

WRITTEN STATEMENT OF

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PROVIDED TO THE

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS **FIRST SESSION**

CONCERNING

THE EFFECT OF GOVERNMENT SHUTDOWN ON VA BENEFITS & **SERVICES TO VETERANS**

PRIDE

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Introduction

Distinguished members of the House Veterans' Affairs Committee, it is my pleasure, on behalf of AMVETS, to offer this testimony outlining our questions and concerns related to the effects on the government shutdown on VA benefits and services to veterans.

I would like to begin today by commending the committee for all of its work on behalf of American veterans everywhere, especially its efforts to improve efficiencies by eliminating redundant and/or counterproductive programs and its unwavering commitment to all of the men and women whose job it is to protect and defend this country.

As the United States absorbs the aftereffects of more than a decade of continuous war and in the face of the planned draw-down of military personnel, the VA has been, and will continue to be, severely stressed for the foreseeable future. Nothing is more important for our veterans than adequately meeting their physical/mental health care needs and the accurate and efficient processing of their disability claims.

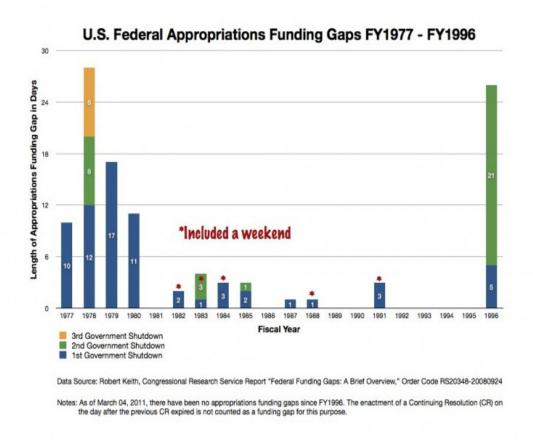
Thanks to improvements in battlefield medicine, swift triage, aeromedical evacuations and trauma surgery, more combat-wounded than ever before are surviving horrific wounds and will be applying for the benefits they were promised and earned on the battlefield. Your committee has a responsibility to ensure that the VA and our nation live up to the obligations imposed by the sacrifices of our veterans.

It is encouraging to acknowledge at this time that, despite the extraordinary sacrifices being asked of our men and women in uniform, the best and the brightest continue to step forward to answer the call of our nation in its time of need. I know that each of you is aware of, and appreciates, the numerous issues of importance facing our military members, veterans, retirees, families, and survivors.

Background

In the early 1980s, Attorney General Benjamin Civiletti pointed out that the <u>Anti-Deficiency Act</u>, which was originally enacted in 1884, *required* government agencies to close if their funding expired. This legislation is one of the major laws that gives Congress constitutional control over public funds. All funding lapses since the 80's, have resulted in actual government shutdowns, although most of them shutdowns were of very limited duration. The most significant government shutdown to date came during the Clinton Administration and lasted 21 days in 1996.

As mentioned above, this current government shutdown is not a situation without precedence, even excluding the shutdown in 1996. Continuing with our historical look back, we find that since 1976, there have actually been 17 occasions when Congress failed to meet its annual funding deadline, six of which took place in the 1970s. Not all of these funding gaps actually lead to physical shutdowns.



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Comments

The focus of the remainder of my remarks will pertain to the current situation we find ourselves in, the second government shutdown in 17 years and its effects on VA. And even though the underlying cause of these shutdowns, the inability of Congress and the president to agree on a spending bill, have a lot in common, there are also many differences. The result, not surprisingly, is that there is a lot of confusion, frustration and outright hostility being experienced, not only by American Veterans and federal employees, but also by ordinary citizens and even government decision-makers.

It goes without saying, that the government we have today is not the same as the one we had in 1996, thanks to technology and government overhauls, etc., so we cannot depend on previous experience as a guide to what may or may not happen. This unknown factor is creating undue fear and anxiety for the millions of American Veterans receiving a myriad of VA services and benefits and this is unacceptable to AMVETS and the larger veteran's community.

