



**Statement of the
Fleet Reserve Association
on its
2015 Legislative Goals**

**Presented to the:
U.S. House of Representatives and
United States Senate
Veterans' Affairs Committees**

**By
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The FRA

The Fleet Reserve Association (FRA) is the oldest and largest organization serving enlisted men and women in the active, Reserve, and retired communities 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.

FRA was started in 1924 and its name is derived from the Navy's program for personnel transferring to the Fleet Reserve or Fleet Marine Corps Reserve after 20 or more years of active duty, but less than 30 years for retirement purposes. During the required period of service in the Fleet Reserve, assigned personnel earn retainer pay and are subject to recall by the Secretary of the Navy.

The Association testifies regularly before the House and Senate Veterans' Affairs Committees, and the Association is actively involved in the Veterans Affairs Voluntary Services (VAVS) program. A member of the National Headquarters' staff serves as FRA's National Veterans Service Officer (NVSO) and as a representative on the VAVS National Advisory Committee (NAC). FRA's NVSO also oversees the Association's Veterans Service Officer Program and represents veterans throughout the claims process and before the Board of Veteran's Appeals. For 2014, 144 FRA Shipmates and members of the Auxiliary provide 13,470 volunteer hours of support at 59 VA facilities throughout the country, enabling FRA to achieve VA's "Associate Service Member" status.

FRA became a member of the Veterans Day National Committee in August 2007, joining 24 other nationally recognized Veterans Service Organizations (VSO) on this important committee that coordinates National Veterans' Day ceremonies at Arlington National Cemetery. The Association is a leading organization in The Military Coalition (TMC), a group of 33 nationally recognized military and veteran's organizations collectively representing the concerns of over five million members. FRA senior staff members also serve in a number of TMC leadership positions.

The Association's motto is "Loyalty, Protection, and Service."

Introduction

Distinguished Chairmen, Ranking Members and other members of the Committees, thank you for the opportunity to present the Association's 2015 legislative goals to the Committees. Before addressing specific issues, it's important to note that veteran's benefits are earned through service and sacrifice in the defense of this great Nation and are not "entitlements" or "social welfare" programs. FRA will oppose any across-the-board budget driven cuts that lumps veteran's programs with unrelated civilian programs and completely rejects any efforts that would ask veterans to do their "fair share" in deficit reduction.

FY 2016 Budget

FRA supports the recommendations of the FY 2015 Independent Budget (IB) which was recently released by AMVETS, Disabled American Veterans (DAV), Paralyzed Veterans of America (PVA) and the Veterans of Foreign Wars (VFW). The IB has served as a guide for funding the VA for 28 years and provides detailed VA budget analysis to meet the challenges of serving America's veterans. The FY 2015 (current) budget spends more than \$68 billion, and the FY 2016 proposed budget

FRA is thankful for Congress expanding advanced (2-year) funding for the VA last year. The proposed FY 2016 budget provides an additional \$104 million for several discretionary spending programs. More than 91 percent of veterans in FRA's online February 2015 survey see 2-year funding as "Very important."

The proposed FY 2016 VA budget increases spending by 7.5 percent over FY 2015, authorizes the hiring of an additional 770 claims examiners, and \$2.7 billion (up \$166 million from 2015 approved budget) for more efficient benefits claims processing through technology enhancements. The budget provides \$140 million for converting paper claims to the electronic Veterans Benefits Management System (VBMS) to speed up and improve the quality of claims processing. The FY 2016 proposed budget increases spending on IT modernization by \$230 million over current year's IT budget.

The budget increases medical care spending \$4.2 billion more than current budget (\$62 billion – IB recommends \$63.3 billion) and provides \$66.6 billion in advanced funding for FY 2017 that includes \$51.7 billion for medical care and IB recommends \$54.2 billion for FY 2017 medical care. The proposed budget also increases funding for mental health by \$349 million and increase funding for long term care by \$309 million over the current budget year.

