

**DETRIMENTAL DELAYS:
REVIEWING PAYMENT FAILURES
IN VA'S EDUCATION PROGRAMS**

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SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,
COMMITTEE ON VETERANS' AFFAIRS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:07 a.m., in room 360, Cannon House Office Building, Hon. Derrick Van Orden (chairman of the subcommittee) presiding.

Present: Representatives Van Orden, Hamadeh, Barrett, Pappas, McGarvey, Ramirez, and Kennedy.

Also present: Representative Budzinski.

OPENING STATEMENT OF TOM BARRETT, ACTING CHAIRMAN

Mr. BARRETT. All right, good morning. The subcommittee will come to order. Starting out, I want to make sure that we stipulate that the chair may declare recess at any time, which we already know we will need to utilize.

I want to welcome the witnesses here today to discuss the Chapter 35 issues that have plagued the U.S. Department of Veterans Affairs (VA) education benefits for the last several months. While I am not the chairman of this specific subcommittee, I am the chairman of the Subcommittee on Technology Modernization, as well as a member of this subcommittee, and a top priority of mine is ensuring VA's technology works for veterans. There is significant overlap with what we are talking about today.

The VA, of course, was created to provide world-class services to the veterans that they serve and that our country owes a debt of gratitude to. Unfortunately, VA has fallen short of providing these services and that promise to veterans and their families through delays in processing a subset of education benefits. This hearing today will review how payment failures in the Department of Veterans Affairs Digital GI Bill (DGIB) program originated.

Since August, estimates are up to 75,000, children or spouses of a veteran who has died, is missing, or have a permanent and total service-connected disability paid through the Dependents' Education Assistance Program had a delay in payments. This is not money that goes to the institution, like the Post-9/11 GI Bill. Instead, the benefit goes directly to the student, who then uses it to pay the institution and cover their expenses. Because of the payment delays, this subcommittee has heard horror stories about stu-

dents not being able to make ends meet because of VA's mistake, and jeopardized their enrollment in their college education.

While I recognize that the situation was made worse by the government shutdown, the VA has failed students by not paying them on time and refusing to communicate with the stakeholders along the way. This hearing today is not about politics or partisan differences in games. It is about getting to the bottom of how this decision was made, who made the decision, who is at fault, and how we can move forward appropriately so that we can have proper authentication for Chapter 35 benefit cases.

Ms. Devlin, while you have only been at the VA a few months, and you and Mr. Smith have overseen this data reconciliation, thousands of claims that were not processed on time. Because of that, I expect the days of the status quo to end, and the VA is holding those responsible for this failure accountable because the subcommittee plans to exercise that responsibility.

Today, we will also examine how many students utilizing VA education programs were impacted. These delays have a real world impact for Dependents' Education Assistance and Post-9/11 GI Bill participants. Military-connected students should not be put in financial hardship due to VA's technology and processes falling short on delivering for our veterans.

While I am new to Congress, I understand that this is at least the fourth time since the Post-9/11 GI Bill was implemented that significant payment delays because of Information Technology (IT) issues have impacted checks going out to veterans and other beneficiaries. If you are a student that is in my district or anywhere else in this country and you are facing delays in education payments from VA, please contact my office or this subcommittee to help work through your issues. My door is always open to help fellow veterans, and we have to make sure we are working through this backlog.

I expect this to be a productive hearing today. Hope to understand who is at fault for this crisis and who at VA will be taking accountability so that we can ensure this does not happen again. I will yield to the Ranking Member for his opening remarks as well.

OPENING STATEMENT OF CHRIS PAPPAS, RANKING MEMBER

Mr. PAPPAS. Well, thank you very much, Mr. Chairman, and thanks for pinch-hitting with this subcommittee today, and thank you to our witnesses for joining.

This is a critically overdue hearing today, and in all my years on this subcommittee, I have never felt as frustrated as I do at this moment. One of the points of frustration is the request that I have made directly to expect a Senate-confirmed appointee to testify today, someone who can provide answers but also take responsibility for the failure to pay out Chapter 35 benefits on time. We do not have that.

While I recognize that Veterans Benefits Administration (VBA) does not have a confirmed undersecretary, it is abundantly clear from VA stonewalling to multiple congressional inquiries and its written testimony that this administration has no intention of taking responsibility and instead is trying to shift our attention and

the blame onto the previous administration. Our veterans and VA beneficiaries deserve a lot better. Forget about pointing fingers. VA's responsibility is to serve veterans when mistakes or unexpected developments occur. VA also has a responsibility to communicate with those same veterans, and veterans expect VA to work with Congress to solve the problem.

As I have always said on the subcommittee, congressional oversight is important regardless of who is in the White House, which is why, Mr. Chairman, we and our veterans have come to expect public and involved supervision of what VA is doing or not doing, no matter which administration is in charge. We have not had that. In fact, in all my years on this committee, I have never experienced this level of stonewalling before.

The Trump administration and its VA have deliberately failed to communicate with Congress and, more importantly, the affected beneficiaries as they try to hide the mess that is been months in the making. VA has issued little to no public acknowledgment for months about the 75,000 beneficiaries whose benefits have been delayed. There have been minimal communications for months to schools and beneficiaries themselves, and there has been zero communication with Congress unless you can count the letter that we received back that did not answer our questions at 5:45 yesterday. Three letters that were sent from members of this committee that went unanswered for a month and a half.

