Protecting Veterans and DOD from the 2011 Deficit Reduction Law: Last year’s failure of the “supercommittee” means damaging automatic spending cuts, known as sequestration, are scheduled to take effect starting in January 2013 in defense spending and veteran-related accounts in the Departments of Defense and Labor. While Congress has exempted the Department of Veterans Affairs, no such protection has been extended to non-VA programs that help veterans. The Pentagon’s civilian and military leadership have gone on record as saying that the prospect of roughly $500 billion in additional defense cuts—on top of the already-approved $487 billion reduction over the next decade—would be “devastating” to the U.S. military and “very high risk” to national security. Congress must pass an alternate debt reduction deal that avoids hurting the military and veterans.

FY’13 DOD Budget: Although a six-month continuing resolution to keep the government funded until March 27, 2013 is in effect, the question of the final shape of the FY’13 budget is still outstanding. The American Legion, by resolution, wants Congress to maintain the DOD budget at least at current levels. The proposed budget reduces current funding from $530.6 billion to $525.4 billion. Our major concerns include: proposed increases in enrollment fees and pharmacy co-pays in TRICARE programs, including enrollment fees for TRICARE For Life; proposals to increase the medical index for upcoming years; creation of a BRAC-style Retirement Modernization Commission which may propose a 401k-style retirement benefit causing recruiting and retention problems; and the possible sequestration of an additional $500 billion in funding cuts to an already inadequate defense budget.

FY ’13 VA Budget: The American Legion is grateful that during a time of tough fiscal choices VA has a proposed 10.5 percent increase in this year’s budget totaling $140.3 billion. However, we are concerned about the continued reduction in funding of Major and Minor Construction projects which means VA infrastructure continues to degrade while aging and outdated medical facilities are not replaced or updated to meet current veteran health care needs. Furthermore, the outrageous disability claims backlog is higher than last year and VA must increase efforts to reduce this unconscionable backlog so service disabled veterans can get the compensation benefits they need and have earned.

DOL-VETS: The American Legion supports the president’s budget request for funding for the State Administration Grants Program, which matched The American Legion’s request. In order to account for the passage of a mandatory Transition Assistance Program (TAP) for all separating service members, we recommend an increase of 33 percent ($12 million). The American Legion supports the defunding of the Veterans’ Workforce Investment Fund, in favor of redirecting these funds into more efficient and effective programs, provided accountability for the funding is maintained to ensure the funds continue to provide employment resources for veterans. The American Legion supports keeping the VETS program in its rightful place within the Department of Labor where it is established.
The Claims Backlog: Despite efforts within VA to eliminate the claims backlog, the number of claims pending for more than 125 days in the system continues to rise. Over 65% of claims are now in backlog status and delays continue to grow. The American Legion believes the problems are systemic and is working closely with Congress to create an environment within VA that is more appropriately centered on getting the claims decided swiftly and accurately for veterans. These changes could include building a work credit system that penalizes VA for errors in addition to rewarding employees for the volume of claims decided, interest payments to veterans whose claims are needlessly delayed, or other measures to achieve real change in VA culture.

Licensure and Certification: A veteran who served as a combat medic in Iraq or Afghanistan is certainly qualified to serve as an EMT when they return to the civilian world. The American Legion is working on both a national and state level to ensure licensing and credentialing authorities give veterans the credit they deserve for the training they receive in the armed forces. The House recently passed legislation (HR 4057) which included a provision sponsored by Rep. Steve Stivers (HR 4115) that would make consideration of military training and experience for state licenses and credentials a condition of receiving Labor Department employment and training funds. Senator Mark Pryor has a companion bill (S 3235). We encourage support for this bill.

Disabled Veterans Tax/Widow’s Tax: The disabled veterans’ tax on concurrent receipt of benefits for veterans who are less than 50 percent disabled and the SBP/DIC offset that constitutes the widow’s tax represent an undue burden on disabled veterans and their spouses. Retirement pay and disability compensation are entirely different benefits made for distinct and different reasons. There is no reason all veterans should not be entitled to the full, earned value of both benefits. Furthermore the surviving spouses of veterans are also entitled to their full benefits earned under the law. We encourage co-sponsorship and passage of HR 303 and S 344 to ameliorate the disabled veteran’s tax and HR 178 and S 260 to correct the Widow’s Tax.

Flag Amendment: The American Legion is committed to protecting Old Glory from acts of physical desecration. Representative Emerson (MO) has introduced H.J. Res. 13, “The Congress shall have power to prohibit the physical desecration of the flag of the United States.” Senator Hatch (UT) introduced a companion bill (S.J. Res. 19) in the Senate. The American Legion supports passage of these bills and urges every senator and representative to co-sponsor them.

Stolen Valor Act: In United States v. Alvarez the U.S. Supreme Court ruled on June 28, 2012, that the Stolen Valor Act of 2005 was an unconstitutional abridgment of the freedom of speech. Rep. Joe Heck and Sen. Scott Brown have both introduced updated versions of the Stolen Valor Act that should pass constitutional muster. Instead of criminalizing the act of lying about military honors, the bill would make it a crime to profit from those lies. The House recently passed the new version of the Stolen Valor Act introduced by Rep. Heck, HR 1775. Senator Scott Brown has a companion bill, S 1728, with 33 cosponsors, and Sen. Jim Webb has a similar bill, S 3372, with 52 cosponsors. We sincerely urge the Senate to work with the House to adopt this legislation and send it to the President for signature into law.

US-Canada Pipeline: The American Legion believes the construction of the US-Canada pipeline from Canada to the Gulf Coast is a critical issue both for the economic security of America as well as the overall national security and energy independence. Despite the recent decision of the White House to delay authorization of this vital project, action by Congress could drive this project to approval earlier and put Americans back to work providing energy security for the future and reducing unemployment at a critical time.