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Statement of the Fleet Reserve Association On its

2008 Legislative Goals

Presented to the

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By

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THE FRA

The Fleet Reserve Association (FRA) is the oldest and largest organization serving the men and women in the active, Reserve, and retired components plus veterans of the Navy, Marine Corps, and Coast Guard. The Association is Congressionally Chartered, recognized by the Department of Veterans Affairs (VA) and entrusted to serve all veterans who seek its help.

The Association is actively involved in the Veterans Affairs Voluntary Services (VAVS) pro-gram and a member of the National Headquarters' staff serves as FRA's National Veterans Service Officer (NVSO) and has a seat as a national representative on the VAVS National Advisory Committee (NAC). FRA testifies regularly before the House and Senate Veterans Affairs Committees and Appropriations Subcommittees, and before other special panels such as the Veterans Disability Benefits Commission (VDBC).

In addition to FRA's National Veterans Service Officer representing veterans throughout the claims process and before the Board of Veteran's Appeals, 195 FRA Shipmates provided volunteer support at 32 VA facilities throughout the country in 2007, enabling FRA to achieve VAVS "Service Member" status. Members of the Ladies Auxiliary of the Fleet Reserve Association are also actively involved in the VAVS program and hold an Associate Membership seat on the committee which requires involvement at 15 or more VA facilities.

In August 2007, FRA became the newest member of the Veterans Day National Committee joining 24 other nationally recognized Veterans Service Organizations on this important committee that coordinates National Veterans' Day ceremonies at Arlington National Cemetery. FRA also is a major participant in The Military Coalition (TMC), a group of 35 nationally-known military and veterans organizations representing the concerns of over five million collective members. In addition, FRA staff members serve in a number of TMC leadership roles.

FRA celebrated its 83rd anniversary on 11 November 2007. Over eight decades of dedication to its members has resulted in legislation enhancing quality of life programs for Sea Services personnel, retirees, veterans and their families.

FRA's motto is: "Loyalty, Protection, and Service."

CERTIFICATION OF NON-RECEIPT OF FEDERAL FUNDS

Pursuant to the requirements of House Rule XI, the Fleet Reserve Association has not received any federal grant or contract during the current fiscal year or either of the two previous fiscal years.

INTRODUCTION

Distinguished Chairmen, Ranking Members and other Members of both Committees, FRA's membership appreciates this opportunity to present the Association's FY 2009 legislative goals. Our membership extends sincere gratitude for the concern, active interest and progress to date generated by the Committees in protecting, improving, and enhancing benefits that are truly deserved by our Nation's veterans. We look forward to working with you and staff personnel to further enhance the quality of life and benefits for over 24 million of our Nation's veterans, their families, and survivors.

CARE FOR WOUNDED WARRIORS STILL A WORK IN PROGRESS

The good news is that over 90 percent of those wounded in combat in Iraq or Afghanistan survive and return home for treatment, as compared to 70 percent during the Viet Nam conflict. The bad news is that they are overwhelming the medical system and uncovered flaws in a lethargic and overly bureaucratic system. A two-front war, a lengthy occupation and repeated deployments for many service members has put a strain on the DoD/VA medical system that treats our wounded warriors. The system is being strained not only by volume but by the complexity of injuries and the military has shown that it is woefully inadequate in recognizing and treating cases of Traumatic Brain Injury (TBI) and Post Traumatic Stress Disorder (PTSD).

The Washington Post's series of articles revealed an overlapping, confusing, and complex health care and administrative system and substandard care for seriously wounded troops at Walter Reed Army Medical Center (WRAMC) and prompted the appointment of numerous special commissions and task forces charged with investigating the problems and identifying needed solutions. FRA salutes the Dole-Shalala Commission, the Marsh-West Independent Review Group,

the VA Interagency Task Force on Returning Veterans, the Mental Health Task Force, and the previously authorized Veterans' Disability Benefits Commission, the House and Senate Armed Services Committees and both of these distinguished Committees for the focused attention on long overdue and needed reform initiatives and for acting expeditiously on this important legislation.

FRA supports the vast majority of these task force and commission recommendations, and we're pleased that Wounded Warrior Act provisions were included in the FY 2008 National Defense Authorization Act (NDAA), but the work to provide the best care available for our wounded warriors remains a work in progress. An important accomplishment since last year is the joint DoD/VA office to ensure implementation of the electronic health care record. Sustained Congressional oversight is critical for success, and each of these Committees is key to ensuring that the VA continues to make progress in creating a true seamless transition process for our wounded warriors.

