

**STATEMENT OF
THE MILITARY COALITION (TMC)**

before the

**Personnel Subcommittee
Senate Armed Services Committee**

March 27, 2003

Presented by

**Col Steven P. Strobridge, USAF (Ret)
Military Officers Association of America
Co-Chairman, The Military Coalition**

**CMSGT James E. Lokovic, USAF (Ret)
Air Force Sergeants Association
Co-Chairman, Retirement Committee**

Biography of Colonel Steven P. Strobridge, USAF (Retired)
Director, Government Relations, Military Officers Association of America; and
Co-Chairman, The Military Coalition

Steven P. Strobridge, a native of Vermont, was born April 3, 1947. A 1969 ROTC graduate from Syracuse University in Syracuse, NY, he was called to active duty in October 1969.

From October 1969 to October 1972, he served in administrative, personnel, training, and command assignments at Lackland AFB, TX, Nakhon Phanom RTAFB, Thailand, and Pope AFB, NC. From January 1977 to July 1981, he served at the Pentagon as a compensation and legislation analyst in the Entitlements Division of the Air Force's Directorate of Personnel Plans. While in this position, he researched and developed legislation on military pay comparability, military retirement and Survivor Benefit Plan issues.

In 1981, he attended Armed Forces Staff College in Norfolk, VA, en route to a January 1982 transfer to Ramstein AB, Germany. Following assignments as Chief, Officer Assignments and Assistant for Senior Officer Management at HQ, U.S. Air Forces in Europe, he was selected to attend National War College at Fort McNair, DC in 1985.

Transferred to the Office of the Secretary of Defense upon graduation in June 1986, he served as Deputy Director and then as Director, Officer and Enlisted Personnel Management. In this position, he was responsible for establishing DoD policy on military personnel promotions, utilization, retention, separation and retirement.

In June 1989, he returned to Headquarters USAF as Chief of the Entitlements Division, assuming responsibility for Air Force policy on all matters involving pay and entitlements, including the military retirement system and survivor benefits, and all legislative matters affecting active and retired military members and families. He retired from that position on January 1, 1994 to become MOAA's Deputy Director for Government Relations, and was appointed Director of Government Relations and elected Co-Chairman of The Military Coalition in March 2001.

Colonel Strobridge's decorations include the Defense Superior Service Medal, the Legion of Merit, the Meritorious Service Medal with two oak leaf clusters, the Air Force Commendation Medal with oak leaf cluster, and the Vietnam Campaign Medal with bronze service star.

CMSgt (Ret) James Lokovic
Deputy Executive Director & Director, Military & Government Relations
Air Force Sergeants Association

CMSgt (Ret.) James E. Lokovic is the Deputy Executive Director and Director of Military and Government Relations of the Air Force Sergeants Association (AFSA). Reporting to the Executive Director, he serves as AFSA's representative on legislative matters to the White House, Congress, DoD, Air Force, other government agencies, and other associations. In regularly testifying before Congress and as one of AFSA's registered lobbyists, he represents the active and retired enlisted members of all components of the Air Force on Capitol Hill, and is AFSA's primary liaison to the office of the Chief Master Sergeant of the Air Force. He has served with AFSA since his active duty military retirement in 1994.

During his 25-year Air Force career, Chief Lokovic's assignments included Okinawa, Japan; San Vito Dei Normanni, Italy (2 tours); Crete, Greece; Florida; Maryland; Texas (3 tours), and the Pentagon. His duties included all skill levels in the Morse and Non-Morse Systems career fields, service as a mission supervisor, operations superintendent, Unit OJT Manager, Unit Career Advisor, inspector for a Major Command (ESC) IG team, instructor and director of education at NCO Leadership School and NCO Academy levels, the functional manager for all Air Force First Sergeants, and finally as the Chief, USAF Enlisted Professional Military Education on the Air Staff.

Chief Lokovic was the top graduate (Levitow Award) at the ESC NCO Academy in San Angelo, Texas, and at the USAF Senior NCO Academy at Maxwell AFB, Gunter Annex. He is also a graduate of the Senior Non-Morse Analysis Course, Pensacola, Florida; and Academic Instructor School at Maxwell AFB, Alabama. His civilian education includes a Bachelor of Arts degree in Liberal Arts and associates degrees from the Community College of the Air Force in Communications Technology and in Instructional Systems Technology.

His decorations include the Meritorious Service Medal with three oak leaf clusters, the Air Force Commendation Medal, the Joint Service Commendation Medal and the Air Force Achievement Medal.

Chief Lokovic and his wife, Linda, reside in Waldorf, Maryland

MISTER CHAIRMAN AND DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE. On behalf of The Military Coalition, a consortium of nationally prominent uniformed services and veterans' organizations, we are grateful to the Subcommittee for this opportunity to express our views concerning issues affecting the uniformed services community. This testimony provides the collective views of the following military and veterans' organizations, which represent approximately 5.5 million current and former members of the seven uniformed services, plus their families and survivors.

