



MILITARY OFFICERS ASSOCIATION OF AMERICA

NATIONAL LEGISLATIVE TOP PRIORITY OBJECTIVES

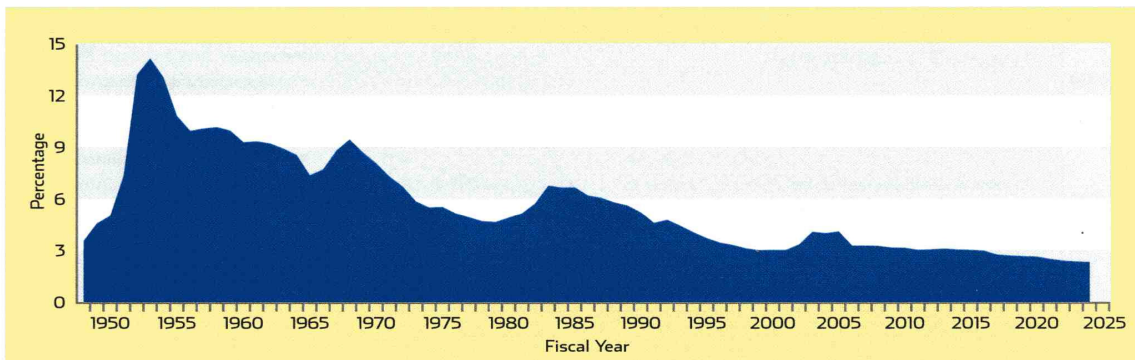
2009 - 2010

Strengthen the All Volunteer Force

Our nation is at war and defense is the first duty of national government. We are in an “era of persistent conflict”. We are fighting counter-insurgencies, but the threat of a conventional high intensity war is also a real possibility. We must re-balance our force to meet the full spectrum of potential conflict.

We need a wartime budget! Our country can afford, and must devote, a greater share of its resources to national defense. Past wars have required a larger sacrifice from our nation; this war is no less important. Our defense budget must be increased to at least 5% of our GDP! Only the military is bearing the brunt of war; we must not skimp in their support. Also, we need a national solution to our energy problem in order to maximize our available defense dollars.

**Defense Spending as a Percentage of GDP
(1948-2024)**



The Defense budget for FY 2010 represents approximately 3.6% of the U.S. Gross Domestic Product and is projected to decline even further to levels far below what the country has sustained in the past – even in peacetime.

- Increase the size of ground forces:** We are finally starting to increase the size of our land forces. But, we have dangerously stretched our Army and no longer have a viable strategic reserve. We must rebuild our readiness! We urge Congress to fully fund and increase the end strength of the active Army to at least 700,000; ARNG to 358,000, Army Reserve to 206,000 and Marines to 202,000. Do not reduce USAF/Navy strength to increase our land forces, nor resort to a draft.
- Prevent the erosion of TRICARE benefits:** Cost savings in the Defense Budget must not be borne by the military community who have served an arduous 20 to 30 year career. Proposals that increase costs of retiree health care are unfair and send the wrong signal to those serving. *We need a permanent fix to the Medicare reimbursement rate problem!*
- Fully Implement All Recommendations of Veterans Disability Benefits Commission (VDBC):** Only some of the Commission's recommendations have been acted on by Congress; all have not. Specifically, Congress must eliminate the SBP-DIC off-set; approve full concurrent receipt for retiree disabilities; simplify and expedite the processing of disability claims and appeals. Our Wounded Warriors deserve the best care this country can provide. Enact legislation to implement the full range of the Commission's recommendations.

3/13/2009

Military Officers Association of America

The Military Officers Association of America (MOAA) is the nation's largest and most influential association of military officers. It is an independent, nonprofit, politically nonpartisan organization.

With about 370,000 members from every branch of service - including active duty, National Guard, Reserve, retired, former officers, and their families – MOAA is a powerful force speaking for a strong national defense and representing the interests of military officers at every stage of their careers.

MOAA's highest priority is providing first-class service to our members. We are the leading voice on compensation and benefit matters for all members of the military community. MOAA provides expert advice and guidance to members.

Purpose of MOAA

While the association does advocate a strong national defense, it does not, as an association, become involved in matters pertaining to military strategy or individual weapons systems of the various services. The association's board of directors has long believed that such decisions can be made only by those who have all of the facts available to them: today's actively serving military leadership.

