Review of First Session of 111th Congress

The 111th Congress convened on January 6, 2009. Major issues on the agenda for both chambers included the Global War on Terrorism, and the deepening economic recession. To date, The American Legion has participated in 21 congressional hearings.

One of the first orders of business for the new Congress was to finish work on the Fiscal Year (FY) 2009 budget process. The Federal government was still operating under the terms of Public Law (P.L.) 110-329, an omnibus appropriations bill that fully funded only three departments – Defense (DOD), Homeland Security and Veterans Affairs (VA) – while funding the remaining Federal government departments, agencies and other bodies at levels equal to FY 2008. By March 11, six months after the start of the fiscal year, Congress passed and the President signed P.L. 111-8, a measure making appropriations for 2009. Specific spending totals are outlined in each subject area in the remainder of this report.

On February 26, the new administration released a summary for the proposed FY 2010 “top line” Federal budget, including VA. The White House requested $52.5 billion for VA discretionary spending programs, an increase of $4.9 billion over FY 2009 amounts. Mandatory funding would be set at $60.3 billion, making the total VA budget $112.8 billion. The request projected that over the next five years, VA discretionary funding will be increased by $25 billion. The gradual expansion of health care will support the health care needs of over 500,000 Priority Group 8 veterans who have been excluded from VA coverage since 2003. This increased funding will also provide the necessary resources to maintain the high-quality and timely care for lower-income and service-disabled veterans who currently use the system. However, The American Legion remains adamant that Priority Group 8 veterans must be enrolled.

In addition, the budget proposal would provide greater benefits to veterans who are medically retired from active duty, allowing for all military retirees to keep their full VA disability compensation along with their retired pay. Further, the President’s budget would allocate sufficient resources for the effective implementation of the Post-9/11 GI Bill, providing ground-breaking levels of educational support for the active-duty men and women who have served our country. The FY 2010 budget proposal would support additional research and services to a variety of specialty care services. These include prosthetics, vision
and spinal cord injuries, aging and women’s health. The increased funding will allow the foundation of VA Centers of Excellence to focus on the improvement of these critical services.

Another area to be addressed by the budget proposal would be better information technology that directly benefits veterans in the areas of both health care and benefits through the use of improved electronic medical records. VA would also develop electronic processes to increase accuracy, consistency and timeliness in veterans’ receipt of benefits.

Furthermore, the President’s proposed budget would address homelessness among veterans in this country. It would expand VA’s current services through a collaborative pilot program with non-profit organizations that is aimed at maintaining stable housing for vulnerable veterans at risk of homelessness. It would provide them with supportive services to help them “get back on their feet” through job training, preventive care, and other critical services.

Finally, the President’s budget request would provide funding to carry VA services to rural communities that are often unable to access VA care. The budget proposal would expand VA mental health screening and treatment with a focus on reaching veterans in rural areas in part through an increase in the number of Vet Centers and mobile health clinics. New outreach funding would help rural veterans and their families stay informed of these resources and encourage them to take advantage of the care they need.

On March 16, then-National Commander Rehbein and representatives of other veterans’ service organizations met with the President at the White House. The meeting was called to discuss an administration proposal to have VA bill the insurance companies of veterans using VA for treatment of their service-connected disabilities. After the meeting, then-Commander Rehbein said, “This reimbursement plan would be inconsistent with the mandate ‘... to care for him who shall have borne the battle...’ given that the United States government sent members of the armed forces into harm's way, and not private insurance companies. I say again that The American Legion does not and will not support any plan that seeks to bill a veteran for treatment of a service-connected disability at the very agency that was created to treat the unique needs of America's veterans!”
Two days later, after a second meeting with veterans’ representatives – as well as a veritable firestorm of protest in the media, from the public and Members of Congress – the White House announced it was scrapping the plan.

On April 2, both the House and Senate passed their respective budget resolutions for FY 2010. The House passed House Concurrent Resolution (H. Con. Res.) 85 by a recorded vote of 223-196, while the Senate passed Senate Concurrent Resolution (S. Con. Res.) 13 by a vote of 55-43.

H. Con. Res. 85 set FY 2010 discretionary spending for veterans’ programs at $53.3 billion. This is $5.5 billion more than was appropriated for the current fiscal year, an 11.5 percent increase. The resolution contains an additional $800 million over the new administration’s original “top line” request. In mid-March, the Minority Members of the House Veterans’ Affairs Committee released their recommendations for the VA’s FY 2010 budget. Among their recommendations were: ensure timely and accurate processing of claims; improve veteran-owned small businesses; ensure all national cemeteries are national shrines; and, provide world class quality health care.

S. Con. Res. 13 would also fund VA discretionary programs at $53.3 billion for FY 2010. While short on specific funding recommendations, the Senate resolution highlighted several areas of need. They include: increased veteran enrollment; meeting the challenges of mental health; continued outreach to homeless veterans; and, enactment of advance appropriations for VA medical care accounts.

For several years, The American Legion and other veterans’ service organizations have pushed for adoption of advance appropriations for VA medical care funding. This would allow Congress to fund VA health care one year in advance, then allow for the passage of additional funding as needed during a fiscal year. This is not a new concept, as the Department of Housing and Urban Development (HUD) Section 8 vouchers, the Corporation for Public Broadcasting and the Head Start program are all funded through advance appropriations.

During Senate floor debate on the budget resolution, Senator James Inhofe (OK) introduced an amendment, cosponsored by Senators Daniel K. Akaka (HI), Richard Burr (NC), Lisa Murkowski (AK) and John Thune (SD), to include VA medical care programs among those to be funded through advance appropriations. The amendment was agreed to by unanimous consent.
The House and Senate budget conferees met and the House agreed to the Senate amendment and it became part of the final bill which was passed by Congress on April 29. It should be stressed that the budget resolution is not law; the budget resolution is used as the starting point for the writing of the individual spending bills for the next fiscal year. The President’s budget advisors finally released a full, itemized budget request on May 7.

The table below outlines FY 2009 VA appropriations, the President’s FY 2010 budget request and VA funding recommendations by The American Legion for FY 2010.

