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STATEMENT OF

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BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

WITH RESPECT TO

VETERANS' BENEFITS LEGISLATION AND OTHER MATTERS

MAY 9, 2007

MR. CHAIRMAN AND MEMBERS OF THIS COMMITTEE:

On behalf of the 2.4 million members of the Veterans of Foreign Wars of the U.S. (VFW) and our Auxiliaries, I would like to thank you for your invitation to testify at today's important hearing on veterans' benefits legislation.

S. 117, the Lane Evans Veterans Health and Benefits Improvement Act of 2007

The first bill under discussion today is S. 117. This bill aims to improve VA and DOD transitioning efforts by increasing outreach services available to our guard and reserve members and requires comprehensive reporting by the Departments of Veterans' Affairs, Labor and Defense with respect to Global War on Terror (GWOT) veterans.

VFW applauds Section 104 of this bill which would enhance outreach services for National Guard and Reserve members as they are deactivated from service. Currently there are over 80,000 guard and reserve members mobilized in the GWOT. Unlike their active duty counterparts, upon demobilization many receive abbreviated transition assistance and are without a support system able to guide them through the maze of VA benefits. This will help to alleviate some of the burden facing those trying to adjust back to civilian life.

The VFW supports Title II which deals with reports on effects of the Global War on Terrorism. By requiring comprehensive reporting from all of the stakeholders (VA, DOD and Labor) you will ensure that proper oversight and planning is in place to take care of the changing needs of those brave soldiers returning home from war.

S. 168, legislation that would direct the VA to establish a national cemetery in the Pikes Peak region of Colorado

The VFW supports S. 168. Colorado's fifth Congressional district contains the highest concentration of military retirees in the nation and has as many as 175,000 veterans residing in the area. The VFW Department of Colorado along with many military groups in southern Colorado have actively supported the building of a national cemetery to serve those who wish to have their final resting place in this region. The VFW urges the Committee to move quickly on this legislation to enable this project to be completed in a timely manner.

S. 225, a bill to expand the number of individuals qualifying for retroactive benefits from traumatic injury protection coverage under Service Members Group Life Insurance

The VFW strongly supports S. 225. From inception the VFW has supported the Wounded Warrior Bill as a way to provide immediate financial assistance for those severely injured service members and their families. This legislation would provide those not included in the original legislation a chance to receive equal payment for their serious injuries by allowing all injured service members who served between October 7, 2001 and December 1, 2005 to be eligible for TSGLI payments irrespective of where their injuries occurred. We applaud this change and agree that all injured service members, those inside and outside the combat theatre, should be treated equally when it comes to benefits afforded them.

S. 423, the Veterans' Compensation Cost-of-Living Adjustment Act of 2007

VFW also supports S. 423, legislation that would provide a cost-of-living adjustment to compensation, clothing allowance, and dependency and indemnity compensation (DIC) rates for veterans and their families. Maintaining the purchasing power of these benefits for service-connected veterans, their dependents, and survivors is very important, especially to those who have limited or no other sources of income.

S. 526, the Veterans Employment and Training Act of 2007

This legislation seeks to increase the types of education programs eligible for accelerated payments under the GI Bill. Currently, only education programs in the high technology industry qualify, allowing GI Bill recipients to receive-lump sum payments for computer training and electronics repair. The proposed expansion of eligible programs would include the fields of transportation, construction, hospitality, and the energy sector.

Enhancing the GI Bill has long been a high priority for the VFW. This bill would expand the application of accelerated payments based on today's economic needs. While supportive of this bill, we are concerned that it will dramatically increase the number of "schools of training" seeking veterans as their clients. With this increase we expect many will be reputable, seeking accreditation to earn GI Bill dollars, but also impacting the VA's need for greater oversight of the accreditation process. Also, with the wealth of new schools seeking veteran clients, we remain fearful that valuable education benefits may be squandered on less than reputable businesses squeaking through without proper vetting. We urge caution in considering this expansion of eligible schools of training.

