

# CONCERNED VETERANS FOR AMERICA RESTRAIN FEDERAL SPENDING



## OUR VIEW

The greatest threat to America's security and future prosperity is our national debt. No federal agency should be exempted from spending reform; however, members of the veteran and military community know firsthand where federal spending can be restrained at the Department of Veterans Affairs (VA), Department of Defense (DoD), and with our foreign policy obligations. It is crucial Congress and the President begin to take this national security threat more seriously.

## BACKGROUND

The greatest threat to America's security and future prosperity is our national debt. Borrowing trillions of dollars makes our country less safe and threatens our ability to fund a strong national defense. If our debt continues to grow at its current pace, interest payments on the debt will exceed our total national defense spending by 2023.<sup>1</sup>

It is for these reasons that prominent military leaders like former Defense Secretary James Mattis and former Chairman of the Joint Chiefs of Staff Admiral Mike Mullen have called our national debt one of the greatest long-term threats facing our nation.

## PRINCIPLED SOLUTIONS

### *Mitigate rising VA spending levels*

Over the last decade, spending at the VA has doubled. If you compare federal spending across every federal agency over the last ten years, no other department comes close to competing with the VA's dramatic 100 percent budget increase (excluding the growth in interest payments on federal debt). Today a new generation of veterans is entering the VA and systematic changes to how the VA prioritizes and delivers care and benefits is overdue. Opportunities include:

- External audit of VA programs and spending.
- Move the VA to secondary payer for nonservice-connected care for veterans with other health insurance.

- Equalize copayments for nonservice-connected veterans to those in TRICARE Prime.
- Accelerate the AIR Commission to realign the VA's infrastructure to meet the needs of current and future veterans.

### *Authorize a Base Realignment and Closure (BRAC)*

According to DoD estimates, the military has an 18 percent excess basing capacity, and reducing it could save up to \$2 billion annually.<sup>2</sup> The U.S. government has conducted five rounds of BRAC, which occurred in 1988, 1991, 1993, 1995, and 2005 and led to the closure or realignment of over 100 defense facilities. On average, each BRAC only affected 5 percent of facilities. Those five rounds have produced an estimated \$12 billion in savings annually.<sup>3</sup> Realigning our military bases to meet the needs of our future national security needs creates a more efficient and agile force structure.

1. Krumholz, Willis, "America's Endless Wars Are Damaging Its Economic Might," Jan. 29, 2020 <https://www.businessinsider.com/americas-endless-wars-are-damaging-its-economic-might-2020-1>
2. Department of Defense Infrastructure Capacity, October 2017. <https://fas.org/man/eprint/infrastructure.pdf>
3. Potochney, Peter, Statement Before the Senate Appropriations Committee, June 7, 2017. <https://www.appropriations.senate.gov/imo/media/doc/060617-Potochney-Testimony.pdf>

### ***Avoid Overseas Contingency Operations (OCO) budget gimmicks***

The OCO account was created to support unplanned spending needs, like going to war, without being restrained by budget limits. Since 2001, over \$2 trillion in discretionary budget authority has been designated as emergency spending through OCO. Instead of limiting usage of this fund to overseas operations in the Global War on Terror (GWOT), Congress employed creative budgeting gimmicks to avoid budget limits in the law and fund base budget needs at the Departments of Defense and State. After eighteen years of war, Congress should fund ongoing U.S. operations in the Middle East in their base budget and stop using accounts like OCO to disguise DoD spending increases.

### ***Increase Allied Burden Sharing transparency***

As the U.S. security strategy shifts to other areas around the globe, understanding our allies' contributions to shared defense efforts is critical to making better foreign policy decisions. For over twenty years up until 2003, the DoD compiled an annual allied burden sharing report to assess whether the contributions from key allies were commensurate with their economic resources and security environments. Congress should support legislative text to reinstate this report either through the NDAA process or passing legislation introduced by Rep. Mark Green and Sen. Mike Lee (H.R. 2047/S. 985).

### ***End engagement in conflicts not in our national interest***

Our endless wars carry a high price—in lives lost and resources spent. According to the Cost of War project at Brown University, total spending on post-9/11 wars exceeds \$6.4 trillion and does not account for future obligations to our nation's veterans. Our main goals in Afghanistan and Syria have been achieved and our credibility is not enhanced by devoting more lives and capital to the region. Congress should focus our defense resources on deterrence and engaging only when it is critical to our national interest.



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4. Overseas Contingency Operations Funding: Background and Status, Sept. 6, 2019, <https://fas.org/sgp/crs/natsec/R44519.pdf>