<table>
<thead>
<tr>
<th>Discretionary Program</th>
<th>PL 110-329, FY 2009 VA Appropriations</th>
<th>President’s Request, FY 2010</th>
<th>Legion Request FY 2010</th>
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<tbody>
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<td>Natl. Cemetery Administration</td>
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<td>$242 million</td>
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<td>Major Construction</td>
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<td>State Veterans’ Homes Construction Grants</td>
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<td>State Veterans’ Cemetery Construction Grants</td>
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<td>$42 million</td>
<td>$49 million</td>
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</tbody>
</table>

# Includes supplemental funding from PL 111-5, the “American Recovery and Reinvestment Act of 2009,” the $787 billion plan known as the “stimulus package”

**CHILDREN & YOUTH**

On March 11, the President signed into law **P.L. 111-8**, the FY 2009 omnibus funding measure for the remainder of the fiscal year, which ended September 30, 2009. Funding for Department of Justice (DoJ) programs supported by The American Legion include:

- $7.2 billion for the FBI;
- $1.94 billion for the Drug Enforcement Administration (DEA);
- $1.33 billion for state and local law enforcement assistance grants;
- $1.05 billion for the Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF);
• $950 million for the U.S. Marshals Service; and,
• $374 million for the Office of Juvenile Justice and Delinquency Prevention (OJJDP), a program The American Legion has enthusiastically supported since its creation in 1974.

ECONOMICS

PL 111-8 also contains FY 2009 appropriations for the Department of Labor (DOL). The measure funds veterans programs under the Assistant Secretary of Labor for Veterans Employment and Training (ASVET). Funding highlights for ASVET for FY 2009 include:
• $168.9 million for state administration grants, an increase of $7 million over FY 2008;
• $34.6 million for Federal administration, an increase of $1.3 million above FY 2008;
• $1.9 million for the National Veterans Training Institute, the same amount as FY 2008;
• $26.4 million for homeless veterans’ programs, $2.8 million more than the previous year; and,
• $7.6 million for the veterans’ workforce investment program, an increase over FY 2008 of $200,000.

FOREIGN RELATIONS

Appropriations for the Department of State and Foreign Operations programs for FY 2009 were contained in PL 111-8. The measure provides $36.6 billion in total funding. Specific areas of interest to The American Legion include:
• $5.5 billion in global assistance to fight HIV/AIDS, tuberculosis, measles and malaria;
• $2.4 billion in military assistance to Israel;
• $1.5 billion in economic and military aid to Egypt;
• $875 million for international narcotics control and law enforcement;
• $725 million in economic and border security/anti-terrorism military aid to Pakistan;
• $650 million in assistance for nations of Europe, Eurasia and Central Asia;
• $499 million in economic and military aid to Jordan; and,
• $315 million for the Andean Counterdrug Initiative.
President Obama on June 24 signed P.L. 111-32, the FY 2009 supplemental spending bill. The House of Representatives passed the measure on June 16 by a vote of 226-202, with the Senate passing the measure two day later by a vote of 91-5. The main focus of the measure is to fund the wars in Afghanistan and Iraq. Among the foreign relations areas addressed in the bill:

- $7.7 billion in response to the potential flu pandemic;
- $4.8 billion for economic assistance, diplomatic operations and civilian personnel in Iraq, Afghanistan, and Pakistan;
- $1.4 billion for various humanitarian assistance programs;
- $721 million for U.N. peacekeeping operations;
- $555 million for security assistance to Israel;
- $310 million for economic and security assistance for Egypt; and,
- $300 million for economic and security assistance for Jordan.

INTERNAL AFFAIRS

On July 24, House Resolution (H. Res.) 679 was introduced in the House of Representatives by Rep. Deborah Halvorson (IL). This resolution proposed the designation of September 16 – which is the anniversary of The American Legion receiving its Federal charter in 1919 – each year as “The American Legion Day,” a national day of observance of The American Legion's goals and ideals in which the country may celebrate, with appropriate programs and activities, the long history of The American Legion and its steadfast and patriotic service to the community, state and nation. The resolution passed the House on September 15 by a voice vote. A Senate companion measure, Senate Resolution (S. Res.) 260, was introduced by Sen. Olympia Snowe (ME) on September 10 and passed the Senate by unanimous consent the same day. Since the Senate resolution addresses only 2009, The American Legion will continue efforts to secure another resolution in 2010. These bills are considered "simple resolutions" which express the opinions of the chamber and do not go to the White House.

On July 27 President Obama signed P.L. 111-41, the “Korean War Veterans Recognition Act.” This law amends Title 4 of the United State Code, adding National Korean War Veterans Armistice Day, July 27, to the list of days on which the flag of the United States should be displayed. The American
Legion has for many years lobbied Congress to recognize the service and sacrifices of veterans from this conflict.

NATIONAL SECURITY

On February 17, the President signed into law P.L. 111-5, the "American Recovery and Reinvestment Act of 2009." In addition to providing funding to address the economy, this measure also contained FY 2009 supplemental funding for various Federal agencies, including DOD, Homeland Security, and VA.

Major DOD allocations included:

- $2.2 billion for military construction. Two of the projects were announced on March 27 as replacement hospitals for Camp Pendleton, CA, and Fort Hood, TX. Construction should be completed by 2013 and both hospitals will be operational by the next year;
- $400 million for the Defense Health Program for energy efficiency improvements, as well as repairs and modernization construction for medical facilities;
- $300 million for energy efficiency research and development; and,
- $135 million for family housing construction, operation and maintenance for the Army and Air Force.

No funding was included in the final version for the Base Realignment and Closure (BRAC) account.

Homeland Security earmarks included:

- $1 billion for the Transportation Security Administration for the purchase and installation of explosive detection systems and emerging checkpoint technologies;
- $420 million for construction of Customs and Border Protection land ports of entry to improve border security;
- $300 million for Federal Emergency Management Agency (FEMA) state and local grants for transportation security construction and acquisition;
- $250 million for border security fencing infrastructure and technology;
- $210 million for firefighter assistance grants for construction of new firehouses;
• $160 million for U.S. Customs and Border Protection for the acquisition of new or replacement non-intrusive inspection systems; and,

• $160 million for the U.S. Coast Guard for acquisitions, construction, improvements and the alteration or removal of obstructive bridges.

President Obama on June 24 signed PL 111-32, the FY 2009 supplemental spending bill. The House on June 16 voted 226-202 to pass the conference report to the measure, and the Senate followed suit two days later, approving the measure by a 91-5 tally. Funding in the law totals $106 billion, an increase of $23 billion over the President’s original request. It includes $79.9 billion to fund DOD and intelligence programs related to the wars in Iraq and Afghanistan. Although the wars have typically been funded through such “emergency” supplemental requests since 2001, the President has pledged to move the war costs into the regular DOD budget in the future.

