STATEMENT OF
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NATIONAL LEGISLATIVE COMMISSION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS AND RELATED ACTIVITIES
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
FY 2008 APPROPRIATIONS FOR MILITARY CONSTRUCTION, DEPARTMENT OF VETERANS AFFAIRS, AND RELATED FEDERAL AGENCIES

MARCH 21, 2007

Mr. Chairman and members of the Subcommittee, The American Legion is grateful for the opportunity to present its views on those funding issues under your jurisdiction. The American Legion official positions are based on resolutions adopted by its membership.

MILITARY CONSTRUCTON

In order to attract and retain the necessary force over the long haul, the active duty force, Reserves, and National Guard continue to look for talent in an open marketplace and to compete with the private sector for the best young people this nation has to offer. If we are to attract them to military service in the active and reserve components, we need to count on their patriotism and willingness to sacrifice, to be sure, but we must also provide them the proper incentives. They love their country, but they also love their families – and many have children to support, raise and educate.

The American Legion supports full funding to improve military housing, putting DoD on track to eliminate most substandard housing by 2007 – several years sooner than previously planned. The American Legion supports $2.9 billion for improved barracks and housing.

During the past year, The American Legion National Commander Paul Morin has visited American troops in Europe and South Korea as well as a number of installations throughout the United States, including multiple visits to Walter Reed Army Medical Center and Bethesda National Naval Medical Center. During these visits, he was able to see first-hand the urgent, immediate need to address real quality-of-life challenges faced by service members and their families. The military must be on a par with the competitive civilian sector in terms of adequate quarters, quality child-care and impact aid for DoD education.

Despite frequent visits to Walter Reed Army Medical Center, The American Legion was shocked and disappointed by the publicized shortcomings that surfaced at Walter Reed. Failure to provide adequate housing for outpatients in medical hold status is absolutely unacceptable.

Walter Reed Army Medical Center is a National Treasure, not merely the Army's flagship hospital. Two years ago, Walter Reed AMC treated over 1.1 million Army outpatients, and continues to treat Active Army, Army Reservists, Army National Guardsmen, and Army military retiree veterans and their families. There is no other military or civilian medical center or hospital in the United States that can treat patients of this magnitude or severity; and Walter Reed has been doing this since the turn of the last century.

Frankly, The American Legion has overwhelmingly opposed putting Walter Reed on the Base Realignment and Closure (BRAC) List, and continues to oppose its closure. The American Legion recommends in light of the emergent need to renovate the Medical Center, that Walter Reed be removed from the BRAC list and that military construction funding be dedicated for major phased-in renovations of the Medical Center, rather than constructing other medical facilities and tearing Walter Reed down. This appears to be the practical and economical thing to do especially during time of war when severely wounded soldiers need the best in medical care.

As a major step toward resolving the problems brought to light at Walter Reed AMC, The American Legion signed a Memorandum of Understanding with Walter Reed which will establish an office there to assist in the transition of wounded service members from DoD to VA. This is a natural extension of our Heroes to Hometown program. Our commitment is to these men and women who have fought valiantly, sustained life-changing injuries and need a helping hand in transitioning to life out of uniform. The American Legion Heroes to Hometown program currently identifies returning service members who need direct assistance when they come home. Legionnaires nationwide provide help in understanding the VA health care system as well as other day to day needs that they and their families may be dealing with in transitioning into life back home.

The American Legion requests that, at a minimum, $18.3 billion be appropriated for Military Construction, and $4 billion for Military Housing.

The American Legion urges the retention and full funding of the DoD Domestic Dependents Elementary and Secondary Schools (DDESS) as they have provided a source of high quality education for military children attending schools on military installations.

The National Defense Authorization Act of 2000 (PL 106-65) mandated that a Department of Defense program entitled "Honoring Those Who Served" (Section 578 of PL 106-65A) would provide military honors at funerals for all eligible veterans. Many families are unaware that the program exists, and the program itself has been chronically under-funded. The American Legion urges Congress to appropriately fund the Department of Defense and Military Services, to include reimbursing the National Guard, so as to provide military honors upon request at veterans' funerals. The American Legion continues to aid the families of these veterans and to participate with the military in the rendering of these funeral honors.

