



Major Richard Star Act: Allow Concurrent Receipt of Vested Longevity and VA Disability Pay

THE BACKGROUND

- Today, medically retired servicemembers injured in combat often lose part – or, in some cases, all – of their earned military retirement pay because of an offset requiring every dollar of VA disability compensation to reduce retired pay. Congress previously allowed concurrent receipt for retirees with 20+ years of service and a 50%+ disability rating, but those combat-injured who were medically retired before the 20-year mark were left behind. These servicemembers earned their retirement through years of service and their disability compensation through sacrifice in defense of our nation. These are two different payments, from two different agencies, for two different purposes.
- About 54,000 combat-injured veterans currently receive Combat-Related Special Compensation (CRSC) but are not eligible to receive both CRSC and Concurrent Retirement and Disability Pay (CRDP). Nearly 28,000 of these veterans have 10+ years of service and would benefit financially from being allowed to choose CRDP.

THE CHALLENGE

- Nearly three-quarters of both chambers of the current Congress support the Major Richard Star Act, but progress has stalled in part due to cost concerns. The Congressional Budget Office (CBO) score of \$9 billion over 10 years was an estimate assuming all eligible veterans would elect CRDP; however, many with fewer years of service will likely continue choosing tax-free CRSC, which reduces the projected cost.
- Beyond the numbers, this offset erodes trust in the all-volunteer force. No servicemember injured in combat should see their retirement – earned over years of service – taken away because they were wounded in combat.

THE POLICY SOLUTION

- Pass the Major Richard Star Act and phase in implementation over five years while leveraging the existing CRSC/CRDP open season to responsibly manage costs. This corrects a long-standing injustice for combat-injured retirees and restores fairness in military compensation.