Specific areas in the supplemental request related to national security include:

• $25.8 billion to repair or replace equipment worn down in the wars, including $4.5 billion for acquisition of improved mine-resistant vehicles, $2.7 billion for 8 C-17s and 7 C-130s, $600 million for 4 F-22 aircraft, and $500 million for National Guard and Reserve equipment;

• $3.6 billion for expanding and training the Afghan security forces;

• $2.7 billion for military construction programs to support combat operations in Afghanistan, the armed forces and their families, including hospitals, child development centers, and new hospitals in Maryland and Virginia to replace Walter Reed Army Medical Center in Washington, DC;

• $1.8 billion for Military Health Care, to include funds for programs to support military families, for orthopedic research, for traumatic brain injury and psychological health research, and for rehabilitation equipment for wounded warriors;

• $1.1 billion to combat improvised explosive devices (IEDs);

• $1 billion to support coalition partners fighting in Iraq and Afghanistan;

• $534 million to provide over 185,000 service members who have had their enlistments involuntarily extended since September 11, 2001 with $500/month for every month they were held under stop-loss orders; and,

• $400 million to Pakistani forces’ counterinsurgency operations.
On October 28, President Obama signed P.L. 111-83, the FY 2010 appropriations bill for the Department of Homeland Security. The House of Representatives passed the measure's conference report on October 15 by a vote of 307-114; the Senate followed suit on October 20 by a 79-19 tally.

The measure provides $42.8 billion in discretionary spending for DHS programs, an increase of $2.6 billion above FY 2009 funding. Some of the key provisions include:

- $10.1 billion for the Bureau of Customs and Border Protection, $306 million above the FY 2009 funding levels;
- $9.9 billion for the U.S. Coast Guard, $776 million more than the previous fiscal year;
- $7.7 billion for the Transportation Security Administration, $679 million above last year's spending amounts;
- $5.4 billion for the Bureau of Immigration and Customs Enforcement, which is $448 million above 2009 levels;
- $4.2 billion in grants for state and local "first responders" which is nearly $300 million above the amount requested by the Administration;
- $1.5 billion for the U.S. Secret Service, $70 million above last year's levels;
- $860 million for the Federal Air Marshals, an increase of $41 million from 2009; and
- $800 billion for border security along the U.S.-Mexico border (included under the “Customs and Border Protection” account), $25 million more than last year.

On October 28, the President signed into law P.L. 111-84, the FY 2010 Department of Defense (DOD) authorization bill. The House by a vote of 281-146 passed the conference report on October 8, while the Senate agreed to the report on October 22 by a vote of 68-29. Each year, Congress passes legislation authorizing spending levels for DOD programs, and usually includes a number of policy statements. Some of the major provisions of the law include:

- A 3.4 percent across-the-board pay raise for all military personnel – half a percentage point above the President’s request – before special pay or bonuses;
- Authorization for missile defense programs;
- Authorization to fund the Base Realignment and Closure (BRAC) 2005 account;
- Authorization to address equipment shortfalls in the National Guard and Reserves;
• Authorization for 28 F-35s (Joint Strike Fighters) in the House bill;

• Authorization of full funding for 1 Virginia-class submarine, and advance procurement for construction of two additional submarines in FY 2011;

• Increases for FY 2010 of 15,000 Army personnel, 8,000 Marines, 14,650 Air Force personnel, and 2,477 Navy sailors;

• Increases in Army personnel by 30,000 for FYs 2011 and 2012;

• Discontinues further production of the F-22 fighter plane;

• Adds production of a second, alternative engine to procurement of the F-35 Joint Strike Fighter, a provision opposed by the White House;

• Authorization for family housing programs;

• Additions to Federal hate-crimes legislation to cover attacks based on gender, gender identity, sexual orientation, and military service;

• An authorization for educational impact aid, with an additional funding authorization for those agencies heavily impacted by force structure changes and BRAC; and,

• Extension of TRICARE eligibility to reserve component service members so they can receive full TRICARE coverage 180 days before they go on active duty.

On December 19, the President signed into law P.L. 111-118, the DOD appropriations measure for FY 2010. The bill totals $636.3 billion, an increase of $11 billion over current year funding and $3.8 billion below the President’s request. Funding for specific program areas include:

• $124.5 billion for all costs to continue military operations in Iraq and Afghanistan;

• $29.2 billion for DOD health programs;

• $6.8 billion for the F-35 program, including procurement of 30 planes for the Air Force and Navy;

• $6.3 billion for further development, procurement and upgrades of Mine Resistant Ambush Protected (MRAP) vehicles for Iraq and Afghanistan;

• $3.8 billion for purchase of one Virginia-class attack submarine in FY 2010, and advance procurement for another sub in FY 2011;

• $2.7 billion in both measures for procurement of 35 V-22 Ospreys for the Air Force and Marine Corps;
$2.2 billion for further development and procurement of one additional DDG-51 (Arleigh Burke) destroyer;

$2 billion for missile defense programs;

$1.6 billion for the destruction of chemical agents and munitions;

$1.5 billion for procurement of 18 additional F/A-18E/F Super Hornet aircraft;

$1.4 billion for further development and procurement of the DDG-1000 (Zumwalt) destroyer;

$1.2 billion for drug interdiction and counter-drug activities; and,

$364 million for upgrades and procurement of additional Stryker vehicles.

The measure contains no funding for closing the Guantanamo Bay detention facility for terrorists captured during the Global War on Terrorism. Appropriators stated that once a plan was in place to close the facility, funding would then be requested.

Selective Service System funding for FY 2010 is contained in P.L. 111-117, the omnibus continuing appropriations measure. The law appropriates $24 million, an increase of $2 million over the FY 2009 appropriations. The American Legion continues to support funding for the Selective Service System in case of national emergency.

VETERANS AFFAIRS AND REHABILITATION

As part of P.L. 111-5, $1.4 billion in supplemental funding for VA programs in FY 2009 was included. Major provisions included:

$1 billion for the VA medical facilities account for non-recurring maintenance;

$150 million for construction grants for state veterans’ homes, with the amount to be available through the end of FY 2010;

$150 million for the General Operating Expenses account for expenses relating to the hiring and training of temporary claims processors;

$50 million for the National Cemetery Administration for monument and memorial repairs; and,

$50 million for information technology related to claims processing.

No funds were appropriated for major or minor construction, or for the medical support and compliance account.
FY 2010 funding for VA, military construction programs and related agencies was included in P.L. 111-117, the omnibus appropriations bill. In addition to FY 2010 appropriations, P.L. 111-117 included advance appropriations for FY 2011 for VA’s medical care accounts, totaling nearly $48.2 billion. These FY 2011 accounts include: $37.1 billion for medical services; $5.3 billion for medical support and compliance; and, $5.7 billion for medical facilities.

The chart below presents the major discretionary funding categories of VA’s budget, showing funding for the previous year, the final funding totals for P.L. 111-117 and The American Legion’s FY 2010 budget proposal as presented in testimony before the House and Senate Veterans’ Affairs Committees in September, 2008.