The association plays an active role in military personnel matters and especially proposed legislation affecting the career force, the retired community, and veterans of the uniformed services. MOAA's overarching goals are captured in its resolutions, which reflect the views of the entire membership. The membership provides input and votes on resolutions every two years (on even years).

While MOAA is permitted by law to lobby - and does so actively - its status as a tax-exempt veterans organization precludes it from participating in political activities, which are defined as intervening directly or indirectly in any political campaign on behalf of or in opposition to any candidate for public office. Stated briefly, the association may advocate issues, but it may not advocate the election or defeat of particular candidates or political parties.

Insert Your Chapter Name, Virginia Council of Chapters and Virginia Joint Leadership Conf.

The _____ Chapter of MOAA with some _____ members, most of whom reside in the _____th District, is one of the 15 other MOAA chapters located throughout Virginia affiliated in the Virginia Council of Chapters (VCOC). VCOC and its chapters have a combined membership of 4,000 of the 49,000 MOAA members in Virginia. Many MOAA members also serve in leadership positions on Virginia boards, commissions and councils e.g. Joint Leadership Council (JLC) and in other veterans' organizations such as American Legion, Military Order of Purple Heart, etc. The VCOC works at the state level to further the goals of national MOAA and the local chapters.

Virginia's Joint Leadership Council of Veterans Service Organizations (JLC) represents 23 Veteran Service Organizations (VSOs) in the Commonwealth. The membership of these 23 VSOs is over 260,000 and was created by Virginia statute in 2003 with members appointed by the Governor for a three year term.

The JLC mission is to provide advice and assistance to the Governor and the Department of Veteran Services on issues of importance to veterans.

Sustain Defense Budget to Fund Both People and Weapons Needs

Issue: The Chairman, Joint Chiefs of Staff, asserts that military manpower requirements and accelerated wear/aging of weapons/equipment over many years of war will necessitate sustaining defense budgets of at least 4% of Gross Domestic Product (GDP) for the foreseeable future.

Background: The experience of more than seven years of war has highlighted the grave dangers inherent in planning only for optimistic military contingency scenarios in today's dangerous world. Over the last decade, the Executive and Legislative Branches have collectively incurred excessive levels of risk in the Nation's long-term national defense posture by:

- Sizing our military forces below the levels needed to meet potential conflict scenarios
- Delaying force increases in over-optimistic hope for early resolution of the war
- Imposing budget-(vs. requirements-)-driven Navy/USAF strength cuts to fund war needs
- Deferring action to replace aging weapons systems and war-worn equipment
- Shifting money from quality-of-life and "people programs" to fund operations
- Imposing 100% of wartime national sacrifice on 1% of the population: military families

Despite severe recruiting and retention challenges associated with unprecedented demands on our all-volunteer force, Defense leaders have asserted to Congress that "military people cost too much" -- even while acknowledging the incalculable value of their ever-increasing sacrifices.

Defense leaders claim that compensation and benefits improvements Congress previously approved to correct longstanding inequities now consume resources needed for weapons systems -- as if weapons and people program requirements were mutually exclusive.

Some congressional leaders have indicated that planned increases in Army and Marine Corps end strength could be sacrificed to fund weapons needs.

MOAA Position: Seven years of war have left military people and weapons vastly overstressed. The world's richest nation can and must fund both its military people and weapons needs.

- We must grow significantly larger forces, whether we stay in Iraq or not, to be better prepared for the next unexpected contingency than we were for this one
- Any drawdown of forces in Iraq will be offset by increased deployments to Afghanistan, so cutbacks in planned force growth would only worsen the expected pace of deployments.
- Aging weapons with useful lives further shortened by war must be replaced and upgraded
- Very large personnel and weapons regeneration budgets will be required to rebuild future readiness, regardless of progress in Iraq
- At about 4% of GDP, the defense budget is a historic low share of the national economy, and projected to decline further -- vs. the peacetime-year average 5.7% since WWII (see reverse)
- Cutting one essential readiness component (personnel) to fund another -- in wartime -- would consciously increase the already intolerable burdens imposed on military families.
- Such insensitivity to their sacrifices would only further undermine retention and readiness

Key Bills: Senator James Inhofe has introduced [S.J. Res 10](#) and Congressman Trent Franks has introduced the companion bill [H.R. Res 23](#). This bills declare that it is U.S. policy to commit a minimum of 4% of the nation's gross domestic product to the base defense budget in order to meet the fundamental U.S. national security requirements.