S. 643, the Disabled Veterans Insurance Act of 2007

VFW supports the next bill under consideration today, S. 643. This bill would increase the amount of insurance a disabled veteran can purchase under Service-Disabled Veterans Insurance from \$20,000 to \$40,000. Many disabled veterans have difficulty purchasing commercial life insurance and are only able to purchase insurance through VA's insurance benefit program. This increase is long overdue and will provide some peace of mind for our disabled veterans seeking more coverage.

S. 698, the Veterans' Survivors Education Enhancement Act of 2007

This act would increase the maximum amount of GI Bill benefits available for eligible veterans' survivors and dependents from the current \$788 a month, paid over 45 months equaling \$35,460, to \$80,000 total. It allows the benefit to be used for special restorative training, apprenticeships, on-the-job training, and tutoring assistance. And it allows survivors and dependents to draw the benefit until their 30th birthday, extending the usage age from 26th birthday.

We deeply respect the loss, challenge and pain survivors and dependents suffer. Benefits paid to widows/widowers and orphans grant a degree of security when faced with the sudden loss of a loved one. The VFW fully supports enhancement of educational assistance for survivors and dependents of veterans, but we also feel the benefit should move in tandem with the education benefit available to the chapter 38 active duty GI Bill.

The current chapter 38 active duty GI Bill benefit total is approximately \$37,000 and the survivors education benefit is approximately \$35,500; thus giving some relative parity in the two benefits. S. 698 would award survivors twice the earned benefit available to active duty troops. The VFW views such a dramatic increase as creating an unfortunate inequity.

S. 847, a bill would extend the period of time during which a veteran's multiple sclerosis is to be considered to have been incurred in, or aggravated by, military service during a period of war

VFW supports S. 847. Multiple Sclerosis (MS) is an idiopathic inflammatory disease of the central nervous system with subtle symptoms at onset and periods of remission. It is often very difficult to diagnosis. Consequently, many individuals may not seek medical care until months or years after the initial symptoms appear, as many of the symptoms come and go and often are not related to each other. Because the course of the disease is variable and uncertain, it may take years for a doctor to recognize the symptoms as those of MS. By allowing for an open extension of presumption of service, you will be including those veterans who may not have been correctly diagnosed with this debilitating disease before time under the law has run out.

S. 848, the Prisoner of War Benefits Act of 2007

The purposed changes in this bill repeal the 30-day requirement for former prisoners of war to file for presumptive disabilities related to their captivity. It also creates a flexible law giving the Secretary of Veterans Affairs the authority to add or remove presumptive disabilities on the public registry based on medical science. The Advisory Committee on Former Prisoners of War will review and recommend all proposed decisions by the Secretary.

Many ailments, injuries, and diseases incurred or aggravated by captivity may not manifest themselves until many years after discharge from service. The law must allow flexibility to keep pace with the ever-changing nature of war and advances in medicine. For example, presumptive disabilities like that of Type II diabetes and its links to Vietnam and defoliation agents were not discovered until many years after the end of the conflict. This legislation is a sound attempt to stride the chasm between medical science and law.

VFW supports S.848, which would provide improved benefits for veterans who are former POWs. We especially applaud the repeal of the 30-day minimum period of confinement prior to presumption of service-connection for certain listed diseases for purposes of payment of veterans' disability compensation. By eliminating the 30-day minimum period so that eligibility starts from the moment of capture, those POWs who have been held for shorter intervals but have certainly suffered most of the same physical and psychological trauma as other POWs will be eligible for compensation.

S. 961, the Belated Thank You to the Merchant Marines of World War II Act of 2007

This bill seeks to expand the current dates of service for WW II Merchant Marines who are recognized as veterans, and to pay a \$1,000 monthly benefit to these WW II Merchant Marines or to their surviving spouses. The VFW recognizes the heroic service of Merchant Marines during WW II. Their sacrifices and heroic efforts were instrumental in winning WW II. We cannot, however, support this legislation to pay a monthly benefit, which would be in addition to any current veterans' benefit that would be otherwise payable. We believe that this payment would be disproportionate, in terms of recognition and benefits, to what other veterans who have gone in harm's way in service to the country currently receive.