<table>
<thead>
<tr>
<th>VA Discretionary Programs</th>
<th>P.L. 110-329 FY 2009 Final VA Funding</th>
<th>P.L. 111-117 FY 2010 VA Appropriations</th>
<th>American Legion’s FY 2010 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Services</td>
<td>$30.9 billion</td>
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<td>$42.8 billion (includes medical &amp; prosthetic research)</td>
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<tr>
<td>Medical Support and Compliance</td>
<td>$4.4 billion</td>
<td>$4.9 billion</td>
<td></td>
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<tr>
<td>Medical Facilities</td>
<td>$6 billion#</td>
<td>$4.9 billion</td>
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<tr>
<td>Total Medical Care</td>
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<td>$44.5 billion</td>
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<tr>
<td>Medical Care Collections Funds</td>
<td>[$2.5 billion]</td>
<td>[$2.9 billion]</td>
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<tr>
<td>Medical and Prosthetic Research</td>
<td>$510 million</td>
<td>$581 million</td>
<td>$532 million</td>
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<td>Information Technology</td>
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# Includes supplemental funding from PL 111-5
* The American Legion supports using Medical Care Collections Funds as supplements, not offsets, to discretionary VA funding.

Funding in this bill for related agencies monitored by The American Legion include:

- $63 million for the American Battle Monuments Commission;
- $27 million for the U.S. Court of Appeals for Veterans’ Claims;
- $40 million for operations, maintenance and construction at Arlington National Cemetery; and,
- $134 million for operations, maintenance and new construction at the Armed Forces Retirement Home.

On June 30, President Obama signed P.L. 111-37, a measure to provide a cost-of-living-adjustment (COLA) to increase the rates of disability compensation for veterans with service-connected
disabilities. The measure passed the House on June 23 by a vote of 403-0, after being approved by the Senate on June 10 by unanimous consent. The new law will also increase the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans.

The cost-of-living adjustment for the above-mentioned benefits would match the annual increase provided to Social Security recipients, which is based on the Bureau of Labor Statistics’ Consumer Price Index (CPI). The COLA is designed to offset inflation and other factors that alter the cost-of-living over time. On October 15, the Social Security Administration announced that there would be no COLA for 2010. In the event of a decrease in the CPI, veteran and survivor compensation will remain at last year’s rate.

On October 22, President Obama enacted P.L. 111-81, legislation to address a funding mechanism for the VA medical care accounts that is sufficient, timely and predictable. The measure is entitled the “Veterans Health Care Budget Reform and Transparency Act of 2009.” The original House bill was introduced by House Veterans’ Affairs Committee Chairman Bob Filner (CA); the Senate version was introduced by Senate Veterans’ Affairs Committee Chairman Daniel K. Akaka (HI).

The law requires – beginning with FY 2011 – a two-fiscal-year discretionary new budget authority for the following VA accounts: (1) Medical Services; (2) Medical Support and Compliance; and (3) Medical Facilities. These accounts would be the only VA discretionary appropriations accounts affected by the legislation, and the entire VA budget would still be subject to congressional scrutiny.

On June 10, the House Veterans’ Affairs Committee passed H.R. 1016 by a vote of 23-0. During consideration, House Veterans’ Affairs Committee Ranking Member Steve Buyer (IN) offered an amendment. It would include the information technology and medical/prosthetic research accounts in the advance appropriations process. The amendment was adopted by a 17-8 vote. The measure was then passed by the full House on June 23 by a recorded vote of 409-1.

On August 6, the Senate by a voice vote approved H.R. 1016. Prior to final approval, the Senate amended the bill by substituting the language of S. 423 for the House-passed text. On October 7, Rep. Filner introduced an amendment in the form of substitute language to his original bill. This new language essentially mirrored the Senate version of the bill. The measure passed the House by a vote of 419-1 and passed the Senate on October 13 by unanimous consent. In a White House signing ceremony on
October 22, attended by several representatives of The American Legion, President Obama signed the measure into law as P.L. 111-81.

Review of Second Session of 111th Congress

The Second Session of the 111th Congress convened on January 5, 2010. Major issues on the agenda for both chambers included the Global War on Terrorism, the deepening economic recession and the fiscal year (FY) 2011 Department of Veterans Affairs (VA) budget. To date, The American Legion has participated in 39 congressional hearings during the Second Session.

On February 1, President Obama released his FY 2011 Federal budget request, including funding recommendations for VA. The Administration requested $60.3 billion for VA discretionary spending programs, an increase of $11 billion over the FY 2010 amounts. Mandatory funding would be set at $64.7 billion, making the total VA budget request $125 billion. Included is funding to support the Administration’s plan to incrementally increase the enrollment of Priority Group 8 veterans by 500,000 by 2013 by relaxing the income requirements. In 2003, VA decided to stop enrolling non-disabled Priority Group 8 veterans whose incomes exceeded some set thresholds. This increased funding will also provide the necessary resources to maintain the high-quality and timely care for lower-income and service-disabled veterans who currently use the system. However, millions of Priority Group 8 veterans remained banned from VA enrollment, and The American Legion remains adamant that all Priority Group 8 veterans must be enrolled now.

The President has made six major areas of emphasis in this new budget an integral part of VA’s FY 2011 budget request:

Reducing the Claims Backlog: VA is requesting an increase for staffing in the Veterans Benefits Administration (VBA) to address a dramatic increase in service-connected disability compensation claims. The FY 2011 budget request for VBA is $2.1 billion, a 27 percent increase over the FY 2010 amount, and more than 4,000 additional claims processors for veterans’ benefits.

Eliminating Veterans’ Homelessness: VA’s homeless-specific programs provide a continuum of care for homeless veterans that provide treatment, rehabilitation and supportive services in addressing health, mental health and psychosocial issues. VA’s budget request includes $4.2 billion in FY 2011 to
prevent and reduce homelessness among veterans — over $3.4 billion for core medical services and $799 million for specific homeless programs and expanded medical programs.

**Automating the GI Bill Education Benefits System:** VA has received more than 397,000 original and 219,000 supplemental applications since the inception of this program. The automated solution for the Post-9/11 GI Bill education program is scheduled to be implemented by December 2010. The FY 2011 budget request provides $44.1 million to complete the automated solution for processing claims from the Post-9/11 GI Bill program and to begin the development and implementation of electronic systems to process claims associated with other education programs.

**Establishing a Virtual Lifetime Electronic Record:** In April 2009, the President charged VA and the Department of Defense (DoD) with building a fully interoperable electronic records system that will provide each member of the Armed Forces a Virtual Lifetime Electronic Record (VLER). This VLER will enhance the timely delivery of benefits and services by capturing key information needed about their history. The budget request would provide VA $52 million in IT funds in FY 2011 to continue the development and implementation of this priority.

