



## Federal Update for September 2 - 6, 2013



### ***Walz Statement on Syria***

Washington, DC [8/31/13]—Today, Representative Tim Walz issued the following statement on Syria and the President seeking Congressional authorization before taking military action.

“I’m pleased the President is seeking Congressional authorization and debate before taking military action in Syria. I stand ready to begin that debate immediately if necessary.”

Earlier this week Representative Walz joined over 100 of his colleagues in sending President Obama a letter urging him to consult with Congress before taking military action in Syria. Representative Walz will attend a classified briefing on Syria tomorrow afternoon.

### ***VA Benefits: Improvements Needed to Ensure Claimants Receive Appropriate Representation***

#### **What GAO Found**

The Department of Veterans Affairs' (VA) Office of General Counsel (OGC) procedures do not sufficiently ensure that accredited representatives have good character and knowledge. While GAO's analysis shows that VA follows its procedures for reviewing initial accreditation applications, VA relies on limited self-reported information to determine whether applicants have a criminal history or their character could be called into question, which in turn leaves VA vulnerable to accrediting individuals who may not provide responsible assistance. For example, when GAO conducted additional checks on a non-representative sample of accredited individuals, GAO found that some individuals had histories of bankruptcies or liens, information which could help develop a more complete picture of applicants' character and prompt further inquiry by VA into their background. VA's procedures also do not ensure that representatives have

adequate program knowledge. For example, VA's initial training requirements are minimal and VA does not consistently monitor whether representatives meet additional continuing education requirements. As a result, some accredited representatives may not have adequate program knowledge to effectively assist clients with their claims. After being briefed on GAO's findings in May 2013, VA's OGC announced plans to take additional steps toward conducting background checks on applicants and auditing ongoing character and training requirements.

VA efforts to administer accreditation are hindered by an inadequate allocation of resources and unclear communication with claimants. For example, OGC has only four staff dedicated to overseeing thousands of accreditation applications each year, in addition to monitoring approximately 20,000 accredited representatives. As a result, OGC has not kept pace with pending accreditation applications, and has not consistently monitored continuing requirements. OGC's reliance on manual data entry results in resource-intensive program administration. For instance, OGC lacks information technology systems and tools that would help it proactively and efficiently identify representatives who are not meeting ongoing training requirements. Moreover, VA does not clearly solicit feedback from claimants about accredited representatives. For example, neither VA's accreditation web page nor information VA sends to claimants clearly communicates their rights or how to report abuses. Absent such outreach, claimants may not be aware that some representatives may be engaging in prohibited practices. Lastly, VA's current accreditation program does not address some emerging threats to claimants. For instance, VA has received complaints regarding unaccredited individuals inappropriately charging claimants to apply for benefits. By law, only accredited individuals can assist claimants. However, VA is not aware of the extent these unaccredited individuals operate, and is limited in the actions it can take to prevent them from assisting claimants.

### **Why GAO Did This Study**

Representatives accredited by VA serve a critical role in helping veterans or their family members file claims for VA benefits. By law, accredited individuals must demonstrate good moral character and program knowledge and VA's OGC is tasked to ensure they do so by reviewing initial applications and monitoring ongoing requirements, such as training.

GAO examined (1) the extent to which VA's procedures adequately ensure representatives meet program requirements, and (2) any obstacles that may impede VA's efforts to adequately implement its accreditation process. GAO reviewed relevant federal laws, regulations and procedures, and interviewed VA officials and organizations of accredited representatives. GAO also reviewed a representative sample of accreditation decisions made in 2012 as well as complaints received by VA in 2012. GAO also conducted additional checks on a random but small and non-representative sample of accredited individuals.

### **What GAO Recommends**

To improve the integrity of accreditation, GAO recommends that VA explore options for strengthening knowledge requirements and addressing emerging threats, improve its outreach, and determine the resources needed to adequately carry out accreditation. VA concurred or concurred in principle with GAO's recommendations and cautioned that imposing additional requirements to address concerns with representative knowledge or address emerging threats could have a chilling effect on representation.

### **Recommendations for Executive Action**

Recommendation: To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to ensure an appropriate level of staff and IT resources are in place to implement the requirements of the accreditation program. This should include exploring options for utilizing other VA components and resources outside of OGC.

Agency Affected: Department of Veterans Affairs

Recommendation: To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to strengthen initial and continuing knowledge requirements for accreditation for all types of representatives.

Agency Affected: Department of Veterans Affairs

Recommendation: To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to enhance communications with

claimants, including how they can report complaints related to their representation. This could include exploring options for incorporating information about representation and veterans' rights into existing communications and outreach efforts.

Agency Affected: Department of Veterans Affairs

Recommendation: To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to address potentially abusive practices by representatives who lack accreditation, charge inappropriate fees, or sell financial products to claimants that are not in their best interest. If necessary, VA should consider seeking additional legislative authority to address such practices and enforce program rules.

