

STATEMENT OF MICHAEL CARDARELLI, PRINCIPAL DEPUTY
2 UNDER SECRETARY FOR BENEFITS, VETERANS BENEFITS
3 ADMINISTRATION, U.S. DEPARTMENT OF VETERANS
4 AFFAIRS

5 Mr. Cardarelli. Yes, ma'am. Good morning, Chairman
6 Murray, Ranking Member Burr, and members of the Committee.
7 Thank you for inviting us here today to present the
8 administration's views. I apologize for the delay in
9 delivering our testimony to the Committee.

10 Joining me today is Richard Hipolit, Assistant General
11 Counsel. While VA's full written statement with views and
12 estimated costs has been submitted for the record, I would
13 like to briefly discuss eight bills that affect VBA and CA.
14 After my remarks, Dr. Robert Jesse, Principal Deputy Under
15 Secretary for Health, will discuss the administration's
16 views on the VHA-related bills on today's agenda.

17 Chairman Murray, VA appreciates your efforts to improve
18 employment opportunities for returning servicemembers. VA
19 supports Sections 2 through 5 of your Hiring Heroes Act of
20 2011. S. 951, which would provide rehabilitative services
21 and assistance to certain severely disabled active-duty
22 servicemembers and expand VA's authority to pay employers
23 for providing on-the-job training to veterans, among other
24 things. We respectfully defer to the Department of Labor's
25 witness, John McWilliam, regarding Sections 8, 11, and 13 of

1 the bill. Although VA does not support Section 9 of this
2 bill, we would be happy to discuss our concerns with the

3 Committee.

4 Let me assure you that VA's leadership shares your
5 concern about veterans' employment, and we are committed to
6 working with Congress to improve employment opportunities
7 for our Nation's veterans.

8 S. 536 would exempt individuals eligible for VA
9 education benefits under Chapter 35 from the 48-month
10 limitation on the use of educational assistance under
11 multiple veterans and related educational assistance
12 programs. VA supports the intent of S. 536 and favors
13 enactment of the bill subject to Congress finding offsetting
14 savings.

15 S. 745 would protect certain veterans who are enrolled
16 in VA's Post-9/11 Veterans Educational Assistance Program as
17 it existed before the enactment of Public Law 111-377 who
18 otherwise would be subject to a reduction in educational
19 assistance benefits. VA has concerns with the proposed
20 legislation as written, including the timeline for
21 implementing it and the impact on existing beneficiaries.
22 We will continue working with the Committee to ensure that
23 legislative changes do not negatively impact education
24 beneficiaries.

25 S. 894, the Veterans' Compensation Cost-of-Living

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1 Adjustment Act of 2011, would mandate a cost-of-living
2 adjustment in the rates of disability compensation and
3 dependency indemnity compensation payable for periods
4 beginning on or after December 1, 2011. VA supports
5 Chairman Murray's bill and believes that our veterans and

6 their dependents deserve no less.

7 S. 780, the Veterans Pensions Protection Act of 2011,
8 would exclude certain payments from determinations of annual
9 income for purposes of determining eligibility for improved
10 pension. VA opposes excluding from countable income
11 payments received for pain and suffering because such
12 payments do not constitute a reimbursement for expenses
13 related to daily living. This provision of the bill would
14 be inconsistent with a needs-based program. VA does not
15 oppose the remaining provisions of the bill.

16 S. 423 would authorize a potentially retroactive award
17 of disability compensation to a veteran whose compensation
18 application was fully developed as of the date submitted to
19 VA. VA does not support this bill because it would result
20 in the inequitable treatment of veterans in litigation over
21 whether a claim was fully developed when it was submitted.
22 Although VA does not support S. 423, it appreciates the
23 attempt to create an incentive for veterans to file fully
24 developed claims.

25 S. 815. the SERVE Act of 2011, would guarantee that
1 military funerals are conducted with dignity and respect. 36
2 VA supports its enactment because it would establish a
3 unified approach to preserve the dignity of funeral services
4 and reinforce the commitment to protect the privacy of
5 attendees during their time of bereavement. The bill would
6 also ensure the privacy and protection of grieving families
7 during funeral, memorial, and ceremonial services meant to
8 honor those fallen heroes who, through their service, paid
9 the ultimate price.

10 Finally, VA notes that Chairman Murray's Veterans
11 Programs Improvement Act of 2011, S. 1184, carries many
12 provisions proposed by the administration in its draft
13 Veterans Benefits Improvement Act of 2011. Although we have
14 not had the opportunity to review the bill closely, we offer
15 here our support of the general intent of the bill and VA's
16 appreciation for your introducing them for consideration.
17 We believe they are very worthy of the Committee's
18 endorsement. We also look forward to reviewing the other
19 titles of the bill which address VA's programs to combat
20 homelessness as well as VBA's fiduciary program.

21 Madam Chairman, this concludes my statement. Now Dr.
22 Jesse will discuss the administration's views on the health-
23 related bills on today's agenda.