Since anything that effects VA has cascading effects on all VA stakeholders, AMVETS is seeking clear guidance to share with our members as this shutdown continues. Currently, AMVETS National Service Officers and the AMVETS National Service Director's office are being inundated with urgent requests for information from veterans all around the country who are concerned that their *earned* benefits may lapse as a result of the government shutdown. It must not be forgotten that for many veterans, especially the most vulnerable, their VA benefits may be their sole source of income. Additionally, veterans want to know:

- if they'll be able to file new claims;
- if they'll be able to file appeals;
- whether they'll be able to check the status of a pending claim or appeal;
- what will happen to their G.I. Bill benefit payments;
- if NCA interments will continue in a timely manner;
- why they are being prevented from visiting monuments dedicated to their own service and sacrifice;
- what effect the shutdown will have on the backlog;
- will disabled veterans continue to receive their compensation or pension benefits;
- whether or not they'll be able to meet with Service Officers in VA Regional Offices;
- how will the furloughing of 2,754 Office of Information Technology employees and contractors impact the development of important VA programs such as, VBMS, Data2Data (D2D), DBQ's (Disability Benefit Questionnaires), and VBMS Calculators;
- what are the long-term ramifications of an extended shutdown; and
- for those with security clearances, there are concerns about possible negative effects during their next background check to renew their clearance if they are not paid in a timely manner.

Concerning meeting Secretary Shinseki's goal of eliminating the backlog by 2015, back of the envelope calculations show that since the beginning of calendar year 2013, VA has been reducing the backlog by an average of 5,420 claims a week. With 98 weeks left until the end of FY15 if the VA is able to continue reducing the backlog at the same rate, VA will have successfully eliminated the backlog by 2015. Additional calculations show that the VA has a buffer of 112,000 claims if they continue reducing the backlog at the current rate; however, every week that the shutdown continues reduces the VA's ability to meet the Secretary Shinseki's goal by 2015.

Of major concern to AMVETS is the information coming out of VA indicating that it may not have enough money to pay disability claims and pension payments beyond the end of October, which would drastically affect some 3.6 million veterans.

Closing

I would like to conclude this testimony, by noting for the record, that AMVETS fully supports both Secretary Shinseki and Under Secretary for Benefits Hickey. Both of these leaders have struggled to fulfill their obligations to their fellow veterans thanks to the antiquated civil service system current in place. While we appreciate that this system, and its attendant protections, was originally established to rightly protect against patronage, worker exploitation, and political manipulation. But instead of protecting the best employees and creating an environment in which excellence can thrive, civil service protections now serve to lock the worst employees into place, making it virtually impossible for managers to fire poor performers. Neither VA Secretary Eric Shinseki, nor any future VA secretary, can be fully expected to fix a system in which they are unable to fire bad employees and reward good employees based on merit (instead of tenure). We need to give the VA's leadership the tools they need to fix the system.

This completes my statement at this time; thank you for the opportunity to offer our remarks on this critical issue.

Biographical Sketch

Diane M. Zumatto of Spotsylvania, VA joined AMVETS as their National Legislative Director in August 2011. Ms. Zumatto, a native New Yorker and the daughter of immigrant parents decided to follow in her family's footsteps by joining the military. Ms. Zumatto is a former Women's Army Corps (WAC) member who was stationed in Germany. Zumatto was married to a CW4 aviator in the Washington Army National Guard and is the mother of four adult children. Ms. Zumatto is extremely proud that two of her children have chosen to follow her footsteps into military service.

Ms. Zumatto has more than 20 years of experience working with a variety of non-profits in increasingly more challenging positions, including: the American Museum of Natural History; the National Federation of Independent Business; the Tacoma-Pierce County Board of Realtors; the Washington State Association of Fire Chiefs; Saint Martin's College; the James Monroe Museum; the Friends of the Wilderness Battlefield and the Enlisted Association of the National Guard of the United States. Diane's non-profit experience is extremely well-rounded as she has variously served in both staff and volunteer positions including as a board member and consultant.

After receiving her B.A. in Historic Preservation from the University of Mary Washington in 2005, Diane decided to diversify her experience by spending some time in the 'for-profit' community. Realizing that her creativity, energy and passion were not being effectively challenged, she left the world of corporate America and returned to non-profit organization.

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