## Chairman Daniel K. Akaka

OPENING STATEMENT Senator Daniel K. Akaka Chairman Committee on Veterans' Affairs United States Senate

Hearing on the Nomination of James B. Peake to be Secretary of Veterans Affairs

December 5, 2007

Aloha. The hearing will come to order. Today=s hearing is to consider the nomination of James B. Peake to be Secretary of Veterans Affairs.

Dr. Peake has a long and distinguished career which our colleagues, Senators Inouye and Dole, will describe in detail when they introduce the nominee. For now, I just note the unusual combination of combat service as an infantry officer in Vietnam after his graduation from West Point followed by medical school and a highly successful career as an Army physician, culminating in his service as the Army Surgeon General.

Dr. Peake, you have a tremendous challenge facing you. Heading VA is never easy. Indeed, it may be one of the most daunting tasks in or out of government. Doing so in a time of war is dramatically more difficult. And taking over as you will, assuming your confirmation, when there is only a little more than a year left in the current Administration only compounds a demanding situation. Your ability to articulate clearly your priorities will be critical to your success.

I recognize that you come to this nomination with a wealth of experience, even though little of that experience has come from working directly with VA. I am confident, however, that you have a strong sense of empathy for those served by VA and a deep commitment to VA=s missions and that these traits will serve you well.

As you suggested in your answers to my pre-hearing questions, VA has a strong and dedicated workforce. Things are not perfect within VA; few human endeavors are. But I am satisfied that VA is staffed by people who seek to do what=s right by veterans. What the Secretary must do, with the backing of the Congress, is give those employees the leadership and the tools, especially the resources, they need to carry out their jobs. If confirmed, you will appear before this Committee early next year in connection with VA's 2009 budget. It will be vital that you be prepared at that time to inform us whether the proposed budget is truly sufficient for the coming fiscal year.

A time of war puts tremendous strain on VA. Not only must the department strive to continue to meet the needs of those from prior conflicts who already depend on VA, but it must quickly adapt so as to address the needs of those injured or disabled in the current conflicts. Each war brings different challenges, different demands. In the current conflicts, VA is having to respond to

relatively new challenges, such as the significant number of veterans suffering from traumatic brain injury, alone or in combination with other debilitating injuries, in addition to wresting with conditions that followed prior wars as well, such as post-traumatic stress disorder.

One area that needs special and immediate attention is the process by which an injured servicemember moves from DoD to VA. A great deal of work has been done on that front, especially over this year, and much is being done now. I am hopeful that, if you are confirmed, your long experience in the Army will enable you to continue and to improve on those efforts. Returning servicemembers, especially those who are seriously injured, must not be made to struggle as they work with both DoD and VA. We must strive for, we must achieve, a truly seamless transition.

Another area that is demanding attention and focused effort is the systems - both DoD's and VA's - for compensating servicemembers and veterans for in-service injury. It is no exaggeration to say that VA's current compensation system is broken. The frustrating lack of timeliness, the need for fundamental rethinking of the overall compensation system as recommended by the Veterans' Disability Benefits Commission and others, and the challenge of coordinating DoD and VA's systems are all areas that must be addressed, quickly and effectively. This Committee, indeed, the full Congress, stand ready to work with the Administration on this effort. If you are confirmed, this must be one of your highest priorities.

In closing, I note and commend your strong commitment to avoiding even the appearance of any conflict of interest, not only with respect to your most recent employer, QTC, but also with those organizations where you served in an advisory capacity as well as in connection with your stock portfolio. I personally harbored no concerns about your integrity, but I understand the worries of some that your brief time in the private sector might somehow have led you to favor corporate entities with which you were associated. I trust that all fair minded individuals will appreciate the steps you have taken to preclude even an appearance of any conflicts of interest.

I look forward to your testimony today, your responses to questions from Committee members, and to any post-hearing questions. It is vitally important that the position of Secretary of Veterans Affairs be filled as soon as feasible.