Specifically these Committees can:

- Ensure that the VA does its part to assist the Wounded Warrior Resource Center so that it can truly serve as a single point of contact for service members, their families, and primary caregivers to report issues regarding facilities, obtain health care and receive bene-fits information;
- Monitor the VA to make sure that the Department develops and provides a comprehensive description of entitlements for service members upon their separation or retirement as a result of serious injury or illness;
- Make certain the VA works with DoD to jointly establish a standard rating system for service member' disabilities that takes into consideration all medical conditions; and
- Ensure that the VA work with DoD to develop and implement a comprehensive policy regarding traumatic brain injury (TBI), post-traumatic stress disorder (PTSD), other mental health conditions plus military eye injuries, and create centers of excellence focused on these conditions.

FRA supports House Resolution 1020 sponsored by Representatives Tim Walberg (MI) Todd Tiahrt (KS), Brian Higgins (NY), and Peter Welch (VT) to honor our wounded warriors and expressing Congress's commitment to ensuring the highest quality of care for our injured heroes.

Although outside the jurisdiction of the Committees, FRA is pleased that the Senate approved "The Reauthorization of the Traumatic Brain Injury Act" (S. 793), sponsored by Senator Orin Hatch (UT) and the House Energy and Commerce Committee approved the House companion bill (HR 1418), sponsored by Rep. Bill Pascrell (NJ) which authorizes the Centers for Disease Control and Prevention (CDC) to provide state grants for patients with traumatic brain injury (TBI) to enter treatment and rehabilitation programs. The law expired in 2005, but appropriators have continued to fund the programs. The measure would also require the CDC to monitor brain injury incidents and create a reporting system to track the condition, and study treatment techniques, and the National Institutes of Health (NIH) would be directed to conduct basic research to improve treatment. Furthermore the bill would authorize a study on improving access to care for veterans with TBI.

SEAMLESS TRANSITION

Establishing a true "seamless transition" process from DoD to the VA for personnel with combat related injuries for is also still a "work in progress." The Joint DoD and VA Senior Oversight Committee has helped advance efforts toward this goal, but more needs to be done. Family members of wounded warriors who recently testified before the Senate Veterans Affairs Committee voiced concern about inefficiencies and poor communications, and an overall lack of synchronization and coordination between DoD and VA.

FRA applauds the improved tracking through treatment, recovery, rehabilitation and community reintegration, a web-based National Resource Directory outlining medical and non-medical services and a joint VA/DoD handbook for families which is in the works, plus a website entitled "My e-Benefits."

DEPARTMENT OF VETERANS AFFAIRS BUDGET

FRA appreciates the more than \$47 billion requested for the VA in FY 2009, this represents a \$1.7 billion increase over this year's budget and includes increases of nine (9) percent for mental health care (PTSD and TBI), 21 percent for OEF/OIF veterans' care, and 24 percent for technology that will be used to implement the electronic health record system. This amount, however, is about \$3.2 billion short of what is needed according to the "Independent Budget" which is supported by FRA.

The health care portion of the budget calls for \$39.1 billion in discretionary funding for veterans' health care, which represents nearly \$2 billion increase in discretionary spending over the current year's budget. By contrast this is significantly less than the Independent Budget (\$43.3 billion) proposal. This budget request is more than five percent above FY 2008, but the VA predicts it will treat 330,000 veterans from Iraq and Afghanistan in 2009 - a 14 percent increase over the 2008 estimate of 263,000.

As painfully indicated in the 2005 health care funding emergency and last year's Walter Reed Army Medical Center debacle, during a time of war it's important to anticipate significant numbers of new patients. And with health care costs skyrocketing, FRA questions the planning and foresight associated with future requirements and believes the Administration's budget is inadequate to meet the health care needs of the growing number of veterans eligible to seek care from the VA. Accordingly, the Association requests your support for additional health care funding to meet these pressing needs. In addition, FRA appreciates the extension of access to VA health care for returning service members from two to five years per provisions of the FY 2008 NDAA and notes the leadership of Committee Chairman Rep. Bob Filner on this issue which was origi-nally addressed in, "The Returning Service Member VA Health Care Insurance Act" (H.R. 612). This change will especially help veterans who have mental health problems that do not become apparent until well after the date of their military discharge.

