

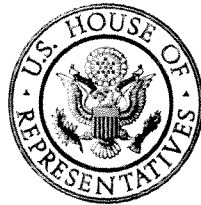
WASHINGTON OFFICE:
115 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4906
FAX: (202) 225-4987

HAWAII OFFICE:
5104 PRINCE KUHIO FEDERAL BUILDING
HONOLULU, HI 96850-4974
(808) 541-1986
FAX: (808) 538-0233

NEIGHBOR ISLAND TOLL FREE NUMBERS:

BIG ISLAND	935-3756
KAUAI / NI'HAU	245-1951
MAUI	242-1818
LANA'I	565-7199
MOLOKA'I	552-0160

ed.case@mail.house.gov
www.house.gov/case



CONGRESSMAN ED CASE 2ND DISTRICT, HAWAII

ISLANDS OF HAWAII, MAUI, KAHO'OLAWA, LANA'I,
MOLOKA'I, O'AHU (WINDWARD, NORTH SHORE,
CENTRAL, LEEWARD), KAUAI AND NI'HAU,
AND NORTHWESTERN HAWAIIAN ISLANDS

COMMITTEES:

BUDGET

AGRICULTURE

LIVESTOCK AND HORTICULTURE
(RANKING MEMBER)

CONSERVATION, CREDIT,
RURAL DEVELOPMENT AND RESEARCH

SMALL BUSINESS

TAX, FINANCE AND EXPORTS

REGULATORY REFORM
AND OVERSIGHT

RURAL ENTERPRISES, AGRICULTURE
AND TECHNOLOGY

June 2006

2006 VETERANS REPORT

Dear Hawaii Veteran:

The 109th Congress (2005-2006) is three-quarters complete, with many crucial decisions remaining. As in prior years, I want to report on issues of special importance to Hawaii's veterans and ask for your continued input.

Our Hawaii is home to some 120,000 veterans, among the highest percentages of veterans of any state in our country. Our veteran population is growing every day as our armed services, both active and activated guard and reserves, return from deployments overseas, especially Iraq and Afghanistan.

We as a country have committed ourselves to the needs of our veterans dating back to our Revolutionary War. But it takes constant vigilance, effort and prioritization to assure that our commitment is fully honored.

Most of our collective efforts this Congress have again have focused on our Department of Veterans Affairs (VA). Although not the only federal agency addressing veteran issues, it is the main one by far, administering benefits for almost 25 million veterans and 38 million family members. Thus, over 60 million citizens, around 20% of our total population, receive federal veteran benefits.

In this report, I review just some of the important issues facing our veterans in Hawaii and nationally as well as my actions in Congress in support of veterans and your families. I also again ask for your questions, comments or concerns, and offer the services of my office to assist you with any individual needs.

I am proud and humbled to represent you and our Hawaii and nation's fellow veterans in our United States Congress. I truly look forward to continuing to work with you on the many challenges facing our veterans and great country.

With aloha,

A handwritten signature in black ink that reads "Ed Case".

Current Issues in the 109th Congress

1. VA Budget with Focus on Health Care

In February of this year, the President submitted to Congress the administration's Fiscal Year 2007 (October 1, 2006 – September 30, 2007) budget request. That proposal requested \$77.9 billion for the VA, including \$32.7 billion for the Veterans Health Administration (VHA,) an 11.3% increase over the FY2006 enacted amount and a 10% increase over the FY2005 enacted amount.

As with previous budget proposals, the President's FY2007 budget request also included various legislative proposals. Perhaps the most controversial, which I opposed, was one to assess a fee of \$250 for all Priority 7 and 8 veterans, increase veterans' share of pharmaceutical copayments from \$8 to \$15 (for each 30-day prescription) for all enrolled veterans in Priority Groups 7 and 8, and bill veterans receiving treatment for nonservice-connected conditions for the entire copayment amount.

The U.S. House passed our version of the FY2007 Military Quality of Life-VA Appropriations Bill (H.R. 5385) last month; I voted for the bill. It does not contain the administration's proposed additional health care fees on certain higher-income, less-disabled veterans.

As passed, the bill appropriates the requested \$77.9 billion for all VA programs and benefits, or \$7 billion (10%) more than the current level. It includes \$36.5 billion for discretionary spending (primarily for veterans' health programs through the VHA,) an increase of more than 8% above current levels, and \$41.4 billion for mandatory programs (primarily veterans' compensation and pensions).

2. Enhancement in Veterans Benefits

Also in May, the House passed S. 1235, a sweeping bill to expand veterans' benefits in areas such as job training, home loans and life insurance. I voted for the bill.

