

Public Hearing

Mar 29, 2017

Statement Of
Carlos Fuentes, Director, National Legislative Service
Veterans of Foreign Wars of The United States
Before The Subcommittee On
Military Construction, Veterans Affairs and Related Agencies
Committee on Appropriations
United States House of Representatives
With Respect To
"Public Hearing"

WASHINGTON, D.C.

Chairman Dent, Ranking Member Wasserman Schultz and members of the Subcommittee, on behalf of the men and women of the Veterans of Foreign Wars of the United States (VFW) and its Auxiliary, I want to thank you for the opportunity to present the VFW's views on the Department of Veterans Affairs' (VA) Fiscal Year (FY) 2018 appropriations and Fiscal Year (FY) 2018 advance appropriations.

I want to thank this subcommittee for its hard work last year on VA's FY 2017 appropriations. The *Military Construction and Veterans Affairs and Related Agencies Appropriations Act* was the only appropriations bill to have completed regular order, and as a result VA is the only department with full FY 2017 appropriations. Instead of relying on a continuing resolution, VA is able to appropriately carry out its operating plans for FY 2017,

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implement new programs, hire new staff, and activate new facilities to improve the delivery of care and services to our nation's veterans. However, the appropriation levels included in the conference report were more than \$600 million short of the Administration's request and woefully short of the Independent Budget's (IB) recommendations. We know that your ability to properly fund VA's appropriation accounts is severely hindered by outdated budget caps established by the *Budget Control Act of 2011* (Public Law 112-25) and subsequent budget agreements.

The threat of sequestration and draconian spending caps limits our nation's ability to provide service members, veterans, and their families the care and benefits they have earned and deserve. The VFW calls on this subcommittee to join our campaign to finally end sequestration and do away with a federal budget process based on the arbitrary budget caps, which significantly limit the government's ability to carry out programs that experience spikes in demand, such as VA health care. To the VFW, sequestration is the most significant readiness and national security threat of the 21st century, and despite almost universal congressional opposition to such haphazard budgeting, Congress has failed to end it.

The VFW, in partnership with our IB co-authors Disabled American Veterans (DAV) and Paralyzed Veterans of America (PVA), produces annual budget recommendations for each of VA's major funding accounts and compares them to the Administration's request. We are glad to see President Trump has proposed a six percent increase in VA's FY 2018 discretionary budget compared to FY 2017. However, we feel his proposal falls short of what VA needs to keep pace with demand for health care. PVA has detailed our recommendations and highlighted our concerns with the President's request to fund the Veterans Choice Program. The VFW shares those concerns.

For more than a decade, the IB Veterans Service Organizations (IBVSOs) have warned Congress and VA that perpetual underfunding has allowed VA infrastructure to erode while its capacity has swelled from 81 percent in 2004 to as high as 120 percent in 2010. We continue to believe that this need for space and chronic underfunding of medical services could lead VA to ration care.

The IBVSOs are working with VA to reform its construction process so facilities can be delivered on time and on budget. Previous errors must be corrected to ensure the issues in

Aurora, Colorado, never occur again. However, this subcommittee should not punish veterans who are awaiting desperately needed health care facilities because of the incompetence of bureaucrats who no longer work at VA.

IB Recommendations for VA's Major Construction:

FY 2018 IB Recommendation -- \$1.50 billion

FY 2017 Appropriations -- \$528 million

Currently, VA has 24 major construction projects that are partially funded, some of which were originally funded in FY 2004, that need a clear path to completion. An additional three projects are in the design phase. Outside of the partially funded major projects list are major construction projects at the top of the FY 2017 priority list that are seismic in nature. These projects cannot take a strategic pause while Congress and VA decide how to manage capital infrastructure long-term. VA will need to invest more than \$3.5 billion to complete all 24 partially funded projects. Of the top five projects on the priority list, two are seismic deficiencies, two support the core mission of VA -- a mental health clinic and a spinal cord injury center -- and one is an addition to an existing facility. The total cost of these five projects is \$1.2 billion.

The IBVSOs recommend that Congress appropriate at least \$1.5 billion for major construction in FY 2018. This amount will fund either the "next phase" or fund "through completion" all existing projects, and begin advance planning and design development on six major construction projects that are the highest ranked on VA's priority list.

IB Construction Minor Construction:

FY 2018 IB Recommendation -- \$700 million

FY 2017 Appropriations -- \$372 million

In FY 2017, Congress appropriated \$372.1 million for minor construction projects. Currently, approximately 600 minor construction projects need funding to close all current and future year gaps within ten years. To complete all of these current and projected projects, VA will need to invest between \$6.7 and \$8.2 billion in minor construction over the next decade.

In August 2014, the President signed the *Veterans Access, Choice, and Accountability Act of 2014* (Public Law 133-146). In this law, Congress provided \$5 billion to increase health care access by increasing medical staffing levels and investing in infrastructure. VA has developed a spending plan that obligated \$511 million for 64 minor construction projects over a two-year period.

While this infusion of funds has helped, there are still hundreds of minor construction projects that need funding for completion. It is important to remember that these funds are a supplement to, not a replacement of, annual appropriations for minor construction projects. The IBVSOs recommend that Congress fund VA's minor construction account at \$700 million in an effort to close all identified gaps within ten years.

The VFW would also like to thank this subcommittee, particularly Chairman Dent, for expanding fertility and adoption benefits for severely wounded veterans who have lost their ability to reproduce due to their service-connected injuries. VA recently issued an interim final rule to begin providing in vitro fertilization (IVF) options to eligible veterans. The VFW is glad to see VA has moved quickly and that eligible veterans will receive fertility treatments soon. VA also estimated that as many as 500 veterans and their spouses could receive adoption reimbursement or IVF services in FY 2018. However, these authorities are temporary and veterans who are unable to receive IVF or adopt a child by the end of FY 2017 will be left to bear the full cost of starting a family.

The IBVSOs will work with the authorizing committees to make this authority permanent, but we call on this subcommittee to ensure this important authority is included in any FY 2018 appropriations bill that is considered. Veterans who lost their ability to reproduce due to their military service deserve the opportunity to achieve their dreams of starting a family. Please do not pull the rug out from under them simply because the authorizing committees have failed to make these severely disabled veterans a priority.

Mr. Chairman, this concludes my testimony and I will be happy to answer any questions you or the Subcommittee members may have.