



Fleet Reserve Association

**Statement of the Fleet Reserve Association
on its Goals for 2004
Before a Joint Hearing of the
House Veterans Affairs Committee
and the
Senate Veterans Affairs Committee**

**Presented by
Joseph L. Maez
National President
Fleet Reserve Association
&
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National Executive Secretary
Fleet Reserve Association**

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Biography of Master Chief Joseph L. Maez, USN, (Ret)
National President
Fleet Reserve Association

During its 76th National Convention in San Diego, California, the Fleet Reserve Association (FRA) elected Joseph L. Maez to serve as National President for 2003-2004. A Life Member, Shipmate Maez first joined the Association in 1962 and has been actively involved with FRA for more than 30 years.

A member of High Sierra Branch 274 in Reno/Sparks, Nevada, Maez was elected after serving a term as National Vice President (2002-2003). He served as secretary, treasurer, vice president and president at the branch level and has continuously served on the Board of Directors for 20 years. He has performed collateral duties as member, chairman or advisor to all branch committees.

Maez has also represented FRA at the regional and national levels. He served as West Coast Regional Vice President (1991-1992) and President (1992-1993), chaired the regional Audit, Americanism-Patriotism, and Time and Place Committees and has been a member or advisor of several other regional committees. Maez chaired both convention and standing national committees on Americanism-Patriotism (two terms), Future Planning (two terms) and Public Relations. He also chaired the national Time and Place Committee and has been a member or advisor to at least four other national committees. He has represented the West Coast Region for the past six years as director of the Past Regional Presidents Club.

A decorated intelligence caseworker involved in clandestine intelligence collection in Asia, Maez joined the Navy in 1953 as a fireman apprentice. Throughout his 21 years of military service, the retired Master Chief Petty Officer served on board the USS *Hancock* and the USS *Taylor*. He also served as a yeoman for the Naval Attaché, Tokyo; chief yeoman and Special Security Officer, Commander Naval Forces, Vietnam at Saigon; leading chief of Commander Task Force 157; senior chief of Commander Naval Intelligence Service, Pacific; senior enlisted advisor, Commandant Fourteenth Naval District; and spent extensive time in the Philippines, Malaysia, Hong Kong, Singapore, Bangkok and Hawaii.

A veteran of the Korean and Vietnam wars, Maez's list of commendations and awards includes the Joint Service Commendation Medal, Navy Achievement Medal (two awards), Navy Commendation Medal, Navy Good Conduct Medal (five awards) and several unit and campaign awards totaling 18.

NP Maez has four children and lives in Reno, Nevada.

Biography of Master Chief Joseph L. Barnes, USN, (Ret.)
National Executive Secretary
Fleet Reserve Association

Joseph L. Barnes of FRA Branch 181 was elected in September 2002 to serve as the Association's National Executive Secretary (NES). The NES is FRA's senior lobbyist and chairman of the Association's National Committee on Legislative Service. He is the chief assistant to the National President and the National Board of Directors and is responsible for managing FRA's National Headquarters.

A retired Navy Master Chief, Barnes served as FRA's Director of Legislative Programs and advisor to FRA's National Committee on Legislative Service since 1994. During his tenure, the Association realized significant legislative gains, and was recognized with a certificate award for excellence in government relations from the American Society of Association Executives (ASAE).

In addition to his FRA duties, Barnes has worked effectively as Co-Chairman of The Military Coalition's (TMC's) Personnel, Compensation and Commissaries Committee and testified frequently on behalf of FRA and TMC on Capitol Hill. He is also a member of the Defense Commissary Agency's (DeCA's) Patron Council.

Barnes joined FRA's National Headquarters team in 1993 as editor of *On Watch*, FRA's bimonthly publication distributed to Navy, Marine Corps, and Coast Guard personnel. While on active duty, he was the public affairs director for the United States Navy Band in Washington, DC. His responsibilities included directing marketing and promotion efforts for extensive national concert tours, network radio and television appearances, and major special events in the nation's capital. His awards include the Defense Meritorious Service and Navy Commendation Medal.

