Congress of the United States Washington, DC 20515

November 30, 2018

The Honorable Michael J. Missal Inspector General Department of Veterans Affairs 810 Vermont Ave NW Washington, DC 20571

Dear Mr. Missal:

We are writing to request an investigation into allegations that the Department of Veterans Affairs (VA) will withhold retroactive payments for missed or underpaid monthly housing stipends that it failed to pay veterans during delayed implementation of the Harry W. Colmery Veterans Education Assistance Act (P.L. 115-48), known as the "Forever GI Bill."

According to NBC News on November 28, 2018 ("Veterans Affairs Dept. tells Capitol Hill it won't repay underpaid GI Bill benefits recipients"), VA officials told congressional staff that making retroactive payments to veterans for missed or underpaid housing stipends would not be possible because it would create auditing challenges for the VA and delay future claims processing. That decision would be contrary to law and leave an estimated 360,000 veterans robbed of the benefits owed to them.

We understand that Under Secretary for Benefits Paul Lawrence, in testimony before the House Veterans Affairs Committee yesterday, sought to clarify the VA's position by stating that every veteran will be made whole, including with retroactive payments, for their housing benefits. However, it remains unclear if VA intends to provide retroactive payments to veterans for housing stipends based on rates that they were legally entitled to beginning August 1, 2018, or if the VA only intends to make veterans whole based on the rates as they existed before the law took effect—and remain in violation of existing law.

It is important that VA fix the technical and staffing shortages that contributed to its inability to implement the Forever GI bill so that it can continue to provide housing stipends to veterans. However, we remain resolved that VA make veterans whole for any missed or underpaid benefits based on the housing stipend rates that they were legally entitled to when the changes took effect in August 2018. The VA's continued ambiguity about whether it will fulfill this legal requirement threatens to erode our veterans' confidence in the VA's ability to deliver promised care and benefits and demands close oversight and accountability.

In an effort to help us better understand VA's plan to provide complete relief to those veterans impacted by the delayed implementation of the Forever GI Bill, we request your assistance to answer the following:

1. Does the VA intend to apply the August 1, 2018, housing stipend rates, as required by law, for retroactive payments to eligible beneficiaries?

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- 2. If not, under what legal authority would the VA withhold retroactive payments based on the rates required in the Forever GI Bill?
- 3. Who will be responsible for determining which veterans can receive retroactive payments for missed or underpaid benefits, including adjusted housing stipend rates that took effect on August 1, 2018?
- 4. How and when will VA process these retroactive repayments to eligible veterans?
- 5. How, if at all, have IT infrastructure investment decisions at VA's regional processing centers contributed to the current delay in implementing the changes required by the Forever GI Bill, including missed or underpayments owed to veterans?
- 6. How, if at all, have staffing shortages at VA's regional processing centers contributed to the current delay in implementing the changes required by the Forever GI Bill, including missed or underpayments owed to veterans?
- 7. How, if at all, is VA leadership organized and prepared to address IT infrastructure investment challenges at its regional processing centers in its fiscal year (FY) 2020 budget request?
- 8. How, if at all, is VA leadership organized and prepared to address staffing shortages across the VA system, including at the Veterans Benefits Administration that is responsible for processing claims and retroactive payments to veterans, in its FY 2020 budget request?

As always, we appreciate your support of our oversight responsibilities. Your prompt attention to this request will help us as we prepare to consider the VA's FY 2020 budget request so that we can evaluate whether the VA has requested the appropriate resources that it needs to make timely beneficiary payments and deliver other promised care to our veterans.

Sincerely,

BRIAN SCHATZ

U.S. Senator

JOHN BOOZMAN

U.S. Senator

JEANNE SHAHEEN

U.S. Senator

SUSAN M. COLLINS

Swan M. Collins

U.S. Senator

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