Choice Card

Testimony at these joint hearings has focused on implementation difficulties regarding the recently passed Veterans choice legislation. The VA mailed out more than eight million Choice cards to veterans; but only one million of those are eligible to use the program. It was reported that only 30,000 requests for non-VA care have been filed. Although more than 500,000 inquiries were made about the program by veterans, only a small fraction of those veterans live far enough from VA facilities to qualify.

FRA supports the 41 senators that petitioned the VA to relax its interpretation of the 40-mile rule, taking service availability into account instead of just geography. Sen. Johnny Isakson, R-Ga., chairman of the Senate Veterans' Affairs Committee, said he and his colleagues will take up legislative fixes to the problem in the near future.

VA Secretary Bob McDonald said his department is looking into fixes too, and said he'll come back to Congress with a "reinterpretation" of the 40-mile rule in the near future. FRA urges Congressional oversight to ensure effective implementation of the Veterans Access, Accountability and Choice Act (P.L. 113-146).

The Veterans Access, Choice and Accountability Act (VACAA) was signed into law by the President last year. The new law provides a \$10 billion fund to pay for non-VA care for veterans who live 40 or more miles from a VA facility or have been experiencing wait times for care of more than 30 days. VA mailed "Choice Cards" to veterans who were enrolled in VA health care as of August 1, 2014, and to recently discharged combat veterans who enroll within the five-year window of eligibility.

The legislation was passed in the wake of a nationwide audit of the VA that indicates that 57,000 veterans have waited more than 90 days for an appointment at VA medical facilities and 64,000 requested medical care, but did not even get onto a waiting list. The audit also found that 13 percent of schedulers were told to falsify appointment requests to make the wait time appear to be smaller than they actually were.

FRA believes that the "Choice" program has merit, but will require significant oversight by these committees to ensure it is effective. VA must ensure that Non-VA Care Coordination teams are adequately staffed and funded to be capable of handling the workload. FRA sees this program as a permanent part of VA.

A recent Government Accountability Office (GAO) report has cited the VAs difficulty in providing timely health care to veterans and listed the health care program as one of the federal government's "high-risk" programs for 2015. "The federal government's comptroller general has written numerous reports and made multiple recommendations to VA to fix problems at its Veterans Health Administration- ranging from hospitals failing to track patent appointments or document treatment errors and suicides to insufficient oversight of employees and leadership."¹ The GAO claims that more than 100 of these recommendations have yet to be addressed by the VA.

Disability Claims Backlog

The Association views the enormous backlog of disability claims as a threat to the Nation's solemn commitment to properly care for disabled veterans. The cost of defending the Nation should include timely and adequate treatment of our wounded warriors. In FRA's (February 2015) online survey it indicates that more than 77 percent of veterans see the disability claims backlog as "Very Important." Nearly 90 percent of veterans see quality of VA health care

¹ Marine Corps Times March 2, 2015, VA Health System on GAOs "High Risk" List Patricia Kime, P. 24

benefits as “Very important.” The Veterans Benefit Administration is charged with achieving the ambitious goal of having disability claims pending no longer than 125 days, with a 98 percent accuracy rate. FRA welcomes VA efforts to use paperless electronic claims and notes that 95 percent of recently filed disability claims are electronic. The VA asserts that disability claims accuracy has improved from 83 percent in 2011 to 91 percent in 2015. Additionally Fully Developed Claims (FDC) filings have increased by three percent since 2012. FDC consists of a complete application, all military and civilian medical treatment records, and relevant military records including the claimants DD 214. Claims submitted under the FDC program are currently processed on average within 115 days.

On February 28, 2015 there were 477,835 pending disability claims at VA that require adjudication by a VBA claims processor, as compared with July 13, 2013 that had 611,073 pending disability claims. There are 214,941 pending disability claims older than 125 days as compared to 611,073 claims in March 25, 2013. The proposed budget authorizes 770 additional disability claims processors.

Wounded Warriors & Seamless Transition

FRA strongly supports the Administration’s efforts to create an integrated Electronic Health Record (iEHR) for every service member which would be a major step towards the Association’s long-standing goal of a truly seamless transition from military to veteran status for all service members. This would permit DoD, the Department of Veterans Affairs (VA), and private health care providers immediate access to health data.