He is a member of the U.S. Navy Memorial Foundation's Board of Directors and in recognition of his work on behalf of enlisted personnel, Barnes was appointed an Honorary Member of the United States Coast Guard by Admiral James Loy, former Commandant of the Coast Guard, and then-Master Chief Petty Officer of the Coast Guard Vince Patton at FRA's 74th National Convention in September 2001.

Barnes holds a bachelor's degree in education and a master's degree in public relations management from The American University, Washington, DC. He's an accredited member of the International Association of Business Communicators (IABC), and a member of the American League of Lobbyists. In addition to being a member of ASAE he is a Certified Association Executive (CAE).

**CERTIFICATION OF NON-RECEIPT
OF FEDERAL FUNDS**

Pursuant to the requirements of House Rule XI, the Fleet Reserve Association has not received any federal grant or contract during the current fiscal year or either of the two previous fiscal years.

STATEMENT OF GOALS FOR 2004

Mr. Chairman, Members of the Committees,

The membership of the Fleet Reserve Association (FRA) is again pleased that we have been invited by the Joint Committees to present our legislative goals for fiscal year 2004. On behalf of more than 125,000 shipmates, I extend our sincere gratitude for the concern, active interest and progress to date generated by the Committees in protecting, improving, and enhancing benefits that are truly deserved by our Nation's veterans. Several very good steps were made last year which included Concurrent Disability Pay and Expanded Combat Related Special Compensation (CRSC). We look forward to working with you to further enhance the quality of life for our Nation's 25 million veterans and their families and hope that together we can accomplish much this year in spite of expanding budget challenges.

FRA was established 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 not 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.

As a congressionally chartered association, FRA's mission is to act as the premiere "watch dog" organization in maintaining and improving the Quality of Life for Sea Service personnel. Since its advent, FRA has been a leading advocate on Capitol Hill for the men and women who serve on active duty, in the reserve, or have joined the military's retired community. FRA is the oldest and largest professional military enlisted association exclusively serving and representing men and women of the three Sea Services. It continues to seek protection and equity for those who serve in or have retired from the United States Navy, Marine Corps, Coast Guard and those veterans requesting assistance. The Association has been active over the past 80 years in pursuing Congressional and the respective Administration's support for quality of life and veterans' programs for enlisted Sea Services personnel.

LEGISLATIVE GOALS IN BRIEF

FRA's membership has an average age of 68 years, all veterans of as many as three wars, mostly retired from the Sea Services. Our members have tasked us with the following Legislative priorities and to work with Congress in accomplishing these priorities this year.

Veterans Health Care

- Expand Military Retiree Access to the VA Health Care System.

- Explore possibilities for alternative Managed Health Care Programs.
- Expand Health Care Options for Retired Military Veterans under Age 65.
- Legislation to amend Title 38 USC to authorize full concurrent receipt of military retired pay and veterans' compensation without loss to either for all veterans with disabilities.
- Ensure that the recommendations of the VA Capital Asset Realignment for Enhanced Services (CARES) Commission are enacted in a timely and expeditious manner so the VA Health Care System is prepared for the contingencies that may occur with the continued aging of the veteran population and possibly the expanded usage by more and more currently active duty personnel once they have returned from service in Afghanistan and Iraq.
- Enact legislation to make the provisions of the Uniformed Services Former Spouse Protection Act more equitable for all parties concerned.
- Enhance educational programs and provide voluntary open enrollment in the Montgomery GI Bill for all current active duty military personnel, including military personnel who never enrolled in VEAP or MGIB.

The following military and miscellaneous goals of the Association are offered for your support. With the exception of the Uniformed Services Former Spouses Protection Act (USFSPA) and the Survivor Benefit Plan (SBP) they are not addressed elsewhere in this statement.