HEALTH CARE FEES

FRA again strongly opposes the plan to impose a tiered enrollment fee for veterans in Priority Groups 7 and 8 within the Department of Veterans Affairs (VA) Health Care System in FY 2009. The tiered plan includes fees based on annual family income adjusted by region averaging \$50,000 and above an increase on pharmacy co-pays from \$8 to \$15 for Priority Group 7 and 8 beneficiaries. Annual family income above \$50,000-\$74,999 would require a \$250 enrollment fee; from \$75,000-\$99,999 would require \$500 annual enrollment fee; and income \$100,000 and above would require \$750 annual enrollment fee. The Administration's request also includes a recommendation to nearly double prescription drug co-payments from \$8 to \$15 for a 30-day supply - a plan FRA also opposes.

There are approximately 1.3 million veterans in these Priority Groups and FRA adamantly opposes shifting costs to them for care they've earned in service to our Nation. Objections notwithstanding, FRA is further concerned that the revenue from these fees, estimated at \$310 million annually, would if authorized be directed to the Treasury and would not be re-invested back into the VA. Additionally FRA is concerned about projected revenue assumptions from "third party sources" listed in the Administration's budget request.

Although not under the oversight of the Committees, FRA continues its strong opposition to TRICARE fee increases for military retirees and believes there are other cost-saving options which must be implemented prior to adjusting fees for younger retirees. The Association strongly supports H.R. 579 sponsored by Representatives Chet Edwards (Texas) and Walter Jones (N.C.) and S. 604 sponsored by Senators Frank Lautenberg (N.J.) and Chuck Hagel (Neb.)

MEDICAL AND PROSTHETIC RESEARCH

The proposed FY 2009 VA Budget for medical and prosthetic research reflects a \$38 million reduction in appropriations from FY 2008 in one of the most successful aspects of all VA medical programs. The VA is widely recognized for its effective research program and FRA continues to strongly support adequate funding for medical research and for the needs of the disabled veteran. The value of both programs within the veterans' community cannot be overstated. "The cost will continue to go up as veterans' life spans increase and more come into the system." The FY 2009 Independent Budget recommends a \$75 million increase. Accordingly, FRA requests authorization for enhanced funding for these important programs.

DISCRETIONARY VERSUS MANDATORY SPENDING

Currently only the Veterans Benefits Administration (VBA) portion of the VA budget is designated as mandatory spending, while the entire Veterans Health Care Administration (VHA) part of the VA budget is discretionary spending. Unfortunately the budgetary process has become more and more politicized and continues to fail veterans who depend on the VA for all or part of their health care. And in recent years, the VA budget has not passed on time resulting in continuing resolutions and sustained funding at the lower previous year level(s).

Both Committees have recently conducted hearings to examine mandatory funding for the VHA and to consider other funding alternatives. FRA understands the jurisdictional, PAYGO implications, and many other challenges associated with this issue and advocates that veterans' health care is as important as other federal benefits funded in this manner. Regardless of the method used, the Association supports any efforts to help ensure timely and full funding for VA health care to ensure access and care for all beneficiaries.

CLAIMS PROCESSING

The Association notes that the number of veterans filing disability claims has increased by more than 38 percent between FY 2000 and FY 2006. The number of veterans receiving compensation increased by nearly 400,000 since 2000 - from just over 2.3 million veterans to almost 2.7 million and according to the Independent Budget, disability claims increased 29 percent in FY 2007. Given these statistics, FRA is concerned that as with health care costs, the ongoing war on terror and the "surge" in Iraq are only expected to further increase the number of VA disability claims and associated processing and compensation workload.

FRA supports reform of the antiquated Veterans Benefits Administration (VBA) paper claims system by the House Veterans Affairs Committee Disability Assistance Subcommittee in conjunction with adjudicating claims by disabled veterans. The claims backlog that plagues the VBA has been a great concern for FRA. Early last year the backlog of disability claims exceeded 400,000 and there has been almost no change despite the significant increase in resources.

The Association senses that there is strong bi-partisan consensus supporting reform of the system and for additional funding and staffing. FRA believes that lawmakers have made clear that they want to smooth the process to eliminate bureaucratic delays and ensure more uniformity between branches of the military and the VA in how they rate disabilities. Those disability ratings are important since they determine the amount of payments that the medically retired receives.