The importance of fully implemented interoperability of electronic medical records cannot be overstated. The Association was grateful that the FY 2014 National Defense Authorization Act (NDAA) has a provision that requires DoD and VA to implement a seamless electronic sharing of medical health care data by October 1, 2016. This provision was in response to the VA and DoD shelving plans to jointly develop an integrated Electronic Health Record (iHER) system due to cost and schedule challenges. Instead, the two agencies decided to pursue separate efforts to modernize or replace their existing systems. However, according to a new Government Accountability Office (GAO) report (GAO-14-302), the VA and DOD "have not substantiated their claims that the current approach will be less expensive and more timely than the single-system approach." The GAO report also notes that neither department has provided a joint strategic plan that explains lines of responsibility, time schedule, how to eliminate management barriers, and how much the project will cost. FRA has long supported efforts to ensure adequate funding for DoD and VA health care resource sharing in delivering seamless, cost effective, quality services to personnel wounded in combat and other veterans, and their families.

There is some sharing now between DoD, VA and the private sector, but more needs to be done. Wider expansion of data sharing and exchange agreements between VA, DoD and the private

sector is needed. VA's "Blue Button" initiative permits veteran's online access to some medical history, appointments, wellness reminders and military service information, but most is only accessible after in-person authentication. VA is also moving forward on its paperless disability processes that are Health Insurance Portability and Protection Act (HIPPA) compliant.

The lack of seamless transition has had an impact on the treatment of PTSI. Treatment for this condition is difficult and no specific drugs have been approved for treating this condition. Finding the right combination and dosage of drugs for an individual is difficult. Often when DoD doctors identify an effective treatment, the VA with a much more limited formulary, has no access to those drugs. A big step forward with creating a seamless transition would be to allow VA and DoD to use the same prescription drug formulary.

Caregivers of veterans with catastrophic injuries assume formidable challenges, and VA must do all it can to assist the caregiver. FRA supports extending the current family caregivers program to all veterans with serious service-connected injury eligibility. The program currently only applies to veterans that had serious service-connected injuries after September 11, 2001.

Jurisdictional challenges notwithstanding these Committees must remain vigilant regarding its' oversight responsibilities associated with ensuring a "seamless transition" for our Nation's wounded warriors.

Suicide/Mental Health

FRA believes post-traumatic stress should not be referred to as a "disorder," but rather an "Injury." The disorder terminology adds to the stigma of this condition, and the Association believes it is critical that the military and VA work to reduce the stigma associated with PTS and TBI. Access to quality mental health service is a vital priority, along with a better understanding of these conditions and improved care. "Roughly 20 percent of the 2.5 million men and women who served in Afghanistan and Iraq have PTSD or other mental illness. Of the 200,000 incarcerated veterans in the U.S., make up about 14 percent of the nation's prisoners. Contrary to public perception, Afghanistan and Iraq vets are only half as likely to be incarcerated as those who fought in earlier wars, but... suffer from PTSD at three times the rate of older veterans."² PTSI diagnosis and treatment remain a major challenge for the VA. "The number of veterans who received VA treatment for PTSD and other mental health issues reached 1.3 million last year, up 400,000 since 2006"³

FRA is thankful that the Department of Defense (DoD) has agreed to reconsider the bad-paper discharge of thousands of Vietnam era veterans who may have suffered from PTSI, but were kicked out of the military before this injury was diagnosable. The change in policy is a result of

² Time Magazine, Feb. 10, 2014, "A Troubled Marine's Final Fight" page38-39, Mark Thompson

³ The Washington Post, Nov. 11, 2013 "VA Shinseki is determined to Leave no Vet Behind" Steve Vogel

litigation originating from the Yale Law School Veterans' Legal Service Clinic. The lawsuit estimates that of the 250,000 less than Honorable discharges during the Vietnam war; that as many as 80,000 may have been a result of PTSD.

FRA is troubled by the high rate of suicide among veterans being reported as high as 22 per day. FRA supported the "Clay Hunt Suicide Prevention for American Veterans Act" that was introduced January 7, 2015 (H.R. 203/S. 167). The measure was sponsored by Rep. Tim Walz (Minn.) and Sen. John McCain respectively and had bi-partisan support. It was signed into law (P. L. 114-2) February 12, 2015 and requires the Department of Veterans Affairs (VA) and the (DoD), to at least annually allow for an independent third party evaluation of their mental health care and suicide prevention programs.