DEPARTMENT OF VETERANS AFFAIRS

The American Legion remains committed to strong advocacy for America's veterans and their families with regard to appropriate funding for VA. In this testimony, the principle focus will be on discretionary appropriations. Below is a chart reflecting The American Legion requests for FY 2008:

Program	The American Legion's Request
Medical Care	**$38.4 billion**
Medical Services	$29 billion
Medical Administration	$3.4 billion
Medical Facilities	$3.6 billion
Medical Care Collections	$2.4 billion *
Medical and Prosthetics Research	$472 million
Construction	
Major	$1.3 billion**
Minor	$279 million
State Extended Care Facilities Grant Program	$250 million
State Veterans' Cemetery Grants Program	$42 million
National Cemetery Administration	$178 million
General Administration	$300 million
Information Technology	$1.9 billion

* Third-party reimbursements should supplement rather than offset discretionary funding.
** Includes additional $1 billion for CARES

Veterans Health Administration

The VA's reputation for providing high-quality health care in the health care industry is well documented. Now VA is also recognized internationally as the benchmark for health care services:

- In December 2004, RAND investigators found that VA outperforms all other sectors of the U.S. health care industry across a spectrum of 294 measures of quality in disease prevention and treatment;
- An article published in the **Washington Monthly** (Jan/Feb 2005), entitled "The Best Care Anywhere," featured the VA health care system;
- The prestigious **Journal of the American Medical Association** (May 18, 2005) noted that VA's health care system has "... quickly emerged as a bright star in the constellation of safety practice, with system-wide implementation of safe practices, training programs and the establishment of four patient-safety research centers."
- The **U.S. News and World Report** (Jul 18, 2005) issue included a special report on the best hospitals in the country titled "Military Might—Today's VA Hospitals Are Models of Top-Notch Care" highlighting the transformation of VA health care;
- **The Washington Post** (Aug 22, 2005) ran a front-page article titled "Revamped Veterans' Health Care Now a Model" spotlights VA health care accomplishments;

- In 2006, VA received the highly coveted and prestigious "Innovations in American Government" Award from Harvard's Kennedy School of Government for its advanced electronic health records and performance measurement system; and
- Recently, in January 2007, the medical journal **Neurology** wrote: "The VA has achieved remarkable improvements in patient care and health outcomes, and is a cost-effective and efficient organization."

To maintain VA's reputation for providing outstanding quality of care must remain a national priority. Although VA is considered a national resource, the Secretary of Veterans Affairs still must prohibit the enrollment of any new Priority Group 8 veterans, even if they are Medicare-eligible or have private insurance coverage. This prohibition is not based on their honorable military service, but rather on limited resources provided to the VA medical care system. To disallow any eligible veteran, who was prepared to give their life for this country is an unacceptable policy. All veterans who are eligible to receive benefits from VA should have timely access to the VA health care system.

As the Global War on Terrorism continues, fiscal resources for VA will continue to be stretched and veterans will continue to go to their elected officials requesting additional money to sustain a viable VA. A viable VA is one that cares for all veterans, not just the most severely wounded or economically disadvantaged among us. VA is often the first experience veterans have with the Federal government after leaving the military. This nation's veterans have never let our country down; Congress and VA should not let veterans down either.

Quality, timely, accessible, VA health care is the on-going price of war. It is unconscionable to send young men and women who make up the armed forces, to every corner of the globe, and then limit the funding to take care of their injuries. VA was created to take care of the unique needs of a very specific population, those that wear the uniform. Once that uniform comes off, they should be able to depend upon the VA health care system – regardless of the injury or severity of it. Many will need health care for the rest of their lives.

The American Legion calls upon the VA health care system to ensure that the very best health care is available for the nation's heroes. The American Legion recommends $38.4 billion in medical care to properly take care of service members.