Among its provisions, the bill would create a five-year pilot program to award "adaptive housing" grants of up to \$14,000 to disabled veterans temporarily living with their families. The grants could be used to modify the families' homes to accommodate the veterans' injuries.

The bill would also make permanent the Native American Direct Home Loan Program, which has been a highly successful veterans program, particularly in Hawaii where it applies to veterans living on lands held in trust under the Hawaiian Homes Commission Act of 1920. Due to its success over the last 13 years, the Native American Direct Home Loan Program, which initially started out as a pilot program, was twice extended by Congress.

3. Veterans Identity Theft

On May 22, 2006, the VA announced that an employee, a data analyst, took home electronic data from the VA, which he was not authorized to do. This data contained identifying information including names, social security numbers, and dates of birth for up to 26.5 million veterans and some spouses, as well as some disability ratings. The employee's home was burglarized and the data was stolen. The employee has been placed on administrative leave pending the outcome of an investigation.

I share widespread concern not only with the specific incident, but the wider issue of the privacy and protection of sensitive veteran records. I have joined other colleagues in directly asking the VA what happened and why, and what is being done to address any privacy breach consequences and to prevent any reoccurrences.

Both House and Senate veterans committees are conducting investigations and developing remedial actions, which in all likelihood I will support. I have also cosponsored H.R. 5455, the Veterans Identity Protection Act. As introduced, this bill would provide one year of free credit monitoring to affected individuals as well as one free credit report each year for two years after the end of credit monitoring, in addition to the free credit report available under the Fair Credit Reporting Act.

In the meantime, the VA recommends that all veterans go to www.firstgov.gov as well as www.va.gov/opa to get more information on this matter. The VA has also sent out individual notification letters to affected veterans. Additionally, working with other government agencies, the VA has set up a center that veterans may call to get information about this situation and learn more about consumer identity protections. The toll-free number of the call center is 1-800-FED INFO (333-4636). The call center is operating from 8 am to 9 pm (EDT), Monday-Saturday.

4. Disabled Veterans

Our disabled veterans are of special importance. We have long provided various benefits to such veterans and their dependents through the VA, but of late the adequacy of these benefits to keep up with basic living expenses has been eroding.

As just one effort to correct this growing imbalance, I am a cosponsor of H.R. 4025, the Disabled Veterans Fairness Act. This measure seeks to enhance disability compensation by 1) making mileage reimbursement for disabled veterans equal to the mileage reimbursement for federal employees, and 2) repealing a \$3 deductible that disabled veterans pay driving each way to a medical facility for treated for a service-related injury. These and other efforts must be ongoing.

5. Rural Veterans Services Outreach

The Office of Veterans Services (OVS), headquartered at the Tripler Army Medical Center adjacent to the Spark Matsunaga VA Medical Facility, is the principal state office responsible for the development and management of policies and programs related to veterans, their dependents, and/or survivors. In addition to its main offices on Oahu, the

OVS has counselors on Kauai, Maui and Hawaii Island. I strongly support the efforts of the OVS, particularly the services provided by the counselors on each of the islands of my Second Congressional District, and strive to support its outreach efforts.

As part of this undertaking and to ensure that the veterans services counselors have sufficient resources, I have cosponsored H.R. 4355, the Rural Veterans Services Outreach and Training Act. This legislation directs the Secretary of Veterans Affairs to carry out a program of competitive grants to provide financial assistance to state departments of veterans affairs for the training of rural county veteran service officers in order to improve outreach and assistance to veterans, as well as their spouses, children, and parents, who may be eligible to receive veterans' or veterans-related benefits and who are residing in rural counties. This and related efforts to reach out to our veterans wherever you live must also be ongoing.

6. Increase in TRICARE Fees for Certain Retirees

By way of background, the Defense Authorization Act for FY2001 (P.L. 106-398) authorized the most significant expansion of health care benefits for military personnel and their families since 1965. The law restructured the military health care program and provided permanent, lifetime eligibility for TRICARE — the military's health care system — to Medicare-eligible military retirees and their families, beginning in FY2002. Previously, personnel would have had to join the more-restrictive Medicare system after they turned 65.

Since then, Congress has expanded benefits to even more servicemembers and their families, particularly members of the guard and reserves. Prior to 2004, reservists mobilized to active duty could receive access to TRICARE benefits only while mobilized to active-duty status. However, the FY2005 Defense Authorization (P.L. 108-375) allowed reservists mobilized since 9/11 to keep TRICARE benefits even when they were demobilized, if they paid 28% of the premium.