The Association welcomes the recent reduction in active duty suicides, but is concerned about increasing suicide rates in special operations forces and the reserve component. The Association appreciates the FY 2015 NDAA including an additional \$18.8 million that has been targeted for special operations units that have experienced an increase in suicides last year.

FRA is cautiously optimistic about a new screening system that can flag those at highest risk of suicide. The system- a computer program that rates more than 20 actuarial factors, including age at enlistment, history of violence, and prescription drug use - would be the most rigorous suicide prediction model available, if it performs as expected in real-world settings. The actuarial factors were identified in a new study published in the Journal of the American Medical Association (JAMA) Psychiatry. Some of the factors related to higher risk for suicide were anticipated, such as previous suicide attempts, history of using weapons, and symptoms of Traumatic Brain Injury (TBI). Other factors were unexpected, such as higher I.Q. and being older than 26 at enlistment. This system, if it can be assimilated well into the military's health system, would allow doctors to follow high-risk service members after they have been discharged and, if necessary, take preventative measures.

A recent article in the Washington Post (March 9, 2015, page A10) explains how VA is partnering with non-profits and technology firms to help veterans access mental health services through video sessions with a network of volunteers. VA's advancements to mobile technology are cautious, because many of its app's are not integrated with the agency's database of health records, which depend on older IT infrastructure. However, apps that are focused on mental health have received positive recognition in their test run and help remove the humiliation of seeking help. VA plans to release three apps on a national scale this year; Summary of Care, Launchpad, and Mobile Blue Button. An additional app that is under development called MyVAHealth, aims to assist veterans to upload medical records directly to their health care providers. FRA has long advocated new technology as a means to deliver quality care in a timely and inexpensive manner.

Agent Orange Reform

From 1964-1975 more than 500,000 service members were deployed off the coast of Vietnam, and many may have been exposed to Agent Orange, a herbicide used in Vietnam. Past VA policy (1991-2001) allowed service members to file claims if they received the Vietnam Service Medal or Vietnam Campaign Medal. But VA implemented a “boots on the ground” limitation on obtaining an Agent Orange presumption connection.

FRA is concerned about the recently released (December 2013) report from the National Academy of Sciences on the health effects from exposure to herbicides used during military operations in Vietnam. The study is mandated by the Agent Orange Act of 1991 (P.L. 102-4) and the Veterans Education and Benefits Expansion Act of 2001 (P. L. 107-103). This provision in the public law sunsets September 30, 2015 and should be extended.

The study provides limited or suggestive evidence that some Vietnam veterans exposed to Agent Orange herbicide have a higher incidence of stroke after age 70. The study also notes that the possibility of adverse health effects in offspring of Vietnam veterans is a high priority with veterans, but is a very elusive outcome to establish or refute.

The Association appreciates the establishment of a presumptive service-connection for Vietnam veterans who have B cell leukemia, Parkinson’s disease or ischemic heart disease. These diseases are related to exposure to Agent Orange. Former VA Secretary Eric Shinseki’s decision is a major step in the right direction, but FRA is advocating for a broader Agent Orange service-connection.

However, a January 2013 VA statement referencing a careful review of another IOM report in 2011, entitled, “Blue Water Navy Vietnam Veterans and Agent Orange Exposure,” indicates that there is insufficient evidence to establish a presumption of exposure to herbicides for Vietnam veterans who served off the Vietnam coast during the conflict.

FRA believes that decision maintains the status quo regarding disability claims of these so-called “Blue Water” veterans and that the IOM report validated the 2002 Royal Australian Navy study that confirmed the desalinization process used on Australian and U.S. Navy ships actually magnified the dioxin exposure. The Association continues to seek a legislative remedy to reverse current policy so Blue Water veterans and military retirees who have health problems commonly associated with herbicide exposure will be eligible for service-related VA medical and disability benefits.

