

Retirement and Military Personnel

The VFW's Concern:

For more than two decades, Congress has failed to address the long-standing injustice of withholding military retirement pay from disabled veterans. Department of Defense (DOD) military retirement pay and Department of Veterans Affairs (VA) disability compensation are separate, distinct benefits earned for different reasons, yet Congress continues to wrongly treat their concurrent receipt as “double-dipping.” The VFW believes this policy is fundamentally unfair, and it is far past time for Congress to act.

In 2004, Congress authorized full concurrent receipt for veterans with at least 20 years of service and a 50 percent service-connected disability rating or higher. While this was a positive step, the VFW believes the 50 percent threshold is arbitrary and unjust. Veterans rated below 50 percent still endure sacrifices, risks, and challenges, yet they are excluded from full benefits with no reasonable explanation. This exclusion has left many veterans frustrated and feeling abandoned by the very system that should be supporting them.

Additionally, veterans who medically retire under Chapter 61, including combat-injured and ill veterans, continue to suffer due to the offset of their retirement pay and disability compensation. More than 50,000 Chapter 61 retirees, including those who need ongoing care and support, do not have full access to their vested retirement pay and service-connected disability compensation, creating financial hardship for them and their families.

Congress must act now to end the policy of offsetting benefits, fulfill its promises, and prevent further harm to disabled veterans. The cost of full concurrent receipt is far outweighed by the moral obligation to honor their sacrifices. The VFW calls on the 119th Congress to pass legislation that will show them their service is truly valued. Every year of delay only deepens the financial and emotional toll on these veterans who have already given so much to this country.

The VFW Urges Congress to:

Pass S.1032 / H.R.2102, *Major Richard Star Act*, either as a standalone bill or via the National Defense Authorization Act for Fiscal Year 2026 (proposed Senate Amendment 2968) to enable Chapter 61 retirees who sustained combat-related injuries to receive their vested DOD retirement pay and VA disability compensation without offset.

Pass legislation to eliminate any offset of DOD military retirement pay and VA disability compensation.