

HB 33 - Establishes operating appropriations for fiscal years 2024-2025

Testimony of David K. Root
State Legislative Chairman, Department of Ohio VFW
Before the Senate General Government Committee
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Chairman Rulli, Vice Chairman Schuring, Ranking Member DeMora, and members of the Senate General Government Committee thank you for allowing me to offer testimony on House Bill 33.

My name is David Root, and I am here today representing the Department of Ohio, Veterans of Foreign Wars (Ohio VFW). The primary duty of the Ohio VFW is to provide services to veterans and their families that will help them access their VA benefits. Accredited service officers are provided to file claims and do all that is necessary to get veterans and their families disability benefits and to help them navigate through the bureaucratic red tape of the Department of Veterans Affairs.

Section 414.10 of the budget bill (HB 33) lists 13 Veterans Service Organizations (VSOs) that receive GRF subsidies. The Ohio VFW is one of those VSOs. We use the subsidies to cover much of the annual expenses of our Veterans Service Department. Our service department has two regional offices -Cleveland and Cincinnati and two offices in two VA Medical Centers -Cincinnati and Dayton. We currently have seven full-time accredited service officers to assist the veterans that ask for our help. The Ohio VFW is one of only four VSOs in Ohio that has accredited service officers.

In the previous calendar year, our seven accredited VFW service officers filed nearly 2,600 claims, filed Power of Attorneys for nearly 3,200 veterans, accessed more than 4,000 veteran's files, and cleared more than 10,000 ratings. Our service officers also received nearly 8,400 emails, phone calls, letters, and other correspondence. That is just some of their many accomplishments during 2022.

After a long and hard-fought battle, in August of last year, congress passed, and the president signed the 'Pact Act' into law. The Pact Act establishes substantial legislative changes in laws administered by the VA and allows for compensation for thousands of veterans suffering from the effect of toxins they encountered during several conflicts. The effect on our service officers will be substantial. Since the first of the year when the Pact Act took effect, the number of claims filed has skyrocketed and as the year moves on, claims could reach record numbers and the appeals will as well. Our service officer budget is already stretched thin, yet we know we should hire at least one more service officer and possibly open a fourth office to handle the expected increased workload.

Even if we did not foresee a substantial increase in the workload, our overall expenses are going to increase because of the increase in the annual Social Security adjustment. After many years of inflation rates under 2.5%, we saw them hit 7% in 2021, 6.5% in 2022, and an estimated 6% or higher for 2023. Yet in HB 33 as it was introduced, the GRF total for the 13 Veteran Service

Organizations remained the same as the previous two years. Three years of sizable increases in the inflation rate and no rise in the subsidies is the equivalent of a cutback.

While HB 33 was in the House Finance Committee, Representative Tracy Richardson asked what increase I thought was needed. I suggested that the 'Big Four' VSOs (American Legion, American Veterans, Disabled American Veterans, and Veterans of Foreign Wars) would need an increase of \$50,000 each just to cover the cost-of-living adjustments over the previous three years. If we were going to efficiently handle the greatly increased workloads we would be facing, an increase of \$100,000 would not be out of line.

I am very grateful for the work Representative Richardson did to amend HB 33 and increase the subsidies for the Big Four by \$50,000. It will be a help to cover the added costs we will face but at the same time it will not help us take care of the anticipated workload increase caused by the passage of the Pact Act.

The subsidy increase I suggest will have little, if any, effect on a more than 40-billion-dollar budget. But the returns to Ohio will be significant. In 2022 the VFW Service Officers were able to get veterans here in Ohio 113.4 million dollars in compensations and another 1.8 million in pensions. There were also death benefits and other benefits awarded to our veterans and their families for a total of \$160 million. I cannot imagine how many more dollars will come into our state due to the PACT Act. Whatever that amount might be, that is money your Ohio Veterans are putting back into the economy of Ohio each year.

It is my hope the members of this committee and all members of the General Assembly understand our plight and agree that an increase in the subsidies is necessary for us to operate efficiently and effectively during the next two years. The 700,000 veterans living in Ohio deserve the best possible service they can get as they deal with the VA to get their entitled benefits.

Thank you again for allowing me to stand before you and advocate for the veterans of Ohio. I would be happy to answer any questions the committee might have.