Increase the size of Ground Forces

No reduction of USAF/Navy strength

Fix Mismatch of Force Structure versus Mission

Issue: The grinding pace of operations to support today's global war on terrorism continues to stress armed forces that were already overworked before 9/11. Significant force increases are required to forestall considerable long-term retention and readiness problems.

Background: Years of budget cuts and strength reductions have cut military manpower by one-third since 1986, while deployments to support the global war on terrorism and other contingency, peacekeeping and humanitarian operations have dramatically increased.

More deployments spread among fewer people have sharply increased frequency and length of family separations. Service leaders testified to Congress before 9/11 that troops were overstressed. Now, our forces must meet vastly more long-term deployments in Afghanistan and Iraq, with many making repeated deployments to these combat zones.

Compensation gains of recent years addressed one aspect of the retention equation. But servicemembers now are working far longer hours for their compensation, and enduring considerably more family separation. After years of resisting MOAA's and Congress' calls for larger ground forces, Defense leaders acknowledged the need for growth in late 2006, and proposed growing the Army by 65,000 (to 547,000) by FY2013.

The FY09 Defense Authorization Act increased Army and Marine Corps manpower levels by 7,000 (to 534,400) and 5,000, respectively, while reducing Air Force strength by about 13,000 and the Navy by about 3,000. The Secretary of Defense has stated that the Air Force cut will not take place, but necessary funding has yet to be restored.

In the wake of the nation's dramatic economic problems, the Chairman of the House and Senate Defense Appropriations Subcommittees have both stated publicly that planned Army end strength increases will likely be slowed to fund weapons needs.

MOAA Position: MOAA supports sustaining at least the planned increase to Army end strength (with associated resource increases for recruiting and training) to meet mission requirements, and that failure to do so poses unacceptable risks to national security. The defense budget should fully fund both manpower and weapons requirements.

MOAA also supports increases for the USMC, and Army National Guard, but we are concerned that planned Navy and AF reductions are driven by budget rather than requirements and strongly supports restoration of funds to preclude the Air Force cut.

Key Bills/Status: No bills introduced on this topic so far in the 111th Congress. Review specific end strength proposals included in President Obama's full budget submission to Congress in March.

Prevent the erosion of TRICARE benefits

No Health Care Cost-Shifting to Military Beneficiaries

Issue: In 2008, the Pentagon recommended dramatically raising health costs for retired families for FY2009 and future years by:

- Raising the \$460 family TRICARE Prime enrollment fee as high as \$2,086
- Raising annual \$300 family TRICARE Standard deductibles as high as \$1,147
- Raising retail pharmacy copays for all from \$3 generic/\$9 brand /\$22 non-formulary to \$15/\$25/\$45 (note: retail pharmacy hikes would have applied to all beneficiaries)

Background: DoD has asserted that rising health care costs are competing with weapons programs. The Joint Chiefs endorsed TRICARE fee increases because the choice was forced on them by their political leaders, who wanted the increases to bring military beneficiary costs more in line with civilian practices.

- *Comparison with corporate practices is inappropriate.* Exceptional military medical and retirement benefits are the primary offsets for enduring decades of extraordinarily arduous service conditions. Military retirees pay huge "up front" health premiums through 20-30 years of service and sacrifice. Recruiting problems show few Americans are willing to pay that heavy premium for that benefit.
- *Proposed increases are grossly out of line with benefit levels enacted by Congress.* Proposed increases would far outstrip annual retired pay increases and greatly erode retired compensation value. Congress knew enacting TRICARE For Life wouldn't be cheap. Don't penalize retirees for Congress' action.
- *Penalizing those who serve arduous 20- to 30-year military careers is inconsistent with past Congressional action.* For four years, Congress rejected far smaller VA fee increases for nondisabled veterans who had served as few as two years. Quadrupling fees for those who served 20-30 years in uniform would be even more inappropriate.
- *The Nation's obligation to military retirees exceeds corporate obligations.* The government has a moral and practical reciprocal obligation to provide benefits commensurate with the extraordinary commitments it requires from career servicemembers. Mid-career military losses can't be replaced like civilians can.
- *Eroding benefits for career service can only undermine long-term retention and readiness.* Today's troops are very conscious of Congress' actions concerning their future benefits. MOAA surveys show 95% of active-duty members oppose such increases. Reducing military retirement benefits would be especially ill-advised when a severely overstressed force is already at increasing retention risk.
- *The priority should be fixing TRICARE.* Doctors say TRICARE is one of the lowest-paying plans in the country and imposes far more administrative requirements than other plans. Beneficiaries at many locations have difficulty finding providers willing to take them. See below for a list of needed fixes.
- *The country can afford to pay for both weapons and military health care.* Recent defense budgets (in wartime) represent only about 4% of GDP -- far lower than the 5.7% peacetime-year average since World War II. The world's richest country doesn't need to make military retirees pay for weapons.