In fact, VA officials refused to formally acknowledge this problem until a briefing on December 5th. That is December 5th. VA knew in September that it had a problem because they sent requirements to Accenture to try to address the backlog. It took 4 months between this problem being identified and Congress being updated. 4 months during which tens of thousands of beneficiaries were left without any information. There is just no excuse for an egregious lack of communication around an issue that affects so many veterans. Any reasonable person would conclude that a deliberate political decision was made to cutoff communications with Congress and veterans to avoid accountability and to hide the problem.

VA continues to refer to the problem simply as a tech issue or a glitch, yet contradicts itself in written testimony. Now, I am glad that the Ranking Member of the Technology Modernization subcommittee, Ms. Budzinski, could join us today, along with Mr. Barrett, to explore that issue. A glitch implies a malfunction. There was no glitch. The software worked as expected. VA's planning factors and assumptions were wrong. VA failed to validate the assumptions and failed to react when things did not go as planned.

Now, the real glitch, the real malfunction here, is VA's unprecedented failure to communicate with beneficiaries, the public, and Congress. This administration and its VA can try to misdirect our attention by blaming the previous administration. Let us do a quick review. The decision to conduct data reconciliation by hand in 2024 was due to VA cultural distrust of automation and the accuracy of the information in the data bases. This has not changed between administrations.

Now, regardless of how we got here, Secretary Collins VA was in charge in August when things began to spiral. Throughout the last few months of ignoring veteran and congressional inquiries, for ex-

ample, the decision to shift to automate some of the claims reconciliation and processing only occurred once VA was late on 75,000 claims and was looking for any possible help. Regardless of what the previous administration set forth, VA could and should have tested the data reconciliation process to validate the assumptions on the time that it would take. June or July would have been great for that to occur. The Trump VA can point to planning that took place in December 2024, but they came in and continued that plan. The absence of decision-making or oversight for 9 months is just as damning as the original planning.

VA failed to follow guidance from the White House on who to furlough during the government shutdown. Government employees working on funded programs, like these mandatory VA education benefits, were directed to work. Yet the information technology staff needed to test and field the automation updates were furloughed and not brought back until the day before the shutdown ended. Worst of all, this administration made the decision not to communicate with veterans, families, and survivors impacted for 4 months. People in our districts were in the dark about what was going on and why their benefits were not getting paid.

One of my constituents from Manchester contacted our office and said, "Due to an error with the VA benefits system, I have not received my education benefits so far this semester. The call-in line that I and the University of New Hampshire Veterans Center staff use to resolve such issues has been deactivated for the duration of the shutdown, leaving me dead in the water. My wife's salary has so far covered our rent and food, but we are at risk of losing childcare for my son due to non-payment, as well as having to miss car payments." The financial stress put on him and his family is evident. It is also unacceptable. We have been elected to advocate on behalf of our constituents, yet VA refuses to do its most basic job and ignores our inquiries for months.

I think we all agree that veterans and their families and their survivors deserve so much better, and we deserve bipartisan advocacy on their behalf when government fails to uphold its promise and deliver the benefits they have earned. The only question is, will we in Congress hold the administration, like any other administration, responsible for fulfilling that promise?

Thank you, Mr. Chairman. I yield back.

Mr. BARRETT. Thank you, Ranking Member Pappas. In accordance with committee rules, I ask unanimous consent that Representative Budzinski from Illinois be permitted to participate in today's subcommittee hearing. Without objection, it is so ordered.

With that, we are going to move on to our witnesses.

Our first witness is Ms. Margarita Devlin, Acting Principal Deputy Undersecretary for Benefits, Veteran Benefits Administration at the Department of Veterans Affairs. Did I get that all correct? It is a lot to put on a business card.

Accompanying Ms. Devlin is Mr. Kenneth Smith, Executive Director at Education Service, Veteran Benefits Administration at the Department of Veterans Affairs.

Our third witness is Mr. Justin Parke, Managing Director, Digital GI Bill Program Manager for Accenture Federal Services.

Thank you all for being here.

I ask the witnesses and our first panel to please stand and raise your right hand.

[Witnesses sworn.]

Mr. BARRETT. Do you solemnly swear that the testimony you are about to provide is the truth, the whole truth, and nothing but the truth?

Thank you, and let the record reflect that the witnesses have answered in the affirmative.

Ms. Devlin, you are now recognized for 5 minutes to deliver your testimony on behalf of the Department of Veteran Affairs.

STATEMENT OF MARGARITA DEVLIN

Ms. DEVLIN. Thank you, Chairman Barrett, Ranking Member Pappas, and members of the subcommittee, thank you for the opportunity to appear before you today. I am joined by Mr. Kenneth Smith, Executive Director for Education Service. I appreciate the chance to speak candidly about the challenges we face with the implementation of Release 8 of the Digital GI Bill platform, particularly its impact on Chapter 35 education benefits.

In August 2025, VA completed a major milestone. The final transition from our 50-year-old Legacy Benefits Delivery Network, or BDN, to the modern digital GI Bill system. This release migrated beneficiaries and payments for Chapters 35, 30, and 1606. The core migration was technically successful. However, there were design challenges. Specifically, a 2024 decision required manual reconciliation of claims for beneficiaries converted from BDN. This was intended to reduce improper payments, but in practice, it dramatically increased processing time.

Unfortunately, the timing of the release, driven by the need to decommission BDN before the end of the fiscal year, meant we could not delay implementation to address the issue.

Chapter 35 students were most severely impacted. While they represent about 24 percent of GI Bill beneficiaries, they made up the majority of pending claims. VA could not delay DGIB release date because of the need to decommission BDN by the end of the fiscal year. This enabled automation and saved approximately \$25 million.