**Improving Mental Health Care:** VA’s budget request would provide about $5.2 billion for mental health, an increase of $410 million over the FY 2010 enacted level. VA will continue to be proactive in screening for Post-Traumatic Stress (PTS) and intervening early in order to prevent chronic problems that could lead to more complex disorders and functional problems. VA will also expand its screening program for other mental health conditions, most notably traumatic brain injury (TBI), depression, and substance use disorders. VA will enhance its suicide prevention advertising campaign to raise awareness among veterans and their families of the services available to them.

**Deploying a Veterans Relationship Management System:** This system will allow veterans to access comprehensive online information anytime and anywhere via a single consistent entry point. The budget request would provide $51.6 million for this project, which will also provide veterans with the ability to access VA through multiple methods; complete multiple business processes within VA without having to re-enter identifying information; and seamlessly access VA across multiple lines of business.

Some of the specific budget requests include:
• $250 million to strengthen access to health care for 3.2 million veterans enrolled in VA’s medical system who reside in rural and highly rural areas.

• The FY 2011 budget request would provide $217.6 million to meet the gender-specific health care needs of women veterans, an increase of $18.6 million (9.4 percent) over the FY 2010 level.

• The budget request provides an increase of $42 million for VA’s home telehealth program. The effort already cares for 35,000 patients and is the largest program of its kind in the world.

• During FY 2011, VA expects to treat 6.1 million patients, who will account for more than 800,000 hospitalizations and 83 million outpatient visits. That number includes 439,000 veterans who served in Iraq and Afghanistan, for whom $2.6 billion is included in the budget proposal, an increase of $597 million from the current budget.

The proposed budget for health care also includes:

• $54.3 billion in advance appropriations for FY 2012 for health care accounts, an increase of $2.8 billion over the FY 2010 enacted amount.

• $6.8 billion for long-term care, an increase of $859 million (14 percent) over FY 2010. This amount includes $1.5 billion for non-institutional long-term care.

• Expanding access to VA health care system for more than 99,000 Priority Group 8 veterans who were previously denied care because of their incomes.

The chart below shows VA’s discretionary funding programs, with FY 2010 funding totals, the President’s proposed FY 2011 budget amounts, and The American Legion’s proposed appropriations totals as presented to Congress in September, 2009 by then-National Commander Hill.

<table>
<thead>
<tr>
<th>VA Discretionary Programs</th>
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When fiscal year (FY) 2011 began on October 1, 2010, none of the 12 required appropriations measures had been passed by Congress. As a result, Congress passed and the President signed two continuing resolutions (CRs) which provided temporary funding – at FY 2010 levels – for the entire federal government for limited periods. The first measure, P.L. 111-242, was enacted on September 30; the measure funded the federal budget until December 3.

As Congress sought to complete business before the beginning of the 112th Congress, a lame-duck session was convened on November 15. One of the primary reasons for the extra session was to complete action on the FY 2011 appropriations process. The second CR, P.L. 111-290, extended the funding until December 18; a third CR, P.L. 111-317, extended funding for an additional three days. Finally, a fourth CR, P.L. 111-322, was passed by both chambers and signed by the President on December 22. This measure extends funding until March 4, 2011. As a result of these actions, it is now the responsibility of the incoming 112th Congress to wrap up final FY 2011 funding.

### AMERICANISM

Despite introduction in 2009 of House Joint Resolution (H.J. Res.) 47 and Senate Joint Resolution (S.J. Res.) 15, Congress failed to take any action on a constitutional amendment to protect the American flag during the 111th Congress. With changes occurring in the political make-up in both chambers, The American Legion will continue to seek passage of a constitutional amendment to protect the American flag because it is the right thing to do. Let “the People” decide.

### CHILDREN & YOUTH

On July 22, the Senate Appropriations Committee approved, by a vote of 17-12, S.3636, the FY 2011 funding measure for the Departments of Commerce and Justice, as well as various science programs. The House Appropriations Committee is still developing its version of this spending measure. Funding for Department of Justice (DoJ) programs supported by The American Legion include:

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<th>State Veterans' Homes Construction Grants</th>
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$8.3 billion for the FBI in the Senate measure, $618 million above FY 2010 levels;

$3.7 billion for state and local law enforcement assistance grants in the Senate measure, $30 million over the current year amount for this account;

$2.1 billion for the Drug Enforcement Administration (DEA), $110 million above FY 2010 amounts;

$1.16 billion for the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), an increase over current year funding of $42 million;

$1.2 billion for the U.S. Marshals Service, $65 million more than the current year; and,

$490 million for the Office of Juvenile Justice and Delinquency Prevention (OJJDP) – a program The American Legion has enthusiastically supported since its creation in 1974 – an increase of $66 million over FY 2010 levels.

However, final FY 2011 Justice Department funding is still pending.

**ECONOMICS**

On July 29 the Senate Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies approved S. 3686, its version of the FY 2011 spending bill for programs under its jurisdiction, passing the bill by a vote of 17-12. The measure contains funding for programs under Assistant Secretary of Labor for Veterans Employment and Training (ASVET). Funding for this agency totals $262 million, an increase of $6 million over current year spending amounts. Final spending totals for FY 2011 for ASVET have not yet been enacted.

On October 12, the President signed P.L. 111-269, the “Indian Veterans Housing Opportunity Act,” legislation that will ensure that disabled Native American veterans, their families and their survivors are not denied support due to their military service through the Native American Housing Assistance and Self-Determination Act (P.L. 104-330).

When that law was enacted in 1996, it sought to allow tribal communities to more easily access housing grants by providing support to families who make less than 80 percent of the median income of their area. While the law has helped many Native American veterans, due to an oversight it counts veterans’ disability compensation or survivor benefits payments as income. As a result, some former service members who receive those benefits are made ineligible for badly-needed housing assistance.
P.L. 111-269 fixes this flaw by specifically excluding veterans’ benefits from the definition of income, finally correcting a problem that has disadvantaged thousands of Native American veterans and their families.

On January 4, President Obama signed P.L. 111-___, the “Post-9/11 Veterans Educational Assistance Improvements Act of 2010.” The bill would make changes to education benefits for veterans who served after Sept. 11, 2001, including setting the amount of financial aid for individuals enrolled at a public university or college to meet in-state tuition and fees. The Senate passed the bill on December 13, while the House passed the measure on December 16 by vote of 409-3.