MOAA Position: The government has many options to contain costs without penalizing beneficiaries. TRICARE fees should not rise in any year by a percentage that exceeds the percentage growth in their military compensation.

Key Bills/Status: Once again Congressman Chet Edwards has introduced [H.R. 816](#), the Military Retirees Health Care Protection Act.

Eliminate the SBP-DIC Offset for Survivors

Issue: Congress should repeal the law that reduces military Survivor Benefit Plan (SBP) annuities by the amount of any survivor benefits payable under the VA Dependency and Indemnity Compensation (DIC) program.

Background: Under current law, the surviving spouse of a retired member who dies of a service-connected cause is entitled to DIC from the Department of Veterans Affairs. If the military retiree was also enrolled in SBP, the surviving spouse's SBP benefits are reduced by the amount of DIC (currently \$1,154 per month). A pro-rated share of SBP premiums is refunded to the widow upon the member's death in a lump sum, but with no interest. The offset also affects all survivors of members who are killed on active duty. There are approximately 57,000 military widows/widowers affected by the DIC offset.

MOAA believes SBP and DIC payments are paid for different reasons. SBP is purchased by the retiree and is intended to provide a portion of retired pay to the survivor. DIC is a special indemnity compensation paid to the survivor when a member's service causes his or her premature death. In such cases, the VA indemnity compensation should be added to the SBP the retiree paid for, not substituted for it. It's also noteworthy as a matter of equity that surviving spouses of federal civilian retirees who are disabled veterans and die of military-service-connected causes can receive DIC without losing any of their purchased federal civilian SBP benefits.

In the case of members killed on active duty since October 7, 2001, a surviving spouse with children can avoid the dollar-for-dollar offset by assigning SBP to the children. But that forces the spouse to give up any SBP claim after the children attain their majority - leaving the spouse with less than a \$14,000 annual annuity from the VA. Those who give their lives for their country deserve fairer compensation for their surviving spouses.

In each of the last three years, the Senate has passed Sen. Bill Nelson's (D-FL) amendment to repeal the SBP-DIC offset in its version of the Defense Authorization Act, only to have the full provision dropped in final negotiations with the House. The 2008 Defense Bill did include a provision authorizing a special payment of \$50 per month to survivors of members entitled to retired pay (or of Guard/Reserve retirees who died before age 60) whose SBP annuities are reduced by VA survivor benefits, effective Oct. 1, 2008. That amount will increase by \$10 each year for 5 years. At MOAA's urging, the 2009 Defense Authorization Act extended this payment to survivors of active duty deaths.

MOAA Position: MOAA strongly supports repeal of the DIC offset to SBP, because the two benefits are paid for different reasons and as a matter of equity with federal civil service practices. Enactment of this repeal is a major MOAA goal for 2009.

Key Bills/Status: In the House Congressman Solomon Ortiz has introduced [H.R. 775](#), and in the Senate Bill Nelson has introduced [S. 595](#), both would repeal the requirement to deduct DIC payments from SBP annuities.

Approve Full Concurrent Receipt of Military Retired Pay and VA Disability Compensation

Issue: Congress needs to fully eliminate the law that makes most disabled uniformed services retirees forfeit part or all of their military retired pay for VA disability compensation.

Background: For decades, MOAA has sought legislation providing full relief from the 19th century law that required a dollar-for-dollar offset of military retired pay for VA disability compensation. MOAA strongly believes retired pay is earned for a career of uniformed service, and VA disability compensation is recompense for pain, suffering, and lost future earning power due to service-connected disabilities.

Since we persuaded Congress to make the first very modest step in 2003 for a small, yet significant, group of disabled retirees, we've made steady incremental progress almost every year in broadening eligibility.