With regard to their service as Merchant Marines, and the proposal that they should be recognized for this Merchant Marine service in addition to being recognized as veterans, or for a period extending beyond the currently recognized dates of WW II, the VFW has not taken a position on this matter.

S. 1096, the Veterans' Housing Benefits Enhancement Act of 2007

This legislation would provide VA housing and automobile grants to service members and veterans with burn injuries and those with traumatic brain injuries (TBI). S. 1096 broadly impacts the existing grant program by including these new types of injuries, but it also adds a reporting requirement with the intent of tracking the types of adaptations needed specifically in regard to TBI. So much is unknown about the long-term effects of this injury that every effort to document and track the nature of this injury should be made. We believe that adaptive housing and automobile grants should be awarded to disabled veterans based on the nature of their injury. The VFW supports S. 1096.

S. 1163, the Blinded Veterans Paired Organ Act of 2007

VFW is happy to support S. 1163, legislation that would improve compensation and specially adapted housing for veterans who have impairment of vision involving both eyes and allow the use of the National Directory of New Hires for income verification purposes.

S. 1215, legislation to extend and improve certain authorities of VA

VFW supports S. 1215. We are happy to see funding for State Approving Agencies (SAAs) increased to \$19 million instead of the previous cap of \$13 million. SAAs work side-by-side with VA in administering its education program. The funding will be well spent in monitoring educational and vocational training programs chosen by veterans. We also applaud the section of the bill that extends the amount paid for institutional training for full-time students to the current 85-percent rate and allows those veterans who wish to use their on-the-job or apprenticeship training to become claims adjudicators. VBA is in desperate need of employees who are dedicated to the needs of veterans, and who better to understand the process than those who have lived it?

We also support the inclusion of Global War on Terrorism veterans with respect to DOL Veterans Employment and Training reports on employment and unemployment statistics. Remaining vigilant as to employment trends is a critical oversight tool in helping to ease the transition process of today's servicemen and women.

S. 1261, the Montgomery GI Bill for Life Act of 2007

The Montgomery GI Bill (MGIB) has opened the door to higher education for millions of Americans. This bill seeks to eliminate time limits that often prevent service members from using a life-altering benefit when they need it the most. S. 1361 would eliminate the post-service 10-year time limit for the active duty MGIB and the in-service 14-year time limit for guard and reservists. Time limits prevent service members from seeking training and education later in life or at mid-career milestones. The VFW supports the life-long career approach to the benefit. If a service member has earned the benefit, why prevent them from using it?

Many service members seek education and retraining later or at mid-career. This helps them adapt to the ever-changing economy, transitioning from fields that may offer more job security. Also, many younger veterans and service members have family obligations that prevent them from seeking an education early in life. The VFW supports S. 1261 and the repeal of time limits on the GI Bill.

S. 1265, legislation to expand eligibility for veterans' mortgage life insurance (VMLI) to include members of the Armed Forces receiving specially adapted housing assistance from VA

VFW supports S. 1265. Current law allows those medically retired service members to receive VA specially adapted housing benefits before leaving service but does not provide the same eligibility under the VA insurance program. This legislation closes that gap and allows those who may have difficulty getting commercial insurance the opportunity to receive reasonable coverage under VMLI.

S. 1266, the Veterans Dignified Burial Assistance Act of 2007

VFW supports S. 1266. Current law allows a veteran who is not buried in a national cemetery, a plot allowance of up to \$300. VFW has long supported legislation that will increase the burial

plot allowance as recent increases have not keep pace with the cost of purchasing a final resting place for those who honorably served our nation. As co-author of the Independent Budget (IB), we have strongly advocated increasing the burial plot allowance. We believe an increase to \$400 is a good place to start but would like to see the amount closer to the IB recommendation of \$745.