The President, instead, has proposed increasing TRICARE fees and deductibles for eligible retirees under age 65 and boosting co-payments for prescription drugs purchased outside of military clinics. The Pentagon claims the changes will save \$11.2 billion through FY2011 — not only by increasing fees, but also by convincing some retirees to seek their medical coverage outside the TRICARE system.

According to the Pentagon, since 1995 costs borne by TRICARE beneficiaries have remained essentially unchanged while government outlays have soared. In 1995, health care accounted for 5% of the total Pentagon budget, while today it is 8% and rising. In 1995, participants paid about 27% of their health care costs, while today the 9.2 million TRICARE beneficiaries pay only 12%. The department also says many private employers and some state governments have encouraged their employees who are retired military personnel to switch from company health plans to TRICARE. Consequently, during the last five years, total health care costs for the military have almost doubled, from \$19 billion to \$38 billion, while projected costs are expected to grow to \$64 billion by 2015, according to the department.

I did not share this reasoning nor the result it sought to justify when proposed. Instead, I signed on as a cosponsor of H.R. 4949, the Military Retirees' Health Care Protection Act, which would codify a prohibition on increases to TRICARE fees and deductibles.

I was very pleased when the House Armed Services Committee reported out the FY2007 Defense Authorization Act with a provision that prohibited the Department of Defense from implementing its proposed increased cost shares for most TRICARE participants through the end of FY2007 (September 30, 2007). In its report, the Committee states that while it recognizes that the military health care program faces the same escalating costs that plague the private sector, the committee is concerned that the President's proposed fee increases have not been adequately examined. The bill, which passed the House on May 11, 2006 by a vote of 396-31, also requires a review of TRICARE by an independent task force, the Government Accountability Office, and the Congressional Budget Office and requires each to report to Congress with recommendations.

7. Mental Health Care for Veterans

According to a study released earlier this year, nearly a third of servicemembers deployed to Iraq sought some form of counseling or other care within a year of returning home. Though post-combat stress or other mental health consequence is not a new phenomenon for returning servicemembers, this is the first conflict where there has been at least some mandatory screening for all those returning from deployment. This new screening process, which I completely support, allows potential problems to be treated early, ensuring better lifetime health and quality of life for the servicemember and his or her family.

Post Traumatic Stress Disorder (PTSD) in particular must be fully addressed so that we ensure our nation's servicemembers receive any follow-on mental health or treatment or counseling services they may need. We need to ensure that all servicemembers, including guard and reserve members returning from Iraq and Afghanistan, are evaluated for potential or actual PTSD, and that they have full access to treatment.

That is why I am a cosponsor of H.R. 1358, the TRICARE Mental Health Services Enhancement Act. This bill would to authorize mental health counseling for all TRICARE participants, authorize TRICARE to enter into personal service contracts with mental health counselors, and include mental health counselors within DOD licensure requirements for health care professionals.

8. GI Bill of Rights

Clearly, in the big picture, we must not only maintain the basic fabric of our prior undertakings to our veterans, but also adjust and update them to today's and tomorrow's needs. The best overall formulation of where we need to go is contained in H.R. 2131, the proposed New GI Bill of Rights for the 21st Century Act, which was introduced by my colleague, Representative Chet Edwards of Texas. I am an original cosponsor of the measure which to date has the support of 171 Members of Congress.

H.R. 2131 seeks a wide-ranging update in our basic deal with our veterans. Among its many provisions, H.R. 2131 would 1) mandate adequate funding for veterans' medical care, 2) prohibit until the end of FY2006 medication copayments and imposition of a health care system enrollment fee, 3) extend until 2010 Vietnam veterans' eligibility for readjustment counseling services, 4) collect and process data from pre- and post-deployment health assessments, and conduct preventive post-deployment intervention, 5) seek early detection and treatment of post-traumatic stress disorder (PTSD) for returning troops, 6) establish a Department of Defense/Department of Veterans Affairs Council on Post-Deployment Mental Health, 7) increase survivors' dependency and indemnity compensation (DIC), 8) provide certain pay increases and bonuses for active-duty members, 9) expand benefits under both active-duty and reserve Montgomery GI Bill programs, 10) provide employment assistance for homeless veterans, and 11) expand reserve member eligibility under the TRICARE program. This bill would also repeal the DIC offset from the Survivor Benefit Plan surviving spouse annuities.

9. Concurrent Receipt

Until 2004, federal law required that military retired pay be reduced by the amount of any VA disability compensation received. For many years, some military retirees had sought a change in law to permit receipt of all or some of both, and legislation to allow this has been introduced during the past several Congresses, frequently with cosponsors, including myself, numbering well over half of both the House and the Senate. This is known as “concurrent receipt” because it authorizes the simultaneous receipt of two types of benefits.

