

Retirement and Military Personnel

The VFW's Concern:

Reform to retirement pay and disability compensation policy is long overdue. Congress has not passed substantive concurrent receipt legislation for military retirees in nearly two decades, leaving scores of service-connected disabled retirees in challenging predicaments. The VFW has long argued that Department of Defense (DOD) retirement pay and Department of Veterans Affairs (VA) service-connected disability compensation are fundamentally different benefits, earned for different reasons. Currently, only those retirees who served at least twenty years and are at least 50 percent service-connected disabled are allowed to receive their full benefits at the same time. All others must forfeit all or part of one to receive the other, which is a practice known as offsetting. It is troubling that veterans who were medically retired under Chapter 61 before serving twenty years, regardless of disability percentage, are required to offset their retiree pay with the amount of VA disability compensation they receive.

Chapter 61 retirees include combat-injured and ill veterans with varying abilities who need to find and maintain gainful employment, as well as those requiring round-the-clock caregiver support resulting in financial strain on themselves and their families. Currently, more than 50,000 Chapter 61 retirees with combat-related disabilities do not have full access to their vested retirement pay and service-connected disability compensation. These veterans are unjustly being denied the benefits they earned and deserve.

Members of the 118th Congress have shown they understand the injustice caused by the retirement pay and disability compensation offset as evidenced by the overwhelming bipartisan and bicameral support for the *Major Richard Star Act*. This legislation has 326 cosponsors in the House and 71 cosponsors in the Senate.

The VFW urges Congress to:

Pass H.R. 1282 / S. 344, *Major Richard Star Act*, either as a standalone bill or via the National Defense Authorization Act for Fiscal Year 2025 to enable Chapter 61 retirees who sustained combat-related injuries to receive their vested DOD retirement pay and VA disability compensation without offset.