

Chairman Daniel K. Akaka

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OPENING STATEMENT
Hearing on the FY 2011 Budget for Veterans' Programs
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A strong VA budget moves beyond the rhetoric of supporting veterans and provides actual support, by providing the funding to make VA's programs work. The President's budget for VA for the next fiscal year is a strong one. Although many agencies are facing budget cuts, I am pleased that the VA budget - critical for meeting the health care and benefit needs of so many of this Nation's veterans - is increasing. Many of the initiatives in the President's budget request, such as the commitment to end veterans' homelessness and increase staffing to help eliminate the claims backlog, are designed to make responsible investments now in order to reduce future spending.

The President has requested a budget for VA of \$125 billion, including a total discretionary request of \$60.3 billion. For Fiscal Year 2011, the Administration is requesting \$51.5 billion in resources for VA medical care, including collections. This funding level is an increase of \$4.1 billion over Fiscal Year 2010 levels. It is a good thing, too, since for the first time the number of patients is predicted to exceed 6 million. With this budget, we also see the fruits of our labor in passing the Veterans Health Care Budget Reform and Transparency Act. We have before us a budget that includes a funding request for VA medical care into Fiscal Year 2012.

Last year, both President Obama and Secretary Shinseki stated their commitment to ending homelessness among veterans. This is a commitment I share. With VA's objective to meet this goal in five years, it is encouraging to see that this budget calls for nearly \$800 million in additional spending for homeless veteran programs. This represents a significant effort by VA to reduce the number of homeless veterans and prevent those "at risk" from becoming homeless.

The Administration is also requesting nearly \$1.75 billion for construction programs. This includes the cost of initiatives designed to help VA better manage its physical infrastructure. I am pleased to see that VA continues to make health care more accessible for veterans living in rural areas.

On the benefits side of the ledger, timely and accurate adjudication of disability claims and appeals remain a significant problem. I know that the President and Secretary Shinseki are committed to addressing this issue, and I am pleased by the proposal to add significant staff and resources to that effort. The President's budget responds to the rapid rise in the number of disability claims being filed by veterans, and prepares for an increased workload due to the recent extension of new Agent Orange presumptive conditions. I hope to hear from VA, in detail, how it intends to handle these workload increases.

We must be candid about the backlog: it appears that this situation will get worse before it gets better. It can take years for new staff to become skilled at processing complicated claims, and technology and pilot programs can only do so much in the short term. VA must be able to absorb

new court decisions, changes in legislation and regulation, and other unforeseen events so that when new circumstances arise, the system is not paralyzed.

I am encouraged that the Administration has included what it believes will be adequate resources to continue to press forward with the prompt and accurate delivery of education benefits under the new GI Bill. I know that there have been some difficult moments over the last several months but I believe that VA has made progress toward improving the payment delivery process. I will continue to do whatever I can to help in this area.

I look forward to working with my colleagues on the Committee and in Congress, the Executive Branch, and leaders from the veterans' community, to adopt a viable budget for veterans and for the system designed to serve them.

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