

Opening Statement by Ranking Member Senator Daniel K. Akaka

I extend a warm welcome to the Secretary. Less than one month ago, you stood before this Committee at your confirmation hearing. Today, you are called upon to present and to defend the President's budget for VA. I look forward to a good discussion with you and with the veterans groups represented.

This budget is presented as "the best we can do in a tough financial climate." In my view, especially in this time of war with so many competing demands, we can and should do much, much better.

I have a number of concerns that I will discuss today and will work on in the weeks ahead as we seek to shape the Department's budget for next year. There is much in this budget that is misleading. What we seem to have is agreement on a certain level of funding but not a commitment to appropriate that amount.

Let me say at the outset that our starting point on the health care side makes our work especially difficult. There can be little doubt that the proposed funding for medical care is below the amount needed to fund current services — let alone to improve mental health and long-term care. And it is certainly not enough to provide the best care for returning servicemembers.

Rather than providing sufficient funding, this budget calls upon veterans to shoulder the costs. We are presented with recycled proposals to double the drug copayment and to charge a yearly enrollment fee for veterans who simply want to use VA care. Let me set the record straight about the types of veterans who would be shouldering these costs. These veterans are not "affluent," as they have been described. They are veterans living in states like Hawaii — where the cost of living is one of America's highest. We are talking about veterans making as little as \$26,000 a year.

The proposed cuts to long-term care are especially troubling. The Administration not only intends to freeze grants for the construction of State Veterans Homes but to cut the daily funding for these homes. The State Home program has been described by Members of both parties as incredibly cost-effective. Still, we have an idea on the table that imperils the very existence of these homes.

The President's solution to making room for returning servicemembers is to literally force other veterans out of the system. This is shortsighted, as the proposed cuts will surely affect Iraq and Afghanistan veterans once the two-year window of automatic VA care closes. Because of the punitive proposals in the budget and the fact that two years is simply not enough time for guaranteed VA care, I will be working to extend the time period for automatic VA care. Many health problems that can result from service don't surface until many years later, including Post-Traumatic Stress Disorder and other mental illnesses.

With regard to the VBA budget, the additional 112 compensation staff are a one-year only increase. VA has stated that it will look for solutions if workload rises higher than the 3 percent estimated. I am hopeful that VA can manage an increased workload from Benefit Delivery at Discharge claims, possible legislation, or court decisions, but would urge caution because we have seen in the past that VA does not always absorb changes in law and new business processes

without going into a nose dive. I will continue to monitor VA's workload and rating output because our veterans deserve nothing less than their claims rated accurately and in a reasonable amount of time.

Again, welcome to all of you here today. I look forward to our work on behalf of the nation's veterans in the weeks and months ahead, as the Committee continues in our efforts to get a much better FY 2006 budget for veterans programs.