

## **Military Personnel and Retirement**

### **The VFW's Concerns:**

The VFW has long argued that Department of Defense (DOD) retired pay and Department of Veterans Affairs (VA) service-connected disability compensation are fundamentally different benefits, earned for different reasons. Military retired pay is earned by 20 or more years of service in the United States Armed Forces, allowing retirees to maintain their standard of living while attempting to enter the civilian job market for the first time in the middle of their prime working years. Service-connected disability compensation is a benefit meant to supplement a veteran's lost earning potential as a result of the disabilities he or she incurred while in service.

However, military retirees who are less than 50 percent service-connected disabled are required to offset their retiree pay with the amount of VA disability compensation they receive. Also, Chapter 61 retirees who were medically retired with less than 20 years of military service face the same dollar-for-dollar offset. As a result, some disability retirees are separated before becoming eligible for longevity retirement, while others have completed 20 or more years of service. As of 2020, there are 575,476 Chapter 61 retirees—more than 42,000 of whom have been medically discharged due to combat-related injuries, and unjustly denied the benefits they deserve.

In 1996, the Military Housing Privatization Initiative (MHPI) began as a result of DOD's struggle to build and maintain adequate housing. However, in the past few years, the MHPI program has been plagued with widespread complaints of neglected or careless repairs and unsafe conditions. Residents have been exposed to high levels of toxins and environmental hazards, especially mold, lead-based paint, asbestos, poor water quality, and sewage. Maintenance issues have gone unresolved since privatized housing companies have strong financial incentives not to hold units vacant for lengthy repairs or renovations. In response, DOD implemented a bill of rights to ensure tenants receive quality housing and fair treatment from the private housing companies.

Nevertheless, before service members move to a new base, they are not given access to historical maintenance records about their new homes, which is inconsistent with standard practice for all new home buyers in the United States. As a result, the VFW proposes that DOD develop a base housing comparison tool to be a central information center for service members. Based on the model of the GI Bill Comparison Tool, it would provide access to information about the bases and private housing companies to help service members make informed decisions about whether to live on or off base. Additionally, it would allow oversight of the housing situation at each base around the country, so problems could be addressed in an appropriate and timely manner. The VFW calls on Congress to direct DOD to develop and implement a comparison tool for base housing.

### **The VFW's Solutions:**

- Congress must pass the Major Richard Star Act, which would enable Chapter 61 veterans discharged due to combat-related injuries to be entitled to DOD longevity payment and VA disability compensation without offset.
- Congress must enact legislation to implement a new online comparison tool for service members, and to serve as a central information center for oversight.