In the ensuing 6 years, we've fully restored earned service-based retired pay for:

- 100% disabled retirees with at least 20 years of service
- All combat-disabled retirees without regard to length of service or percentage of combat-related disability

Additionally, we've won a scheduled 10-year phase-out of the disability offset (to be completed by 2014) for retirees with 50% or higher-rated non-combat-related disabilities who have at least 20 years of service or were retired under the Temporary Early Retirement Authority of the 1990s.

Although these major improvements cover 304,000 disabled retirees, or 33% of the total disabled retired population, still 623,000 fund their disability compensation from the VA dollar-for-dollar from their retired pay.

MOAA Position: MOAA believes strongly in the principle that career military members earn their retired pay by service alone, and that those unfortunate enough to suffer a service-caused disability in the process should have any VA disability compensation from the VA added to, not subtracted from their service-earned military retired pay. In the case of members forced into medical retirement before 20 years of service, their service-earned retired pay should be vested at the rate of 2.5% times years of service times the applicable pay base. There should not be any distinction between members disabled for combat- vs. non-combat-related causes, as the impact on their quality of life and future earning power is the same in either case. MOAA is committed to ending the disability offset for all disabled retirees.

Key Bills/Status: Several bills have been introduced in the 111th Congress that would continue to make progress to eliminate the remaining offsets. Congressman Gus Bilirakis (R-FL) has introduced [H.R. 303](#), the Retired Pay Restoration Act and Congressman Jim Marshall (D-GA) has introduced [H.R. 333](#), the Disabled Veterans Tax Termination Act. In the Senate Harry Reid has introduced [S. 546](#), The Retired Pay Restoration Act of 2009.

Simplify and expedite the processing of disability claims and appeals

Issue: Service men and women must be assured that their transition from active service to the VA will be as seamless as possible and that their veterans benefits will enable them to successfully achieve their post-service goals with the highest quality of life possible.

Background: The VA has been unable to process disability claims in a timely manner; and, other VA programs must be modernized to keep pace with the needs of today's veterans.

VA Disability Claims System

The VA Budget request for FY2009 projects 872,000 claims working in the system in 2009. From 2000 to 2007 annual claims receipts grew 45%. Increased workload, coupled with more complex claims and the nature of disability claims for PTSD, complex combat injuries, environmental diseases and other factors have contributed to the spiraling workload. MOAA appreciates that Congress has authorized 2000 additional claims-worker positions for FY 2009. An expanded workforce for claims will help, but only in the context of a comprehensive, long-term strategy on claims management, training upgrades, reduced manpower turnover at the entry level, IT support, and quality-control. MOAA goals include:

- Hiring and training the 2000 additional claims workers approved by Congress as soon as possible.
- Continuing investment in state-of-the-art technology and information management support
- Compensating adjudicators at a level that will reduce chronic staff turnover.
- Establishing uniform standards and procedures for rating claims

Improving the disability claims system would facilitate the training and rehabilitation for Wounded Warriors through the Vocational Rehabilitation and Employment program (VR&E).

The purpose of the VR&E program is to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, to become meaningfully employed. MOAA goals are to:

- Increase the monthly stipend of VR&E to at least the same level as the housing payments under the Post-9/11 GI Bill
- Eliminate any impediments to reentry into VR&E, regardless of the veteran's age or date of claim of service-connection.

MOAA Position: Support VA program upgrades to ensure wounded warriors and other veterans of active service have maximum opportunity to transition to productive post-service careers.

Key Bills/Status: MOAA is working with potential sponsors to introduce legislation on these topics in the 111th Congress.

Available MOAA info papers for VCOC National Objectives

1. We need a wartime budget: See pages 3 and 15 of (1).

http://www.moaa.org/usergroup/usergroup_gr/lac_factsheets_adgr/lac_factsheets_adgr_budget.htm

Also see pages 3 and 15 of (1) below.

2. National solution to our energy problem: To be developed. MOAA does not have anything.

3. Increase the size of ground forces, and do not reduce USAF/Navy strength:

http://www.moaa.org/usergroup/usergroup_gr/lac_factsheets_adgr/lac_factsheets_adgr_2.htm

Also:

http://www.moaa.org/lac/lac_issues/lac_issues_major/lac_issues_major_adgr/lac_issues_guard_reserve_bleeding.htm

And pages 3 and 15 of (1) below.