Delays in system readiness, specifically, the inability to support Chapter 35 until the end of March based on previous decisions to change the DGIB program schedule, resulted in a compressed testing period for Chapter 35 and required VA to process claims in BDN that then required conversion in August. The timeframe limited the ability to mitigate issues in advance and reduce the volume of claims requiring manual reconciliation.

Several factors compounded those delays. First, the manual reconciliation requirement was a business decision, not a technical failure, but it more than doubled the time needed to process many claims. Second, testing was compressed due to delays in partner system readiness and the looming BDN shutdown. Third, a lack of enterprise governance in 2024 meant critical decisions were not elevated for broader risk assessment. Finally, we saw a 19 percent surge in Chapter 35 claims likely linked to increased disability decisions following the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act.

When the system went live in August, we quickly identified missing functionality in the Verify My Enrollment tool for Chapter 35 students. We waived the attendance verification requirement to ensure students could still receive payments and communicated this broadly to students, schools, and Congress.

We also faced challenges during the lapse in appropriations. Under our contingency plan, Education Call Center staff were furloughed because they do not establish protected dates for claims of entitlement and payment. While this was consistent with our criteria for protecting life and property that has been in place since 2013, we recognize the impact this had on students and schools trying to get information. We are conducting an after-action review to assess which positions should be considered essential in future contingency planning.

To mitigate the impact of the delays, we took several steps. We validated automation rules to speed up processing where reconciliation was not needed. We directed claims processors to trust prior entitlement calculations to reduce manual work. We developed and tested an automation solution to handle reconciliations. Although the lapse in appropriations delayed its deployment, we launched it on November 15th. It resolved issues for over 5,000 students and enabled more than 1,100 payments. Finally, we recalled furloughed staff streamlining policies to reduce the burden on frontline processors and reimplemented over time once the appropriations bill was signed into law.

Today, our automation rules can now process enrollments for returning Chapter 35 students on the same day. We continue to waive the verification requirement and are working on a change management strategy to ensure students update their contact information for the most convenient verification experience. Looking ahead, we have taken several key steps to prevent such recurrence. We have strengthened executive governance with clear accountability at all levels.

We have reaffirmed an automation-first strategy, reserving manual work for exceptions only. We are enhancing change management, ensuring better field engagement and end-to-end planning.

I will close by saying that while the transition to DGIB is a major step forward, the challenges of Release 8 have underscored the need for strong governance, strategic alignment, and proactive risk management. We are committed to learning from this experience and ensuring our systems better serve veterans and their families.

Thank you for your oversight and support. I welcome your questions.

[THE PREPARED STATEMENT OF MARGARITA DEVLIN APPEARS IN THE APPENDIX]

Mr. BARRETT. Thank you, Ms. Devlin. The written statement of Ms. Devlin will be entered into the hearing record.

Mr. Parke, you are now recognized for 5 minutes to deliver your testimony on behalf of Accenture Federal Services.

STATEMENT OF JUSTIN PARKE

Mr. PARKE. Chairman Barrett, Ranking Member Pappas, members of the subcommittee on Economic Opportunity, thank you for

inviting me to testify at today's hearing. I am Justin Parke, Managing Director of Accenture Federal Services and a member of the Accenture Federal Leadership Team. I am the Program Manager of the Digital GI Bill engagement, leading the implementation and operations of Accenture Federal DGIB systems. I am honored to be here today and to serve veterans and their families in my role on the DGIB program.

Since 2021, through the work on DGIB, Accenture has supported VA's efforts to make it faster and easier for veterans to access and reliably receive education benefits. These education benefits enable veterans to take better care of themselves and their families, and to pursue life-changing post-service goals and aspirations. The education benefits provided by VA have real impact. Compared with a high school diploma holder, a veteran with a college degree can earn an average of 84 percent more, that is \$1.2 million more, over their lifetime.

Since we met last year, we have delivered on our commitment to successfully replace VA's nearly 50-year-old BDN mainframe with our state-of-the-art cloud-based claims processing platform. This technology improves VA's operational resilience, and for the first time in GI Bill's 80-year history, has enabled fully automated processing of Chapter 33 eligibility and Chapter 35 claims.

Through our DGIB automation efforts with VA, more than 55 percent of all education claims, that is all Chapters, all claim types, are processed same day, the vast majority of these in seconds. To date, DGIB has processed over 16 million claims, delivering more than \$43 billion in veteran benefits to 2.3 million unique beneficiaries.

We understand and share the committee's concerns about the Chapter 35 claim backlog. Delayed payments are unacceptable. We recognize the significant impact on veterans and their families, and we have been working tirelessly with the VA to help reduce the backlog and quickly get payments into the hands of eligible beneficiaries. There have been inaccurate reports of a system glitch causing the Chapter 35 backlog. These reports are not true. The system is working as required.

That said, there are many contributing factors to the backlog, but there are two key drivers. First, the number of unique Chapter 35 students increased by 19 percent year on year, increasing veteran claim examiner, or VCE, workload. Second, per requirement, a requirement that VA decided in 2024, DGIB was designed to require a one-time manual validation or reconciliation of BDN Mainframe data for all claimants migrated, and this takes VCE time.

Since December 2024, and before the manual data reconciliation was required, DGIB successfully processed tens of thousands of non-Chapter 33 claims for new beneficiaries and millions of claims overall. Throughout this time, DGIB continued to work as required. When it was identified that VCEs were unable to keep up with the claim workload, we worked closely with VA to identify solutions that automate a portion of the manual data validation and reconciliation to decrease the backlog.

