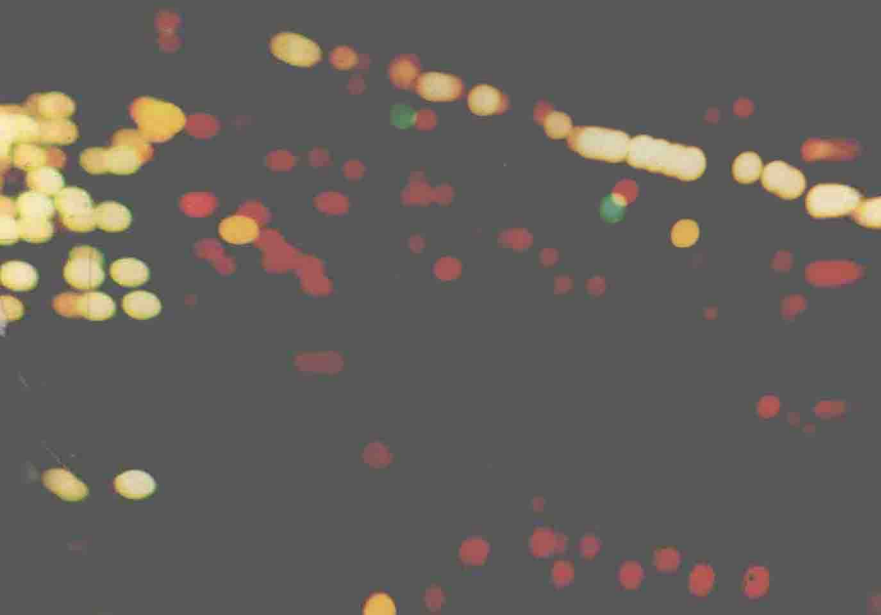


FORGING *Legislation*

Paul C. Light



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Preface

THIS IS THE story of how an ordinary bill called the *Department of Veterans Affairs Act* really became a law and how it inspired some extraordinary politics. Designed as a political salute to America's huge veterans lobby, the elevation of the Veterans Administration to Cabinet status eventually became the legislative "hammer" behind the first major reform of veterans policy in fifty years.

Along the way to the president's desk, the act overcame attempts to amend it, redraft it, even kill it, but not the effort to link it to a second, much more significant bill giving veterans the right to sue their government. Ironically, it was a reform almost uniformly opposed by the big veterans groups that so desperately wanted their own Cabinet department.

To become a vehicle for reform, however, the act had to first survive the normal winnowing process that suffocates most other bills. And survive it did. After starting out as one of nine thousand *bills* introduced in the One-hundredth Congress (1987–88), it eventually earned its way to the House and Senate floor as one of four thousand bills *reported by committee*, and emerged as one of only seven hundred *acts*

approved by Congress and signed by the president into *public law*.

Passage of the Department of Veterans Affairs Act was not a legislative miracle, however. In fact, the story of the act is rather like that of most other bills in Congress—neither routine nor spectacular, rarely a front-page story, but often an inside headline, moving forward, moving backward, sometimes stalled, but uniformly disorderly. Indeed, just about everything about the original bill was normal—normal length, hearings, and floor votes, even normal detours and delays. Then came the chance for veterans reform, and all chaos broke loose.

Thus, for those who want to learn more about the real legislative process, the Department of Veterans Affairs Act is an excellent place to start. For those who want to learn more about how Congress involves itself in public administration or where \$30 billion in veterans programs fits into America's social safety net, it may well be the only place to start. (For those interested in legislative miracles, I might recommend my earlier book, *Artful Work: The Politics of Social Security Reform*.)

Forging Legislation is based upon my work on Capitol Hill during the One-hundredth Congress. I joined the Senate Governmental Affairs Committee in January 1987. As the professional staff member responsible for the Department of Veterans Affairs Act, I followed the bill from the moment it was referred to committee all the way to its enrollment on parchment paper for delivery to the president—from committee hearings, to the drafting of a new bill, committee markup, Senate floor action, the House–Senate conference, final passage, and a bill signing ceremony on a crisp October morning just weeks before the 1988 presidential election.

Forging Legislation is told from the vantage point of a Senate Governmental Affairs staffer, which means that I may have missed some twists and turns along the subways and corridors of Capitol Hill. Like the “fog of war” that envelops a battlefield in confusion during war, there is a

fog of politics that envelops the legislative process. Readers will simply have to trust that I knew my way through the haze, and that I had the good sense to ask key staffers, friends, and colleagues on Capitol Hill for additional information as I wrote this book.

Acknowledgments

I always save writing the acknowledgments until the very last moment, for this brief section is the most pleasurable part of writing a book. It signals the end of the project, and provides an opportunity to thank friends and colleagues for their support.

For their helpful comments at various stages of the project, my thanks to Charles O. Jones, Burdette Loomis, G. Calvin Mackenzie, and Barbara Sinclair. Special appreciation to my students in the Humphrey Institute's social welfare administration course, who critiqued the very first draft of the book; Don Fusting, who shepherded the project through every stage of the process at W. W. Norton; and Patty Peltekos, who edited the final manuscript. All improved the book through their efforts.

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Forging Legislation

1

A Separate Safety Net (The Setting)

NINETEEN THIRTY WAS A very good year for America's veterans. While the nation suffered through the first full year of the Great Depression, virtually every living veteran received some new benefit.