The FY2003 National Defense Authorization Act (NDAA), enacted in 2002, created a benefit known as “combat-related special compensation,” or CRSC. CRSC provides, for certain seriously disabled retirees, a cash benefit financially identical to what concurrent receipt would provide them. The FY2004 NDAA authorized, for the first time, actual concurrent receipt, as well as a greatly expanded CRSC program. The FY2005 NDAA further liberalized the concurrent receipt rules contained in the FY2004 NDAA.

While these initiatives, which I supported, addressed some of this longstanding injustice, I asked the House Committee on Government Reform to evaluate the extent to which Hawaii veterans in my Second District are still affected by the non-concurrent receipt penalty. The Committee reported that over 2,100 veterans in our district—and over 4,500 veterans throughout the state—still lose benefits due to the disabled veterans’ tax.

There have been a number of bills introduced this Congress seeking full concurrent receipt. The one with the greatest support is H.R. 303. This bill would (1) allow immediate concurrent receipt, rather than phasing it in between now and 2014, and (2) repeal the requirement that only military retirees with a 50% disability rating can qualify for concurrent receipt, allowing it for any retiree with a service-connected disability.

I am a cosponsor of this bill. Also, because of current leadership’s refusal to bring this bill to the floor for a vote, I, along with over 190 of my colleagues, have signed a “discharge petition” which would mandate an up-or-down vote of the full House. It takes

a majority of House members (218) to successfully force such a vote under this procedure.

10. Survivor Benefit Plan (SBP)

Our country's obligation to its veterans extends to your families. However, under previous law, surviving spouses who reach the age of 62 had their retirement benefits reduced from 55% of the deceased servicemember's benefit to 35% of the deceased servicemember's benefit. This unfair reduction—sometimes referred to as the “widow's tax”—caused a substantial hardship on the surviving spouse.

Prior efforts, in which I joined, to eliminate the penalty were met with resistance. However, last year, sensing growing support, congressional leadership added a provision to the FY2005 defense authorization bill to phase out the SBP penalty.

Now, however, the issue, like concurrent receipt, is whether surviving spouses receiving survivor benefits should continue to be penalized by not being entitled to receive the combined total of such benefits and dependent and indemnity compensation (DIC.) I and many other colleagues believe this is also unfair, and so have introduced H.R. 808 to eliminate the military families tax.

11. Filipino Veterans Equity and Immigration

Our Filipino veterans' communities both in Hawaii and throughout our nation continue to pursue the critical support needed to restore to our Filipino veterans the full benefits unfairly rescinded by Congress in 1946. During the 108th Congress, we had partial success when Congress passed and the President signed into law H.R. 2297, which I cosponsored, to increase VA benefits for U.S. Filipino WWII veterans and allow former Philippine Scouts living in the U.S. to be buried in VA cemeteries.

This long-overdue effort must be continued until full justice is provided to our now-elderly Filipino veterans. To this end, I am a cosponsor of H.R. 4574, the Filipino Veterans Equity Act, to deem certain service performed before July 1, 1946, in the organized military forces of the Philippines and the Philippine Scouts, as active military service for purposes of eligibility for U.S. veterans' benefits, and to repeal certain provisions discounting such service as qualifying service. We don't have much time left to do the right thing here, and we are working toward doing just that.

Additionally, one of the most important issues facing Filipino American veterans is the immigration of their sons and daughters. As I first did in the 108th Congress (2003-2004), in 2005, I reintroduced H.R. 901, a bill that would give priority in the issuance of immigrant visas to the sons and daughters of Filipino World War II veterans who are or were naturalized citizens of the United States. The provisions of my bill were added to the Senate's version of a comprehensive immigration reform bill, which is currently being reconciled with the House version in a conference committee. I am working with the conferees to ensure that these provisions remain in the final version of the bill.

Selected Hawaii Activities

1. Keeping In Touch

Staying in touch with you and our Hawaii's veterans is essential not only to recognizing your invaluable contributions, but to representing you in Congress and to assisting with Hawaii-specific challenges. I have been fortunate now to join you and speak at many Memorial Day and Veterans Day ceremonies and other community events throughout our state, in addition to many other events. I have also spent time just dropping by veterans centers and talking with veterans throughout Hawaii as well as soon-to-be veterans in my three trips to date to Iraq/Afghanistan regarding your veterans-related concerns.