To give you additional details, on September 23d, VA completed and approved new requirements for this automation, and we developed the system enhancements shortly after. VA completed the

user acceptance testing, approved the enhancements, and we deployed the new automation to production with on November 15th. Since that deployment, we have automatically reconciled data for approximately 88,000 claims, greatly reducing the backlog.

We remain focused on delivering on the promise made to veterans. With the mainframe retired, we have completed all required major technical modernization. VA finally has the technology platform in DGIB that allows it to take full advantage of these automations.

Since the inception of DGIB in 2021, we have improved access to education benefits, and utilization has increased with 42 percent more requests for eligibility, generating billions of dollars in economic activity and creating new jobs. We continue to work with VA to increase automation and deliver education benefits faster, easier, and more reliably, which is what our veterans have earned and deserve.

Thank you, I look forward to your questions.

[THE PREPARED STATEMENT OF JUSTIN PARKE APPEARS IN THE APPENDIX]

Mr. BARRETT. Thank you, Mr. Parke. The written statement of Mr. Parke will be entered into the hearing record.

We will now move on to questions from committee members, and we will each have 5 minutes in which to ask our questions. I will start by recognizing myself for 5 minutes.

I want to get kind of an idea, basically, the timeline under which this takes place. The first step, as I understand it, is the certificate of eligibility. Is that correct? I guess, any of you on the panel, I guess, from the technical side, Mr. Parke would be more familiar. From the process side, perhaps the VA is.

Ms. DEVLIN. That is correct. A certificate of eligibility establishes the eligibility to the program benefit.

Mr. BARRETT. That is the very first step in this process?

Ms. DEVLIN. It is.

Mr. BARRETT. Where was the manual step? Was it on the certificate of eligibility or was it later in that process that it was determined to be a manual verification?

Ms. DEVLIN. It was later in that process. It was converting claims that were previously processed in BDN over to the new system.

Mr. BARRETT. Okay. Would this be students who were previously enrolled? Not a brand new—not a brand new enrollment?

Ms. DEVLIN. That is correct.

Mr. BARRETT. A brand new enrollment would be automated through the new system from the beginning, but those that were continuation, you know, following on another semester, or just adding or reducing your class load, would be done manually in that first tranche?

Ms. DEVLIN. That is correct.

Mr. BARRETT. Who at VA, I understand this took place in 2024, that it was the decision made to do that manually. Is that correct?

Ms. DEVLIN. That is correct.

Mr. BARRETT. Who at VA made that decision?

Ms. DEVLIN. I was not at VA at the time, so I cannot say at which level the decision was made.

Mr. BARRETT. Okay. Mr. Parke, were you in your position working this at that point?

Mr. PARKE. I was in the position as the program manager. I was not in the rooms where the decision was made, but I am aware of the decision, yes.

Mr. BARRETT. Did Accenture offer advice or candor to VA as to the potential risk of making that a manual process and the delays that would likely follow?

Mr. PARKE. Our position in general, as you heard from my testimony, is that we believe automation is the right answer whenever possible.

Mr. BARRETT. Right.

Mr. PARKE. As you heard from VA, there is an automation-first approach that is being taken going forward. At the time, as I understand from those discussions, there was a balance that VA was making between risks of mainframe data and the veteran claim examiner effort that would be needed. As I understand, at the time, in those rooms, the statement was made that the VCEs could handle that workload.

Mr. BARRETT. Okay. That was the VA's position—

Mr. PARKE. Correct.

Mr. BARRETT [continuing]. that the VCE, the veteran claim examiners, would have the capacity to be able to do that?

Mr. PARKE. That is correct.

Mr. BARRETT. Did Accenture offer, you know, basically try and encourage the VA against that, or was it more they are the client, and they get to make that decision?

Mr. PARKE. There are healthy debates. You know, there is no—

Mr. BARRETT. It is very diplomatic.

Mr. PARKE. Yes. No right answer. You know, in this case, obviously, we do not run the mainframe, so we could not speak to the risk specifically. As you have heard, this new leadership team understands the importance of automation. I think if we were to go back and have that discussion, there would have been a different answer.

Mr. BARRETT. Okay. Then coming into 2025, VA has the existing protocol for the manual process that is set in place. At what point did it become apparent to VA that this was going to present a problem, and the VCEs were not in a position to be able to swiftly move through them as they had hoped when they made the decision?

Ms. DEVLIN. I will ask Mr. Smith to speak to the timeline.

Mr. SMITH. Thank you for the question. The conversion happened on August 4th. Initially, our focus—

Mr. BARRETT. Of 2025, correct?

Mr. SMITH. Of 2025. Initially, our focus was on the lack of that verification of enrollment, and that was the problem that we solved. By September, we were seeing or hearing anecdotal stories from claims processors that this reconciliation process was not taking minutes as originally anticipated, but rather hours. We immediately started putting procedures in place to streamline and essentially trust the data that is coming out of our 50-year-old system that has been used to pay countless numbers of Chapter 35 students. Then we began to build an automation solution to try to get these claim or reconciliations completed as quickly as possible.

Mr. BARRETT. It was really around the time that students were re-enrolling in college? Now these are all students who had previously been enrolled, and they were just continuing their education. It was at that moment that they were enrolling into the fall semester, and we get the surge of enrollment requests that all took place?