Agency Affected: Department of Veterans Affairs

## ***Tax Credit for Hiring Veterans***

An often overlooked employer benefit is a tax return credit available to businesses who hire qualified vets before December 31, 2013. The up to \$9,600 credit is part of the Work Opportunity Tax Credit (WOTC) and is included with other business related credits on the Form 3800, *General Business Credits*. Claim the credit using [Form 5884](#), *Work Opportunity Credit*, and [Form 3800](#), *General Business Credits*, for the year the wages are paid.

## ***Gay Marriage 'Leave' May Get a New Name***

With Republicans raising legal issues and "unfair" echoing across military communities, Defense officials are reviewing a two-week old policy to allow up to 10 days of special "marriage leave" for gay and lesbian members assigned more than 100 miles from a state where they can marry legally. Instead of unearned leave, which might need to be backed by statute, commands might be encouraged to grant up to 10 days' "administrative absence." The intent still would be to give homosexual service members extra time off to travel to where same-sex marriage is allowed, and thus qualify them sooner for full benefits

including spousal medical care and "with dependents" housing allowances, military and congressional sources confirm.

## ***Legion Seeks to Protect Benefits from Sequestration***

American Legion National Commander James E. Koutz provided a list of what he calls "anti-sequestration" incentives in a message before the 95th national convention of the nation's largest veterans organization Tuesday. Drastic budget cuts imposed this year after Congress was unable to produce a solution to the federal deficit crisis "are failing our troops," he told thousands gathered in Houston. "They are failing veterans. And they are failing the American people."

## ***MCAS Futenma Okinawa Update***

A top U.S. senator says Congress still has the same concerns over the planning and costs of moving Marines off Okinawa that have held up funding of the project for years. Sen. John McCain, R-Ariz., made the comment Wednesday to reporters after being urged by Japanese Prime Minister Shinzo Abe to free up federal spending for the redeployment of up to 8,000 Okinawa Marines to Guam and elsewhere in the Pacific. The Senate has blocked nearly all spending on the \$12.1 billion U.S. military plan to reduce its large troop presence on the island and spread the Marine forces across the region as part of a strategic pivot to the Pacific, saying the massive effort has no master plan and may be too costly. Abe's government is eager to make good on its promises to reduce the burden of bases on Okinawa, which is Japan's smallest prefecture and the unwilling host of the bulk of U.S. forces stationed in the country.

The prime minister called the realignment "critical" to the U.S.-Japan alliance and said moving the Marines to Guam, Hawaii, Australia and the U.S. mainland would lead to closure of a significant number of bases and the return of large parcels of land to the Okinawans, according to a government statement. The Marine realignment has been tangled in red tape and politics for years. A number of Abe's predecessors have failed to make significant progress on the issue. After his meeting with the prime minister, McCain reiterated the Senate's objections to spending billions on a move without detailed planning or solid cost figures, a stance backed by Sen. Carl Levin (D-MI), chairman of the Senate Armed Services

Committee, according to a report by the NHK news service. The Government Accountability Office also has criticized the realignment, issuing a report in June saying no master plan exists and the price tag omits many of the expenses. In 2011, the agency calculated the costs could nearly double to almost \$24 billion. However, McCain said he is hopeful that one of the most controversial bases on Okinawa — Marine Corps Air Station Futenma — will soon be closed and relocated farther north on the island. Futenma is in the center of densely populated Ginowan city and is the base of operations for hybrid Osprey aircraft, dual-rotor helicopters and KC-130 planes.

Tokyo has requested permission from Okinawa's governor to allow construction of an offshore U.S. airfield adjacent to Camp Schwab, outside Nago city, to replace Futenma. A decision is expected this winter. The Futenma relocation used to be the keystone of the Marine realignment, but it remains deeply unpopular on Okinawa, where many residents want the Marine air operations moved off the island altogether. Due to political opposition, the U.S. and Japan "de-linked" it from the larger relocation of Marines in the Pacific. "I'm guardedly optimistic that if the governor of Okinawa makes the decision that allows us to move forward that we have a great plan that we can implement," McCain said. McCain and other senators earlier proposed moving Futenma operations to Kadena Air Base, a sprawling Air Force facility a few miles away, but the military has balked at the proposal. [Source: Stars & Stripes | Travis J. Tritten | 22 Aug 2013 ++]

## ***Homeless Vets Update***

The Transportation Security Administration (TSA) has begun donating clothing forgotten at airport security checkpoints to local veterans' organizations and charities as a result of the Clothe a Homeless Hero Act, introduced last summer by Representative Kathy Hochul (D-NY). Representative Hochul says the legislation was inspired by veterans she met in Afghanistan as well as a room full of discarded clothing at the airport in Buffalo, where she hunted down a scarf she had forgotten in a security bin a week before. Before the act was signed into law, forgotten clothing at airports like Ronald Reagan National Airport was either donated for police-dog scent training or discarded. Metropolitan Washington Airports Authority spokesman Rob Yingling said "Now we're going to be segregating clothing at our lost-and-found office. If it's coming from the checkpoint, it's going to the veterans. If it's lost elsewhere in the airport, it'll go to

the canines.”At Regan National Airport, clothes are forgotten at a rate of “hundreds of pounds a year,” according to Yingling. Unclaimed items that are not clothing often are picked up by government-surplus agencies and liquidated on Web sites such as <http://www.GovDeals.com>. Now, airports will donate clothing to local veterans’ organizations in accordance with their lost-and-found policies. [Source: TREA News for the Enlisted 19 Aug 2013 ++]