It was as if Congress and the president had decided that veterans, and veterans alone, would be protected from the economic catastrophe. Spanish-American War veterans came first, followed in short order by Civil War veterans and World War I veterans, each winning their own separate packages. All in all, benefits went up \$118 million, or almost 20 percent, as veterans cornered \$700 million in a federal budget of barely \$4 billion.

Congress did not limit its largess to combat veterans, however. For the first time in history, Congress also granted pensions to those *not* injured in war. Although these non-service "pensions" were substantially lower than existing service-related "compensation," Congress clearly broke with the past, entitling an entire new class of claimants. Within two years, over 400,000 nonservice-related World War I

veterans were added to the benefit rolls, many with no disability other than poverty.¹

Nineteen thirty was also a very good year for the veterans bureaucracy.* Under pressure to make sense of a patchwork of agencies and programs, President Herbert Hoover merged the Veterans Bureau, the National Home for Disabled Volunteer Soldiers, and the Interior Department's Bureau of Pensions into a single administrative behemoth called the Veterans Administration. In doing so, Hoover created the bureaucratic home for what would eventually become a separate safety net for every soldier who survived boot camp. But the VA, as an independent agency, operated outside the Cabinet circle, giving it ample freedom to link more closely with Congress.

It is a wonder the veterans groups do not celebrate Hoover's birthday every year, for by the end of 1930, one-fifth of the federal budget was earmarked for veterans, whether disabled in combat or not, while one-third of all federal employees worked at the VA. At the time, veterans represented only 4 percent of the population.

America had not suddenly discovered veterans in 1930. The nation had always accepted its moral obligation to those who "shall have borne the battle," as Abraham Lincoln called them, beginning with pensions for veterans of the Revolutionary War. Rather, as the number of wars America participated in began to increase, so too did the number of veterans and their competition for federal dollars. Veterans of the Civil War, the Sioux Indian War, the Spanish-American War, the Mexican border campaign, and World War I were all in line for benefits. As members of Congress began to view their jobs as life-long careers, they also began to worry about maintaining support back home. Suddenly, vet-

* I have chosen not to use the possessive of veterans when describing the veterans lobby, veterans programs, or veterans policy, in large measure because the Senate and House Veterans Committees no longer do so.

erans and their organizations became much more visible. And they knew it.

That a new era of veterans politics had dawned was obvious as early as 1919, when the newly created American Legion began lobbying Congress for a bonus for the nearly 3.5 million veterans who had served in World War I, a bonus that would have roughly doubled the entire federal budget of \$4 billion. In spite of three presidential vetoes, the bonus became law in 1924, albeit somewhat less generous than originally proposed.²

The victory, and those that quickly followed, clearly established the veterans lobby as a political force to be reckoned with. Today, led by the “big three”—the American Legion, the Veterans of Foreign Wars (VFW), and the Disabled American Veterans (DAV)—and reinforced by a host of smaller, specialized groups such as the Vietnam Veterans of America (VVA) and Paralyzed Veterans of America (PVA), the veterans lobby has forged an “iron triangle” with the Veterans Administration and the House and Senate Veterans Committees. The iron triangle has protected veterans programs for fifty years.

Thus, even though the VA was created by the president, the veterans lobby quickly cast its lot with Congress. It was nothing more than good old-fashioned pork-barrel politics. Not only would members of Congress care more about taking care of *their* veterans back home, they would take ownership of the VA as a delivery system for local constituents, including the doctors, nurses, and construction workers who would either work or build the VA facilities. (In 1987, the VA had \$9.4 billion of construction projects underway, all at the local level.)

Organized into thousands of local chapters always at the ready, the lobby clearly had its greater influence in the halls of Congress, not the West Wing of the White House. The message to local Legion posts and VFW halls was simple: if your VA facility is in trouble, don't hesitate to call your

member of Congress, and if your member doesn't have a facility, don't hesitate to cause trouble. Not surprisingly, many of the VA's flagship facilities were built in the home districts of particularly powerful members of Congress, including a huge, new hospital complex in Martinsburg, West Virginia, home of former Senate Majority Leader Robert Byrd.

My first encounter with the veterans triangle was like stepping into a scene from *Journey to the Center of the Earth*, a movie in which a team of modern-day explorers stumble upon a long-lost world of dinosaurs and volcanoes.

In Ronald Reagan's Washington of anti-big government was an administrative civilization of unimaginable size and scope. Made up of 172 veterans hospitals, 229 outpatient medical clinics, 117 nursing homes, 189 Vietnam veterans "storefront" outreach centers, 58 regional benefit offices, and 111 cemeteries, the VA was operating at a total cost of \$27 billion a year.³

In an age of budget cuts and personnel freezes there was a national hospital system staffed by 194,000 government doctors and nurses, a massive benefits program providing \$15 billion in support to veterans injured both in war and peace, one of America's largest life insurance companies carrying \$213 billion in coverage for some seven million policy holders, a huge home loan program holding \$12 billion in mortgages, and an educational assistance program called the GI Bill helping 240,000 veterans go to school.

In a time of smaller government and privatization there was an agency of almost unimaginable size and scope, second only to the Pentagon in its total number of employees. At 250,000 full- and part-time civil servants, the VA was bigger than the combined departments of Commerce, Energy, Education, Housing and Urban Development, Interior, Labor, the Environmental Protection Agency, Small Business Administration, and National Aeronautics and Space Administration! Only the Department of Defense was