Mr. SMITH. That is correct. It was very much real-time.

Mr. BARRETT. Okay. VA did not anticipate or do a dry run of how long it would take to process these manually to get an assessment of what that would look like and why that would be problematic?

Mr. SMITH. I do not recall any sort of dry run on the claim or process.

Mr. BARRETT. Okay.

Mr. SMITH. We may have done some user acceptance testing on it, but I—

Mr. BARRETT. My time has expired anyway. I will yield to the Ranking Member, and we can maybe pick it up on the next round. Thank you.

Mr. PAPPAS. Thank you, Mr. Chairman. I ask unanimous consent to be able to submit to the hearing record three letters that were sent by Ranking Members Takano, Blumenthal, Budzinski, and myself over the course of October, November, and December.

Mr. BARRETT. Without objection.

Mr. PAPPAS. Thank you. Ms. Devlin, the VA has received these letters. Mr. Smith testified at our last hearing on December 2d that education services passed up responses to these letters, at least to the first two. Last night at 5:45, we received a letter in response that frankly did not answer many of the core questions that were asked in these letters. I also know that the Secretary is well aware of the issue because Ranking Member Takano has spoken to him directly on a couple of occasions in October and November. It would have been great to have the information that we requested in full before this hearing. I find it hard to accept that anything other than the administration is deliberately ignoring our outreach and trying to either hide or avoid addressing this issue. The Secretary missed multiple deadlines to get us that information, and VA has also failed to communicate directly to beneficiaries and to the general public.

Ms. Devlin, why is that? Were you or Mr. Smith directed not to talk to Congress and not to respond in writing to our requests?

Ms. DEVLIN. No, sir. Thank you for the question. We were not directed, so.

Mr. PAPPAS. Well, so what is responsible for the delay then?

Ms. DEVLIN. We apologize for the delay. We did work on getting those responses, and I understand that they were delinquent and apologize for the delay.

Mr. PAPPAS. So—

Ms. DEVLIN. I cannot speak to the process delays that resulted in it taking so long, and I can only just share my apology for that.

Mr. PAPPAS. Do you appreciate what we heard from Mr. Smith, that responses were being formal—formulated and passed up?

Ms. DEVLIN. Yes.

Mr. PAPPAS. Is there a reason why this information was not communicated to Congress?

Ms. DEVLIN. The process of developing a response involves detailed reviews of data because there was—there were a lot of questions with those, and we needed to make sure the data was accurate. There were concurrence processes that went into place before the letter could be—could be submitted.

Mr. PAPPAS. I hope you can see the problem here.

Ms. DEVLIN. I do.

Mr. PAPPAS. Where we are totally in the dark on this, trying to find breadcrumbs, whether it is through Veterans Service Organizations (VSO) or through veterans themselves that we represent, that are reaching out to our offices. We are just trying to get answers and get information, and I think we are owed that on behalf of the American people.

Who is the approval authority to send out information to beneficiaries and to Congress, and why have they limited it so drastically in this instance?

Ms. DEVLIN. It was not our intent to limit communication to veterans, other beneficiaries, or to Congress. We did provide some briefings to the four corners of the Hill, and we did send out some communications to students. Unfortunately, we did not realize the magnitude of the problem and how significant it would be before the shutdown happened and during the lapse in appropriations.

Mr. PAPPAS. Who makes the call on that, though?

Ms. DEVLIN. We determine the content of the communications that need to go out to beneficiaries and to stakeholders. Then there is a departmental process for review and concurrence of those and issuing those communications.

Mr. PAPPAS. You cannot give us a name or put a finer point on that, on who we should be talking to with respect to the lack of communication over 4 months?

Ms. DEVLIN. I would say it is a joint effort between VBA. I am the highest executive at VBA, so I would be the last person who sees anything before it goes out. Then again at the department, there is a review and approval processes.

Mr. PAPPAS. I appreciate the position you are in, but someone has got to take responsibility for this, which is why we were asking for a Senate-confirmed appointee to be here at this hearing today.

Now, you referenced the briefing. There was one that was scheduled for October 1st. It was canceled. During the government shutdown, Congress received only form responses when trying to contact VA for information or to conduct casework for constituents suffering from some of the financial hardship that I referenced in my opening statement. Were you VA education services or VA's congressional liaisons directed not to communicate with Congress?

Ms. DEVLIN. We were bound by requirements of what we can and cannot do during a lapse in appropriations. I will say we took inquiries directly from beneficiaries from VSOs and from schools. I got emails directly, so did Mr. Smith. When there was a financial concern, also through Ask VA, we were monitoring those. If there was a financial emergency, we were handling that situation immediately and communicating with those beneficiaries.

Mr. PAPPAS. I have limited time here. In terms of the plan of furloughing staff, who approved the plan, and why was it out of line with the guidance that the White House had actually issued?

Ms. DEVLIN. The contingency plan the VA had was in alignment with prior contingency plans for which organization, which types of work could be considered accepted, and which types of work had to be furloughed.

Mr. PAPPAS. Who had the signature authority required to bring back the User Acceptance Testing Group from furlough, which was a key issue with respect to the digital GI benefit update?

Ms. DEVLIN. We worked on that as something new that we had not dealt with before in VA, and worked with our attorneys to get clearance on that process.

Mr. PAPPAS. Well, I have got a number of additional questions. Again, incredibly frustrated with the way that Congress has been stonewalled here. We and the American people, and the veteran community deserve answers. I yield back.

Mr. BARRETT. Thank you, Ranking Member Pappas.

