

American Veterans Vote - Unite. Official Position Paper



<u>Issue Paper 1</u>: Campaign for Military and Veterans Families

Executive Summary:

1. Congress needs to create a Campaign for the Families of Active-Duty Service Members and of Veterans, which integrates DoD, DHS, and Department of Veterans Affairs programs into a single holistic campaign. Congress also desperately needs to get inflation under control and restore the fiscal survivability of these young families and aged and disabled veterans.

2. The families of active-duty service members and those of veterans are often viewed as separate entities. However, they are actually just two separate points on a continuum.

A. Both are cornerstones of their respective communities and will face the same issues over time.

B. Whatever helps - or hurts - them will have the same effect on local communities.

3. Although they live side-by-side with local communities, military service causes their families unique challenges.

A. Active-duty families have limited incomes, but often (especially in Virginia) must live in high-cost areas because of the location of their bases.

B. They must cope with excessively high costs for food, housing, childcare, and education.

C. Older and disabled veterans must rely on the inconsistent Veterans Health Administration for medical treatment and disability benefits for care in their old age.

4. Out-of-control inflation is destroying their buying power. It is impoverishing the families of tens of thousands of service members and millions of veterans and their families. And inflation is forcing older veterans to face their final years in increasing poverty.

Issue:

The families of active-duty service members and Veterans are often viewed as separate entities. As a result, they are treated with piecemeal, inconsistent policies

and programs, generally aimed at a specific issue. However, these families are really just two sides of the same coin and are bedrock members of any community. The economic, educational, and quality of life problems that challenge them, vex their civilian counterparts in equal measure. As for their civilian counterparts, inflation is supercharging the normal challenges they face. We need a unified, over-arching campaign plan to facilitate the development and security of the families of military members and veterans. And Congress needs to move urgently to tame inflation.

Background:

Military and veterans' families have a "life Cycle." While a sponsor is on active duty, their family is affected by military life, but also by any issues in their civilian community, such as marginal schools, crime, high cost or sub-standard housing, and high-interest rates. However, they also face unique challenges from the conditions of military service, such as the inability of spouses to get hired, frequently absent parents due to high deployment rates, and instability from frequent PCS moves. Military families must also navigate new issues when a service member transitions back to civilian life, in which their concerns are housing, education, jobs, and health care. Finally, older veterans and their families rely on the Veterans Administration (VA) for help with any service-related disability, long-term health care, housing, and end-of-life issues.

One of the single biggest issues facing the families of active-duty members and veterans today is the inflation raging across our economy. It exacerbates every issue at every level, especially for those at bases in high-cost areas such as northern Virginia, many of whom now rely on food banks for basic food items.

Almost one-third of service members and their families live with food insecurity today, and the number is rising. Inflation is also dramatically increasing the cost of food, rent, childcare, medical care, and energy, which especially hurts new veterans. Such insecurities are all contributing factors in suicide. Finally, it impoverishes older veterans and their families, who are already struggling on fixed incomes and trying to live with assisted care.

For active-duty service members, cuts in the FY2023 National Defense Budget Authorization Act reduced the take-home pay of many members, just as inflation is eating away at their buying power (See Appendix 1 for examples.)

Both the Department of Defense and Congress have tried to address specific issues. However, neither have looked at the entire environment of military and

veterans' families nor have they developed a comprehensive campaign plan for them.

Congress should look at the entire "life cycle" of military and Veteran families, address their problems, and create the conditions for them to prosper in each stage. Such a plan should address their unique needs in three phases: on active duty, transitioning to civilian life after active duty, and in retirement. Many useful elements already exist. However, no one is synchronizing them, and filling in the gaps will create the "eco-system" for them to succeed in each phase and help us all. Both local communities and the nation are well-served by helping them.

Quick Facts:

Inflation is eating away at the buying power and standards of living of service members, their families, and veterans. It is under-cutting our military readiness and stranding older veterans dependent on their disability benefits for any quality of life as they age.

For older veterans, the key issues are the impact of inflation on their health care – especially dental care - and living situations.

Aging veterans living on fixed incomes and needing assisted- or in-home care are particularly vulnerable to inflation.

- According to the Labor Dept, nursing home, and adult care costs rose an average of 4.8% over the 12 months before August 2022.

- Monthly resident fees at independent living facilities have risen by as much as 12% during the same time period, according to Ziegler, a specialty investment bank.

- The burden of caring for veterans no longer able to live on their own or afford assisted care is falling increasingly on their families, who are already struggling with higher costs for energy, food, housing, and medical care.

Housing is a key stressor for service members and young veterans with families and a primary factor in suicides.

- For military families, housing shortages and sky-rocketing housing rentals near military bases are creating a crisis of affordable housing for them, especially since they have no choice but to live near their base in high-cost areas.

- VA home loans help veterans buy their first house, but inflation has erased their utility. Inflation has caused housing prices to soar, supply to drop, and the market to be more competitive. Sellers don't need to accept offers with the extra demands of VA loans. As a result, veterans lose every bidding war.

On medical care, aging veterans need accelerated access to caregiver support to deal with inflation.

- According to a 2020 GAO report, the VHA has seen a 14% increase in long-term care (geriatric and extended care) demand from FY2014 to FY2018.

- For the VA, spending on long term care increased 33% from FY2014 to FY2018.

