

**STATEMENT OF  
THE NATIONAL MILITARY AND VETERANS ALLIANCE**

**Before the**

**MILITARY PERSONNEL SUBCOMMITTEE OF THE SENATE ARMED SERVICES  
COMMITTEE**

**On**

**CONCURRENT RECEIPT AND THE SPECIAL COMPENSATION FOR COMBAT,  
COMBAT-RELATED DISABLED MILITARY RETIREES**

**Presented by**

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## CURRICULUM VITAE AND ORGANIZATIONAL DISCLOSURE STATEMENTS

Benjamin H. Butler  
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Master Gunnery Sergeant Butler, US Marine Corps, Retired, has been a Deputy Director of Legislation, and the Director of Chapter Management at NAUS since his retirement from the Marine Corps in August 1996.

MGySgt Butler's military career covers 21 years of active service from 1975 to 1996. His years in the military started with the infantry, serving with the 2<sup>nd</sup> Marine Division at Camp Lejeune NC and as an instructor at Officers Candidate School in Quantico VA. He also spent several years working as a recruiter. He worked at all levels of recruiting for the Marine Corps starting as a canvassing recruiter. He also managed several different recruiting stations in both upstate NY and the Washington DC area. He also served as a Regional Recruiter Instructor as well as an Instructor at Recruiters' School in San Diego CA. MGySgt Butler then spent 4 years as a member of the national training team for Marine Corps recruiting in Washington DC. During this tour he traveled from coast-to-coast, assisting recruiters and recruiting commanders. He has had extensive training in sales and management and is certified as a sales and management trainer.

Most recently MGySgt Butler's work at the National Association for Uniformed Services has led to daily contact with legislators and staffers on Capitol Hill, and the opportunity to testify before congress on issues of great importance to military retirees. MGySgt Butler has traveled throughout the United States and given presentations at numerous events, talking about issues of importance to all veterans.

### *Disclosure*

*Neither the National Military Veterans Alliance, or the National Association for Uniformed Services (NAUS) have received grants (and/or subgrants) or contracts (and/or subcontracts) from the federal government for the past three fiscal years.*

## INTRODUCTION

Mister Chairman and distinguished members of the Committee, the National Military and Veterans Alliance (NMVA) is very grateful for the invitation to testify before you and present our views and suggestions concerning current and future issues of concern to the military community.

The Alliance was founded in 1996 as an umbrella organization to be utilized by the various military and veteran associations as a means to work together towards their common goals. The Alliance's organizations are:

- ❖ American Logistics Association
- ❖ American Military Retirees Association
- ❖ American Military Society
- ❖ American Retiree Association
- ❖ American World War II Orphans Network
- ❖ AMVETS National Headquarters
- ❖ Catholic War Veterans
- ❖ Class Act Group
- ❖ Gold Star Wives of America
- ❖ Korean War Veterans Foundation
- ❖ Legion of Valor
- ❖ Military Order of the Purple Heart
- ❖ National Association for Uniformed Services
- ❖ National Gulf War Resource Center
- ❖ Naval Enlisted Reserve Association
- ❖ Naval Reserve Association
- ❖ Society of Medical Consultants to the Armed Forces
- ❖ Society of Military Widows
- ❖ The Retired Enlisted Association
- ❖ TREA Senior Citizens League
- ❖ Tragedy Assistance Program for Survivors
- ❖ Uniformed Services Disabled Retirees
- ❖ Veterans of Foreign Wars
- ❖ Vietnam Veterans of America

The preceding organizations have almost five million members who serve our nation, or who have done so in the past and their families.

The National Military and Veterans Alliance would like to thank the Personnel Sub-Committee and the Full Armed Services Committee for its leadership in passing legislation last year that provides Special Compensation for Combat, Combat-related disabled Military Retirees and the committee's continued support of full concurrent receipt for all disabled military retirees. I would like to address these topics briefly.

## **CONCURRENT RECEIPT**

Even with Special Compensation For Combat, Combat-Related Disabled Military Retirees, our collective efforts continue towards full concurrent receipt. The current law, which has its genesis in 1891, long before the military had a longevity based retirement system, is unfair, inequitable and in many cases, results in disabled retirees with high VA disability ratings receiving no retired pay. For example, the monthly compensation for a service connected 100% disabled retiree in pay grade E-8 with 23 years of service is \$16 per month less than that of an E-4 with 4 years of service whose VA 100% disability rating is for falling off a motorcycle.