I recognize Representative Hamadeh for 5 minutes.

Mr. HAMADEH. Thank you, Mr. Chairman. Now, we are here today because the VA has failed, plain and simple. The title of this hearing is "Detrimental Delays," but let us call it for what it really is: a breach of contract with the men and women who serve this country and the families who supported them.

Now, I sit here as a veteran who knows firsthand how important these benefits are. Now, the GI Bill is not a handout. It is earned. For the survivors and dependents relying on Chapter 35, the families of our fallen and disabled. These delays are not just an inconvenience; they are a crisis. We are talking about students unable to register for classes, families missing rent payments, and veterans being left in the dark. Why? The Department of Veterans Affairs decided to process claims using old dusty spreadsheets and fax machines.

Now, we have spent nearly \$1 billion on a contract with Accenture for the Digital GI Bill. We spent another \$25 million to keep a 1970's legacy system on life support. Yet somehow the solution was to have case managers key files into ancient spreadsheets one claim at a time. Now, that is just not incompetent and wasteful. It is an insult to every veteran in my district. We hear a lot of excuses about complex processing and lapses in appropriations, but the reality is that the VA kept a failed policy in place.

My first question is for you, Mr. Parke. The goal of this subcommittee is to ensure VA programs like the Digital GI Bill tangibly improve the lives of veterans and their families. How much has Accenture been paid to date, and what have veterans and beneficiaries received for this?

Mr. PARKE. Thank you for the question. We have been paid to date \$686 million. For that, we now have the majority of all veterans able to access their benefits to get this certificate of eligibility in seconds, as opposed to weeks and in some cases months. That is a major change to the ability to get your benefits. That has driven an increase in utilization, as you heard in my oral testimony. This result is that we now have, you know, 16 million claims that have been processed and 43 billion in benefits that have been sent out. That is for 2.3 million unique beneficiaries. You can, I am sure, appreciate what that does for veterans and their families.

We did all this while addressing decades of legacy debt, not the least of which was this BDN mainframe, which, if it had failed, as you heard from the VA, due to various issues, such as the fact it is past end of life, the fact that it could not be reasonably updated to comply with legislative and judicial mandates, and the fact that it could not be staffed any longer, given how old the technology was, it would have created impact to veterans and disconnected them from—from their benefits.

We did all of those things while processing all of these claims that you have heard. There are plenty more that has been done for that amount of \$686 million.

Mr. HAMADEH. How long was the system not being used for?

Mr. PARKE. How long was the DGIB system?

Mr. HAMADEH. Yes.

Mr. PARKE. Throughout the entire execution of this contract, the DGIB system has been up and running. It is up 99.99 percent of the time. There has been no interruption of service for the system itself.

Mr. HAMADEH. When did Accenture get paid?

Mr. PARKE. We get paid on a monthly basis based on delivery on specific milestones, and that occurs monthly.

Mr. HAMADEH. You were getting paid when we were not even using the system?

Mr. PARKE. The system has been used every single day since we started in 2021.

Mr. HAMADEH. Yet there is this backlog of over 100,000?

Mr. PARKE. That is correct. As you heard, that is driven by two main factors. You know, the increase in the Chapter 35 year on year of 19 percent, and also the decision to have VCs manually process claims. When they process things manually, it is important to understand they are doing it inside the DGIB system. What changed on September 23d is that we then had approved requirements to automate a portion of that processing so that the VCs would not need to do any manual processing.

Mr. HAMADEH. Right. It took a long time for it to actually get implemented, right? From 2024 all the way to August 2025.

Mr. PARKE. Yes, I guess to help shed light, you know, the—
the DGIB itself had the capability of processing Chapter 35 in December 2024 as a risk mitigation approach. That production capability was used for all new beneficiaries, but not, as you heard from other folks, the beneficiaries that were already in the mainframe. What occurred in July and then August was the migration of those older claim sets of data into DGIB, and then this reconciliation or validation of data.

Mr. HAMADEH. I am out of time. I yield back.

Mr. BARRETT. Okay, thank you. Mr. Hamadeh yields back.

Ms. Ramirez is recognized for 5 minutes.

Ms. RAMIREZ. Thank you, Chairman and Ranking Member, for holding today's hearing, and our witnesses for joining us today.

As we think about the work that we do here in this committee, we know that education is one of those benefits that, as someone just mentioned, our veterans not just deserve, they have really earned it. I have remained clear since my first day in Congress almost 3 years ago that delivering these benefits that veterans de-

serve has to be a top priority for all of us. I got to be honest with you, it is deeply alarming that we are here today to talk about the failures of the Digital GI Bill.

Let me tell you why. Let us look at the facts. Despite millions of dollars in ample opportunities for the Digital GI Bill to be implemented smoothly and efficiently, a backlog remains, and rollout continues to be a problem. We know that many veterans rely on their GI Bill benefits to remain housed and to access basic necessities. Any delay in receiving these funds could be really dire for them. That is why it is deeply alarming that when Republicans shut the government down, 75,000 Chapter 35 claims were backlogged. As of December 5th, it concerns me that the VA still has approximately 4,400 Chapter 35 claims to process from the fall 2025 semester. To me, that is unacceptable, and I want to ask a couple of questions as follow up.

Ms. Devlin, survivors and dependents rely on education benefits for access to basic needs. When education benefits are not paid on time, veterans have these tough decisions they have to face, right, about where the money will come from. Will it be out of their rent money? Will it be out of their car payments? Will it be the grocery funds? By September, VA knew reconciliation was taking four to six times longer than planned. Why has Congress not immediately been notified when VA's new payments would be delayed for survivors and dependents relying on this income to stay enrolled? Did the VA understand the financial harm the payment delays would cause?