## *Homeless Vets Update 2*

VA has awarded nearly \$300 million in grants to help approximately 120,000 homeless and at-risk Veterans and their families. The program reaches out to homeless Veterans and their families everywhere in America. A sampling from the four corners of the lower 48:

- Preble Street will serve approximately 440 participant households in the state of Maine.
- Carrfour Supportive Housing, Inc. will serve approximately 1,000 participant households in the Counties of Miami-Dade and Broward, Fla.
- Vietnam Veterans of San Diego will serve approximately 300 participant households in San Diego County, Calif.
- YWCA of Seattle will serve approximately 120 participant households in Puget Sound in Washington State and King County.

The grants have been awarded to 319 community agencies in all 50 states, the District of Columbia, Puerto Rico and the Virgin Islands. With these grants, VA is strengthening the partnership with community non-profits across the country to provide Veterans and their families with hope, a home and a future. The VA program is called Supportive Services for Veteran Families (SSVF) and has already helped prevent and end homelessness among tens of thousands of homeless Veterans and their families. Under the SSVF program, VA is awarding grants to private non-profit organizations and consumer cooperatives that provide services to very low-income Veteran families living in — or transitioning to — permanent housing. The SSVF program supports VA’s efforts to prevent at-risk Veterans from becoming homeless and rapidly re-house those who have recently fallen into homelessness.

Thanks to the SSVF grants, those community organizations will provide a range of services that promote housing stability and play a key role in connecting Veterans and their family members to VA services such as mental health care and other benefits. Community-based groups can offer temporary financial assistance on behalf of Veterans for rent payments, utility payments, security deposits and moving costs. This is the third year SSVF grants have helped Veterans and their families find or remain in their homes. Last year, VA provided about \$100 million to assist approximately 50,000 Veterans and family members. In 2009, President Obama and Secretary of Veterans Affairs Shinseki announced the federal government's goal to end Veterans' homelessness in 2015. The grants are intended to help accomplish that goal. According to the 2012 Point-in-Time Estimates of Homelessness, homelessness among Veterans has declined 17.2 percent since 2009. Through the homeless Veterans initiative, VA committed over \$1 billion in fiscal year 2013 to strengthen programs that prevent and end homelessness among Veterans. VA provides a range of services to homeless Veterans, including health care, job training, and education. Details about the Supportive Services for Veteran Families program are online at <http://www.va.gov/homeless/ssvf.asp>. [Source: DVA Inside Veterans Health | Hans Petersen | 12 Aug 2013 ++]

## ***Disabled Veterans Memorial Update***

A different kind of war memorial will open to the public next year in Washington, D.C. It may be the most unique tribute to veterans since the Vietnam Veterans Memorial Fund surprised the design world by building the somber and powerful wall of names more than 30 years ago. Unlike the Vietnam Wall and scores of other memorials, this one will honor wounded warriors. "You had your whole lives ahead of you, but you were willing to risk all of it for this land that we love," President Obama said on 10 AUG to more than 3,000 veterans who gathered there for the Disabled American Veterans national convention. "And next year, your profound sacrifice will be recognized in the heart of our nation's capital when our country dedicates the American Veterans Disabled for Life Memorial." The \$81.5 million memorial, which will feature 48 glass display panels, will open on Oct. 12, 2014, according to the Disabled Veterans' Life Memorial Foundation. It will sit on a 2.4-acre site across from the U.S. Botanic Garden. Its centerpiece will be a star-shaped fountain -- each point representing a service branch -- and pool that will capture the reflection of the nearby U.S. Capitol. "We looked at 22 sites

that were given to us by the National Park Service. We selected [the C Street] location because of its proximity to the U.S. Capitol,” said Rick Fenstermacher, chief executive officer for the project. “We wanted Congress to be able to look at the memorial and see that the cost of war is more than [the price] of bullets and bombs.” Inscribed on the thick, transparent panels will be quotations that help tell the story of war’s wounded and crippled, along with historic images of servicemembers and veterans reproduced from archival photos. Behind the images -- seen through the transparent panels -- will be bronze sculptures depicting the returned wounded veterans.

For Barry Owenby, the construction marks his second turn as project executive on a major memorial for veterans in Washington. Owenby also was project director for the World War II Memorial. A common question Owenby has received thus far has been: “Where do the names go?” Since the Vietnam War Memorial went up three decades ago, there is often a perception among many that a memorial will, or should, include the names of those being memorialized. But with more than 400,000 American troops killed in World War II and nearly 700,000 others wounded, Owenby said he had to explain to some that “there’s not enough room.” That’s even truer in the case of a memorial to disabled veterans, of which there are currently more than 3 million, he said. The foundation behind the project was established in 1998, largely through the drive and initial funding of Lois Pope, a Florida philanthropist. Pope previously told interviewers that during her days as a singer in New York City she performed for a group of wounded veterans just back from Vietnam. She was so moved by them that she hoped to one day honor them in some way.