- Air Force Association
- Air Force Sergeants Association
- Air Force Women Officers Associated
- AMVETS (American Veterans)
- Army Aviation Association of America
- Association of Military Surgeons of the United States
- Association of the United States Army
- Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
- Commissioned Officers Association of the U.S. Public Health Service, Inc.
- Enlisted Association of the National Guard of the United States
- Fleet Reserve Association
- Gold Star Wives of America, Inc.
- Jewish War Veterans of the United States of America
- Marine Corps League
- Marine Corps Reserve Officers Association
- Military Chaplains Association of the United States of America
- Military Officers Association of America
- Military Order of the Purple Heart
- National Guard Association of the United States
- National Military Family Association
- National Order of Battlefield Commissions
- Naval Enlisted Reserve Association
- Naval Reserve Association
- Navy League of the United States
- Non Commissioned Officers Association
- Reserve Officers Association
- Society of Medical Consultants to the Armed Forces
- The Retired Enlisted Association
- United Armed Forces Association
- United States Army Warrant Officers Association
- United States Coast Guard Chief Petty Officers Association
- Veterans of Foreign Wars
- Veterans' Widows International Network

The Military Coalition, Inc., does not receive any grants or contracts from the federal government.

Restoring Equity for Disabled Uniformed Services Retirees

The Military Coalition is grateful to the subcommittee for its historical support of maintaining a strong military retirement system to help offset the extraordinary demands and sacrifices inherent in a career of uniformed service.

We are particularly appreciative of your strong support in last year's effort to win concurrent receipt of retired pay and veterans' disability compensation. The bipartisan support in the subcommittee and the full committee, and especially the personal intervention of Senator Warner with the White House, was essential to ensuring a positive outcome on this long-standing and hard-fought inequity.

Clearly, the Coalition was disappointed that agreement could not be reached by last year's conference committee to provide unconditional concurrent receipt in the FY 2003 National Defense Authorization Act, and we believe the subcommittee shares that disappointment. But we very much appreciate the "first ever" provisions that will effectively eliminate the disability offset for certain retirees who were severely disabled by combat and operations-related incidents. This successful action to establish a "beachhead" in law is very significant in recognizing that military retired pay and veterans disability compensation are paid for different purposes, and one should not offset the other.

The Coalition has long held that retired pay is earned compensation for completing a career of arduous uniformed service, while veterans disability compensation is paid for loss of function and future earning potential caused by a service-connected disability.

Previous attempts to fix this inequity have all been met with the same response—the cost is too large. But, the cost to men and women in uniform who have been injured while serving this Nation is far greater. Because of cost concerns, last year's authority was limited to a very special group of disabled retirees—those injured in combat, or other combat related operations. But there are thousands of deserving disabled retirees who have been left behind.

No one disabled in the course of serving his or her country should have to forfeit an earned retirement—for years of faithful and dedicated service—in order to receive VA disability compensation for the wounds, injuries, or illnesses incurred in such service.

The Coalition believes strongly that the 90 percent cosponsorship support that existed in the 107th Congress was inconsistent with the outcome, and that further action is essential to address the grossly unfair financial penalties visited for so long on those who already have suffered most for their country—military retirees disabled as a result of their service.

The Coalition has three particular concerns as we move forward.

First, we are hopeful that the Department of Defense will exercise the full authority provided in the new law, that it will be implemented on time, and that the application and approval process will be transparent and timely.

Second, we are concerned that, during last-minute final negotiations on the FY 2003 Defense Authorization Act, changes in eligibility language inadvertently omitted certain classes of disabled retirees who otherwise fall within the criteria enacted into law.

Third, we believe that implementation of the new law will highlight significant new inequities that illustrate why broader legislative authority is essential to provide fair treatment to those retired members who became disabled from service-connected causes during the course of their military careers.

Implementing the New Authority

Last December, representatives of the Coalition and other associations had an opportunity to meet with Defense and VA officials to discuss the numerous issues of principle and process that will have to be addressed in implementing the new special compensation rules. In the course of that meeting, we offered a number of recommendations for consideration by the Departments in constructing their implementation plan. These recommendations addressed seven different areas, as follows:

Qualification Criteria. The Coalition believes qualification guidelines:

- a. Should use a rule of “substantial evidence,” consistent with VA guidelines rather than placing the full burden of proof on the disabled retiree;
- b. Should use VA presumptions on disabilities already determined by the VA to be associated with Agent Orange, Gulf War Syndrome, Post-Traumatic Stress Disorder, and atomic/nuclear testing;
- c. Should cover any disability incurred in a combat zone;
- d. Should cover secondary conditions determined by the VA to be related to b. and c. above; and
- e. The government should bear responsibility for mining DoD/VA records data for verifying information.

Due Process. The Coalition believes:

- a. There should be a three-stage decision process on applications (initial decision, appeal, and review by the Board for Correction of Military Records); and
- b. The applying member should have the right of representation if he/she chooses.

Timeliness. The Department of Defense:

- a. Should establish a reasonable timeliness standard for completion of the approval process once an application is received; and
- b. Should seek to identify types of cases in which a qualifying disability is readily verifiable and automate approval in such cases.