The measure, sponsored by Senate Veterans’ Affairs Chairman Daniel Akaka (HI), would expand the post-Sept. 11 GI Bill (P.L. 110-252) to include tuition reimbursements for vocational and trade schools. The current benefits apply to four-year institutions of higher learning; the expansion would provide opportunities for veterans who seek careers in skilled trades following their discharge from the armed forces.

The final bill contained an amendment that would require that certain benefits not be paid out before Oct. 1, 2011 — the beginning of fiscal year 2012. Similarly, a provision that would allow payment for textbooks and similar incidental educational expenses would not take effect until FY 2012. The amended bill also differs from the committee-reported language by reducing some benefit levels. The maximum allowable for tuition and fees, for instance, would decrease to $17,500 from $20,000.

The Congressional Budget Office estimated that Akaka’s original measure, as approved by the Veterans’ Affairs Committee, would have added more than $2 billion to the deficit over 10 years. The amended version passed by Congress would decrease the deficit by $734 million over the same period.

FOREIGN RELATIONS

As part of P.L. 111-212, the FY 2010 supplemental appropriations bill, $6.2 billion were allocated for State Department and foreign operations programs. These programs include:

- $1.5 billion for reconstruction and law enforcement programs in Afghanistan;
- $1.3 billion for State Department operations in Afghanistan, Iraq, Pakistan and Haiti;
• $913 million for humanitarian, economic reconstruction, law enforcement and peacekeeping costs for Haiti. In addition, the bill contains $465 million for International Disaster assistance and $220 million to cancel existing debt for Haiti relief and reconstruction;
• $450 million for start-up costs for Iraqi police programs; and,
• $344 million in economic, law enforcement and military assistance to Pakistan.

On July 29 the Senate Appropriations Committee, by a recorded vote of 18-12, approved S. 3676, the FY 2011 Department of State and Foreign Operations spending measure. The measure provides $54.1 billion in total funding, $5.3 billion more than current year spending and $2.5 billion less than the President’s budget request. However, final FY 2011 foreign operations funding is still pending. Specific areas of interest to The American Legion include:

• $8.2 billion in global assistance to fight HIV/AIDS, tuberculosis, measles and malaria;
• $2.6 billion in combined aid to Afghanistan;
• $2.5 billion in economic and border security/anti-terrorism military aid to Pakistan;
• $3 billion in military assistance to Israel;
• $1.5 billion for international narcotics control and law enforcement;
• $1.5 billion in economic and military aid to Egypt;
• $715 million in assistance for nations of Europe, Eurasia and Central Asia; and
• $660 million in economic and military aid to Jordan.

INTERNAL AFFAIRS

On September 16, Senate Resolution (S. Res.) 627 was introduced in the Senate by Sen. Olympia Snowe (ME). This resolution designates September 16 – which is the anniversary of The American Legion receiving its Federal charter in 1919 –as “The American Legion Day.” The resolution recognizes a national day of observance of The American Legion's goals and ideals in which the country may celebrate, with appropriate programs and activities, the long history of our organization and its steadfast and patriotic service to the community, state and nation. The resolution passed the Senate by unanimous consent the same day as it was introduced.
On July 29 President Obama signed Public Law (P.L.) 111-212, the FY 2010 supplemental appropriation measure. The new law contained a total of $58.8 billion in new funding for programs for the current fiscal year—including $33.4 billion for continued prosecution of the global war on terror. Some of the DoD earmarks include:

- $4.9 billion to fund procurement of military equipment lost during combat operations;
- $3.6 billion for the training and equipping Afghan and Iraqi security forces;
- $1.1 billion for procurement of more Mine Resistant Ambush Protected (MRAP) vehicles; and,
- $657 million for military construction in Afghanistan to support ongoing operations.

On August 10, the House passed by a voice vote H.R. 6080, a measure to enhance U.S.-Mexico border security. The Senate had passed a similar bill just before recessing August 6. Because of constitutional considerations, the Senate held a 30-minute session on Thursday, August 12 to pass H.R. 6080 by unanimous consent, with only two senators in the chamber. The measure was signed by the President the next day, becoming P.L. 111-230.

The law provides $600 million to increase the number of Border Patrol agents by 1,000, and Customs and Border Protection officers by 250, as well as deploy unmanned surveillance drones along the U.S. southern border. It also provides supplemental funding to various federal law enforcement agencies to increase federal law enforcement officials on the U.S.-Mexico border for the remainder of fiscal year 2010, specifically:

- $38 million for the U.S. Marshals Service;
- $38 million for the Bureau of Alcohol, Tobacco, Firearms and Explosives;
- $34 million for the Drug Enforcement Administration; and,
- $24 million for the F.B.I.

Each year Congress passes legislation authorizing spending levels for DoD programs, and usually includes a number of policy statements. The House of Representatives on December 22 passed H.R. 6523, the FY 2011 National Defense Authorization Act, by unanimous consent. The bill was passed by the Senate later the same day, and now awaits the President’s signature. Overall, the measure
authorizes $725 billion for DoD programs for the upcoming fiscal year. Some of the major provisions of include:

- $158.7 billion for overseas contingency operations in Afghanistan for FY 2011;
- Strengthens current law to keep dangerous detainees in Guantanamo Bay from being released;
- A 1.4 percent pay raise for service members;
- Allows service members to provide TRICARE benefits to their adult children up to age 26;
- Provides funding to help train security forces in Yemen, which plays a strategic role in the fight against terrorists;
- Establishes a new program for large-scale infrastructure in Afghanistan, to help the Afghan government provide sustainable services to their people;
- Provides funding to train, equip, and sustain Afghani security forces, which is critical to help bring stability to Afghanistan;
- Provides funding to keep weapons of mass destruction out of the hands of terrorists;
- Includes comprehensive legislation to address sexual assault in the military;
- Creates additional positions for mental health care providers to treat service members who come home with PTSD and TBI;
- Extends a number of special pays and bonuses for service members;
- Continues support of increased end strengths for the Army and Navy to meet the demands of current combat operations;
- Enhances the Yellow Ribbon Reintegration Program, which helps ease the transition of military personnel when they return from deployment;
- Provides $50 million in impact aid funding to modernize schools for our service members' children;
- Provides funding to repair the equipment that our military personnel are using every day in Afghanistan;
- Provides funding to clean up high-risk contaminated sites at former military bases;
- Provides money to build military hospitals and housing for service members and their families, which will also provide an economic boost in areas where the construction occurs;
• Provides funding for critical military initiatives, including suicide prevention, sexual harassment and sexual assault prevention, and soldier and family support programs;
• Creates a counter-improvised explosive device (IED) database;
• Enhances efforts to develop new, lightweight body armor;
• Authorizes $3.4 billion for Mine Resistant Ambush Protected (MRAP) vehicles, as well as $3.5 billion for the Joint Improvised Explosive Device Defeat Organization (JIEDDO);
• Continues efforts to reverse the decline of the Navy, setting the course for a 300 plus ship Navy;
• Authorizes $7.2 billion for restoring and replacing National Guard / Reserve military equipment;
• Protects the U.S. and our allies by authorizing funds for ballistic missile defense; and,
• Strengthens the development of the Aegis ballistic missile defense.