In the mid-1990s, Pope, the wealthy widow of National Enquirer founder Generoso Pope, was reportedly surprised during a trip to Washington to learn there was no memorial to disabled veterans. She formed the non-profit foundation with Arthur Wilson, national adjutant of the Disabled American Veterans, as president, and former Department of Veterans Affairs Secretary Jesse Brown. The project is entirely funded by contributions -- from individuals, organizations and corporations -- with Congress providing the space and authorizing the organization to establish the memorial. To date, more than 1.1 million donors have contributed, according to Fenstermacher. While the foundation received sizeable contributions from some organizations and individuals, including more than \$5 million from Pope, it also took in much smaller

amounts at times. “Some people sent in envelopes with just loose change, and a note saying ‘This is all I can afford,’ ” he said. “They didn’t have much, but it’s obvious they had a strong feeling for what the memorial is about and were compelled to donate. “It kind of rips your heart out,” he said. [Source: Military.com | Bryant Jordan | 12 Aug 2013 ++]

## ***DoD Sexual Abuse Update***

On 14 AUG Secretary of Defense Chuck Hagel issued seven new initiatives to address sexual assault in the military, although Pentagon officials also acknowledged many of the ideas originally came from Congress or are already in practice. The initiatives, which were simultaneously announced in a White House statement, include an expansion of an advocacy program for victims in all military branches and giving higher-ranking officers a larger role in tracking cases from the initial report through the final judicial stages. The rules now in place across the entire department are being emphasized as there is growing pressure on Capitol Hill to remove the chain of command from prosecutions of sexual assault and other serious crimes. Anticipating a close vote on that proposal from Sen. Kirsten Gillibrand (D-NY), Hagel and senior military leaders at the Pentagon are scrambling to unveil policies to show that victims can already feel more confident in their cases being taken seriously while ensuring justice for accused service members.

In a prepared statement, the White House said Hagel’s newest rules help “fulfill the president’s call to action” on sexual assault. “The initiatives announced are substantial, but only a step along a path toward eliminating this crime from our military ranks,” the White House said. “The president expects this level of effort to be sustained not only in the coming weeks and months, but as far into the future as necessary.” Secretary Hagel called for the immediate implementation of the following additional measures to improve victim support, strengthen pretrial investigations, enhance oversight, and make prevention and response efforts more consistent across the military services:

- Creating a legal advocacy program in each military service that will provide legal representation to sexual assault victims throughout the judicial process;

- Ensuring that pretrial investigative hearings of sexual assault-related charges are conducted by judge advocates general (JAG) officers;
- Providing commanders with options to reassign or transfer a member who is accused of committing a sexual assault or related offense in order to eliminate continued contact while respecting the rights of both victims and the accused;
- Requiring timely follow-up reports on sexual assault incidents and responses to be given to the first general or flag officer within the chain of command;
- Directing DoD's inspector general to conduct recurring audits of all closed sexual assault investigations and expand its service providing legal advice for victims to the Army, Marine Corps and Navy. The Air Force already has this service as a pilot program.
- Standardizing prohibitions on inappropriate behavior between recruiters and trainers and their recruits and trainees across the department, and;
- Developing and proposing changes to the Manual for Courts-Martial that would allow victims to give input during the sentencing phase of courts-martial. [Source: NAUS Weekly Update 16 Aug 2013 ++]

## ***DoD Benefit Cuts Update***

Some former Pentagon leaders and so-called “think tank experts” have called for a crazy, complete retirement overhaul criticizing the 20-year retirement as either unaffordable or unfair to those who leave before that point, or both. Their points have gotten traction as a new commission — established as a result of provisions in the FY 2013 National Defense Authorization Act and tasked with reviewing and perhaps overhauling military compensation and retirement benefits — began its work in July. As part of its charter, the Military Compensation and Retirement Modernization Commission’s purpose is to review and make recommended changes to the compensation and retirement systems to ensure the long-term viability of the all-volunteer force. The interesting twist is any recommended changes to the retirement system will grandfather existing retirees and currently serving troops.

You could characterize this as a divide-and-conquer-type strategy. Eliminate current retirees as well as all the currently serving troops who intend to stay for a

career from the affected pool and you limit the backlash. The commission is running on a short timeline, with quite a bit of work ahead of it before providing recommendations to the president by Sept. 1, 2015. With the vast amount of issues to be looked at, there's a good chance the commission will dust off recent recommendations on dismantling the current retirement system for future entrants — for example, the “vesting” options as proposed by the Defense Business Board and 11th Quadrennial Review of Military Compensation. In both of these proposals, the existing 20-year retirement system would be eliminated or modified in favor of a 401(k)-like plan to allow vesting and a transportable career device for those who leave short of 20 years BUT at the expense of those who stay beyond 20 years. What kind of crazy retention formula is that? For example, who, after 10 years of service, four deployments, and three PCS moves, would stay on active duty for another 10 years or more if they would never see retired pay or have to wait until age 60 to draw it? The bottom line: The commission needs to understand the most important element of national security is the sustainment of a dedicated, top-quality all-volunteer force. Overhauling retirement — the very system needed to entice troops to endure levels of sacrifice most citizens are unwilling to accept for even one tour of duty, let alone for two or three decades — is crazy. [Source: MOAA Leg Up | Col. Mike Hayden, USAF (Ret) | 8 Aug 2013 ++]