Food security has become a major concern on military bases. The USDA defines it as access at all times to enough food for an active, healthful life for all household members. Several authoritative studies show that between 25% and 33% of service members, today experience food insecurity. For those active-duty military members, hunger is a reality.

Feeding America.org reported in 2022 that, "as many as 125,000 active-duty service members and their families may be facing food insecurity". Factors such as limited/lower income, high cost of living, and other financial commitments, like loan repayment, are just a few reasons for an increased rise in food insecurity. All of these financial commitments are compounded by rising inflation.

According to the <u>Military Family Advisory Network</u> (MFAN), food insecurity affected one in five military families in 2021, up from 1 in 8 in 2019. Service members in the E-1 to E-4 pay grades, especially families with children, are most hard-pressed to cope with a high cost of living area.

The U.S. Army's Public Health Center investigated a perceived increase in suicidal behavior and preventable deaths in 2019. Nearly 33% of more than 5,600 respondents at a major Army base were marginally food insecure. The study assessed that "marginal food insecurity was significantly related to mental health outcomes (anxiety, depression, and suicidal ideation), which were related to intentions" to not re-enlist." The COVID pandemic, which began a year after the Army survey, has amplified hunger in the military community.

Active-duty families often cannot add income by a spouse taking a second job. Yet, the absence of such income has an impact. A 2018 Status of Forces Survey of Active-Duty Members and the 2021 survey of active-duty spouses found that 43% of enlisted members with an unemployed spouse suffered food insecurity at some point in the previous year, a higher rate than those with spouses who were employed.

Both MFAN and the Center for Security and International Studies (CSIS) noted the tie between the future of the all-volunteer force and military kids and making sure that they are eligible to serve and grow up in a healthy nutrition-rich life. Per CSIS, children of service members are more likely to enlist in the future, so reducing food insecurity among military families can improve physical and cognitive health among future recruits.

Congress mandated DoD provide a report on food insecurity in the military by Oct. 1 as part of the National Defense Authorization Act for FY2022. Meanwhile, Defense Secretary Lloyd Austin ordered the Pentagon to create a plan to strengthen food security across the armed forces. In November 2021, he said he would temporarily increase BAQ in more than 50 high-cost areas around the country to help troops make ends meet. Too, he directed Pentagon officials to develop a road map to deal with this issue. But little progress has been made – and inflation is making the problem worse.

Other efforts range from improving the availability of affordable, healthy food on military installations, to improving employment opportunities for military spouses and the availability of affordable childcare. DoD Officials are also putting together a plan for implementing the new Basic Needs Allowance, set to start in January 2023, as a safety net for families in need. (H.R. 6823/S.3854 is a comprehensive bill that will improve home- and community-based services for veterans. It is paralleled by H.R. 7561: BAH Restoration Act and H.R. 7562: BAH Calculation Improvement Act. However, the problem is now.

In the House of Representatives, the Agriculture Committee's Subcommittee on Nutrition, Oversight, and Department Operations held hearings in November 2021. On November 10, 2021, it issued the report "Hunger Among Veterans and Servicemembers: Understanding the Problem and Evaluating Solutions." Yet, no holistic program has emerged.

Policy Recommendations:

Congress should hold hearings to serve as the basis for a legal framework for establishing a campaign plan for military and veterans' families, covering their entire "life cycle".

Congress should hold hearings on the impact of inflation on our active-duty service members and their families and on aged veterans on fixed incomes in order to find solutions to their issues during our fiscal instability.

Congress should hold hearings on actions that the Department of Defense and Department of Veterans Affairs should take to synchronize their efforts with families of active-duty service members and veterans.

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Appendix 1: Cuts to Special Duty Pay

Enlisted airmen who work in some of the Air Force's most difficult jobs will see cuts to their Special Duty Assignment Pay (SDAP) in FY2023. SDAP compensates enlisted service members whose duties are especially difficult or dangerous. The Air Force SDAP budget was cut by more than \$3 million to the FY2023 due to fiscal constraints.

Dozens of Air Force career fields will be affected by the cut to Special Assignment Duty Pay. Many have to come rely on it, especially as inflation has skyrocketed to nearly 9% over the summer.

One of the groups losing SDAP is recruiters. This pay cut comes as the Air Force is increasingly counting on them to face the strong headwinds and woo young Americans to enlist. All of the military services are struggling to meet recruiting goals as they compete against the competitive pay and bonuses being offered to civilians, challenges from the COVID-19 pandemic, economic inflation, and a shifting workforce.

Some SDAP to be reduced:

- Recruiters
- Combat Controllers
- Pararescue operators
- Nuclear Enterprise airmen
- Air Traffic Control (ATC) supervisors
- Tactical Air Command and Control Party (TACP) operators
- Parachute instructors and those with test parachute program

Appendix 2: Specific Recommendations for Improving Food Security

A study by CSIS recommended reforming the military's basic needs allowance, increasing flexibility and support during duty-station moves, and improving military spouse unemployment with career programs and affordable childcare options.

The <u>Military Family Advisory Network</u> (MFAN) recommended changing the eligibility requirement for military families to enroll in federal assistance benefits and improving the manner in which the housing allowance was calculated so as to match the area's rental market more accurately.

For longer-term economic security of service members, Department of Defense officials will analyze the BAQ benefit; evaluate the feasibility of Dependent Care Flexible Spending accounts for service members; and review options to increase the dislocation allowance to further defray out-of-pocket costs for service members during a PCS move.