The Association notes the VA’s efforts to expand presumption to ships exposed to Agent Orange during the Vietnam era. In January 2012, the VA added 47 ships to its list of Navy and Coast Guard vessels that may have been exposed to the Agent Orange herbicide. The list expanded as

VA staff determined that a ship anchored, operated close to shore or traveled on the inland waterways and was exposed to the toxic herbicide. While the expanded VA policy to include veterans who sailed on “inland waterway” ships is significant, FRA believes it does not go far enough. The Association has received hundreds of calls from “blue water sailors” and their surviving spouses, stating that due to service on “their ships” in Vietnam waters (Tonkin Gulf), they too suffer or have died from many of the illnesses associated to presumed exposure to herbicides as their “brown water” and “boots on the ground” counterparts.

The Association wishes to thank Representative Chris Gibson (N.Y.) and Senator Kristin Gillibrand (N.Y.) for introducing the “Blue Water Navy Vietnam Veterans Act” (H.R. 969/ S. 961)

FRA looks forward to hearings on this priority issue of the Association.

COLA

FRA is thankful that the Administration has abandoned its call for implementing the Chained Consumer Price Index (CPI) in lieu the current CPI in last year’s budget request. The Department of Labor’s Consumer Price Index (CPI) is used to determine annual COLAs for various benefit programs. The Association is committed to ensuring equitable COLAs for military retiree’s retainer pay, veteran’s disability compensation, dependency and indemnity compensation for surviving spouses and children. Switching to this measure of inflation, known as “chained CPI,” would reduce payments and have a negative financial impact on seniors, military retirees, veterans, survivors, and people with disabilities.

In addition, FRA supports establishing a COLA stipend for Vocational Rehabilitation and Employment (VRE) program.

Disability Rating Review

Aggressive committee oversight of the Integrated Disability Evaluation System (IDES) is essential to ensuring that disability ratings established by this system are fair and consistent. In FRA’s recent (February 2014) online survey indicates that 84 percent of veterans see claims processing as “Very Important.” The Association supports the modernization of the VA Schedule of Rating Disabilities to guarantee that the ratings are uniform between the different services, between enlisted and officers, and uniform between DoD and VA. The 2015 Independent Budget (IB), the final report (2007) of the Veterans Disability Benefit Commission (VDBC), and the Dole –Shalala Commission, all agree that the current disability rating should be reformed to more fully take into account non-economic loss and quality of life factors when determining compensation.

FRA urges Congress to authorize a presumption of service-connected disability for combat veterans and veterans exposed to high levels of noise and subsequently claim hearing loss or tinnitus. Currently, veterans must prove that the hearing problem was caused by military service.

FRA welcomes VA efforts at updating its Schedule for Rating Disabilities (VASRD, or Rating Schedule), which will modernize and improve the delivery of disability benefits to veterans. The VASRD, which is part 4 of title 38, Code of Federal Regulations, governs how VA claims processors evaluate the severity of disabilities.

Updating the VASRD is essential to better reflect modern medicine, clarify rating criteria, help VA claims processors make more consistent decisions with greater ease, and ensure greater understanding of VA decisions. While VA has routinely updated parts of the VASRD, VA has not systematically updated the entire VASRD since 1945. A working group of specialized physicians (VA and non-VA), stakeholders, to include members of Veterans Service Organizations (VSO), and claims processors, review each body system and provide analysis to assist VA in developing changes.

The updated Rating Schedule may afford some service-connected veterans an increase in their disability evaluation based on the new rating criteria. Federal statutes prohibit VA from reducing the disability evaluations of veterans who are already service-connected, solely due to changes in the rating criteria. If a claim or an appeal is awaiting a decision when VA publishes the final updated rating criteria, VA will apply the criteria previously in effect as to prior periods and may continue to apply those criteria, if more favorable to the veteran, after the new criteria becomes effective. VA will apply the new criteria for periods after their effective date if more favorable to the veteran. Claims processors using the Rating Schedule will receive training on recognizing how and when to apply its updates, as well as on its significant changes.