Ms. DEVLIN. Thank you for the question. We also were very concerned about the delays in payments. We did not understand the magnitude of what these delays would cause before the shutdown. I will say we are caught up on the backlog, and we only have 28, as of yesterday, Chapter 35 claims that were received before December 12th. We have 400 that were received for the fall term in the last 7 days. We are caught up with the fall term backlog. I will say that in October, from October to November, we processed 56 percent more payments than the previous year, disbursing \$238 million.

Ms. RAMIREZ. Well, Ms. Devlin, let me follow up on that. We were not notified, and I think that is alarming. This is a body of oversight, and we should have. I appreciate you hearing—hearing you say that you are addressing this. It is not going to happen again. Do you believe it is acceptable, though, that during the government shutdown, affected beneficiaries had no call center, they had no answers, and no response to congressional casework, while still being told that they still had to pay their rent, they still had to cover tuition, they still had to cover childcare without their earned benefits? That is a really easy yes or no. Do you think it is acceptable?

Ms. DEVLIN. We were following the VA's contingency plan. We followed the rule of law on that.

Ms. RAMIREZ. In that rule, there was no call center and no answers, and no response to congressional casework. That is unacceptable.

Mr. Smith, families were told their payments would not be delayed, and then they were. Mr. Smith, you stated that you do not

expect similar problems in the spring semester. What specifically has changed, and why should survivors trust that assurance now?

Mr. SMITH. Thank you for the question. Working with Accenture Partners, we have talked a little bit about the automation of the reconciliation process. We have already pre-reconciled more than 86,000 beneficiaries who may be returning in the spring but were not enrolled in the fall. Add to that all the folks that will continue from fall into spring, all of those people are now automation eligible.

Just yesterday, VA automated 3,500 of the 6,600 Chapter 35 claims that were completed. That is an automation rate of 54 percent. That is 54 percent on top of what our normal claims processors are doing. We are completing more claims at an unprecedented rate and delivering those benefits in a day now.

Ms. RAMIREZ. Thank you, Mr. Smith. I think that that is the goal and priority every single day. Look, January 20th will come before we know it. I do not want to see us go back to some Republican government shutdown where veterans are impacted. It is why this hearing is so important, ensuring that our veterans and their families are getting the acts they need. I look forward to following up with you in the new year. Thank you.

Mr. BARRETT. Thank you, Ms. Ramirez.

Next is Mr. Kennedy for 5 minutes.

Mr. KENNEDY. Thank you, Chairman, and thanks to you, you and the Ranking Member, for hosting this today. Thank you all for being here.

I represent the Buffalo Niagara region, which is home to Western New York's VA Healthcare system and one of only two Post-9/11 GI bill processing centers. For years, workforce shortages at both the Veterans Benefit Administration Regional Office and the Buffalo VA Medical Center have been severe and persistent, particularly in primary care, mental health, urology, gastroenterology, and endocrinology. I have seen how understaffing at the VA affects veterans and their families. It means longer wait times, delayed care, and real consequences for those who rely on these services.

In August 2024, dozens of nurses gathered outside the Buffalo VA to protest pay disparities, excessive work hours, and the VA's hiring freeze. They warned that these severe staffing shortages jeopardize patient safety and undermine the VA's commitment to providing high-quality care for our Nation's bravest. Those warnings were echoed weeks later when the VA's Office of Inspector General (OIG) September 2024 report titled Community Care Consult Delays Despite Staff Advocacy Efforts at the VA Western New York Health Care System in Buffalo. The report found that staffing shortages in both administrative and clinical settings led to delayed consult and appointments, leaving our heroes without the care they needed, including ones who were hospitalized and others who were tragically passed as a result. Despite those known challenges, conditions have continued to deteriorate at the hands of this administration.

At the end of 2024, the VA reported 40,000 vacancies nationwide. Rather than filling those positions, including critical vacancies at the Buffalo VA, the Trump administration imposed a hiring freeze, dismissing approximately 2,400 employees between February 13th

and in February 20–24th of this year. On March 4th, a leaked internal memo revealed plans to lay off more than 80,000 of the VA's 470,000 employees, returning staffing to pre-PACT Act levels. Although the VA later claimed a reverse course on July 7th of this year, that commitment has now been abandoned.

This past Saturday, the VA announced plans to eliminate up to 35,000 health care jobs, including doctors, nurses, and critical support staff. 23,000 more than what the agency said just months ago. Instead of addressing the deficiencies, this administration is exacerbating them. Cutting 35,000 additional health care positions will only deepen the VA's workforce crisis, worsening access to care for veterans in my district and across the country.

For an administration that claims to be pro-service member and pro-veteran, reality is telling a very different story. You cannot claim to support veterans while cutting the dedicated staff who care for them. You cannot claim to support veterans while delaying their benefits. You cannot claim to support veterans while ignoring the concerns raised by members of this committee.

I want to be clear about the human cost. As an occupational therapist myself, I know the consequences of understaffing. Quality of patient care declines, burnout rises, and providers leave not because they do not care, but because the system becomes unsustainable. When that breakdown occurs at the VA, it is our veterans who are paying the price with their lives.

