in VA’s funding levels last year and the proposed increases for this year are the direct result of your efforts.

Thank you for all that you do to advance DAV’s noble cause of building better lives for America’s service-disabled veterans and their families and survivors.



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