## **Sequestration Update**

Sequestration's across the board, automatic cuts mean the Department of Defense has to trim an additional \$500 billion over the next ten years. The cuts are drastic and their effect on military families will be dramatic in many ways. Sequestration is the law of the land and unless Congress takes action, it will remain in effect for the years to come. Over the last four months, the Pentagon has been reviewing all of its options to deal with these additional mandatory cuts. On the drawing board and/or underway are the following:

1. Secretary of Defense Chuck Hagel outlined the results of Pentagon's Strategic Choices and Management Review (SCMR). According to Admiral James Winnefeld, the Vice Chairman of the Joint Chiefs of Staff, the SCMR was a “deep and very painful look at every corner of our entire institution.” The SCMR developed a package of cut options in three major areas all of which have the potential to significantly impact military families:

- Management efficiencies and overhead reductions
- Compensation reforms
- Changes to force structure and modernization plans

2. Overhead reductions are underway. The Pentagon has announced a 20 percent reduction in the DoD's major headquarters budgets with the a goal of reducing civilian and military billets by 20 percent. Compensation options include (but not limited to):

- Increasing military retiree health care use of private-sector insurance
- Changing basic allowance for housing so currently serving pay more of their housing costs
- Reducing overseas cost of living adjustments
- Continuing to limit military and civilian pay raises
- Eliminating civil service pensions for retired military personnel serving in the federal service
- Ending subsidies for commissaries
- Restricting availability of unemployment benefits

3. Secretary Hagel reiterated that the Pentagon was not announcing any compensation changes as of yet but did state that Chairman of the Joint Chiefs, General Martin Dempsey (USA), will lead an effort to develop a package of compensation cuts to the tune of \$50 billion over the next decade.

4. Force Structure changes may result in significant downsizing:

- Army as low as 380,000
- Marine Corps as low as 150,000
- Army Reserves as low as 490,000

What does this all mean for you and your family? You are about to be squeezed! Here's how: increased health care fees, pay caps, more money out your pocket for housing, potential loss of the commissary, loss of installation level programs, and the list goes on. And the time for action is now before a these options becomes the reality!

Secretary Hagel noted that, "It is the responsibility of our nation's leadership to work together to replace the mindless and irresponsible policy of sequestration. It is unworthy of the service and sacrifice of our nation's men and women in uniform and their families." MOAA couldn't agree more! Our military families and retirees should not be required to pay the price for Congress' budgetary stalemate. Sequestration was designed to be drastic and force Congress to do its job. It didn't work and now Congress must repeal sequestration. [Source: MOAA Leg Up | Karen Golden | 21 Aug 2013 ++]

## ***VA Claims Backlog Update***

The U.S. Department of Veterans Affairs is urging veterans with combat-related disabilities to seek the help of accredited claims preparers, rather than file benefits claims themselves directly to the VA. The VA says the practice will help cut its nationwide backlog of benefits claims. Veterans advocates, however, say the request by the VA only confirms how onerous the claims process has become. And the advocates worry that paperwork and filing delays will leave veterans seeking benefits for disabilities dependent on claims preparers, whose workloads and levels of competence often vary. "Most veterans by nature are independent, can-do people, so the idea of having to seek assistance filling out paperwork adds another layer of frustration," said Tireak Tulloch, a Long Island, N.Y., spokesman for Iraq and Afghanistan Veterans of America, a national advocacy organization. "It's like the IRS telling you you have to go to H&R Block if you want to get your money back."

The VA depends on accredited independent claims preparers -- typically provided free of charge by local governments or veterans service organizations like the American Legion -- to help veterans fill out claims applications that are pages long and require voluminous documentation. The VA says using independent preparers to help veterans fill out the paperwork will help cut down on filing errors it says contribute to more than 700,000 claims backlogged nationally and delays of up to a year for benefits checks to arrive. "(The) VA strongly encourages veterans to work with veterans service organizations to file fully developed claims and participate in this initiative," Allison Hickey, the VA's undersecretary for benefits, said in a release. Joe Mylonas, of Farmingville, N.Y., said he lost nearly two years' worth of compensation after a county veterans agency in Wyoming destroyed his application while he was living there. "The VA makes me regret I

ever enlisted," said Mylonas, who calculates he lost nearly \$16,000 by the time he refiled a claim after being told the original had been destroyed.

When claims preparers in Wyoming destroyed Mylonas' application rather than file it for him six years ago, the VA refused to give him credit for 20 months of disability benefits -- some \$15,980 -- he says he lost because of the delay in having to refile. "You're behind on your rent, you're borrowing money from relatives, your credit is (in trouble) -- it's a domino effect," said Mylonas, 35, a married father of two. Mylonas, a former Army staff sergeant, served two tours in Iraq before receiving an honorable discharge in December 2006. After leaving the service, he took a job as an oil field worker in Wyoming. But nearly eight years of Army life left him with a number of injuries, plus symptoms of post-traumatic stress disorder, according to the VA's documents. The documents show doctors discovered a compression fracture in his back. He had an operation to repair acid damage to his esophagus caused by a nervous stomach, and both knees ached from training accidents.