Third-Party Reimbursements

The Balanced Budget Act of 1997, Public Law 105-33, established the VA Medical Care Collections Fund (MCCF), requiring that amounts collected or recovered from third-party payers after June 30, 1997, be deposited into this fund. The MCCF is a depository for collections from third-party insurance, outpatient prescription co-payments and other medical charges and user fees. The funds collected may only be used to provide VA medical care and services and for VA expenses for identification, billing, auditing and collection of amounts owed the Federal government.

Government Accountability Office (GAO) reports have described continuing problems in VA's ability to capture insurance data in a timely and correct manner. GAO has raised concerns about VA's ability to maximize its third-party collections. At three medical centers visited, GAO found

an inability to verify insurance, accepting partial payment as full, inconsistent compliance with collections follow up, insufficient documentation by VA physicians, insufficient automation and a shortage of qualified billing coders were key deficiencies contributing to the shortfalls. VA should implement all available remedies to maximize its collections of accounts receivable. When a VA medical care facility is unable to meet its collection goal, the facility suffers a real budgetary shortfall that results in managerial decisions, such as, rationing of care, delays in building maintenance, equipment backlogs, or even hiring freezes of health care providers.

The American Legion opposes offsetting annual VA discretionary funding by the arbitrarily set MCCF goal, especially since VA is prohibited from collecting any third-party reimbursements from the nation's largest Federally mandated, health insurer -- Medicare. In addition, VA is not even give credit for the billions of dollars it saves the Centers for Medicare and Medicaid Services (CMS) because of this prohibition. Over half of VA's current patient population is Medicare-eligible.

Construction

For several years prior to and during the Capital Assets Realignment for Enhanced Services (CARES) process, Congress restricted funding for construction needs throughout VA. The hold out, presumably, was for the development of a coherent national plan that will define the infrastructure VA will need in the decades to come. VA has developed that plan and it is CARES. The CARES process identified more than 100 major construction projects in 37 states, the District of Columbia, and Puerto Rico. Construction projects are categorized as major if the estimated cost is over $7 million. Now that VA has a plan to deliver health care through 2022, it is up to Congress to provide adequate funds. The CARES plan calls for, among other things, the construction of new hospitals in Orlando and Las Vegas, and replacement facilities in Louisville and Denver for a total cost estimated to be well over $1 billion for these four facilities. VA has not had this type of progressive construction agenda in decades. Major construction money can be significant and proper utilization of funds must be well planned. The American Legion recommends $1.3 billion for major construction and $279 million for minor construction.

Information Security

The data theft that occurred in May of last year serves as a monumental wake up call to the nation. VA can no longer ignore Information Technology (IT) security. VA has shown it can be a leader in the areas of care and service. Its accomplishments, from providing high quality medical care to leading the world in the development of electronic records, are indicators that VA can also be the nation's leader in IT security.

The American Legion believes that there should be a complete review of IT security government wide. VA isn't the only agency within the government that needs to overhaul its IT security protocol. The American Legion urges Congress to exercise its oversight authority and review each Federal agency to ensure that the personal information of all Americans is secure. The American Legion recommends $1.9 billion for information security.

Research

The American Legion believes that VA's focus in research should remain on understanding and improving treatment for conditions that are unique to veterans. The Global War on Terrorism is

predicted to last at least two more decades. Service members are surviving catastrophically disabling blast injuries due to the superior armor they are wearing in the combat theater and the timely access to quality triage. The unique injuries sustained by the new generation of veterans clearly demand particular attention. It has been reported that VA does not have state-of-the-art prostheses like DoD, and that the fitting of the prostheses for women has presented problems due to their smaller stature.

In addition, The American Legion supports adequate funding for other VA research activities, including basic biomedical research as well as bench-to-bedside projects. Congress and the Administration should encourage acceleration in the development and initiation of needed research on conditions that significantly affect veterans -- such as prostate cancer, addictive disorders, trauma and wound healing, post-traumatic stress disorder, rehabilitation, and others jointly with DoD, the National Institutes of Health (NIH), other federal agencies, and academic institutions. The American Legion recommends $472 million for Medical & Prosthetics Research in FY 2008.