VETERANS AFFAIRS AND REHABILITATION

On February 1, 2010 President Obama signed P.L. 111-137, a measure that would allow reimbursements to veterans who receive emergency treatment at a non-VA facility. The bill would require VA to pay for a nonservice-connected condition if a third-party insurer does not cover the full cost of care, including the difference between the amount paid by the insurer and the maximum VA allowable amount. Veterans would still be responsible for co-payments to third party insurers. The measure is retroactive, meaning it would allow for reimbursements for emergency treatment provided at a non-VA facility at any time before the date of bill’s enactment.

During the recent debate on national health care, one of the controversies raised by the process involved both the Departments of Defense (DoD) and Veterans Affairs (VA) health care systems. During the debate, it was claimed by some opponents that one of the primary pillars of this legislation would endanger the status of persons who currently use the DoD and VA health care systems, especially those persons using TRICARE. According to P.L. 111-148, the “Patient Protection and Affordable Care Act,” a new definition for the term “minimum essential coverage” was established. The law requires all individuals to obtain this minimum level of health insurance or be subject to a penalty tax.

To allay any fears, the chairmen of five House committees, including Veterans’ Affairs Chairman Bob Filner (CA) and Armed Services Chairman Ike Skelton (MO), released a joint letter stating that the
legislation, as written, would protect those persons receiving care from TRICARE or VA. Further, on March 20, the House passed H.R. 4887, the “TRICARE Affirmation Act,” a bill authored by Rep. Skelton, by a vote of 403-0. This measure amends the U.S tax code to provide that all TRICARE plans, even health care plans for DoD non-appropriated fund employees, met the “minimum essential coverage” criteria in the P.L. 111-148. The Senate passed H.R. 4887 by unanimous consent on April 12. The measure was signed by the President on April 26, and is now P.L. 111-159.

On May 5, President Obama signed P.L. 111-163, the “Caregiver and Veterans Omnibus Health Services Act of 2010.” This legislation contains many widely-supported provisions that offer innovative solutions to the many major challenges facing returning service members, veterans and their families by making significant enhancements to VA’s health care services.

Many severely disabled veterans returning from Afghanistan and Iraq need caregivers in the home, especially those living in rural areas where VA health care services are often limited. In those situations, the burden of caring for a severely disabled veteran falls on individual family members. P.L. 111-163 provides support services to family caregivers of veterans of the OEF/OIF era, including:

- Training and education;
- Counseling and mental health services;
- Respite care of no less than 30 days annually, including 24 hour in-home respite care;
- Lodging and subsistence payments when accompanying the veteran on medical care visits;
- Health care through the CHAMPVA program; and,
- A monthly financial stipend as determined appropriate by the VA Secretary based on the amount and degree of personal care services provided, and no less than the monthly amount of a commercial home health care entity.

In addition, a program for caregivers of veterans of a wartime period prior to OEF/OIF will be established. Their supports services will include: training and education; counseling and mental health services; respite care including 24 hours in-home care; and, information on the support services available to caregivers through other public, private and non-profit agencies.

Further, P.L. 111-163 expands VA health care for women veterans. The legislation will require VA to:
• Conduct a study to determine why women veterans are not using the VA medical system;

• Provide education and training for mental health professionals caring for veterans with sexual trauma;

• Implement a pilot program to help women veterans who were deployed overseas to receive reintegration and readjustment counseling;

• Establish a pilot program to provide child care for women veterans receiving regular and intensive mental health care and intensive health care services, or who are in need of such services, but do not seek care due to the lack of child care services; and,

• Provide up to seven days of post-delivery health care to a newborn child of a woman veteran.

This measure also makes improvements to VA rural health services. These changes include:

• Establishing a grant program for veterans’ service organizations (VSOs) to provide transportation options to veterans living in highly rural areas;

• Authorizing a demonstration project to expand care for veterans in rural areas by having VA partner with the Department of Health and Human Services;

• Giving VA the flexibility to contract with community mental health centers and other qualified entities in areas that are not adequately served by VA; and,

• Creating a pilot program to provide a financial incentive for VA physicians who maintain inpatient privileges at community hospitals in rural areas that are short of qualified health professionals.

In addition, P.L. 111-163 makes provision for mental health care matters for former members of the armed forces. The legislation requires VA to provide readjustment services to any member of the armed forces and requires VA to make referrals for non-VA counseling services for veterans who are not otherwise eligible for readjustment counseling. It would further require VA to conduct a veterans’ suicide study, coordinating with DoD, VSOs, the Centers for Disease Control and Prevention, and the state public health offices and veterans’ agencies.

Other provisions in the bill would:

• Require VA to provide hospital care, medical services and nursing home care for certain Vietnam- era veterans exposed to herbicides, and to Gulf-War era veterans who have insufficient medical evidence to establish a service-connected disability;
• Place Medal of Honor recipients in Priority Group 3;
• Prohibit VA from collecting copayments from veterans who are catastrophically disabled;
• Authorize VA to make per diem payments to organizations that met some but not all of the criteria for the receipt of payments under the Grant and Per Diem Program; and,
• Authorize funds for the construction of major medical facilities, including Livermore, CA; Denver, CO; Bay Pines, FL; Louisville, KY; St. Louis, MO; and, Dallas, TX.

On May 27, President Obama signed P.L. 111-173, a bill which seeks to clarify the health care provided by VA that constitutes minimum essential coverage. The measure passed the House on May 12 by a vote of 417-0, and then was approved by the Senate six days later by unanimous consent.

In the wake of passage of the health care reform bill (P.L. 111-148) earlier in the year, many veterans’ advocates were worried that the massive legislation did not include specific language explicitly stating that all Department of Defense (DoD) and VA health care programs meet the standards for essential minimum coverage to avoid new penalties for individuals who do not have adequate health insurance. As a result, H.R. 5014 was introduced. This new law includes children of Vietnam War and certain Korean War veterans receiving care and services through the VA for spina bifida-related medical conditions as meeting the definition of minimum essential coverage under requirements of P.L. 111-148. In addition, children of women Vietnam veterans born with certain birth defects are also covered under the law.