While in Wyoming, he said he took the advice of VA officials and, in November 2007, secured the assistance of the Sweetwater County Veterans Services office. County workers there prepared a claim for VA benefits relating to his service injuries. But the county office never forwarded his claim to the federal government, according to the documents. On May 19, 2009, the VA approved disability benefits for Mylonas, but, following federal guidelines for administering veterans claims, declined to make them retroactive to when he first applied through the county office.

"While this event is unfortunate, the VA cannot be held responsible for the actions of Veterans Service Officers," the VA's Denver Regional Office wrote in its decision, "as they are not in the employ of the VA." To Mylonas, the VA's blaming it on the people they recommended he use made the whole affair far worse. "This is how they win," he said. "They just wear you down." [Source: Newsday | Martin C. Evans | 22 Aug 2013 ++]

## **VA Loans Update**

### **The VA Loan Funding Fee Is Waived.**

If you currently receive disability benefits, and have not yet closed on your VA loan, your funding fee is waived and you do not have to pay it. If you close on your loan prior to receiving benefits, the funding fee may be refundable. For example, if a first-time home buyer is purchasing a \$200,000 home with a VA loan and qualifies for disability, the 2.15% funding fee will be waived – saving the homeowner \$4,300. Once your disability benefits are approved, you must apply in writing to your state's VA Regional Loan Center to initiate the funding fee refund. If you financed the funding fee, the refund amount will be removed from your principal amount due, and if you paid with cash, the VA will issue you a check. It is important to remember that if you do not currently receive disability benefits, you must have a pending claim for disability prior to the closing date of the loan. If the application for disability is dated after closing, you may not receive a refund.

### **Specially Adapted Housing Grants Are Available.**

A disabled veteran may be able to purchase a home with a fee-free VA loan, but if the home also needs accessibility modifications, the Specially Adapted Housing (SAH) grant and the Special Housing Adaptation (SHA) grant are available to help.

The SAH helps qualified veterans with one of the following:

- Build a home with special disability-related modifications.
- Remodel and modify an existing home to meet adapted housing needs.
- Apply the grant against the principal mortgage balance of an adapted home that's already been purchased without VA grant assistance.

The SHA helps qualified veterans with one of the following:

- Adapt an existing home that is already owned by the veteran.
- Adapt a home that the veteran intends to purchase.
- Help a veteran purchase a home that has already been adapted.

It is important to note that if you are considering a grant, the maximum amount allowed for the SAH is \$64,960/yr. For the SHA, the maximum amount per year is \$12,992. Additionally, veterans must have their disability benefits approved prior to applying for housing grants.

### **There Are Tax Credits and Exemptions with Homeownership.**

Once you use your VA loan benefit to buy a new home, you are eligible for some very useful tax credits and exemptions that could help quite a bit. The Disabled Veterans Property Tax Exemption can help reduce the amount a disabled veteran pays per year in taxes. The amount varies by state, so it's important to check with your local VA office to find out about your state-specific benefit. Or you can check online at the VA's eBenefits portal "Benefits by State." For example, some states offer a 100% tax exemption to all veterans, while others restrict it to 100% disabled veterans. With a VA loan, you may also be eligible for a Mortgage Credit Certificate (MCC). The MCC is issued on the state level that allows you to claim a tax credit for a portion of the mortgage interest paid per tax year. The credit amount is determined on the state level, but is definitely a benefit worth taking advantage of.

### **Disability Payments Can Help You Get a VA Loan.**

If you are currently receiving disability compensation from the VA, it can be counted as income, which, in turn, helps you meet VA loan income requirements. To be eligible for a VA loan, income must meet three standards – it must be stable, reliable and expected to continue. The key factor in using disability pension toward a VA loan is that your payments are likely to continue.

[Source: Military.com | Money Matters | 25 Jul 2013 ++]

## ***VA Data Breaches Update***

The Veterans Affairs Department has done little over the last two months to satisfy House lawmakers' concerns about the security of the data of more than 20 million veterans. The department also is under pressure for more details about the extent of "repeated compromises" of VA's network by nation states. The rising tensions between the House Veterans Affairs committee's majority and VA come as a report surfaced showing veterans are at a higher risk of identity theft than the average citizen. Federal News Radio obtained a DEC 2012 report by ID Analytics

([http://fedne.ws/uploads/VA%20report%20by%20idanalytics%20dec%202012\\_fnr.pdf](http://fedne.ws/uploads/VA%20report%20by%20idanalytics%20dec%202012_fnr.pdf)) showing veterans near military bases in Alaska, New York, Colorado, Ohio and Kentucky have a higher risk ratio for identity theft than non-veterans in the same areas. ID Analytics focuses on consumer risk management through the use of analytics and real-time insight into consumer behavior. A House Veterans

Affairs Committee staff member said the committee knew about the report and it is one of the main reasons for the continued pressure on the department to answer questions about how it's protecting the veterans' data. The committee's frustration with VA's answers boiled over at a 12 JUL briefing with House and Senate Veterans Affairs committee staff members, VA IT executives and Homeland Security Department.