VA's Long-Term Care Mission

VA's Long-Term Care (LTC) has been the subject of discussion and legislation for nearly two decades. In a landmark July 1984 study, *Caring for the Older Veteran*, it was predicted that a wave of elderly veterans had the potential to overwhelm VA's long-term care capacity. Further, the recommendations of the Federal Advisory Committee on the Future of Long-Term Care, in its 1998 report *VA Long-Term Care at the Crossroads*, made recommendations that serve as the foundation for VA's national strategy to revitalize and reengineer long-term care services. It is now 2007 and that wave of veterans has arrived.

Additionally, Public Law 106-117, the Millennium Act, enacted in November 1999, required VA to continue to ensure 1998 levels of extended care services (defined as VA nursing home care, VA domiciliary, VA home-based primary care, and VA adult day health care) in its facilities. Yet, VA has failed to maintain the 1998 bed levels mandated by law.

VA's inability to adequately address the long-term care problem facing the agency was most notable during the CARES process. The planning for the long-term care mission, one of the major services VA provides to veterans, was not even addressed in the CARES initiative, which is touted as the most comprehensive analysis of VA's health care infrastructure that has ever been conducted.

Incredibly, despite 20 years of forewarning, the February 2004 CARES Commission Report to the Secretary of VA states that VA has yet to develop a long-term care strategic plan with well-articulated policies that address the issues of access and integrated planning for the long-term care of seriously mentally ill veterans. The commission also reported that VA had not yet developed a consistent rationale for the placement of LTC units. It was not for lack of prior studies that VA has never had a coordinated LTC strategy. The Secretary's CARES Decision agreed with the commission and directed VHA to develop a strategic plan, taking into consideration all the complexities involved in providing such care across the VA system.

The American Legion supports the publishing and implementation of a LTC strategic plan that

addresses the rising long-term care needs of America's veterans. We are, however, disappointed that it has now been over two years since the CARES Decision and no plan has been published.

The American Legion believes that VA should take its responsibility to America's aging veterans seriously and take proactive steps to provide the care mandated by Congress. Congress should do its part and provide adequate funding to VA to implement its mandates.

The American Legion supports current legislation that will ensure appropriate payments for the cost of long-term care provided to veterans in State Veterans Homes. The American Legion also supports stronger oversight of payments to state veterans homes, full reimbursement for the treatment of veterans 70 percent service-connected or higher and the more efficient delivery of pharmaceuticals.

It is vital that VA meet the long-term care requirements of the Millennium Health Care Act and we urge this committee to support adequate funding for VA to meet the long-term care needs of America's veterans.

State Extended Care Facility Construction Grants Program

Since 1984, nearly all planning for VA inpatient nursing home care has revolved around State Veterans' Homes (SVHs) and contracts with public and private nursing homes. The reason for this is obvious: for FY 2004, VA paid a per diem of $59.48 for each veteran it placed in SVHs, compared to the $354 VA claims it cost in FY 2002 to maintain a veteran for one day in its own nursing home care units (NHCUs).

Under the provisions of title 38, United States Code, VA is authorized to make payments to states to assist in the construction and maintenance of SVHs. Today, there are 109 SVHs in 47 states with over 23,000 beds providing nursing home, hospital, and domiciliary care. Grants for Construction of State Extended Care Facilities provide funding for 65 percent of the total cost of building new veterans homes. Recognizing the growing long-term health care needs of older veterans, it is essential that the State Veterans Home Program be maintained as an important alternative health care provider to the VA system. The American Legion opposes attempts to place moratoria on new SVH construction grants. State authorizing legislation has been enacted and state funds have been committed. The West Los Angeles State Veterans' Home, alone, is a $125 million project. Delaying this and other projects will result in cost overruns from increasing building materials costs and may result in states deciding to cancel these much needed facilities.