P.L. 111-212, the supplemental spending bill for FY 2010 signed by the President on July 29, contained $13.4 billion in mandatory funding for VA. These funds are for anticipated disability compensation payments to Vietnam veterans to implement a recent VA decision to expand the number of illnesses presumed to be related to exposure to Agent Orange. The payments will be made retroactive to the date of the law’s enactment.

On September 30, President Obama signed into law P.L. 111-246, legislation which allows State veterans’ homes to provide nursing home care to parents whose child or children died while serving in the military. Although admission to a State veterans’ home is determined by each individual state, each home is required to maintain a residency of at least 75 percent veterans. Non-veterans may be admitted if they
meet certain criteria. Formerly, eligible non-veterans were limited to veterans’ spouses, widows, and Gold Star parents who lost all of their children in military service.

The President on September 30 signed into law P.L. 111-247, legislation that provides a cost-of-living adjustment for service-disabled veterans. The measure would increase the amounts paid to veterans for disability compensation and to their survivors for dependency and indemnity compensation. The increase would be the same cost-of-living adjustment (COLA) payable to Social Security recipients and would take effect Dec. 1, 2010. VA estimates that it will provide disability compensation to just over 3 million veterans with service-connected disabilities in the current fiscal year. However, due to the Consumer Price Index (CPI) lagging behind inflation, it is unlikely the COLA will be activated.

On October 13 President Obama signed into law P.L. 111-275, the “Veterans Benefits Act of 2010.” The House passed the bill on September 29 by a voice vote, after the Senate passed an amended version of the original House bill. This measure is an omnibus veterans’ benefits bill, addressing several areas. They include:

- Making permanent the extension of Servicemembers’ Group Life Insurance (SGLI) coverage for totally disabled veterans until two years after the member's separation or release from active duty or active duty for training. Makes such amendment retroactive to those separated or released on or after June 15, 2005;
- Allowing veterans under age 60 to increase coverage under Veterans’ Group Life Insurance (VGLI) in increments of up to $25,000 during each five-year period, to a maximum amount of $400,000;
- Eliminating a reduction by the VA Secretary in the amount of an accelerated death benefit for terminally ill persons insured under SGLI and VGLI;
- Providing permanent VA authority to provide hospital care, medical services, and nursing home care to Vietnam-era herbicide-exposed veterans and Persian Gulf War veterans who have insufficient medical evidence to establish a service-connected disability;
- Prohibiting the VA Secretary from collecting copayments or other fees from catastrophically disabled veterans for the receipt of VA hospital care or medical services;
• Establishing within the Veterans Health Administration (VHA) a Director of Physician Assistant Services, to be responsible for all matters relating to the education and training, employment, utilization, and optimal participation of physician assistants within VHA programs and initiatives. Requires the Secretary to ensure that an individual is serving in such position within 120 days after the enactment of this Act;

• Directing the VA Secretary to establish within the VHA the Committee on Care of Veterans with Traumatic Brain Injury to continually assess VHA capabilities to effectively meet the treatment and rehabilitation needs of veterans with traumatic brain injury. Requires an annual report from the Secretary to the congressional veterans' committees on the implementation of this section;

• Amending the Veterans’ Mental Health and Other Care Improvements Act of 2008 to revise participant eligibility requirements under a pilot program of contract care for veterans residing in highly rural areas to: (1) remove the requirement that the veteran participant reside in a highly rural area; and (2) define required "hardship" in terms of the driving distance to the nearest VA facility providing primary, acute hospital, and tertiary care;

• Increasing, effective October 1, 2011, the burial and funeral expenses for veterans who died in a VA facility from $300 to $700, and increasing the plot allowance for any deceased veteran who died as a result of a service-connected disability and is not buried in a national cemetery from $300 to $700. It also requires VA to make annual increases in both these amounts;

• Establishing eligibility of veterans with severe burn injuries for automobiles and adaptive equipment;

• Increasing the automobile assistance allowance from $11,000 to $18,900 to allow certain disabled veterans to purchase automobiles. It also requires VA to make annual increases in this allowance;

• Establishing in the Treasury the Qualified World War II Veterans Equity Compensation Fund to provide monthly payments of $1,000 to former active-duty World War II veterans who have not received benefits under the Servicemen's Readjustment Act of 1944; and,

• Prohibiting a VA housing loan fee from being collected from a veteran with a service-connected disability receiving active service pay after being called to active-duty service.
After the November election, Congress returned to Capitol Hill on November 15 to tackle several pieces of unfinished business. Funding for VA discretionary programs essentially follows the Senate-passed spending bill, which cleared the Senate Appropriations Committee this past July. A comparison of the original House and Senate FY 2011 spending bills, as well as the President’s budget proposal and funding totals from FY 2010, are below.

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<td>Information Technology</td>
<td>$3.3 billion</td>
<td>$3.3 billion</td>
<td>$3.2 billion</td>
<td>$3.2 billion</td>
</tr>
<tr>
<td>Major Construction</td>
<td>$1.2 billion</td>
<td>$1.1 billion</td>
<td>$1.2 billion</td>
<td>$1.2 billion</td>
</tr>
<tr>
<td>Minor Construction</td>
<td>$703 million</td>
<td>$468 million</td>
<td>$518 million</td>
<td>$468 million</td>
</tr>
<tr>
<td>State Veterans’ Homes Construction Grants</td>
<td>$100 million</td>
<td>$85 million</td>
<td>$85 million</td>
<td>$85 million</td>
</tr>
<tr>
<td>State Veterans’ Cemeteries Construction Grants</td>
<td>$46 million</td>
<td>$46 million</td>
<td>$46 million</td>
<td>$46 million</td>
</tr>
</tbody>
</table>

Unable to come to final agreement on FY 2011 funding, Congress continued federal government spending at FY 2010 levels through March 4, 2011. There was one exception for an important VA program. The current rate of operations for the Veterans Benefits Administration was adjusted to $2.1 billion, an increase of $460 million over the FY 2010 appropriation. This action was taken to prevent layoffs of claims processors and to support efforts in reducing the processing times of disability claims.

On December 22 President Obama signed P.L. 111-338, the “Formerly Owned Resources for Veterans to Express Thanks for Service Act” (or “FOR VETS Act”). This measure will add veterans’ groups to the list of organizations eligible to apply to receive surplus goods from the Federal Surplus
Personal Property Donation Program. These materials include such things as computers, trucks, and home appliances. The General Services Administration (GSA) currently oversees the distribution of surplus federal property to eligible organizations, such as medical institutions, organizations that support the homeless, universities, and childcare facilities. Enactment of this legislation is the result of a bipartisan effort, based on a bipartisan recognition of the sacrifices that members of our armed forces make every day for our country. P.L. 111-338 was supported by The American Legion and other VSOs.