Given the critical importance of disability benefits, the VA has a paramount responsibility to maintain an effective delivery system, taking decisive and appropriate action to correct any deficiencies as soon as they become evident. However, VA has neither maintained the necessary capacity to match and meet its claims workload nor corrected systemic deficiencies that compound the problem of inadequate capacity.

According to the VA's "Monday Morning Report" of 8 March 2008, which is updated weekly with data from the Department at (<u>http://www.vba.va.gov/bln/201/reports/mmrindex.htm</u>) pending claims at the VA totaled 666,710 (includes education, compensation and pension, vocational rehabilitation, home loans, survivors' benefits and life insurance claims) and 26.6 percent of those claims have been pending for more than six months. This figure represents all compensation and pension claims, and is a 1.2 percent increase from last year's total pending claims (639,985).

The focus of concern has been the backlog of disability rating claims. Currently there are 400,780 pending disability rating claims (25.2 percent of those have been pending over six months). This represents a 1.3 percent reduction from last year (403,989), and also a reduction of cases pending over six months (28.3 percent).

The VA can promptly deliver benefits to veterans only if it has modern technology, adequate resources and staffing. FRA strongly supports the development of an advanced technological delivery system, using a "paperless" claims system is also a key aspect to a seamless transition.

MGIB

Double-digit education inflation is dramatically diminishing the value of MGIB. Despite periodic increases, benefits currently fall well short of the actual cost of education at a four-year public college or university. And, not all of MGIB objectives are being achieved, particularly for mobilized members of the National Guard and Reserve forces.

In response to the President's State of the Union Address, Representative Roscoe Bartlett (MD) introduced "The Montgomery GI Bill Educational (MGIB) Assistance Transferability Act" (H.R. 5229) to expand transferability of MGIB benefits to military family members. Senator Kay Bailey Hutchison (TX) has introduced a companion bill, "The Montgomery GI Bill Educational Assistance Transferability Act" (S. 2575) in the Senate.

FRA has requested that these proposals be expanded to also allow Veterans Education Assistance Program (VEAP) era, senior enlisted personnel to enroll in MGIB, as is authorized in "The Montgomery GI Bill Enhancement Act" (H.R. 4130), sponsored by Representative Tim Walberg (MI). While FRA supports the opportunity for family members to use a service member's MGIB benefits, there are thousands of senior enlisted personnel who entered military service during the VEAP era who do not qualify for MGIB benefits. The Association continues to advocate for the adoption of an open-enrollment period for these service members. Allowing VEAP-era career enlisted personnel to participate in the MGIB is an equity issue and should be included in this expansion of MGIB eligibility.

FRA recommends significant additional funding to allow the MGIB benefits to keep pace with the cost of a college education for active and reserve personnel, and to cover expanded transferability authority to family members which may cost as much as \$2 billion annually if authorized.

The Nation's active duty, Guard and Reserve forces are effectively being integrated under the Total Force concept, and educational benefits under the Montgomery GI Bill should be restructured accordingly under the VA. Understanding jurisdictional responsibilities, FRA appreciates the changes last year to allow Reservists to apply for benefits after their military service.

FRA is also supporting other education related legislation including Rep. Nancy Boyda's (KS) amendment to "The College Opportunity and Affordability Act" (H.R. 4137) that requires states to provide service members and their families in-state tuition rates for state colleges and universities. Due to the nature of military service, service members are frequently transferred from one state to another. Because many states tie a student's eligibility for in-state tuition to their parents' state of residency, this leaves the children of many military families at constant risk of losing their in-state benefits. Rep. Boyda's amendment will alleviate this problem. The bill further allows dependents to retain their in-state status until graduation as long as the student remains continuously enrolled.

Congressmen Rubén Hinojosa (TX) and Mike Castle (DE) introduced legislation that will help returning veterans transition to college life. "The Securing Success for Veterans on Campus Act" (H.R. 5143), will provide resources to establish one-stop support centers on campus designed to help veterans successfully complete a higher education.

Senators Jim Webb (VA), Chuck Hagel (NE) and Frank Lautenberg (NJ) reintroduced the revised "Post-9/11 Veterans Educational Assistance Act" (S.22) and announced Senator John

Warner (VA), former chairman of the Senate Armed Services Committee, as one of four lead cosponsors of the bill. The bill would provide service members serving on or after 11 September 2001 with improved educational benefits similar to those provided to World War II-era veterans. The House companion bill (H.R. 2702) was introduced by Rep. Bobby Scott (VA).

FRA believes this bill is a step in the right direction but is concerned about creating an entirely new MGIB program rather than making reforms in the current programs.