The American Legion supports:

- Increasing the amount of authorized per diem payments to 50 percent for nursing home and domiciliary care provided to veterans in State Veterans' Homes;
- Providing prescription drugs and over-the-counter medications to State Homes Aid and Attendance patients along with the payment of authorized per diem to State Veterans' Homes; and
- Allowing for full reimbursement of nursing home care to 70 percent service-connected veterans or higher, if the veterans reside in a State Veterans' Home.

The American Legion recommends $250 million for the State Extended Care Facility Construction Grants Program in FY 2008.

National Cemetery System

There are approximately 26.6 million veterans alive today. Nearly 676,000 veteran deaths are estimated to occur in 2008, peaking at 690,000 by 2009. The VA expects that at least 12 percent of these veterans will request burial in a national cemetery. Considering the growing cost of burial services and the excellent quality of service the NCA is providing, The American Legion foresees that this percentage will be much greater.

Congress must provide sufficient major construction appropriations to permit NCA to accomplish its stated goal of ensuring that burial in a national or state cemetery is a realistic option by locating cemeteries within 75 miles of 90 percent of eligible veterans.

National Shrine Commitment

Maintaining cemeteries as National Shrines is one of NCA's top priorities. This commitment involves raising, realigning and cleaning headstones and markers to renovate gravesites. The work that has been done so far has been outstanding; however, adequate funding is key to maintaining this very important commitment. The American Legion supports NCA's goal of completing the National Shrine Commitment within five years. This commitment includes the establishment of standards of appearance for national cemeteries that are equal to the standards of the finest cemeteries in the world. Operations, maintenance and renovation funding must be increased to reflect the true requirements of the NCA to fulfill this commitment.

For FY 2008, The American Legion recommends $178 million for the National Cemetery Administration.

State Cemetery Construction Grants Program

The FY 2007 budget request recommended $32 million for the State Veterans' Cemetery Grant Program. This is "no-year money" and so any monies not spent in the previous fiscal year can be carried over into the next fiscal year. This program is not intended to replace National Cemeteries, but to complement them. Grants for state-owned and operated cemeteries can be used to establish, expand and improve on existing cemeteries. There are 60 operational cemeteries and two more under construction. Since NCA concentrates its construction resources on large metropolitan areas, it is unlikely that new national cemeteries will be constructed in all states. Therefore, individual states are encouraged to pursue applications for the State Cemetery Grants Program. Fiscal commitment from the state is essential to keep the operation of the cemetery on track. NCA estimates it requires about $300,000 a year to operate a state cemetery.

The National Cemetery Administration's request for $32 million dollars for the current fiscal year is to be used to establish six new cemeteries (Abilene, TX; Des Moines, IA; Glennville, GA; Fort Stanton, NM; Missoula, MT; Williamstown, KY) and to expand four others (Cheltenham, MD; Crownsville, MD; Jacksonville, NC; Kona Coast, HI). Determining an "average cost" to build a new state cemetery or to expand an existing one is very difficult. Many factors influence cost, such as location, size and the availability of public utilities. Two new state cemeteries planned for obligation in FY 2007 are Abilene, Texas ($7.1 million) and Des Moines, Iowa ($7.5 million).

While these awards may be delayed in being granted due to the states not being ready to proceed with the construction of a new cemetery, The American Legion would suggest that it is unwise to grant money on the hopes that a state will not be able to accept the grant in a timely fashion. Therefore, for the purpose of budgeting, the VA should assume that grants will be awarded in a timely fashion.

	The American Legion's Request
State Grants for Veterans' Cemeteries	$42 million
Abilene, Texas	$7.1 million
Des Moines, Iowa	$7.5 million
Glennville, GA	$27.4 million (average dollars left per project is $3.425million.)
Fort Stanton, NM	
Missoula, MT	
Williamstown, KY	
Cheltenham, MD	
Crownsville, MD	
Jacksonville, NC	
Kona Coast, HI	

By only budgeting for $4 million per project, The American Legion predicts serious shortfalls in State Grant funding. After the Texas and Des Moines' cemeteries are granted, an average of only $2.175 million will be left for each of the eight other projects remaining. The only way to avoid this funding shortage will be to hope that states are: not ready to receive the money; take the money from other construction needs in VA; or to delay the construction of these highly needed cemeteries.

