

THE AMERICAN LEGION DEPARTMENT OF



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Good afternoon. Chairman McColley, Ranking Member Reece, and members of the Finance Subcommittee on Transportation. My name is Thomas Simons. I represent our State Commander Ronald Chapman of Williamsburg, and over 103,000 Legionnaires and proud Ohio Veterans. Thank you for the opportunity to speak to you about Veterans and The American Legion.

The American Legion Department of Ohio stands firmly in opposition to House Bill 49. The proposed Operating Budget submitted by Governor Kasich limits Veterans the access to earned benefits, while successfully adding another layer of bureaucratic oversight; effectively guaranteeing an increased utilization in taxpayer moneys for anything other than the original intended purposes.

For nearly 100 years, The American Legion, Department of Ohio, has been advocating for Ohio veterans. During the 1920 National Convention, The American Legion established the pillars, or core values, upon which our organization stands for to this day. They are: Veteran's Affairs and Rehabilitation, National Defense, Americanism, and Children and Youth. Veteran's Affairs and Rehabilitation is exactly what my testimony is based upon today.

The 2018-2019 Proposed State Operating Budget and House Bill 49 removes The American Legion of Ohio as a singular line item, and merges those monies under a new line item titled "Veterans Organizations" managed by the Ohio Department of Veterans Services. The "Veterans Organizations" line item is not defined in this proposal, nor is the method in which funds will be distributed.

The Governor's justification for the proposal states: "The consolidation of the Veterans' Organizations (VTO) appropriation line items into the one appropriation line item at the Department of Veterans' Services is to achieve administrative efficiencies and better align programs that improve access for veterans and their families to benefits and resources from the United States Department of Veterans Affairs or programs that enhance access to employment services and opportunities, or other sources."

As a Veterans, we understand bureaucracy. We have dealt with it in every aspect of our service and post service lives. Whether hurrying up to wait in line in the military, or navigating the frustrating maze of regulations and procedures that makes up the Veterans Administration, Veterans deal with a lot to gain access to benefits they have rightfully earned. Bureaucracy breeds inefficiency and waste. Initially bureaucratic processes work to establish procedures that adhere to laws, codes, and rules, but the longer they remain in place, the process takes over and maintenance of the process becomes paramount over the original law, code, or rule. The addition of oversight beyond the requirements currently in place will only lead to more delays and added rules. The removal of The American Legion Department of Ohio as a line number from the State operating budget will effectively eliminate a proven and efficient choice for Veterans trying to navigate the VA bureaucratic labyrinth in progressing their claims for earned benefits.

The American Legion is the leader in Veterans Advocacy not only in Ohio but across the United States. Advocacy from The American Legion Department of Ohio has resulted in over \$300,000,000 in VA monetary benefits to Ohio Veterans during Fiscal Year 2015. Annually our organization advocates for over 10,000 Veterans claims to the Cleveland Veterans Affairs Regional Office. The American Legion,

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Department of Ohio, represented more than 200 veterans to the Board of Veterans Appeals and Decision Review Officers, resulting in a 70% claims success rate. In fact, based on the 2013 through 2015 fiscal years, The American Legion has been responsible for returning 850 plus federal dollars for every state dollar allocated to The American Legion Department of Ohio. That equates for over \$820 Million Dollars introduced into the Ohio economy. Show me a Department within the State Government with a similar return on investment.

The American Legion is currently advocating for 3,000 pending appeal cases. From 1 August 2016 to 30 January 2017, The American Legion processed over 5,000 new claims from County Veteran Service Offices, 700 from 5 Department offices, and submitted over 500 appeals that will require Legion representation over the next three to five years. The removal of current state funding will severely degrade The American Legion Department of Ohio's ability to provide professional and effective service to our fellow Veterans and limit avenues upon which those veterans can seek support.

As proud American's and advocates for duties of citizenship, we understand the need for transparency when taxpayer monies are allocated to private organizations. Increasing bureaucratic oversight does nothing to improve the transparency that already exists. As the Fiduciary Officer of a Non-Profits War-time Veterans Organization, I am bound by law to report how all monies are spent within our organization to the Internal Revenue Service utilizing IRS Form 990. These forms are public domain and open for anyone to review.

We are bound by multiple stanzas of our Preamble to the constitution of The American Legion to follow not only the letter of the law but the spirit upon which that law was created. Those segments state: "To uphold and defend the Constitution of the United States of America; To maintain law and order; To foster and perpetuate a one hundred percent Americanism; To inculcate a sense of individual obligation to the community, state and nation; and to combat the autocracy of both the classes and the masses."

The current Operating budget, in part, defines the VTO (Veteran's Organizations) line item as: "Developing and maintaining relationships with the several veteran's organizations, encouraging the organizations in their efforts at assisting veterans and their dependents, and advocating for adequate state subsidization of the organizations;" This is no longer the standard, and does not exist in the proposed budget.

The American Legion Department of Ohio self restricts taxpayer monies, and utilizes 100% of the State allocation towards Service Officer salaries. Eliminating the line item will prevent The American Legion from budgeting Service Officer salaries at current levels. Positions would have to be eliminated to compensate for the reduction in funds. A grant system for distribution does not solve this problem. The American Legion cannot account for a grant that may not be awarded as part of its annual budget. In effect, The American Legion will need eliminate 5 of the 9 Service Officer positions across the State of Ohio.

In closing, the true question is whether the proposed State budget truly benefits Ohio Veterans and improves the current system. The American Legion, Department of Ohio says "No". The proposed budget falls short of its goals to improve administrative efficiencies and affording every veteran access to earned benefits.

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Chairman McColley, Ranking Member Reese, and members of the Subcommittee on Transportation, thank you for allowing me to speak to you and represent our 103,000 Ohio Legionnaires. This concludes my prepared remarks. I am at your service for any questions you may have.