Stephen Warren, VA's acting assistant secretary for Information and Technology and chief information officer, failed to provide answers to satisfy some staff members, multiple sources confirmed. "The meeting was of little to no value and did not serve its intended purpose," said a House Veterans Affairs Committee staff member. "DHS and Warren spent the bulk of the hour long meeting providing a broad 40-minute overview of nationwide cybersecurity challenges." Sources confirm Eric Hannel, the subcommittee on oversight and investigations staff director, walked out of the meeting with about 10 minutes left after his questions to VA officials about how they are protecting agency networks were repeatedly not answered to his satisfaction.

The House VA Committee staff member would not confirm Hannel walked out of the meeting. But they say one of the most important questions they wanted Warren to answer during the meeting was, "How many times has VA's system been hacked within the last year?" The staff member said Warren would not answer the question directly. An internal memo written by Matt Santos, a congressional relations officer at VA, obtained by Federal News Radio, stated, "Before Mr. Warren could complete his presentation HVAC staffer Eric Hannel abruptly began asking pointed questions regarding vulnerabilities in public facing websites that contain Veteran PII ([personally identifiable information]), numbers of applications scanned for vulnerabilities, and Windows 7 patches. Most notably, Mr. Hannel claimed that he can use tools 'available on the Internet' to get behind VA's websites to access PII for millions of Veterans. Mr. Warren requested clarity regarding the vulnerabilities to allow VA to fix existing problems Mr. Hannel had recognized. Mr. Hannel would not give any details but repeatedly requested that Mr. Warren admit that he knows the vulnerabilities. The exchange ended with Mr. Hannel walking out of the room claiming that VA had 'wasted' his time by hiding the truth." The House VA committee staff member said the committee had someone at the meeting the entire time.

A VA spokesperson wouldn't comment on the meeting or the ID Analytics report, but said in an email, "The Department of Veterans Affairs treats the protection of Veteran and other sensitive information with the utmost care. Over the past decade, VA created an information protection program in response to both exposures and increasing cyber risks from all fronts, internal and external. VA has embarked on a cultural transformation with respect to protecting VA information. This transformation is similar to how healthcare accrediting bodies have shifted away from predictable audit schedules and pre-defined checklists toward longitudinal reviews of how policy is defined, supported, communicated, implemented, monitored and improved."

Senate Veterans Affairs Committee staff members also attended the briefing. A spokesman for the majority side said, "We are trying to put together something with [ranking member] Sen. [Richard] Burr's staff to get more information from VA on cybersecurity." The spokesman wouldn't offer more details about the committee's plans.

The briefing with both committees came after Warren asked for a closed door meeting to discuss the nation state attacks first exposed at the 4 JUN hearing before the House VA committee. This was at least the third meeting this year between VA and the House committee staff about the agency's cybersecurity challenges. The House committee staff member said lawmakers still are waiting for a response from the agency to a 13 JUN letter sent to VA Secretary Eric Shinseki asking three questions about what lawmakers believe is VA's inability to be forthcoming about the cyber attacks.

"VA leadership recognizes that information security goes beyond information technology and has put measures in place to protect Veteran information and ensure that every VA employee and contractor is trained in their role in protecting that data," the VA spokesperson said. "All organizations, including federal agencies, face constantly evolving cybersecurity threats. VA aggressively combats such threats through a multi-layer approach of technical controls, managerial controls, internal reviews, deployment of continuous monitoring tools, outside reviews from VA's independent Office of Inspector General and collaboration with U.S.-Computer Emergency Readiness Team (US-CERT). VA, and all federal agencies, report cybersecurity incidents to the US-CERT in accordance with US-CERT guidelines." To that end, Santos wrote that VA told the committee

that it would be among the first to implement the Einstein 3 cyber program provided by DHS. The committee and former VA officials allege that the agency isn't doing enough to protect veterans' data.

Before the 4 JUN hearing, letters to the Hill obtained by Federal News Radio allege VA is shortcutting its accreditations and authorizations (A&A), which previously were known as certifications and accreditations (C&A), process for its IT systems. VA's former Chief Information Security Officer Jerry Davis alleges the agency's process is flawed and is putting data and systems at a higher risk. The ID Analytics report supports the allegations that veterans data is at greater risk. The report reviewed two databases containing the personal information of more than 20 million veterans. Sources say VA has been receiving reports from ID Analytics since it lost the laptop with the data of 26 million veterans in 2006. An email to ID Analytics asking for comment on the report was not immediately returned. The reports showed veterans "have substantially higher alert rates than the non-veteran population. This indicates a higher level of activity in the marketplace for the veteran population, which could indicate higher risk of identity misuse." ID Analytics found credit card fraud is the most common way the criminals use the stolen identity.