We also support the bill's intent to increase grants for state cemeteries to help with operational and maintenance costs and the provision which waives the two-year limitation on burial of remains of veterans located in a state veterans' cemetery. Preserving the dignity of our national cemeteries and those buried in it is the right thing to do

Draft Bill, the Post-9/11 Veterans Education Assistance Act of 2007

This legislation enhances military strength while providing a service member's education benefit to aid in transition assistance and equips a generation of veterans to face the challenges of tomorrow. We have long advocated a GI Bill in the spirit of the original WW II bill, which would cover tuition, housing, fees, books, and provide a cost-of-living stipend. This legislation accomplishes these goals and more. It recognizes the tens of thousands of guard and reserve members who have actively served an aggregate of 24 months defending our nation. It lengthens the post-service usage period from 10 to 15 years from date of discharge and establishes a post-service benefit for the guard and reserve.

The original GI Bill helped to create the middle class by improving access to education and creating an unprecedented number of opportunities for millions of Americans. It has eased the transition from active duty into civilian life for millions of veterans while equipping its recipients with the tools to adapt to the ever-changing marketplace. The Department of Defense has long used the GI Bill to recruit and retain high quality personnel. The GI Bill has profoundly improved our military's strength and the quality of life for all of its recipients. The VFW enthusiastically supports this bill.

Draft Bill, the Disabled Veterans Insurance Improvement Act of 2007

VFW also supports draft legislation entitled the Disabled Veterans Insurance Improvement Act of 2007. Department of Veterans Affairs (VA) insurance program premiums and coverage do not reflect commercial industry rates, and in many cases are no longer providing the intended benefit for eligible veterans. This legislation will correct that inequity by increasing the Veterans' Mortgage Life Insurance from \$90,000 to \$200,000 and create a new insurance program for veterans with service-connected disabilities. The "new insurance" will update antiquated mortality tables to those used by the commercial insurance industry and allow for coverage up to \$50,000. These provisions mirror IB recommendations for FY 2008 insurance benefits.

Draft Bill, the Veterans' Justice Assurance Act of 2007

VFW also supports draft legislation entitled the Veterans' Justice Assurance Act of 2007. The current backlog of claims at the Board of Veterans Appeals continues to grow at alarming rates. VFW applauds the provisions of this bill which, if enacted, will provide some relief to a burdened veterans' court system. Some of the bill's highlights include repealing term limits and

allowing judges who have pending nominations before the Senate to serve in office while the process plays out. These necessary changes, as well as recalling retired judges at equal pay to current judges, will all contribute positively to the current situation and help to move some veteran's appeals forward.

S. 1290, a bill impacting the funding and reporting of State Approving Agencies (SAA).

This bill would overhaul the funding and reporting mechanism for the SAAs. It would help to eliminate redundant procedures, further the flexibility of VA, and improve accountability for the SAAs. The bill would require improved coordination between the VA and SAA, the Department of Education, Department of Labor, and other entities to reduce overlapping functions. It would ultimately change the funding structure for SAAs by allowing up to \$19 million per year for SAAs: \$13 million derived from mandatory funding and \$6 million in discretionary funding.

The VFW has no objection to this bill.

S. 1293, the Veterans' Education Improvement Act of 2007

This legislation would expand accelerated payments for the existing GI Bill programs to allow funding for any short-term, high-cost school. The bill would also allow Guard and Reserve members and veterans' surviving dependents to use accelerated payments as part of their education benefit. S. 1293 would also allow Guard and Reserve members to qualify for the 80-percent GI Bill rate, under chapter 1607 Reserve Education Assistance Program (REAP), with an aggregate of three years of service. This is a change from the required two years of consecutive service. The bill further extends a \$600 "buy-up," similar to the active duty "buy-up," for Guard and Reserve troops eligible under REAP; awarding them an additional \$150 a month over the life of their GI Bill.

S. 1293 is an excellent step toward resolving inequities between military service and earned benefits, specifically when examining the Guard and Reserve. The VFW agrees with changing the administrative benefit qualifier Guard and Reserve GI Bill from consecutive service (a service member's longest tour) to an aggregate service (counting every month activated). However, the goal of fairly administering this benefit may be better served by considering a purely equitable benefit, such as: one month of full-time MGIB for every month a Guard or Reserve member serves activated.