My Talk Story community meetings districtwide have been especially invaluable to keeping up on veterans issues, not just nationally but locally. I did 50 in 2005 throughout Hawaii as well as with Hawaii's own 29th Brigade Combat Team in Fort Polk, Louisiana and Balad, Iraq. Earlier this year, I completed 21 Talk Story meetings, and plan more for later this summer. From these Talk Stories I learned, for example, of a crucial challenge regarding adequate PTSD counseling for Maui's veterans, on which we are working, and of a Lanai veterans' request for a U.S. flag flown over our Capitol, which I was able to provide.

My point here is that we can accomplish more together and I can focus on your needs better if and as we stay in touch. I am always willing to try to work into my schedule a meeting with Hawaii's veterans or attendance at an important event, and encourage you to call on me for such needs and opportunities.

2. Visiting Our Troops

Today's active military forces are tomorrow's veterans. Especially in this extremely difficult time, when we have hundreds of thousands of our own fighting for us overseas, I believe it is crucial for people like me to spend time with our troops where they are, not only to show our support and solidarity, but to understand and address current and future challenges.

I've done this through visits throughout our Hawaii and overseas. I've now visited our troops in Iraq in 2003 and 2005, and in Afghanistan in 2004. My discussions and observations during those trips have played a major role in my own thinking on our obligations to our current and future veterans, including our guard and reserve component.

Your Congressional Office

1. Office Mission and Resources

Overall, my job is to represent the people of my district and our Hawaii in our federal government to the best of my ability. That means being your voice on the great issues of our day, veterans-related and otherwise, listening to your concerns, letting you know

what your government is doing, and helping you on your individual problems whenever and however I can.

I have a full-service congressional office in Washington, D.C. and throughout my Hawaii district to assist me in performing my duties. More information on my office and activities and opportunities can be found on my website at www.house.gov/case.

2. Contact Information

This is how you can contact me and my office:

Washington Office
115 Cannon House Office Building
Washington, DC 20515
Phone: (202) 225-4906
Fax: (202) 225-4987

Hawaii Office
5-104 Prince Kuhio Federal Building
Honolulu, HI 96850
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Maui: 242-1818
Lanai: 565-7199
Molokai: 552-0160

e-mail: ed.case@mail.house.gov

3. Your Issues, Thoughts and Concerns

I'd very much like you to contact me with any thoughts, questions, comments or concerns facing you and your community. Also, please feel free to contact any of my staff, particularly my legislative assistant for veterans issues, Christopher Abbott, at either (202) 225-4906, or Christopher.Abbott@mail.house.gov, or my caseworker for veterans issues, Liane Ashikawa, through the local Hawaii numbers listed on my letterhead, or at Liane.Ashikawa@mail.house.gov. Furthermore, the contact information for my entire staff and a list of their issue areas can be found at www.house.gov/case/staff.html.

4. Veterans Casework

A vital part of my efforts on behalf of Hawaii veterans is what we refer to as "casework", which means our undertaking to help you with individual issues, especially those involving our federal government. Since so much of veterans benefits (medical, education, housing, small business, burial, etc.) is federal-related, one of the largest overall part of our casework is helping our veterans with related information or when you run into problems dealing with our federal government. We welcome your contacting us to see how we might be able to assist you with these matters. Please feel free to contact my veterans casework specialist, Liane Ashikawa, directly.

5. Signup for Congressional E-mail Newsletter

I use an e-newsletter to provide frequent updates about what's happening in Washington D.C. as well as the 2nd Congressional District and to ask for input. If you haven't signed up and would like to receive these e-mails, please log onto my website at www.house.gov/case/email_list.html, or you can call or email at the above contacts to be put on our list. I may occasionally ask you to fill out electronic surveys, but I will never release your contact information to anyone else. If you have already signed up, thank you; you do not need to submit your name again.

6. Other Federal Grants and Resources

There are many opportunities for federal grants and other assistance which are not directly tailored to individual veterans or veterans organizations. You can go to my website for information on such grants and resources and other aspects of our federal government at <http://www.house.gov/case/grants.html>. There, for example, you will find contact information for federal offices in Hawaii, resources compiled by the Congressional Research Service, and a link to the Catalog of Federal Domestic Assistance (www.cfda.gov). This Catalog includes a listing of about 1,500 federal grant and assistance programs and includes a useful search engine.

7. Arranging a Meeting or Event

I truly welcome opportunities to meet personally, discuss issues of mutual concern, address groups on issues of our day, or participate in community events. Please contact Roberta Weatherford in my Honolulu office at (808) 541-1986 or by email at roberta.weatherford@mail.house.gov.

8. This Report Online

For your convenience and use, I have placed a copy of this report online under the newsletter section of my website at www.house.gov/case/newsletter.html.