ID Analytics also recommended VA take eight steps including reviewing log files to see if employees are stealing identities and selling them to criminals, investigate VA facilities within 20 miles of reported misuse and compare the data of veterans who say they were victims of identity theft with data provided in the report, and provide any matches with a higher degree of protection. The company suggested to VA that it consider offering "individualized assistance to affected veterans," which could include credit monitoring, identity monitoring, fraud alerts or credit freezes. The House committee staff member didn't say what the next steps chairman Jeff Miller (R-Fla.) would take to ensure VA is doing more to protect the data of veterans. [Source: Federal News Radio | Jason Miller | 7 Aug 2013 ++]

## ***VA Focuses National Attention on Suicide Prevention Month 2013***

WASHINGTON (Sept. 5, 2013) — In recognition of September as Suicide Prevention Month, the Department of Veterans Affairs is mobilizing people and

organizations nationwide to support Veterans in crisis and spread the word about VA mental health services.

Throughout the month, VA suicide prevention coordinators at all 151 VA medical centers will organize community events, host health fairs, lead training sessions and work with VA Voluntary Service to improve Veterans' lives. VA is also launching a new Suicide Prevention Month public service announcement, "[Talking About It Matters](#)" nationwide in September.

"VA's highest priority is the mental health and well-being of the brave men and women who have served our Nation. Even one suicide is one too many," said Secretary of Veterans Affairs Eric K. Shinseki. "VA is a leader in providing high-quality mental health care that improves and saves Veterans' lives. We know that treatment works, and there is hope for Veterans who seek mental health care."

This year's theme, "It Matters," emphasizes the people, relationships and experiences that matter to Veterans and their loved ones, reinforcing their personal connections and giving their lives hope and meaning. To spark conversation about the difficult topics of suicide risk and prevention, VA will unveil a photo-sharing campaign, "[Show Us What Matters](#)," and will invite Veterans and their loved ones to upload photos of the special people in their lives to [VeteransCrisisLine.net/ItMatters](https://VeteransCrisisLine.net/ItMatters).

"When a Veteran is in crisis, even one small act can make a lifesaving difference," said Dr. Robert A. Petzel, VA's Under Secretary for Health. "It's up to all of us to understand the signs of crisis and look out for the Veterans in our lives. And when we are concerned, we need to reach out and tell someone."

Throughout the summer and through September, VA is holding [Mental Health Summits](#) at all 151 VA medical centers to further engage community partners, Veteran Service Organizations, health care providers and local governments, and to address the broad mental health needs of Veterans and their families and show them they matter. VA is calling on supporters to educate their networks to recognize suicide warning signs and encourage Veterans in crisis to call the Veterans Crisis Line (1-800-273-8255 and Press 1), chat online at [VeteransCrisisLine.net/Chat](https://VeteransCrisisLine.net/Chat) or text to 838255 – even if they are not registered

with VA or enrolled in VA health care. All Veterans Crisis Line resources are optimized for mobile devices.

“We urge Veterans’ loved ones—and everyone—to show support for Veterans during Suicide Prevention Month and throughout the year,” said Dr. Janet Kemp, director of VA’s Suicide Prevention Program. “Learn to recognize the risk of suicide and let Veterans know that caring, confidential support is only a call, click or text away. Families, friends and co-workers need to work together to provide a network of support for Veterans in our communities. We’re all in this together.”

Anyone can support Veterans by:

- Encouraging a Veteran who needs help to call the Veterans Crisis Line. Remind them that it takes courage to seek help.
- Connecting with a local Suicide Prevention Coordinator and taking part in a local event.
- Watching the new Suicide Prevention Month public service announcement, ["Talking About It Matters"](#)
- Downloading an [electronic toolkit](#) to share Suicide Prevention Month web badges, banners, blog posts and social media content.
- Sharing a photo at [VeteransCrisisLine.net/ItMatters](#).
- Tweeting your friends and loved ones with the following message: “One small act can make the difference. This [#SuicidePreventionMonth](#), help [#Veterans](#) access the support they’ve earned: [VeteransCrisisLine.net.](#)”

VA has implemented comprehensive, wide-ranging suicide prevention initiatives, including a toll-free Veterans Crisis Line, placement of Suicide Prevention Coordinators at all VA medical centers and large outpatient facilities, and improvements in case management and reporting. The Veterans Crisis Line, online chat and text-messaging services offer free, confidential support, 24 hours a day, seven days a week, 365 days a year, to Veterans, their families and friends.

Veterans, or anyone concerned about a Veteran, can call 1-800-273-8255 and Press 1, chat online at [VeteransCrisisLine.net/Chat](#) or text to 838255 to receive support—even if they are not registered with VA or enrolled in VA health care. All Veterans Crisis Line resources are optimized for mobile devices.

Since 2007, the Veterans Crisis Line has answered more than 890,000 calls and made more than 30,000 lifesaving rescues. In 2009, the Veterans Crisis Line added the anonymous chat service, which has had more than 108,000 chats.

To further expand access to quality mental health care, VA has hired over 1,600 mental health clinical providers to meet the goal outlined in an executive order. Additionally, VA has hired over 2,005 mental health clinical providers to fill existing vacancies.

VA's mental health workforce totals nearly 20,300. In fiscal year 2012, VA provided specialized mental health care to more than 1.3 million Veterans. The department has an aggressive recruiting campaign underway among mental health specialists to ensure Veterans continue to receive the best mental health care anywhere.