In expanding the number of eligible 'schools of training' in receipt of accelerated payments, we think it reasonable to assume there will be an increased use of this benefit. The caps S. 1293 places on the education benefits: three million for Active Duty recipients, two million for Guard and Reserve Chapter 1606 recipients, and one million for Guard and Reserve Chapter 1607 recipients may be too low to meet the actual demand. This would be especially true if these caps were based on a previous year's usage levels of the benefit for only one area of training, technology. The VFW would advise increasing the caps to allow funding for all individuals seeking to draw this benefit.

We support this legislation and the spirit guiding these changes; however we ask that Congress consider the full impact of these changes.

Draft Bill, the Comprehensive Veterans Benefits Improvement Act of 2007

VFW supports the Comprehensive Veterans Benefits Improvement Act of 2007. This legislation mirrors FY 2008 Independent Budget recommendations in the areas of compensation and pension, insurance, burial, housing and vocational rehabilitation benefits. The improvements made by this legislation would go a long way toward updating and correcting inequities across the range of benefits and services offered veterans. We urge Congress to enact this legislation quickly.

VFW strongly supports this legislation, which would expand eligibility for government markers for marked graves of veterans at private cemeteries. Public Law 107-103 included a provision to allow VA to furnish headstones or markers for veterans buried in private cemeteries as long as the death occurred on or after September 11, 2001. The law does not include veterans who died before that date.

Congress has endorsed restoring the right of every veteran to receive a grave marker that recognizes and pays tribute to their service from a grateful nation. This legislation would amend the current law and include those veterans who have died since November 1, 1990. VFW Resolution 627 calls on Congress to correct this inequity and allow those who died between November 1, 1990 and September 10, 2001 to be honored with a government headstone or marker.

Draft Bill, the Service Members' Cellular Phone Contract Fairness Act of 2007

VFW supports the Service Members' Cellular Phone Contract Fairness Act of 2007, legislation that would amend the service members Civil Relief Act by providing relief for service members with respect to contracts and cell phone fees for cellular phone service. Most cellular phone contracts require a term of two years or more for service provided.

If a contract is cancelled before the service has ended, hundreds of dollars in termination fees are collected. Many of our service members are deployed to areas where cell phones are of no use and cannot be activated. Most service providers will not suspend a contract while soldiers are deployed. Our soldiers should not have to pay a provider for termination or monthly fees on a contract for a service they cannot use. Passing this legislation is the right thing to do.

Draft Bill, the Veterans Outreach Improvement Act of 2007

The VFW supports the Veterans Outreach Improvement Act of 2007. This bill aims to improve outreach activities within the Department of Veterans Affairs (VA) by coordinating the efforts among the offices of the Secretary, Public Affairs, Veterans Health Administration, Veterans Benefits Administration and the National Cemetery Administration.

In order to increase effectiveness of VA outreach, it directs the Secretary to establish a grant program for state veterans' agencies by providing funding under Section 561 of Title 38, C.F.R. for state and local outreach services available to veterans.

The VFW has always encouraged and supported increased awareness of benefits and services provided by VA to veterans. We believe that all veterans and their survivors should have access

to up-to-date information about services and benefits for which they may be eligible. However, since success of this initiative will result in increased claims submissions to VA, we urge that funding for VBA adjudication keep pace with increases in the number of claims filed as a result of greater outreach at the local level. We also encourage substantial outreach efforts at the local and state level be made on behalf of National Guard and Reserve members and would like to see additional language which specifies oversight by Congress regarding use of funds granted to state and local governments who perform outreach services, to ensure that these funds are being spent properly.

Draft Bill, the Iraq and Afghanistan Veterans Mental Health and Advocacy Act of 2007

VFW does not support the draft legislation entitled Iraq and Afghanistan Veterans Mental Health and Advocacy Act of 2007 as written.

Mr. Chairman and members of the committee, this concludes the VFW's testimony, I would be happy to answer any of your questions. Thank you.