

RAYMOND C. KELLEY, NATIONAL LEGISLATIVE DIRECTOR, AMVETS

STATEMENT OF

RAYMOND C. KELLEY
AMVETS NATIONAL LEGISLATIVE DIRECTOR

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

CONCERNING

THE INDEPENDENT BUDGET AND

THE DEPARTMENT OF VETERANS AFFAIRS
BUDGET REQUEST FOR FISCAL YEAR 2009

WEDNESDAY, FEBRUARY 13, 2008
418 RUSSELL SENATE OFFICE BUILDING
9:30 AM

Chairman Akaka, Ranking Member Burr, and members of the Committee:

AMVETS is honored to join our fellow veterans service organizations and partners at this important hearing on the Department of Veterans Affairs budget request for fiscal year 2009. My name is Raymond C. Kelley, National Legislative Director of AMVETS, and I am pleased to provide you with our best estimates on the resources necessary to carry out a responsible budget for VA.

AMVETS testifies before you as a co-author of The Independent Budget. This is the 22nd year AMVETS, the Disabled American Veterans, the Paralyzed Veterans of America, and the Veterans of Foreign Wars have pooled our resources to produce a unique document, one that has stood the test of time.

In developing the Independent Budget, we believe in certain guiding principles. Veterans should not have to wait for benefits to which they are entitled. Veterans must be ensured access to high-quality medical care. Specialized care must remain the focus of VA. Veterans must be guaranteed timely access to the full continuum of health care services, including long-term care. And, veterans must be assured accessible burial in a state or national cemetery in every state.

The VA healthcare system is the best in the country and responsible for great advances in medical science. VHA is uniquely qualified to care for veterans' needs because of its highly

specialized experience in treating service-connected ailments. The delivery care system provides a wide array of specialized services to veterans like those with spinal cord injuries, blindness, traumatic brain injury, and post traumatic stress disorder.

Looking at the numbers alone, the VA budget would appear to be one that would garner only praise and be a model for years to come. However, the budget was signed into law five months after the start of the new fiscal year, marking the 13th time in 14 years the VA had to work from continuing resolutions to maintain the system. Also, the budget was contingent on \$3.7 billion in emergency funding that was signed into law less than one month ago. This is an unacceptable way of funding a department that is as fluid in nature as the VA.

Mr. Chairman, as you know, we strongly support mandatory funding for VA health care. However, if the Congress cannot support mandatory funding, there are alternatives which could meet our goals of timely, sufficient, and predictable funding.

Congress could change VA's medical care appropriation to an advance appropriation which would provide approval one year in advance, thereby guaranteeing its timeliness. Furthermore, by adding transparency to VA's health care enrollee projection model, we can focus the debate on the most actuarially-sound projection of veterans health care costs to ensure sufficiency.

Under this proposal, Congress would retain its discretion to approve appropriations; retain all of its oversight authority; and most importantly, there would be no PAYGO problems.

We ask this Committee in your views and estimates to recommend to the Budget Committee either mandatory funding or this new advance appropriations approach to take the politics out of health care for all of our Nation's wounded, sick and disabled veterans.

As a partner of the Independent Budget, AMVETS devotes a majority of its time with the concerns of the National Cemetery Administration (NCA) and I would like to speak directly to the issues and concerns surrounding NCA.

The National Cemetery Administration

The Independent Budget acknowledges the dedicated and committed NCA staff who continue to provide the highest quality of service to veterans and their families despite funding shortfalls, aging equipment, and increasing workload. The devoted staff provides aid and comfort to grieving veterans' families in a very difficult time, and we thank them for their consolation.

The NCA currently maintains more than 2.8 million gravesites at 131 national cemeteries in 39 states and Puerto Rico. VA estimates that about 24 million veterans are alive today. They include veterans from World War I through the Global War on Terrorism, as well as peacetime veterans. With the anticipated opening of the new national cemeteries, annual interments are projected to increase from more than 105,000 in 2008 to 115,000 in 2009.

The NCA is responsible for five primary missions: (1) to inter, upon request, the remains of eligible veterans and family members and to permanently maintain gravesites; (2) to mark graves of eligible persons in national, state, or private cemeteries upon appropriate application; (3) to

administer the state grant program in the establishment, expansion, or improvement of state veterans cemeteries; (4) to award a presidential certificate and furnish a United States flag to deceased veterans; and (5) to maintain national cemeteries as national shrines sacred to the honor and memory of those interred or memorialized.