Consistency. The Department must establish guidelines and feedback mechanisms to ensure consistency of approvals among all services and locations.

Outreach. The Departments of Defense and Veterans Affairs should make concerted efforts to notify potentially eligible retirees of the new special compensation program by letter, pay statement notice, retiree newsletter items and all other means of communication. Coalition and other associations will provide maximum publicity as well, but there are many disabled retirees who are not members of such associations. This program is too important to them not to make every effort to ensure all eligibles are informed of it.

Payments.

- a. Payments should be retroactive to the date of qualifying disability award or June 1, 2003, whichever is later, regardless of when a member applies for the compensation. The precedent should be the previous implementation of the Forgotten Widows Survivor Benefit Plan, which also required an application and approval process. Qualifying disabled retirees should not be penalized financially because they were late in hearing about the program.
- b. If an applicant dies before processing of the application is completed, processing should be continued for payment to the survivor of any amounts (retroactive to the date of the disability award or June 1, as indicated above) the member would have been due up to the date of death.
- c. If a disabled retiree dies after June 1, 2003, but before applying for the new special compensation, his or her survivor should be eligible to apply for any amounts that otherwise would have been payable to the disabled member between the effective date and the date of death.

The Coalition urges the Subcommittee to request an advance letter report from the Department of Defense on its implementation progress, including the extent to which it plans to incorporate the above Coalition recommendations in that process.

Technical Exclusions from Eligibility

The Coalition is very concerned that eleventh-hour technical changes in the eligibility language of last year's special compensation compromise effectively – and we hope inadvertently -- excluded certain categories of disabled retirees who otherwise meet all the criteria for payment.

First, the language change resulted in excluding virtually all National Guard and Reserve retirees with 20 years of creditable service and combat-related disabilities. This is because the DoD General Counsel has interpreted the language of the law as requiring combat-disabled Guard and Reserve retirees to have accumulated 7,200 retirement points (the equivalent of 20 years of full-time active duty) to be eligible for the special compensation. This is an unreasonable and discriminatory requirement, given that members in Guard and Reserve status may not, by law, accumulate more than 90 points per year unless recalled to full-time active duty. Until a few years ago, the annual limit was 75 points.

There are many retired reservists – including many who were recalled for Desert Storm – who have been awarded Purple Hearts and who have serious combat-related disabilities. Their Guard or Reserve status did not protect them from being wounded on the battlefield, and the Coalition believes strongly that they should not be discriminated against by this legislation.

Second, there is a very limited number of otherwise qualifying disabled retirees who received nondisability retirements with 15 to 19 years of service during the drawdown of the early 1990s and who also have otherwise-qualifying combat-related disabilities. In some cases, these members qualified under the temporary early retirement authority for additional military service credit based on their subsequent employment in certain DoD-designated public service positions. These members earned their military retirement independently of their disability and should be eligible to receive the special compensation if their disabilities would otherwise qualify.

Finally, enlisted retirees who were awarded one of the top two decorations for valor are authorized an extra 10 percent in retired pay (within the maximum limit of 75 percent of basic pay). The Coalition believes strongly that the modest extra retired pay awarded these members for their combat heroism should not be subject to the disability offset.

The Military Coalition urges Subcommittee leaders and members, as a minimum, to amend last year's authority to include certain otherwise-qualifying Guard and Reserve retirees, Early Retirement Authority retirees, and enlisted retirees with high decorations for extraordinary valor.

Looking to the Future

The Coalition agrees strongly with the words Senator Warner used last year in describing the new special compensation authority as a “beachhead”, recognizing that more remains to be done to ensure fair treatment for thousands of deserving disabled retirees whose service-connected disabilities did not happen to occur because of combat- or operations-related conditions.

A member is no less disabled, and his or her quality of life and future earnings power are no less compromised, because the immediate cause of a significant disability was a circumstance of service that did not directly involve weaponry or enemy action. The Coalition is convinced that the implementation of the new special compensation authority will highlight both the difficulties and the inequities associated with attempts to make such distinctions among members with equally severe disabilities.

We know the Subcommittee looks forward, as the Coalition does, to assessing the kinds of cases that qualify under DoD's implementation rules vs. those that do not, and identifying ways to address the new inequities we believe are certain to arise.

The Coalition's ultimate objective remains the same as that endorsed by 90% of the House and 83% of the Senate last year – full concurrent receipt of uniformed services retired pay and veterans disability compensation. If an interim step is required, the Coalition believes special compensation eligibility should be extended to otherwise qualifying disabled retirees whose disabilities are directly related to their performance of their assigned military duties.

CONCLUSION

The Military Coalition reiterates its profound gratitude to the subcommittee and to the committee's leadership for the important philosophical breakthrough achieved last year in taking such a significant step toward easing the unfair financial penalties imposed on disabled uniformed services retirees. The Coalition is eager to work with the subcommittee in continued pursuit of this key goal.

Thank you very much for the opportunity to present the Coalition's views on this very important topic.