Military

- Continue to monitor implementation and ensure adequate funding of military health care program enhancements.
- Amend SBP to increase the annuity to 55% and shift the paid up coverage from 2008 to 2005.
- Ensure adequate military manpower commensurate with demanding operational commitments.
- Continue to improve compensation for career noncommissioned and petty officers of the U.S. Armed Forces.
- Provide adequate funding for military commissaries and continue supporting its exchange systems.
- Support equity in cost-of-living adjustments for all beneficiaries.

- Ensure that the process used to close or realign bases protects personnel benefits for retirees and families residing at or near BRAC sites.
- Authorize and adequately fund construction and maintenance of family and bachelor housing and MWR facilities.
- Support permanent change of station (PCS) process reform.

Miscellaneous

- Support full funding for the Impact Aid Program for schools enrolling children of military personnel.
- Ensure parity for Coast Guard personnel with DOD pay and benefits.
- Support enactment of a Flag desecration statute.

DEPARTMENT OF VETERANS AFFAIRS FY 2005 BUDGET

FY 2005 Budget

The DVA has presented an FY 2005 budget with many challenges and good intentions. The budget proposal contains a proposed 1.8% increase in overall funding. However the proposed budget would be basing most, if not all, of the increase in funding by increasing co-payments for prescription drugs and charging those who use the system, in categories 7 & 8 a Two Hundred Fifty Dollar (\$250) “Users Fee.” A similar proposal last year was rejected by these two Committees and Congress in appreciation for the service that veterans have given our country. The FRA adamantly opposes trying to balance the VA budget on the backs of veterans. The increase in fees and co-payments along with projected increases in medical recovery costs would potentially add up to \$2.4 billion. Yet in testimony before the House Veterans Affairs Committee, VA Secretary Principi stated that his budget was funded by the Office of Management and Budget at \$1.2 billion less than he requested. The Secretary touted the modest 1.8% increase, but is this a realistic increase or just a token move in light of double digit medical cost inflation? Is it fair to those VA patients currently waiting for services? It is the Association’s belief that the increase is much too low and would place further strains on the VA Healthcare system already in dire trouble. For example due to problems with a newly acquired computer system the Bay Pines Florida VA Medical Center had to postpone all surgeries for the week of 15 February due to continuing problems in procuring supplies. This is inexcusable! Why are these problems allowed in the VA Healthcare System? Something is broken and needs to be addressed and not allowed to endanger the health of VA patients. FRA has listed the following veterans’ programs it believes should be authorized and funded in full. The Association urges your consideration and adoption of these programs to assure America’s veterans that they will be fully compensated for their sacrifices while

in the uniform of the Armed Forces of the United States, and that their families and survivors will be cared for as prescribed in the mission of the Department of Veterans Affairs.

Currently only the Veterans Benefits Administration (VBA) part of the DVA budget is funded as mandatory spending. The entire Veterans Healthcare Administration (VHA) part of the DVA budget is discretionary spending. Unfortunately the budgetary process has become more and more politicized and continues to fail veterans who depend on VA for all or part of their healthcare.

FRA concurs with and endorses the House Veterans Affairs Committee recommendation that the Committee on the Budget convert the veterans' health care account from discretionary to mandatory. However FRA realizes that this issue will probably prove to be very contentious. No matter the method used the Association would support any action that will "guarantee" full funding for VA Healthcare. This will ensure that the VHA has sufficient funding without the necessity for yearly budgetary hearings and competition from other congressional programs.

VETERANS HEALTH ADMINISTRATION

Veterans Categories

In 2003 Secretary Principi suspended enrollments in Priority Group 8. It appears that this suspension, although termed "temporary" at the time will be continued with no end in sight. We urge that sufficient funding be authorized and appropriated to allow resumption of the enrollment process for all veterans.

As previously stated, FRA opposes an increase in co-payments for prescriptions or the start of a "Users Fee" for any category of veteran. A much better alternative would be the full and immediate implementation of Medicare Subvention. The funds recovered from the Department of Health and Human Services (HHS) and specifically the Centers for Medicare and Medicaid Services (CMS), for health care provided to those eligible veterans, would go a long way in ensuring adequate health care for more veterans. But it would be incumbent that Congress mandates any funds recovered from CMS be given to the VA and not put in the General Fund. It is puzzling why this program has not been enacted long before this.

