Major Richard Star Act
(H.R. 2102 / S. 1032)

HONOR THEIR SACRIFICE End the Dollar-for-Dollar Offset Now

THE PROBLEM

Veterans who are forced to medically retire due to combat injuries or combat-related injuries are not receiving their full military retirement pay from the Department of Defense (DoD). Reducing their retirement pay because of combat-related injuries is an injustice.

Many veterans have suffered serious combat-related injuries that end their military careers and complicate future job opportunities. Here's how the current law hurts them:

- Service members **with less than 20 years of service** who are medically retired for combat or combat-related injuries can't get their full retirement pay if they also get VA disability pay.
- Their retirement pay is offset dollar-for-dollar, by the amount of VA disability pay they receive. This impacts veterans who still face physical, emotional, and financial challenges from their service injuries.

WHY IT'S UNFAIR

This offset is essentially a "wounded veteran tax." It unfairly takes away benefits Service members earned through their sacrifice and service.

THE SOLUTION

PASS THE MAJOR RICHARD STAR ACT — END THE "WOUNDED VETERAN TAX"

The Major Richard Star Act would end the unjust offset for veterans who:

- Were medically retired
- Sustained combat or combat related injuries
- Are eligible for Combat-Related Special Compensation (CRSC)

About 54,000 veterans meet these rules. This bill would give them the choice to switch to Concurrent Receipt of Disability Pay (CRDP) so their benefits would no longer be reduced. Removing the offset would make a big difference for these veterans.

Nearly a million veterans with 20+ years of service and a 50% disability rating get both retirement pay and VA benefits.

Why not the 54,000 forced to retire from combat injuries?

THEY'VE EARNED IT, TOO.

MYTHS vs. FACTS

MYTH: These soldiers are "double-dipping" when they receive both benefits.

Military retirement pay, and VA disability pay are two separate benefits created for different reasons.

- Retirement pay is money veterans earn for the years they served in the military.
- VA disability pay is extra money to help make up for income veterans might lose in the future because of injuries or health problems caused by their service.

MYTH: The bill is too expensive.

The bill's cost is $8 billion over 10 years — representing just one-tenth of one percent (0.1%) of a single year's defense budget (FY25 $852.2 billion). This bill isn't retroactive and won't include back pay, and the phased-in approach will significantly reduce the full cost of the legislation.

Each veteran can choose the option that works best for them. About half may benefit from the Major Richard Star Act, while others might keep their tax-free CRSC with no extra cost to the government.

MYTH: It would make no real impact on veterans who need it the most.

Veterans could receive an average of approximately $1,200 more each month.

MYTH: This isn't the right time to be offering new benefits.

The Major Richard Star Act is not a new benefit. It fixes a problem from 2004, when Congress eliminated the offset and left out 54,000 veterans who were forced to retire because of combat injuries.

Model State Resolution Template

(For Introduction in Any U.S. State Legislature)

TITLE

A Resolution urging the United States Congress to pass the Major Richard Star Act to ensure that veterans with disabilities receive their full Department of Defense retirement pay and Department of Veterans Affairs disability compensation without offset.

WHEREAS, the Major Richard Star Act (H.R. 2102, S. 1032) before the United States Congress seeks to amend federal law to expand eligibility for concurrent receipt of disability compensation and retirement pay for veterans, allowing eligible veterans to receive the full benefits they earned through their service and sacrifice; and

WHEREAS, current federal law requires a dollar-for-dollar offset of Department of Defense retirement pay for any veteran with a disability who was medically retired with fewer than twenty years of service, which denies veterans the full benefits they earned and creates significant financial hardship for approximately fifty thousand medically retired combat-wounded veterans nationwide ; and

WHEREAS, these veterans, including many who sustained combat-related injuries, lose, on average, more than one thousand dollars per month in earned benefits because of the offset, despite the fact that military retirement and disability benefits compensate for two distinct forms of service and sacrifice; and

WHEREAS, the Major Richard Star Act has strong bipartisan support in Congress, including cosponsors from states across the nation, and has been endorsed by numerous veterans' service organizations for its role in correcting this long-standing inequity; and

WHEREAS, veterans with disabilities and their families have advocated for the elimination of the offset due to the physical, psychological, and financial burdens it imposes, and have urged Congress to act swiftly to ensure full, earned compensation; and

WHEREAS, [STATE] is home to thousands of veterans with disabilities who have served honorably and are impacted by the current offset policy, and the State Legislature recognizes the need to support these veterans by urging Congress to pass this important legislation; now, therefore, be it

RESOLVED, that the Legislature of the State of [STATE] urges the United States Congress to pass the Major Richard Star Act (H.R. 2102, S. 1032) to ensure that veterans with disabilities receive their full Department of Defense retirement pay and Department of Veterans Affairs disability compensation without offset; and be it further

RESOLVED, that copies of this resolution be transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives, the Majority Leader of the United States Senate, each Member of Congress representing [STATE], and to the author of this resolution for appropriate distribution.