



Legislative Update

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SENATE ARMED SERVICES COMMITTEE RELEASES REPORT AND BILL TEXT FOR FY13 NDAA

On 24 May 2012, the Senate Armed Services Committee (SASC) passed the Fiscal Year 2013 (FY13) National Defense Authorization Act (NDAA), reported on 4 June 2012 as S. 3254, by a 26-0 vote. The President's budget request for FY 2013 was \$631.6 billion, which included \$525.3 billion for the base budget of the DOD, and \$88.5 billion for overseas contingency operations (OCO), which funds the war in Afghanistan. The SASC passed bill authorized \$631.4 billion for national defense programs, an authorization of \$498 million more than requested for the base budget of DOD, which the bill contains \$525.8 billion for, but \$301 million less than requested for OCO, which the bill contains \$88.2 billion for. Highlights of the bill include an across the board pay raise of 1.7% for military personnel and not authorizing the Department of Defense (DOD) proposals that would establish enrollment fees for TRICARE for Life and increase TRICARE deductibles. The House passed its version of the FY13 NDAA on 18 May 2012 by a vote of 299-120 with these similar provisions. However, a few interesting differences include how SASC incorporated a provision requiring the Secretary of Defense (SECDEF) to submit to Congressional defense committees a report no later than 15 August 2012 on the impact on DOD that sequestration of funds authorized and appropriated for FY13 would have on the Department if automatically triggered on 2 January 2013. In addition, there was a provision added which states that SECDEF would have the authority to establish a program to provide transportation to Active Duty and Reserve Component members, retirees, and dependents on DOD aircraft on a space-available basis beginning 1 January 2014, or such earlier date as determined by the Secretary of Defense.

Details of the SASC Report and Bill Text of S. 3254 can be found at [AUSN'S FY13 Senate NDAA Analysis webpage](#).

SENATE APPROPRIATIONS COMMITTEE, SUBCOMMITTEE ON DEFENSE OUTSIDE WITNESS HEARING

On 6 June 2012, AUSN'S Executive Director, RADM Casey Coane, testified before the Senate Appropriations Committee, Subcommittee on Defense (SAC-D). Amongst the highlights of the testimony were concerns about the affects the Budget Control Act of 2011 (BCA) and looming sequestration would have upon the already proposed fee changes in the TRICARE system, procurement of additional ships for the Navy as well as adequately funding the National Guard and Reserve Equipment Account (NGREA). Throughout the hearing, the common theme of sequestration resonated with the Chairman, Senator Daniel K. Inouye (D-HI), and Ranking Member, Senator Thad Cochran (R-MS) as they assured the witnesses the Committee would look into, and make sure, impending cuts don't come to vital programs to our Nation's servicemembers. A webcast of the hearing can be found by going to the [Senate Appropriations Committee's Webcast webpage](#) (at 116:15 AUSN testifies).

Details of AUSN's written testimony can be found at [AUSN's Capitol Hill Blog entry on the SAC-D Hearing](#).

HOUSE VETERANS AFFAIRS COMMITTEE, VA PHARMACEUTICAL PRIME VENDOR CONTRACT HEARING

On 6 June 2012, the House Veterans' Affairs Committee (HVA) held a hearing on the Department of Veterans' Affairs (VA) handling of the Pharmaceutical Prime Vendor (PPV) program. The witnesses included W. Scott Gould, Deputy Secretary of VA, John R. Gingrich, Chief of Staff of VA, Philip Matkovsky, Assistant Deputy Under Secretary VA Health Administration and Michael Valentino,

Chief Consultant of Pharmacy Benefits Management Services VA. HVA Chairman, Representative Jeff Miller (R-FL-01), asked Deputy Secretary Gould if he was aware that the VA has continued to purchase thousands of pharmaceuticals “un-lawfully” even though the VA has said it’s done doing that, and asked if this is still common practice in the VA. The Deputy Secretary deferred the questions to Chief Consultant of Pharmacy Benefits Management System Michael Valentino who then explained the actual ordering process to the Chairman, and then stated that it is his understanding that while it may have been common practice before VAs last year SEA change, it is no longer that way. He went on to say that he believes the problem is trending downwards, and highlighted that of the 500,000 prescriptions filled out in March (2012), only 50 were “un-lawful” purchases.

HOUSE VETERANS AFFAIRS, DISABILITY ASSISTANCE SUBCOMMITTEE HEARING ON PENDING BILLS

On 6 June 2012, the House Veterans’ Affairs Committee (HVA), Subcommittee on Disability Assistance and Memorial Affairs (DAMA) held a hearing on to discuss seven pieces of legislation, two of which are bills of interest. The subcommittee held a panel for the sponsors of the bills to discuss their pieces of legislation. The first bill, H.R. 5880, the Veterans Disability Examination Access Improvement Act, introduced by Representative Jon Runyan (R-NJ-03), would extend the authority of the Secretary of Veterans Affairs (VA) to enter into contracts with private physicians to conduct medical disability examinations. Representative Runyan expressed the vital need for this authority so our nation’s veterans can have expanded access. The second, H.R. 2355, the Hallowed Grounds Act, was introduced by Representative Vicky Hartzler (R-MO-04) and would prohibit the remains of persons convicted from certain sex offenses from being interred or memorialized in VA National Cemeteries or Arlington National Cemetery. Representative Hartzler said currently the law in regards to burial of veterans is an, “insult to the decency of burial honors,” and demeans the honor of those who have served this nation to allow a child abuser to be buried beside America’s war heroes. She described the three tiers of the Sex Offender Registration which her bill seeks to prohibit burial honors for.