In 2003 DVA also announced that a VA+Choice program would be implemented for veterans unable to enroll in the VA Health Care System. When and where are the obvious questions. Beyond hiring someone to give a face to the program as the administrator, little if any progress has been reported on this program. The FRA urges that this program be given the closest scrutiny before it is implemented, given the state of all Medicare+Choice programs in the country. There are numerous problems with these programs and it is becoming more difficult for Medicare-eligible beneficiaries to locate plans and

doctors willing to accept new Medicare insured patients. Why would any VA+Choice plan be different?

VA/DOD Collaboration

The Defense Department (DOD) has earmarked 60 potential TRICARE – VA facilities sharing projects, with 20 tagged as priority efforts. Recently, VA and DOD announced a series of joint activities as directed in the FY 2003 NDAA. Little is known about the process for evaluating these projects' impact on beneficiaries' access to quality care. Moreover, with new TRICARE contracts coming on line, a CARES package of proposed VA facilities realignments and closings and potential impact from the BRAC process, more oversight of the intersection of sharing activities is needed.

Some combat-injured service members are being transferred into the VA without adequate consideration of family needs for adjustment counseling and seamless follow-up services. The Presidential Task Force Final Report addressed some issues that would smooth the transition of service members to veterans' status and speed the development of their claims. FRA recommends a joint hearing to review progress in implementing major PTF recommendations that would enable "seamless transition" of service members to veteran status and shed light on outcome measures for assessing CARES and DOD Military Treatment Facilities initiatives.

Waiting Times for Treatment

FRA welcomes the clarification of waiting times for appointments for veterans rated less than 50% service connected either on their first visit or those veterans who are already in the VA system. We believe that a 30 day maximum wait is reasonable for routine care and will require that VA Medical Center directors monitor all appointments and make any necessary changes in a timelier manner.

Nursing Homes, Long Term Care, and other Health Care Programs

Public Law 106-117, Section 101, The Veterans Millennium Health Care Act made great strides in providing long-term care for our veterans. However, this program is only authorized for a four-year period, and only for veterans who need care for a service-connected disability, and/or those with service-connected disability ratings of 70% or more. This program should be extended, and expanded to include veterans with service-connected disability ratings of 50% or more.

World War II and Korean veterans are in their late 60's and older, as are some Viet Nam veterans, and many require a greater level of long-term care. No one can argue that as veterans grow older, more and more of them will become dependent upon the VA to provide the necessary care in nursing homes, domiciles, state home facilities, and its under-used hospital beds. The Nation can ill afford to wait for out-year funds before it expands nursing or long-term care.

Some of the problems of Long Term Care and Nursing Home Care are addressed in the CARES Commission recommendations. FRA urges the Secretary to adopt the recommendations as the best solution for the immediate future.

FRA continues to disagree with the methodology used in collecting funds for the Millennium Act and transferring that money to the Treasury. VA's rationale for this is to allow more discretionary VA spending under the current caps set in the Balanced Budget Act. The Association views this as a slight of hand rather than a reliable business practice and firmly believes any money collected from veterans for veterans' health care should stay within the VHA.

Tobacco-related Illnesses

In 1998, Congress changed the law prohibiting service-connection for disabilities related to smoking. Many veterans began using tobacco during their military service. It was a way of life and information detailing the health risks associated with tobacco use and nicotine addiction was nonexistent. In earlier years there were many who believed the Armed Services facilitated smoking by including cigarettes in meal rations, and cigarettes were sold at discounted prices in military exchanges. FRA recommends that Congress revisit and repeal its 1998 decision.

Medical and Prosthetic Research

Dollar for dollar, VA is widely recognized for its effective research program. FRA continues to support adequate funding for medical research and for the needs of the disabled veteran. The value of both programs within the veterans' community cannot be overstated. However the FY 2005 proposed VA Budget for Medical and Prosthetic Research shows a \$50 million dollar reduction in one of the most successful aspects of all VA Medical Programs. Even the VA CARES Commission recommends the improvement and expansion of VA Medical Research Facilities. If anything there should be an increase over last year's figure of \$820 million.

