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Mr. Chairman and Members of the Committee:

I am pleased to offer testimony on behalf of American Veterans (AMVETS) regarding pending benefits legislation before this Committee.

Last October, AMVETS hosted the "National Symposium for the Needs of Young Veterans" in Chicago, Illinois. More than 500 veterans, active duty and National Guard and reserve personnel, family members, and others who care for veterans examined the growing needs of our returning veterans. The Symposium findings revealed the need to better assist returning veterans transitioning to the civilian sector through improved education benefits, and employment training.

Mr. Chairman, following the first Persian Gulf War, Congress enacted legislation that provided for the presumption of service-connection for a veteran's unexplained illness. AMVETS believes that veterans should be given the benefit of the doubt when trying to establish a service-connected injury or illness. This legal concept is codified in Title 38 Code of Federal Regulations, chapter 3, paragraph 3.102 that is generally referred to as "the benefit of the doubt rule." This is especially true for combat veterans and prisoners of war.

There appears to be some diseases and illnesses, to include multiple sclerosis, that have a higher reported incidence among the veteran population than non-veterans, but there is no clear medical evidence to support a service-connected condition at this time. AMVETS Service Officers have unofficially reported a higher percentage of multiple sclerosis diagnosis among Air Force veterans than any other group of veterans for claims that they process. The Secretary of Veterans Affairs has the authority to review certain illness and diseases for certain groups of veterans and make recommendations based on the findings. Despite this authority, it is a long and time-consuming process. In the past, Congress has mandated the presumption of certain conditions and AMVETS supports these efforts where applicable.

Over the last ten years, there have been significant improvements to Montgomery GI Bill (MGIB) education benefits. Both the House and Senate Veterans' Affairs Committees were at the forefront in raising the educational stipend to an acceptable level. Unfortunately, payments to colleges on behalf of our veterans are taking longer to process. In some cases payments are

taking so long that it causes a financial hardship to the veteran and the veteran's family. Congress must take steps to provide funding to the VA to ensure adequate staffing and adequate technological improvements so that payments are approved, processed, and disbursed within 35 days of receipt of the appropriate documentation

AMVETS supports several modifications to the current Montgomery GI Bill education program to include elimination of the \$1200 member contribution. AMVETS would also like to see accelerated benefits payments for fields other than those leading to "high technology" employment. Many work related training programs that require licensing or certification are short-term in duration, but are time intensive. These types of training programs also generally require upfront payment of tuition or fees.

AMVETS also believes that Congress should eliminate the time period that veterans must use their MGIB benefits. Transitioning from the military can be a very difficult process. This is especially true for married personnel and those with families. The top priority for these veterans is finding employment and a place to live. Many veterans opt to return to their home of record and later find that meaningful employment opportunities are in other geographic locations that require another move. By the time many of these veterans settle into a career and begin the college testing, application and acceptance process, they are near the ten-year time limit requirement. This process is further complicated for combat veterans that may be experiencing mental or health problems, or other types of general readjustment problems.

In addition, AMVETS believes that MGIB benefits should be excluded from being considered as income for purposes of determining eligibility for education grants or student loans. In essence, many veterans are being penalized for earning a benefit that many other grant or loan applicants opted not to earn. Overall, Congress must ensure that this program is capable of maintaining parity, in a timely manner, with the rising costs of a college education and also in keeping pace with the trends in how students earn or receive an education.

One of the biggest problems facing our service members today is civilian employment. Despite some of the best technical training and years of aggressively using their military occupational skill sets, civilian licensing and certifying agencies may not certify or license a veteran without additional training and education. We would like to thank the House and Senate Veterans' Affairs Committees for including language in Public Law 109-461 that authorized a pilot program within the Office of the Assistant Secretary for Veterans' Employment and Training (ASVET). Overall, AMVETS fully supports efforts to improve the business practices between the Department of Veterans Affairs and the State Approving Agencies for education and training programs.

Mr. Chairman, AMVETS has been a vocal critic of both the Department of Defense and the VA with regards to seamless transition. AMVETS fully supports efforts by both departments to continue to better coordinate and share resources, where applicable. AMVETS supports efforts to fund adaptive housing grants and other insurance benefits for active duty personnel.

Public Law 106-117 required VA to contract for an independent study on improvements to veterans' cemeteries. Overall, VA provided this Committee three volumes as part of the Study on Improvements to Veterans Cemeteries. AMVETS fully supported the Study on Improvements to

Veterans Cemeteries and believes it serves as a valuable planning tool for VA and Congress in establishing standards and priorities with regards to VA national cemeteries.

In accordance with the above mentioned independent Study on Improvements to Veterans Cemeteries, AMVETS continue to recommend that Congress establish a five-year, \$250 million "National Shrine Initiative" to restore and improve the condition and character of NCA cemeteries. Enacting a five-year program with dedicated funds and an ambitious schedule, the national cemetery system holds the potential to fully serve all veterans and their families with the utmost dignity, respect, and compassion.

Mr. Chairman, AVMETS fully supports authorizing VA to reimburse the cost of a private headstone or a marker that was not supplied by VA, up to the cost of a government headstone or marker. There has also been serious erosion in the value of the burial allowance benefits over the years. In 2001 the plot allowance was increased for the first time in more than 28 years, to \$300 from \$150. AMVETS, along with its other partners in the Independent Budget recommends increasing the plot allowance from \$300 to \$745, an amount proportionally equal to the original benefit.