It is unfair that the compensation for the retiree's years of military service, achievement and disability resulting from harm's way exposure is discounted. It is especially unfair since the forfeiture requirement applies to only military retirees and not the rest of society including federal employees and retirees of the federal government. This group includes the Civil Service, staff and members of Congress, federal judges, and members of the Administration. None of them are required to forfeit their earned retirement benefits to receive veterans' disability compensation payments.

We believe that retired pay is a benefit earned by completing 20 or more years of qualifying service; and, VA disability payments are compensation for loss of a body function or part. They are two separate benefits and should be paid in total separately.

Mr. Chairman, concurrent receipt became a law back in 1891, related to Mexican War veterans. As we all know, the issue of pay for Mexican War veterans is now resolved, and it is time for a change. The National Military Veterans Alliance strongly supports two key bills that will make this change S. 392, introduced by Senator Reid from Nevada, and HR 303 introduced by Representative Bilirakis from Florida—both, long time champions on this issue. The bottom line goal of these bills is to ensure that service-connected disabled retirees receive the full value of their earned retired pay and veteran's disability compensation without an offset of either.

One final group we must always include is our widows. One recent topic that has gained much of our interest is concurrent receipt of the survivor benefit plan (SBP) and dependency and indemnity compensation (DIC) and how it affects military widows. We call this "the other concurrent receipt issue". Their husbands pay for a survivor benefit plan, and when the service member dies of a service related condition the government offsets this survivor benefit plan dollar for dollar by the amount of dependency and indemnity compensation the widow receives—we strongly support ending this offset.

There is a bill recently introduced by Senator Nelson from Florida. This bill, S.585, would end this offset. The National Military and Veterans Alliance strongly supports this legislation and any legislation that takes care of those that we leave behind.

### **SPECIAL COMPENSATION FOR COMBAT, COMBAT-RELATED DISABLED MILITARY RETIREES**

The FY 2003 Defense Authorization Act provides special compensation for recipients of the Purple Heart with a disability of 10% or higher, and retirees with a disability rating of 60% or higher that received that disability for illnesses, injuries attributable to combat, combat-related training, hazardous service, under conditions simulating war, or caused by an instrumentality of war. The law also retains the previously passed special pay provisions for retirees with VA disability ratings of 60% or more awarded within 4-years of retirement.

The law, passed late last year gave DoD 180-days to design and implement the new program. That will put the action date for implementation around the first of June 2003. Based on this looming date—less than three months away, we would like to offer the following suggestions:

First, we would like to provide input to DoD, from our constituents as they develop the implementation procedures. So far, we have had one meeting with officials at the Pentagon. We would encourage more. We have found that one of the best examples of interaction between DoD, and the beneficiary associations was during the implementation of TRICARE-for-Life. The TRICARE Management Activity, hosted close to sixty meetings with us providing updates on the implementation process, and asking for our input. This interaction was very valuable for both parties and we offer this as a model that DoD might consider for their current undertaking.

Second, we are concerned about the burden of proof that will fall on the retirees—especially those older veterans that fought in WWII and Korea. We feel that the burden to produce evidence that may fall on retirees might be a heavy one, as the records may no longer exist, or the retirees may be unaware of the process of attaining such records. We would like to see the burden of proof removed, and placed on those that have easier access to the records.

Finally, there is a very worthy group that has been left out of all special pay provisions. This group is our retired reservists. As it stands right now, a reservist needs 7200 points to qualify for the special compensation. To put this in perspective, a member who spends 3 years on active duty and then switches to the reserves, in addition to the normal reserve time of one weekend per month and two weeks during the summer, would have to spend 41% of each year on active duty for 27 years. This is simply unattainable. It is particularly outrageous that this includes reservists who have been awarded the Purple Heart. Rep. Bilirakis has been working with the NMVA and the Coalition on language to correct the inequity. We strongly recommend that the law be changed to allow any

reservist who qualifies for retirement, and also qualifies for the special compensation to be awarded the compensation.

The bottom line is while this law is not the full concurrent receipt that continues to be a legislative priority for our members, who among us would deny that the combat, combat-related disabled retirees should take the first bite of the fruit of our collective efforts. This is a good start, but there is more work to do.

## **SUMMARY**

Mr. Chairman and distinguished members of the Sub-Committee, we want to thank you for your leadership on these issues in past years and for holding these important hearings this year. You have made it clear that our military personnel, past and present, continue to be a high priority and you have our support in seeking successful implementation and funding of these initiatives this year.