In conjunction with the VA Research budget proposal there is a situation with regards to the National Institutes of Health (NIH) that needs to be addressed by Congress. Every year NIH awards many research grants to the VA. NIH refuses to pay the VA for the cost of "indirects" in conjunction with these research grants. When NIH awards a grant for research to a university or other entity, it provides funds for both the direct costs (salaries, supplies and equipment) and indirect costs. These are usually administrative costs and facilities costs (electricity, building etc). NIH pays these to any other research institution except other Federal entities. It considers these payments to other Federal institutions illegal under a policy it decided in 1989. Yet this policy decision fully contradicts US Code Title 42 Chapter 6A, Subchapter I, Section 238d. The US Code was based upon Public Law 90-31 which requires NIH to ensure that the same terms and conditions as apply for grants to non-Federal institutions, also apply for grants for the same pur-

pose to VA and several other Federal entities. If NIH was forced to pay the costs as the law says they must, the VA would not have to divert \$80-100 million from patient care and infrastructure repair funds. NIH should pay VA as it does other institutions or Congress should reduce the NIH appropriation by the amount it withholds from the VA.

Choice of Health Care Systems

Several proposals in the past indicated that retired military veterans who are currently entitled to health care from both the VHA and the Department of Defense's TriCare system, might have to choose one or the other to receive medical care. The Association believes this is ill-advised. By virtue of service-connection some retired military veterans are entitled to care in the VA system. A portion of these veterans choose to take advantage of the system and have all of their health care needs provided by the VHA. Yet at the same time they continue to maintain enrollment in the TriCare system for their spouses and families. We believe that this should continue and that no "mandated" choice of either system should be forced upon the retired military veteran.

VETERANS BENEFITS ADMINISTRATION

Separation Pays

Under current law, service members released from active duty who fail to qualify for veterans' disability payments, and are not accepted by the National Guard or Reserve, never have to repay any portion of separation pay. However, qualified for either, it's time for payback. FRA has difficulty understanding why the individual willing to further serve the Nation in uniform, or is awarded service-connected disability compensation, should have to repay the Federal government for that privilege.

FRA is opposed to the repayment requirement. The Association recommends the repeal or the necessary technical language revision to amend the applicable provisions in Chapters 51 and 53, 38 USC, to terminate the requirement to repay the subject benefits. (Also requires an amendment to 1704(h)(2), 10 USC.)

Court-Ordered Division of Veterans Compensation

The intent of service-connected disability payments is to financially assist a veteran whose disability may restrict his or her physical or mental capacity to earn a greater income from employment. FRA believes this payment is that of the veteran and should not be a concern in the states' Civil Courts. If a Civil Court finds the veteran must contribute financially to the support of his or her family, let the court set the amount allowing the veteran to choose the method of contribution. FRA has no problem with child support payments coming from any source. However VA disability should be exempt from garnishment for alimony. If the veteran chooses to make payments from the VA compensation award, then so be it. The Federal government should not be involved in enforcing

collections ordered by the states. Let the states bear the costs of their own decisions. FRA recommends the adoption of stronger language offsetting the provisions in 42 USC, now permitting Federal enforcement of state court-ordered divisions of veterans' compensation payments.

Upgrade Veterans Education Benefits

FRA believes that Congress should match Montgomery GI Bill (MGIB) benefits to the average cost of a four-year public college or university education. With the MGIB rate hike to \$985 a month on 1 October 2003, benefits for full-time study will account for only 68% of the average cost of education at a 4-year public college or university for the 2003-2004 school year. (Calculation was scored prior to significant price hikes announced by many public college systems last year). FRA recommends indexing MGIB benefits to the average cost of a 4-year public college or university education. FRA also believes that Congress should restore and sustain education benefits to members of the Selected Reserve to 47% of basic benefits, as authorized when the MGIB was established in 1984. The Reserve MGIB should be transferred from Title 10 to Title 38 to allow better accountability and improve processing. Active duty service members who entered service during the VEAP-era but declined to take VEAP are the only group of currently serving members who have not been offered an opportunity to enroll in the MGIB. These active duty members should be allowed an MGIB sign-up window. Additionally survivor and dependents VA education benefits should be linked with increases in basic benefits under Chapters 30, 38 USC.