In the 108th Congress, the burial allowance for service-connected deaths was increased from \$500 to \$2,000. Prior to this adjustment, the allowance had been untouched since 1988. AMVETS, along with its Independent Budget partners, recommends increasing the service-connected burial benefit from \$2,000 to \$4,100, bringing it back up to its original proportionate level of burial costs. The non-service-connected burial allowance was last adjusted in 1978, and we recommend increasing the non-service-connected burial benefit from \$300 to \$1,270.

AMVETS believes it is also grossly unfair for disabled military retirees to forfeit a dollar of their retirement pay for every dollar they receive in VA disability compensation. A disabled veteran who has served this country for 20 years should not be penalized for choosing a military career over a civilian career. In fact, no other category of federal employee faces the same restriction on disability and retirement pay. Again, because of action by some on this Committee, Congress has enacted legislation to incrementally correct this inequity. We thank you for these past efforts and we would urge this Congress to fully enact concurrent receipt legislation.

The Department of Veterans Affairs (VA) claims backlog is a relatively old issue that is complicated and multi-faceted. Currently, the backlog is way over the 600,000 mark and it continues to grow at a rapid rate. Rather than making headway and overcoming the chronic backlog, VA has lost ground on the problem. By VA's estimates, over 263,000 Operation Enduring Freedom (OEF)/Operation Iraqi Freedom (OIF) veterans will seek VA services; most of them will want to file a claim. Secretary Nicholson has said that reducing the backlog is one of VA's highest management priorities.

The reasons for the claims backlog are many - veterans repeatedly filing claims, a lack of quality control, misplaced or lost documentation and a lack of staffing. Overall, AMVETS believes that a lack of quality control is central to this issue. VA must establish a long-term strategy focused on attaining quality and not merely achieving quotas in claims processing. Veterans Benefits Administration (VBA) can greatly reduce the backlog by hiring more staff, initiating quality training programs, and most importantly, instituting an accountability program.

Despite years of collaboration on a single separation physical and the development of the Benefits Delivery at Discharge exam (BDD), the Department of Defense (DOD) and VA still conduct separate separation physicals and separate compensation and pension exams. Furthermore, separation physicals are still not mandatory. Congress should require the DOD to conduct mandatory separation physicals and also require DOD to utilize the BDD that was jointly developed and agreed to by both agencies. The effective Benefits Delivery at Discharge joint physical was successfully demonstrated from 1995 through 1998 and still isn't universally adopted.

AMVETS would encourage the VA to expand the practice of putting adjudication officers in VA offices aboard active duty military bases. For example, VA has an office aboard Camp Lejeune, NC. The office is staffed with qualified contract medical personnel and full-time VA claims adjudicators. Separating servicemembers are provided compensation exams on base. Many claims are adjudicated and issued a temporary rating decision pending receipt of a DD-214. Once discharged, many new veterans are receiving compensation and disability benefits within 30 days of final release from active duty.

The claims backlog has spanned several Administrations and it is clear that the VA is either unwilling or unable to resolve this issue. While veterans, the VSOs, the VA and the Congress all share responsibility for this debacle, what is very clear is that congressional intervention is now necessary. It is also very clear that the Department of Defense (DOD) has been absent in sharing responsibility for the backlog of VA claims. DOD must be forced to comply with congressional interv with regards to seamless transition. If Congress does not intervene, the system will fail.

AMVETS believes that a review of claims backlog legislation would be incomplete without a discussion of Congress' authorization of private attorneys to access VA and charge veterans for representation in veterans' disability claims. The Veterans Benefits Administration has indicated allowing attorneys to represent veterans will only complicate and lengthen the resolution of veterans' disability claims. Despite these findings, Congress ignored the recommendation of VA and the VSOs and passed legislation to allow private attorneys to represent veterans during the claim process.

AMVETS has 58 National Service Officers located across the country whose sole job is to aid veterans with their claim. We do provide - free of charge - a more thorough and complete representation for veterans and their families. We do not have any financial interests in a claim, and our National Service Officers know the Veterans Benefits Administration system. Recently, the Board of Veterans Appeals released its Fiscal Year 2006 Report. Out of the major VSOs, AMVETS has the lowest numbers of appeals submitted. Ultimately the report proves that organizations like AMVETS are filing well-developed and meaningful claims. Allowing attorneys to represent veterans will most likely complicate the process by legal maneuvering in lieu of good sound claim development. AMVETS asks that this Committee review its decision, and rescind this law.

AMVETS firmly believes that service-connected disabled veterans should receive fair, timely, and appropriate compensation for their injuries. We fully support initiatives that would raise the rates of veterans' compensation to keep pace with the rising cost-of-living in this country or

efforts to automatically increase veterans' disability benefits each year by the Consumer Price Index (CPI), without an act of Congress.

AMVETS also recognizes the sacrifices that the Merchant Mariners made in service to the nation during World War II. We have a resolution that supports efforts to provide Merchant Mariners benefits. We do however; have serious concerns about the cost and how it would impair VA's ability to provide the benefits it already manages. AMVETS would be strongly opposed to funding benefits for this group of veteran at the expense of other veterans.

Mr. Chairman, on December 19, 2003, the President of the United States Public Law 108-189, the Servicemembers Civil Relief Act. This law completely rewrites the Soldiers and Sailors Civil Relief Act of 1940, expanding many of the previous law's civil protections. Overall, the law will allow military members to suspend or postpone some civil obligations so the military member can devote his or her full attention to military duties. It is designed to protect active duty military members, reservists who are in active federal service, and National Guardsmen who are in active federal service. AMVETS support modifications and updates to the law when applicable.

Mr. Chairman, this concludes my testimony.