4. Prevent the erosion of TRICARE benefits:

http://www.moaa.org/multimedia/multimedia_moaa/multimedia_moaa_archive/multimedia_moaa_2008archive/multimedia_moaa_080401/lac_factsheets_hc_9.htm

Also see HR 816 of the 111th Congress

5. Implement All Recommendations of Veterans Disability Benefits Commission (VDBC)

A. Eliminate the SBP-DIC off-set:

http://www.moaa.org/multimedia/multimedia_moaa/multimedia_moaa_archive/multimedia_moaa_2008archive/multimedia_moaa_080401/lac_factsheets_fam_2.htm

B. Approve full concurrent receipt for retiree disabilities:

http://www.moaa.org/multimedia/multimedia_moaa/multimedia_moaa_archive/multimedia_moaa_2008archive/multimedia_moaa_080401/lac_factsheets_retired_1.htm

C. Simplify and expedite the processing of disability claims and appeals:

See *VA Disability Claims System* paragraph in the paper at

http://www.moaa.org/lac/lac_factsheets/lac_factsheets_other/lac_factsheets_other_3.htm

General:

(1) MOAA and The Military Coalition testimony to House Armed Services Subcommittee on Military Personnel on February 25, 2009 - http://www.moaa.org/lac/lac_goals/lac_goals_testimony.htm

Here is Rep. (go to <http://capwiz.com/moaa/dbq/officials/directory/statedel.dbq?dir=moaa&state=vacosponsorship> to select your representative and obtain cosponsor status)
Get involved and take action!

Bill	Subject	Status
H.J. Res 23 Fits with VCOC Wartime budget	Support Strong Defense Budget Declares that it is U.S. policy to commit a minimum of 4% of the nation's gross domestic product to the base defense budget in order to meet the fundamental U.S. national security requirements.	
H.R. 1052 Fits with VCOC increase size of armed forces.	Ensuring Military Readiness Through Stability and Predictability Deployment Policy Act To mandate minimum periods of rest and recuperation for units and members of the regular and reserve components of the Armed Forces between deployments for Operation Iraqi Freedom or Operation Enduring Freedom.	
H.R. 816 Fits with VCOC prevent erosion of TRICARE benefits.	Military Retirees Health Care Protection Act Establish the principle that it's Congress's responsibility, not the Pentagon's, to establish when and by how much military health fees will be increased. In doing so, it would remove the Secretary of Defense's current authority to make virtually unlimited increases in four specific areas: 1.) Enrollment fees for retired members and survivors in TRICARE Prime, the military managed care plan. 2.) Pharmacy copayments. 3.) Enrollment fees for the TRICARE Reserve Select program that helps maintain health coverage continuity for Guard and Reserve families. 4.) Retiree and survivor copayments for inpatient care.	
H.R. 775 Fits with VCOC Veterans Benefits	SBP-DIC Offset Under the current law, the surviving spouse of a retired military member who dies from a service connected disability is entitled to Dependency and Indemnity Compensation (DIC) paid by the Veteran's Administration. If the military retiree was also enrolled in the Survivor Benefit Plan (SBP), the surviving spouse's annuity is offset by the amount of DIC (\$1154 per month). A pro-rated share of SBP premiums is refunded to the surviving spouse in a lump sum but with no interest. H.R. 775 repeals the provisions of Title 10 which require the offset of DIC payments from SBP annuities.	
H.R. 333 Fits with VCOC full concurrent receipt.	Disabled Veterans Tax Termination Act Amends federal military retired pay provisions to: (1) permit veterans with a service-connected disability of less than 50% to claim both retired pay and disability compensation; (2) eliminate provisions requiring a phase in between January 1, 2004, and December 31, 2013, of concurrent receipt of retired pay and disability compensation; (3) allow those with less than 20 years of creditable service who were retired due to physical disability (chapter 61) to claim both VA compensation and retired pay; and (4) correct a Combat-Related Special Compensation calculation glitch for certain veterans who were medically retired and have disabilities due to combat or combat-related events.	
H.R. 303 Fits with VCOC full concurrent receipt.	Retired Pay Restoration Act This bill would authorize the full concurrent receipt of retired pay and veterans' disability compensation for retirees with regular or Guard/Reserve retirements. Currently, those with combat-related or 100% disabilities are authorized full concurrent receipt (e.g., combat related special compensation/full concurrent receipt); and those with 50% or higher non-combat disabilities will see their disability offsets phased out over the next 7 years.	