NCA Budget Request

The administration requests \$181 million for the NCA for fiscal year 2009. The members of The Independent Budget recommend that Congress provide \$252 million and 51 additional FTE for continuing operations and workload increases of NCA. We recommend your support for a budget consistent with NCA's growing demands and in concert with the respect due every man and woman who wears the uniform of the United States Armed Forces.

The national cemetery system continues to be seriously challenged. Though there has been progress made over the years, the NCA is still struggling to remove decades of blemishes and scars from military burial grounds across the country. Visitors to many national cemeteries are likely to encounter sunken graves, misaligned and dirty grave markers, deteriorating roads, spotty turf and other patches of decay that have been accumulating for decades. If the NCA is to continue its commitment to ensure national cemeteries remain dignified and respectful settings that honor deceased veterans and give evidence of the nation's gratitude for their military service, there must be a comprehensive effort to greatly improve the condition, function, and appearance of all our national cemeteries.

In accordance with "An Independent Study on Improvements to Veterans Cemeteries," which was submitted to Congress in 2002, The Independent Budget again recommends Congress to fully fund the National Shrine Initiative by providing \$50 million in FY 2009 budget and a commitment of \$250 million over a period of five years to restore and improve the condition and character of NCA cemeteries.

It should be noted that the NCA has done an outstanding job thus far in improving the appearance of our national cemeteries, but critical under funding does not allow NCA to remove the backlog of improvements that need to be met. To date, NCA has invested \$99 million to the initiative, making nearly 300 improvements. Additionally, \$28.2 million will be invested in restoration in 2008. This money is the full amount of supplemental funding that was given to NCA in FY2008, a fact that should be a wake-up call of the importance of the National Shrine Initiative. Even with the funding that has been spent on these improvements, new areas requiring restoration are identified. By enacting a five-year program with dedicated funds and an ambitious schedule, the national cemetery system can provide veterans and their families with the utmost dignity, respect, and compassion.

The State Cemetery Grants Program

The State Cemetery Grants Program (SCGP) complements the NCA mission to establish gravesites for veterans in those areas where the NCA cannot fully respond to the burial needs of veterans. Several incentives are in place to assist states in this effort. For example, the NCA can provide up to 100 percent of the development cost for an approved cemetery project, including design, construction, and administration. In addition, new equipment, such as mowers and

backhoes, can be provided for new cemeteries. Since 1978, the Department of Veterans Affairs has more than doubled acreage available and accommodated more than a 100 percent increase in burials through this program.

To help provide reasonable access to burial options for veterans and their eligible family members, The Independent Budget recommends \$42 million for the SCGP for fiscal year 2009. The availability of this funding will help states establish, expand, and improve state-owned veterans' cemeteries.

States have intentions of beginning construction of 24 new state cemeteries in 2008. Many states have difficulties meeting the requirements needed to build a national cemetery in their respective state. The large land areas and spread out population in these areas make it difficult to meet the "170,000 veterans within 75 miles" national veterans cemetery requirement. Recognizing these challenges, VA has implemented several incentives to assist states in establishing a veterans cemetery. For example, the NCA can provide up to 100 percent of the development cost for an approved cemetery project, including design, construction, and administration.

Burial Benefits:

There has been serious erosion in the value of the burial allowance benefits over the years. While these benefits were never intended to cover the full costs of burial, they now pay for only a small fraction of what they covered in 1973, when the federal government first started paying burial benefits for our veterans.

In 2001 the plot allowance was increased for the first time in more than 28 years, from \$150 to \$300, which covers approximately 6 percent of funeral costs. The Independent Budget recommends increasing the plot allowance from \$300 to \$745, an amount proportionally equal to the benefit paid in 1973.

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. The Independent Budget 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 also covers just six 6 percent of funeral costs. The Independent Budget recommends increasing the non-service-connected burial benefit from \$300 to \$1,270.

The NCA honors veterans with a final resting place that commemorates their service to this nation. More than 2.8 million soldiers who died in every war and conflict are honored by burial in a VA national cemetery. Each Memorial Day and Veterans Day we honor the last full measure of devotion they gave for this country. Our national cemeteries are more than the final resting place of honor for our veterans; they are hallowed ground to those who died in our defense, and a memorial to those who survived.

Mr. Chairman, this concludes my testimony. I thank you again for the privilege to present our views, and I would be pleased to answer any questions you might have.