NATIONAL CEMETERY ADMINISTRATION

The National Cemetery Administration (NCA) has undergone many changes since its inception in 1862. Currently, the NCA maintains almost 2.8 million gravesites at 125 national cemeteries and 33 additional installations in 39 states, the District of Columbia, and Puerto Rico.

The VA estimates that about 24 million veterans are alive today. They include veterans from World War I, World War II, the Korean War, the Vietnam War, the Gulf War, and the Global War on Terrorism, as well as peacetime veterans. It is expected that one in every six of these vet-erans will request burial in a national cemetery. Annual internments are estimated to increase from 105,000 in 2008 to 115,000 in 2009.

There has been serious erosion in the value of burial allowance benefits over the years. While these benefits were never intended to cover the full cost 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. Both of these Committees are urged to consider significantly increasing the current burial allowance of \$300. The Independent Budget recommends increasing the allowance from \$300 to \$745 to maintain the commensurate burial costs covered in 1973.

FRA is grateful to Congress for authorizing and funding new cemetery sites and supports the Administration's goal of increasing the number of cemeteries from the current 125 to 141 by 2010.

The NCA needs funding for new cemeteries in order to meet the expected demand over the next several decades. The NCA is doing much to meet resource challenges and the demand for burial spaces for aging veterans and with additional resources, will hopefully be able to meet the demand.

AGENT ORANGE

Regarding Agent Orange, FRA appreciates the focus on OIF/OEF veterans, but there are still veterans from earlier conflicts that need help. That is why FRA supports the ruling by the U.S. Court of Appeals for Veterans Claims (Hass v Nicholson) for veterans who patrolled the waters off Vietnam to file for disability benefits from exposure to Agent Orange. Previously the VA only allowed claims from service members who had served in country.

The court decision stated that it did not make sense for veterans who patrolled Vietnam's inland waterways and those simply passing through the country to receive medical coverage while those serving at sea do not. The ruling was issued in the case of a former sailor who served on an am-

munition ship during the Vietnam War but never stepped foot on land. This issue is important to our members and FRA strongly supports the court decision allowing this class of veterans known as "Blue Water" Navy veterans to obtain this benefit. Accordingly, the Association opposes "The Agent Orange Equitable Compensation Act" (S. 2026) and/or policy changes that will reverse this ruling.

MEDICARE SUBVENTION

Under current law, Medicare-eligible veterans are not allowed to use Medicare coverage at local VA hospitals. Instead, they are forced to decide between receiving medical care at a VA hospital without being able to use Medicare to help them pay their medical bills, or using Medicare at a non-VA hospital and losing the personalized veterans' care of a VA hospital.

FRA supported Rep. Sue Kelly's bill (HR 4992) in the 109th Congress that would have authorized Medicare Subvention for Medicare eligible veterans. This would authorize the Centers for Medicare and Medicaid Services (CMMS) to reimburse VA for care received by beneficiaries in VA health care facilities. It should be noted that most veterans pay into Medicare for much of their lives, yet the law prohibits them from using Medicare benefits at VA facilities later in life. The VA specializes in treating veterans' and those veterans who've served our Nation should not be forced to choose between VA and outside health care providers. Veterans should be eligible for the same Medicare benefits at a VA hospital that they would have at any other hospital.

OTHER ISSUES

Offer VA Care to More Veterans

FRA supports lifting the "temporary" ban on enrolling in Priority Group 8 veterans initiated in 2003. And supports "The Honor Our Commitment to Veterans Act" (S. 1147), sponsored by Senator Patty Murray (WA), and its House companion bill (H.R. 463) sponsored by Rep. Steven Rothman (NJ). The legislation would allow new Priority Group 8 veterans to enroll in the VA health care system. The temporary ban has denied more than 260,000 veterans health care at the VA. FRA believes that our Nation made a commitment to all veterans for their past service and that the enrollment freeze sends the wrong message to our service personnel serving in harm's way in Iraq and Afghanistan.

Court-Ordered Division of Veterans Compensation

The intent of service-connected disability compensation is to financially assist a veteran whose disability may restrict his or her physical or mental capacity to earn a greater income from employment. FRA believes this payment is that of the veteran and should not be a concern in the states' Civil Courts. If a court finds the veteran must contribute financially to the support of his or her family, let the court set the amount allowing the veteran to choose the method of contribution. FRA has no problem with child support payments coming from any source. However, VA disability should be exempt from garnishment for alimony unless the veteran chooses to make payments from the VA compensation award. The Federal government should not be involved in enforcing collections ordered by the states. Let the states bear the costs of their own decisions. FRA recommends the adoption of stronger language offsetting the provisions in 42 USC, now

permitting Federal enforcement of state court-ordered divisions of veterans' compensation payments.