The American Legion recommends $42 million for the State Cemetery Grants Program in FY 2008.

Homeless Veterans

VA has estimated that there are at least 195,000 homeless veterans each night in America and approximately 500,000 are homeless in a given year. The current Administration has vowed to end the scourge of homelessness within ten years. While veterans comprise less than nine percent of the nation's population, 34 percent of the nation's homeless are veterans and 75 percent of those are wartime veterans. For FY 2006 there were only 101,182 veterans enrolled in the VHA program leaving over 90,000 veterans who are either not receiving health care through the VA or possibly none at all.

The numbers of Operation Iraqi Freedom (OIF)/Operation Enduring Freedom (OEF) homeless veterans are beginning to increase with 1049 Healthcare for Homeless Veterans (HCHV) intakes since August 2005 (non-OIF 67,001) which equates to 2.5 percent of 600,000 OIF/OEF veterans who served in theater.

The Department of Housing and Urban Development (HUD) is unable to start any new permanent housing projects with the current continuing resolution in place. With a modest $210 million increase they could implement new programs to help homeless individuals.

Homelessness in America is a travesty, and veterans' homelessness is disgraceful. Left unattended and forgotten, these men and women, who once proudly wore the uniforms of this nation's armed forces and defended her shores, are now wandering her streets in desperate need of medical and psychiatric attention and financial support. While there have been great strides in ending homelessness among America's veterans, there is much more that needs to be done. We must not forget them. The American Legion supports funding that will lead to ending homelessness within the next ten years.

The American Legion supports that the Department of Housing and Urban Development receives at least $1.5 billion for their homeless programs and to reinstate the HUD-VASH program that was highly successful.

Homeless Providers Grant and Per Diem Program Reauthorization

In 1992, VA was given authority to establish the Homeless Providers Grant and Per Diem Program under the Homeless Veterans Comprehensive Service Programs Act of 1992, P.L. 102-590. The Grant and Per Diem Program is offered annually (as funding permits) by the VA to fund community agencies providing service to homeless veterans.

The American Legion strongly supports funding the Grant and Per Diem Program for a five-year period instead of annually and supports increasing the funding level to $200 million annually.

Veterans' Employment And Training Service (DOL)

The American Legion's position regarding VETS programs is that this is and should remain a national program with federal oversight and accountability. The American Legion is eager to see this program grow and especially would like to see greater expansion of entrepreneurial based, self-employment opportunity training. The mission of VETS is to promote the economic security of America's veterans. This stated mission is executed by assisting veterans in finding meaningful employment. Annually, DoD discharges approximately 300,000 service members into the private sector, of which 90,000 are either National Guard or Reservists. Recently separated service personnel will seek immediate employment or elect some form of self-employment. In order for the VETS program to assist these veterans to achieve their goals, it needs to:

- Improve by expanding its outreach efforts with creative initiatives designed to improve employment and training services for veterans;
- Provide employers with a labor pool of quality applicants with marketable and transferable job skills;
- Identify military occupations that require licenses, certificates or other credentials at the local, state, or national levels and assist in the transfer of licensure;
- Eliminate barriers to recently separated service personnel and assist in the transition from military service to the civilian labor market;
- Strive to be a proactive agent between the business and veterans' communities in order to provide greater employment opportunities for veterans; and
- Increase training opportunities, support options for veterans who seek self-employment and entrepreneurial careers in creation of their own small business.

The American Legion believes staffing levels for Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVERs) should match the needs of the veteran community in each state and not be based solely on the fiscal needs of the state government. Such services will continue to be crucial as today's active duty service members, especially those returning from combat in Iraq and Afghanistan, transition into the civilian world. Education, vocational and entrepreneurial training and employment opportunities will enable these veterans to succeed in their future endeavors. Adequate funding will allow the programs to increase staffing to provide comprehensive case management job assistance to disabled and other eligible veterans.