The Association subscribes to the belief once offered by the Treasury Department, that veterans who take advantage of their GI bill will eventually return more money to the U.S. Treasury than was spent by the Federal government for their education. An estimate received from the VBA was that 66% of all eligible veterans had used part or all of their MGIB eligibility within the 10 year eligibility period. Truly a beneficial plan.

Disability Compensation Claims Processing

FRA believes VA's efforts in decreasing the backlog of initial disability claims are commendable and are continuing at a very good rate despite the court ruling last year that once again swelled the lists of veterans waiting for decisions on their claims.

A potential impediment at the Board of Veterans Appeals (BVA) that could have slowed down the appeals process was partially addressed with the establishment of the Appeals Management Center (AMC) in Washington in December 2003. This started a process that allows the VA to be responsible for gathering all available information to assist their efforts in either processing veterans' appeals or expediting their return for Regional Office actions. Obviously it is a bit early to comment on whether or not the AMC will be as successful as hoped. We applaud the effort it took to stand this new center up without an initial budget.

NATIONAL CEMETERY ADMINISTRATION

Cemetery Systems

The National Cemetery Administration (NCA) has undergone many changes since its inception in 1862. Currently, the administration maintains almost 2.5 million gravesites at 124 national cemeteries in 39 states, the District of Columbia and Puerto Rico.

One quarter of the nation's 25 million veterans alive today is over the age of 65. Rapidly aging veteran populations coupled with the death rate of World War II and Korean War veterans create resource challenges within the NCA. It was estimated that the number of deaths in 2002 were over 680,000 veterans, and by 2006 that number will increase to 687,000 annually, or an average of 1,900 funerals a day. During this time period, the interment rate will continue to rise thereby placing even greater strain on NCA's workforce and equipment.

FRA is grateful to Congress for funding new cemetery sites in Atlanta, Detroit, Southern Florida, Oklahoma City, Pittsburgh and Sacramento. FRA hopes the NCA requests for new cemeteries in Bakersfield, California, Birmingham, Alabama, Columbia/Greenville, South Carolina, Jacksonville, Florida, Southeastern Pennsylvania, and Sarasota, Florida, will be favorably considered by Congress. The NCA needs initial funding for these cemeteries in order to meet the expected demand over the next several decades. The NCA is doing much to meet resource challenges and the demand for burial spaces for aging veterans. With additional resources, the NCA will hopefully be able to meet the demand. FRA urges increased funding, structured so the NCA has exclusive use for the purchase of land, preparation, construction and operation of new cemeteries, the maintenance of existing cemeteries, and the expansion of grants to States to construct and operate their own cemeteries.

As part of the Veterans Education and Benefits Act of 2001, the government is to provide grave markers for veterans whenever requested, even if there is another marker on the grave. However, as it was written, the law only applies to burials after December 27, 2001. FRA believes the grave-marker rule should be amended to include the thousands of families denied grave markers in the past decade.

OTHER RECOMMENDATIONS FOR CONSIDERATION

Concurrent Receipt

FRA continues its advocacy for full concurrent receipt of military retired pay and veterans' service-connected disability payments.