OTHER RECOMMENDATIONS FOR CONSIDERATION

Voting

The Association is concerned about the opportunity for service members wounded in OIF/OEF to vote in the upcoming Presidential election.

Wounded warriors, who are in rehabilitation or treatment for their injuries at a VA facility far from their place of residency, need to have the opportunity to vote via absentee ballot if they will be unable to vote in their home town on November 4, 2008. The service member must request an absentee ballot and in response the home town election official mails an unmarked absentee ballot to him/her when the final ballot is available. After receiving the ballot, the service member mails back the signed completed ballot to the local election official to be tabulated.

FRA is working with the Pew Charitable Trusts to streamline the voting process for the military, with a special focus on service members stationed overseas. The Association urges these Committees be mindful of this issue and support efforts to lower any barriers for injured or wounded service members to ensure them the opportunity to vote in the upcoming election.

Concurrent Receipt

FRA continues its advocacy for legislation authorizing the immediate payment of concurrent receipt of full military retired pay and veterans' disability compensation for all disabled retirees. The Association appreciates the progress made last year on expanding Combat-Related Special Compensation for Chapter 61 retirees and for disabled military retirees deemed "individual unemployable" (IU) who had disability ratings of less than 100 percent. There still remain disabled service members collecting Concurrent Retirement and Disability Payments (CRDP) that are 50 percent disabled or greater that are slowly being phased in over a ten-year period (2004-2014). They should receive full benefits starting in FY 2009. Additionally those with CRDP and less than 50 percent disability rating should also receive full military retired pay and VA disability compensation without any offset.

Uniformed Services Former Spouses Protection Act (USFSPA)

FRA urges Congress to take a hard look at the USFSPA with a sense of purpose to amend the language therein so that the Federal government is required to protect its service members against State courts that ignore provisions of the Act. The draft proposals sent to the House and Senate Armed Services Committees from the Pentagon for a second consecutive year would be a significant first step in reforming this act if enacted into law.

The USFSPA was enacted 25 years ago; the result of Congressional maneuvering that denied the opposition an opportunity to express its position in open public hearings. With one exception, only private and public entities favoring the proposal were permitted to testify before the Senate Manpower and Personnel Subcommittee. Since then, Congress has made 23 amendments to the Act: 18 benefiting former spouses. All but two of the amendments were adopted without public

hearings, discussions, or debate. Since adoption, opponents of the USFSPA and/or many of its inequitable provisions have had opportunities to voice concern to a Congressional panel. The last hearing, in 1999, was conducted by the House Veterans Affairs Committee rather than the Armed Services Committee which has oversight authority for amending the USFSPA.

Few provisions of the USFSPA protect the rights of the service member, and none are enforceable by the Department of Justice or DoD. If a State court violates the right of the service member under the provisions of USFSPA, the Solicitor General will make no move to reverse the error. Why? Because the Act fails to have the enforceable language required for Justice or the Defense Department to react. The only recourse is for the service member to appeal to the court, which in many cases gives that court jurisdiction over the member. Another infraction is committed by some State courts awarding a percentage of veterans' compensation to ex-spouses, a clear violation of U. S. law; yet, the Federal government does nothing to stop this transgression.

There are other provisions that weigh heavily in favor of former spouses. For example, when a divorce is granted and the former spouse is awarded a percentage of the service member's retired pay, the amount should be based on the member's pay grade at the time of the divorce and not at a higher grade that may be held upon retirement. Additionally, Congress should review other provisions considered inequitable or inconsistent with former spouses' laws affecting other Federal employees with an eye toward amending the Act.

CONCLUSION

Distinguished Chairmen. In closing, allow me to again express the sincere appreciation of the Association's membership for all that you and the Members of both of the House and Senate Veterans Affairs Committees and your outstanding staff do for our Nation's veterans.

Our Legislative Team stands ready to meet with you, other members of the Committees or their staffs at any time, to work together to improve benefits and entitlements for all veterans.

JOSEPH L. BARNES NATIONAL EXECUTIVE DIRECTOR, FRA