Title 38 U.S.C. § 4103A requires that all DVOP specialists shall be qualified veterans and preference be given to qualified disabled veterans in appointment to DVOP specialist positions. Title 38 U.S.C. § 4104(a)(4) states:

> *"[I]n the appointment of local veterans' employment representatives on or after July 1, 1988, preference shall be given to qualified eligible veterans or eligible persons. Preference shall be accorded first to qualified service-connected disabled veterans; then, if no such disabled veteran is available, to qualified eligible veterans; and, if no such eligible veteran is available, then to qualified eligible persons."*

The American Legion believes that the military experience is essential to understanding the unique needs of the veteran and that all LVERs, as well as all DVOPs, should be veterans and should be additionally educated to be able to address the needs of veterans who desire entrepreneurial support.

The American Legion recommends that at least $30 million be used for the Homeless Veterans Reintegration Program (HVRP) of the $230 million recommended for "VETS".

RELATED AGENCIES

The American Legion strongly believes that quality of life issues for retired military members and their families are augmented by certain institutions which we believe need to be annually funded as well. Accordingly, The American Legion believes that Congress and the Administration must place high priority on insuring these institutions are adequately funded and maintained:

The Armed Forces Retirement Homes: The United States Soldiers' and Airmen's Home in Washington, D.C. and the United States Naval Home in Gulfport, Mississippi, have been under-funded as evidenced by the reduction in services to include on-site medical health care and dental care. Increases in fees paid by residents are continually on the rise. The medical facility at the USSAH has been eliminated with residents being referred to VA Medical Centers or Military Treatment Facilities such as Walter Reed Army Medical Center. Hurricane Katrina destroyed the Naval Home at Gulfport, Mississippi. The American Legion recommends that Congress conduct an independent assessment of the USSAH facilities and the services being provided with an eye toward federally subsidizing the Home as appropriate. The facility has been recognized as a

National Treasure until recent years when a number of mandated services had been severely reduced and resident fees have been substantially increased.

American Battle Monuments Commission (ABMC): Since it was established by law in 1923, the ABMC has been charged with erecting suitable memorial shrines, and for designing, constructing, operating and maintaining permanent United States Military Cemeteries and Memorials in foreign countries. The American Legion urges Congress to appropriate adequate funding and human resources for the ABMC in order to properly maintain and preserve the final resting place of America's war dead located on foreign soil.

Arlington National Cemetery: The American Legion urges that the Arlington National Cemetery be maintained to the highest of standards. We urge also that Congress mandate the eligibility requirements for burial in this prestigious Cemetery reserved for those who have performed distinguished military service and their spouses and eligible children.

2005 Defense Base Realignment and Closure Commission: The American Legion was disappointed that certain base facilities – such as military medical facilities, commissaries, exchanges and training facilities and other quality of life facilities – were not preserved for use by the active and reserve components and military retirees and their families. We urge that Walter Reed Medical Center be removed from the BRAC list and that it be Military Construction funded for phased-in renovations in order to preserve the medical capabilities of this National Treasure especially during time of war.

United States Court of Appeals for Veterans' Claims

The American Legion played a significant role in the establishment of the U.S. Court of Appeals for Veterans Claims (CAVC). The American Legion has an interest in the court because of the important impact it has on veterans' lives. The CAVC helps review the actions of the VA's Board of Veterans Appeals in Washington, D.C. where all veterans can appeal a denial of benefits with assistance of The American Legion at no cost to the veteran. The judicial oversight is done by the CAVC through the decisions it renders. The CAVC is receiving increasingly large numbers of cases. The number has grown from 2,234 cases in FY 2004 to 3,729 cases in FY 2006. It seems that this pattern of growth will continue for some time. The American Legion recommends that the court's funding for FY 2008 be increased by $325,000.

CONCLUSION

Mr. Chairman, we are concerned about securing the proper funding for all our service members who sacrifice their time and commitment to the defense of America. We should honor their service with the same strong commitment that our service members have for our country. We should work together to ensure that the proper resources are invested to take care of active service members and veterans alike. There can be no better recruiting message for future soldiers than the actions we take today to take care of veterans.

Mr. Chairman, this concludes our statement.