The Physical Disability Board of Review (PDBR) was mandated by the FY 2008 National Defense Authorization Act to reassess the accuracy and fairness of disability claims that resulted in combined disability ratings of 20 percent or less for service members who were separated from service due to medical conditions rather than being medically retired. To be eligible for a PDBR review, service members must have been medically separated between September 11, 2001, and December 31, 2009, with a combined disability rating of 20 percent or less, and found ineligible for retirement. PDBR cannot downgrade a disability for veterans seeking a review if their rating and nearly half of those reviewed have been upgraded to 30 percent or more. FRA urges additional funding for mailing and other outreach efforts to eligible veterans and that adequate staff and resources be provided to the PDBR to be able to process an increase in the volume of veterans seeking a review of their ratings.

Post 911 GI Bill

FRA supports authorizing Post 9/11 GI Bill benefits to survivors of service members who died in the line of duty after September 11, 2001. The Association also supports authorizing transfer of Post 9/11 GI Bill benefits from catastrophically disabled veterans to their full-time care givers in cases where a transfer did not occur prior to the veterans discharge or retirement.

The Post 9/11 GI Bill is a tremendous benefit for service members who qualify for the program and has significantly improved the morale of those currently serving. The VA claims that it has provided \$49 billion in Post 9/11 GI Bill benefits to 1.36 million veterans. The Association urges sustained oversight of the program to ensure that qualifying veterans and their families can make informed decisions about choosing the best educational program for their needs and that they receive benefits in a timely manner. The demand for Post 9/11 GI Bill benefits is expected to increase as the U.S. military disengages from Afghanistan and there is a drawdown of forces.

Access to VA Care

In 2009, there was a partial lifting of the “temporary” 2003 ban on enrolling Priority Group 8 veterans. VA opened enrollment for some (10 percent) of these beneficiaries and the intent was to gradually add 10 percent more enrollments each successive year, however, the lifting of the ban stopped after the first year significantly limiting access to care. More than 260,000 veterans have been impacted by the policy. Our Nation made commitments to all veterans in return for their service and limiting enrollment conveys the wrong message to those currently serving and those who have served in the past.

Expanding access to VA Hospitals and Clinics for TRICARE beneficiaries is important to FRA. Association supports opportunities to expand DoD/VA joint facilities demonstration projects such as combining the VA Hospital and the Naval Hospital at Great Lakes Naval Base, Illinois, and ensuring that military retirees are not required to pay for care in VA facilities. All 153 VA medical centers accept TRICARE beneficiaries except for TRICARE for Life beneficiaries.

FRA believes authorization of Medicare reimbursement for eligible veterans would improve access for Medicare-eligible veterans and enhance health care funding for the VA. Congress should authorize Medicare reimbursements to VA medical facilities for care provided to Medicare-eligible veterans for non-service-connected conditions. Under current law, Medicare is not authorized to reimburse VA hospitals for care provided to Medicare eligible veterans. This results in veterans being forced to decide between receiving medical care through the VA or using Medicare at a non-VA facility and foregoing the personalized care of a VA hospital. Most veterans pay into Medicare for most of their lives, yet the law prohibits them from benefitting from this via care at VA facilities later in life.

Veterans Employment

On the first day of session for the new (114th) Congress, the House unanimously passed the “Hire More Heroes Act” (HR 22), sponsored by Rep. Rodney Davis (Il.). The Senate Finance Committee later approved the measure without amendment. The bill incentivizes small businesses to hire veterans while at the same time providing them relief from the Affordable Care Act (ACA). The bill exempts employees with health coverage under TRICARE or the Department of Veterans Affairs from determining if the employer is regulated by the ACA (30 or more employees that work 30 or more hours a week).

Veterans Starting Small Businesses

A recent 2014 Bloomberg Businessweek report references the Kaufman Foundation’s “Index of Entrepreneurial Activity,” Which specifies that current veterans startup rate for businesses is less than the startup rates for all Americans, and less than the veteran startup rate in 1996. Despite the fact the pool of federal money available to veteran entrepreneurs is increasing. Congress created a preference for government contractors owned by service-disabled veterans in 2003. The program has grown from \$760 million that year to \$11 billion in 2014. The Small Business Administration (SBA), meanwhile, has offered steady support for loan programs designed to help veterans.