Last year Congress made significant progress in ending the practice of having military retirees fund their own disability payments by waiving all or a portion of their retired pay in order to receive the VA payments. Concurrent Disability Pay (CDP) for those with 50% or higher VA disabilities is another good step towards Full Concurrent Receipt for all eligible military retirees. However, two-thirds of all military retirees with disabilities are rated at 40% and below and will not receive anything. Because phasing in the payments of CDP over a ten year period was due to cost, the FRA believes that many retirees will die before they receive their full retired benefit. Some retirees with less than 50% disabilities might qualify for the expanded Combat Related Special Compensation, for which the FRA is thankful. However, the Association does have some reservations on the composition of the panel that will be put into place to study Title 38 reforms. We sincerely hope that a broad cross-section of both officer and enlisted personnel of all services are chosen to be on the panel not just those who were awarded medals for bravery in combat. We also offer our assistance to the panel if they need help in obtaining the testimony or opinions of disabled Sea Services retirees or veterans. Also we ask that after this panel has completed its work, all Veterans Service Organizations are given an opportunity to assess and weigh in with our views before any recommendations for Title 38 changes are enacted.

Uniformed Former Spouses Protection Act (USFSPA)

The USFSPA was enacted 20 years ago; the result of Congressional maneuvering that denied the opposition an opportunity to express its position in open public hearings. With one exception, only private and public entities favoring the proposal were permitted to testify before the Senate Manpower and Personnel Subcommittee. Since then, Congress has made 23 amendments to the Act: eighteen benefiting former spouses. All but two of the 23 amendments were adopted without public hearings, discussions, or debate. In the 20 years since the USFSPA was adopted, opponents of the Act or many of its existing inequitable provisions have had one or two opportunities to voice their concern to a Congressional panel. The last hearing, in 1999, was conducted by the House Veterans Affairs Committee and not the Armed Services Committee that has the oversight authority for amending the USFSPA.

One of the major problems with the USFSPA, of its few provisions protecting the rights of the service member, 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.

FRA believes Congress needs to take a hard look at the USFSPA with a sense of purpose to amend the language therein so that the Federal government is required to protect its service members against State courts that ignore provisions of the Act. More so, a few of the other provisions 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, this 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. The former spouse has done nothing to assist or enhance the member's advancements subsequent to the divorce; therefore, the former should not be entitled to a percentage of the retirement pay earned as a result of service after the decree is awarded. 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.

Survivor Benefit Plan

FRA believes the Federal Government continues to renege on its commitment to members of the uniformed services, who opt to participate in the military's Survivor Benefit Plan (SBP). First, the plan was to be patterned after the Civil Service/Federal Employees Retirement Systems. Second, the cost of the program would be shared; 40 percent by the government and 60 percent by participating military retirees. Both of these themes appear numerous times in congressional hearings on SBP before the House and Senate Armed Services Committees.

Military SBP participants have seen their share of the plan's cost rise to more than 75% of the total cost. The increase in the plan's cost-sharing for military retirees was predicted as early as 1980 and again in 1996. Further, participants in the plan pay premiums over a much longer period than their counterparts in the civil service/federal employees' plans. This gives the federal retiree a far more advantageous benefit-to-premium ratio.

FRA believes that the high cost of participating in the military's Plan is contrary to the intent of Congress to pattern it after the Civil Service/Federal Employees survivor plans. To accomplish this goal, FRA urges the distinguished members of the Committees to support the amendment to the military's Survivor Benefit Program to repeal the minimum post-62 SBP annuity over a prescribed period and to support an amendment to accelerate from 2008 to 2004 the time the military retiree will be a paid-up participant after paying premiums for 30 years and is at least 70 years of age.

DD214 Identity Theft

FRA supports any legislation that would prevent the identity theft of our Nation's veterans. Identity theft is the fastest growing crime today and thousands of veterans, before being discharged, have been told to file their DD 214 with their local county courthouse. Although this may be a state issue, FRA urges Congress to help with this problem.

CONCLUSION

Mr. Chairman. In closing, allow me to again express the sincere appreciation of the Association's membership for all that you and the Members of the Veterans Affairs Committees, have done for our Nation's veterans over these many years.

Our Legislative Team stands ready to meet with you, other members of the Committees or their staffs at any time, to work together to improve Veterans benefits and entitlements.

FRA again thanks the Joint Committees for having its representatives aboard for a review of the Association's 2004 goals. Granted, not all veterans' issues are cited in this statement; however, the Committees do have the Association's support for the improvement or enhancement of any veterans programs not addressed herein.