HOUSE ARMED SERVICES COMMITTEE, MILITARY PERSONNEL SUBCOMMITTEE HEARING ON RESALE PROGRAMS

On 7 June 2012, the House Armed Services Committee (HASC), Subcommittee on Military Personnel held a hearing on Military Resale Programs. The panel consisted of the Directors and Chief Executive Officers of the major commissaries and exchange agencies. Both the panelists and committee members were pleased with how efficient the agencies were running to provide goods and services to their customers. Retired Rear Admiral Robert J. Bianchi, Chief Executive Officer Navy Exchange Service Command (NEXCOM), in his opening statement reiterated NEXCOM’s commitment as a dedicated agency for the Navy, stating, “As we continue our focus on delivering the benefits today, we are also working to sustain and improve our future viability. We will continue to be responsible stewards of our Sailors money, grow the benefit and build towards the future. Our vision is to become our customers’ first choice, reflecting the spirit of our Navy, our Sailors and their families.” HASC- Military Personnel Chairman, Representative Joe Wilson (R-SC-02), questioned the witnesses about the effects of sequestration on their respected agencies, and he received consensus from the panelists that it would have devastating effects on their operating abilities, especially in far off locations. Representative Austin Scott (R-GA-08) asked if the agencies were operating under the assumption of sequestration occurring. Mr. Robert Gordon, Deputy Assistant Secretary of Defense for Military Community and Family Policy, said they were not and were not creating a plan for it as of yet. Representative Scott then gave a sharp recommendation to produce a plan that continues operations if sequestration occurs, and that the effects of not planning now will not help soldiers, or their argument to repeal sequestration.

AUSN ON THE HILL

This week, the Senate returned into session, along with the House to tackle other authorization and appropriation bills, such as the Homeland Security Appropriation bill in the House and the Farm Bill consideration in the Senate. Aside from AUSN testifying on Wednesday before SAC-D, AUSN was also present on Capitol Hill and other offices downtown. AUSN met with staff of Senator Jack Reed (D-RI) to discuss his bill, S. 3179, the Servicemembers Housing Protection Act of 2012 as well as other AUSN Legislative Priorities. In addition, AUSN met with staff of Representative Bob Filner (D-CA-51) to discuss veteran issues, including Blue Water Navy legislation and other pending bills of the House Committee on Veterans’ Affairs, which Representative Filner is Ranking Member of.

PRIORITY BILLS INTRODUCED THIS WEEK

There was no new priority bills introduced this week, but many priority Bills of Interest saw significant movement and updates through Congressional hearings in the past week as well as additional cosponsors.

In the advocacy section of the website, you can click on [Bills of Interest](#) to get daily revisions on Congressional action for priority bills. I STRONGLY encourage you all to visit our [Advocacy](#) page, especially the [Capitol Hill Blog](#) which receives almost daily submissions when Congress is in session to see what AUSN is doing for you on Capitol Hill.

NEW LEGISLATIVE ALERTS

There were no new legislative alerts this week. Again, when these alerts are sent to your email, please click on the TAKE ACTION link that is at the top of the alert email to send a letter response to your Members of Congress (a few of you have written in that you wish to send letters, but don't know how). Please continue to go to the [Legislative Alerts](#) section on the AUSN webpage and/or check your e-mail and submit ones you haven't seen yet to your Congressional delegation as Congress continues its markups and consideration of Authorization and Appropriation bills.

NEXT WEEK OUTLOOK

The House will be in recess next week, but the Senate will be in to do catch-up work to the increased pace of legislative work that the House has completed so far this year. The main focus of the Senate next week will be on the Farm Bill debate, as well as a flood insurance bill and a few pending confirmations. With regards to Defense Authorization and Appropriation measure, Senator Carl Levin (D-MI), SASC Chairman, has said he would like the Senate's NDAA to come to a floor vote before the end of June and the Senate Appropriations Committee, Subcommittee on Defense (SAC-D) has yet to put forth it's draft bill as hearings continue for FY13 Defense Appropriations. There are a few significant hearings that will be held next week which AUSN will be covering. These include a Senate Veterans Affairs Committee (SVA) hearing on Economic Opportunity and Veteran Transition legislation and a Senate Appropriations Committee, Subcommittee on Defense hearing on the FY13 Defense Appropriations bill, where Secretary of Defense (SECDEF) Leon Panetta and Chairman of the Joint Chiefs of Staff (CJCS) General Martin Dempsey will be testifying.

I'd like to take this opportunity to acknowledge the 68th Anniversary of 'D-Day.' A historic day, 6 June 1944, and turning point in World War II where our nation's military made the ultimate sacrifice to end tyranny in Europe. As a student and appreciator of history, it is important to recognize and remember those who served then and those that serve in our current and recent campaigns around the world. The Association of the United States Navy is continuously on and/or monitoring Capitol Hill, advocating for your concerns and utilizing our strong relationships with Members of Congress, Staff and cooperating with other military associations to tell the Navy and our veterans' story. This is an ALL HANDS ON DECK effort and your grassroots advocacy will help make the changes that need to happen!

QUESTIONS/COMMENTS/CONCERNS

Anthony A. Wallis, Legislative Director
Phone (o): 703-548-5800, (m): 703-517-9310
E-mail: Anthony.Wallis@ausn.org
Legislative Action Center, [Contact Congress](#)