Veteran entrepreneurial zeal is substantial. According to Forbes Magazine, there are approximately 3 million small businesses owned by veterans that employ 5.7 million employees that get paid \$210 billion annually and produce \$1.2 trillion in sales. Veterans, who make-up only eight percent of the population, own 30 percent of small businesses.

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 that has been made on this issue that includes a recently enacted provision fixing the CRSC glitch that caused some beneficiaries to lose compensation when their disability rating was increased. Chapter 61 retirees receiving CRDP, and CRDP retirees with less than 50 percent disability rating should also receive full military retired pay and VA disability compensation without any offset.

The Association strongly supports legislation to provide additional improvements that include Senate Majority Leader Harry Reid’s recently introduced legislation (S.271), Rep. Sanford

Bishop's (N.Y.) "Disabled Veterans Tax Termination Act" (H.R. 333) and Rep. Gus Bilirakis' (Fla.) "Retired Pay Restoration Act" (H.R. 303).

SBP/DIC Offset Repeal

FRA supports elimination of the offset, also known as the "widow's tax," on approximately 60,000 widows and widowers of our Armed Forces.

Current DIC payments are \$1,215 and 2009 legislation partially addressed this inequity by authorizing an increase via the Special Survivor Indemnity Allowance (SSIA) of only \$50 per month for that year, with increases to \$100 in 2014. The above referenced legislation would increase the allowance to \$150 per month in 2014 with gradual increases to \$310 per month in 2017. The SSAI sunsets at the end of 2017 and FRA recommends an extension until the offset is repealed.

SBP and DIC payments are paid for different reasons. SBP coverage is purchased by the retiree and intended to provide a portion of retired pay to the survivor upon his/her death, while DIC is indemnity compensation paid to survivors of service members who die of service connected causes. And it's important to note that surviving spouses of federal civilian retirees who are disabled veterans and die of service connected causes receive DIC without offset to their federal civilian SBP benefits.

Uniformed Services Former Spouses Protection Act (USFSPA)

FRA urges Congress to examine the Uniformed Services Former Spouses-Protection Act (USFSPA) and support amendments to the language therein to protect its service members against State courts that ignore provisions of the Act.

The USFSPA was enacted 31 years ago; the result of Congressional maneuvering that denied the opposition an opportunity to express its position in open public hearings. 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

In closing, allow me again to 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 staffs do for our Nation's veterans.

Our leadership and Legislative Team stand ready to work with the Committees and their staffs to improve benefits for all veterans who've served this great Nation.



FRA National President John Ippert

John Ippert, a resident of Mililani, Hawaii, serves as National President (NP) of the Fleet Reserve Association (FRA), a congressionally chartered military and veterans' service organization serving current and former enlisted members of the Navy, Marine Corps and Coast Guard. He was installed in October of 2014 at FRA's 87th National Convention in Corpus Christi, Texas. During his tenure, Ippert will work with FRA's other national officers and members to strengthen the Association's membership base and raise awareness of FRA's highly effective legislative advocacy work focused on enhancing pay and benefits for enlisted Sea Service personnel and their families.

NP Ippert has been a member of the FRA since 1975. He is a Life Member and is currently a member of FRA Branch 46 in Honolulu, Hawaii. He has held numerous leadership positions at the local, regional and national levels of the organization. In addition, Ippert has served on numerous national committees, was acting chaplain at the 2012 National Convention and has served as a member of the Budget and Finance Committee. His efforts to strengthen the Association earned him the prestigious Frank J. McPherson Award in 2012 for exemplifying FRA's three cardinal principles of Loyalty, Protection and Service.

Ippert is a Vietnam veteran who enlisted in the U.S. Navy in 1961 and retired as a master chief in 1986. His military career included assignments on several ships, including two battleships, as well as overseas duty in Vietnam and Europe. He won numerous awards including the Navy Achievement Award (one star), Vietnam Service Award, and Vietnam Humanitarian Action Award. His post-military career includes ten years with the United States Postal Service and four years as elected mayor of Mayetta, Kan.