As members of this committee, we are entrusted to upholding this Nation's promise to our veterans, not weakening it. These cuts that the Trump administration is making betray that promise. They are shortsighted, they are un-American, and they are deeply disrespectful to both the veterans who served, and the professionals dedicated to caring for them.

I yield back.

Mr. BARRETT. Mr. Kennedy yields back.

I now recognize Ms. Budzinski for 5 minutes.

Ms. BUDZINSKI. Thank you, Chairman Barrett, and Ranking Member Pappas, for allowing me to join this hearing today. I really appreciate it. Our two subcommittees have performed oversight on the Digital GI Bill program together for several years.

It is unfortunate that the program's relative success has been impaired by recent missed payments and a lack of communication by the department, which has been obviously discussed at the committee already today. Even more unfortunate is that IT hiccups and tech glitches have become the scapegoats when it appears that policy decisions and a lack of planning were actually to blame. Issues that plague too many of VA's modernization efforts. It appears your next policy effort is to accelerate the automation approach, despite the initial choice to not automate due to integrity concerns with the data coming from BDN. I now hear that you are choosing to move to an automation-first strategy.

Ms. Devlin, what work has your team done to ensure that this move is not an overcorrection and will not result in erroneous payments?

Ms. DEVLIN. Thank you for the question. Our accuracy is very high with automation. Excuse me. If automation-first had been the strategy last year, we would not be having this conversation today.

The accuracy of automation is currently at 96 percent for originals and 93 percent for supplementals. Errors do not necessarily mean an error in payment. A lot of times, they are just technical errors that do not result in reduced or overpayment.

Ms. BUDZINSKI. Okay. I find it very alarming that the VA did not notify Congress, as has been said, about these delays for over 3 months. As far as I can tell, VA never officially notified beneficiaries or the VSOs. That lack of communication caused confusion, frustration, and further delays in benefits.

I just want to add my voice to what has been already expressed in this committee today, that sheer frustration over that lack of communication. This absolutely cannot be the norm when errors at the VA occur. I am also concerned that the issues that led to these payment delays will not be fully resolved before veterans and their beneficiaries start classes in January. I urge our VA witnesses here today and the Secretary himself to get ahead of this and communicate with beneficiaries.

Ms. Devlin, it is clear that VA's communication strategy failed veterans during this gap in benefits payment. How has VA assessed the impacts of these errors for the spring semester? How has VA communicated to beneficiaries for potential delays?

Ms. DEVLIN. Thank you for that question as well. It is our practice and our philosophy to communicate early when we know there is going to be a problem. I mentioned earlier that we did not understand the magnitude of this problem and how it would affect our beneficiaries. For your question about the spring term, we automated 50 percent of those—of those claims that we have received so far already in December. We have 997 pending for the spring, but of those, 875 were just received in the last 7 days. I tell you with confidence, we are processing the spring term claims in a timely manner.

Ms. BUDZINSKI. Mr. Park mentioned that back in 2024, that was when the decision was made to manually reconcile, and it was done with the understanding that VCEs had the capacity to take on this load. Ms. Devlin, how did the Deferred Resignation Program or the Voluntary Early Retirement Authority impact VCEs capacity to manually reconcile these claims?

Ms. DEVLIN. Thank you. That is a great question. VBA had excluded claims processors from both the deferred resignation program and from early retirement. We did not have any individuals from that business line, or any claims processors take those options.

Ms. BUDZINSKI. Okay. Okay, great. I yield back. Thank you very much, Mr. Chairman.

Mr. BARRETT. Thank you. Ms. Budzinski yields back.

Mr. McGarvey, for 5 or less minutes so we can get out of here on time.

Mr. MCGARVEY. Thank you, Mr. Chairman. Appreciate it.

You know, too many times up here we use government speak and sterile language like payment delays, when back home at Louisville, you have got veterans, survivors, dependents, who rely on these benefits that they have earned. They rely on them to pay tuition on time. They rely on them to have a roof over their head. The families, when these payments do not show up, they are not incon-

veniened by a payment delay. They are completely blindsided because they have done everything right. This is not just a technical glitch or a policy issue. It is a complete breakdown of trust.

These survivors, these dependents, they applied on time. They checked their status. They waited. They did everything they were supposed to do, and the VA did not tell them the truth about what was happening. These families were left in the dark. We were left in the dark. If we cannot trust the VA to be up front when things go wrong, then how can we trust the VA to fix the problem? Survivors in Louisville and across the country should never, ever have to wonder when they have done everything right, when they or their loved one has put on the uniform and served us, they should never have to wonder if their benefits they have earned will arrive. They have already sacrificed enough. That is what this hearing is about.

Ms. Devlin, you said this was not a glitch, but a business decision. Why did not the VA tell Congress and students, and the people receiving these benefits up front that the claims would take longer? Why were they left in the dark until thousands had already missed payments?

Ms. DEVLIN. Thank you for the question. When we know we have something that is going to impact beneficiaries, we do notify Congress. The challenge was with that business decision that was made in 2024, is that the estimates were that it would take seconds to manually reconcile these claims. It did not, in fact, take seconds. It took, in some cases, hours. As soon as we heard that, we immediately jumped into action to correct the matter. We did not know the magnitude of the delays that would happen, otherwise, we would have notified. We did, we did do a briefing, a Four Corners briefing. Again, at that time, we did not understand the magnitude of the effect on beneficiaries, which we also regret deeply because we understand the impact on these people's lives.

Mr. MCGARVEY. Why did not you understand the magnitude of it?

Ms. DEVLIN. Because when the decision was made last year, the estimates of time would be seconds, and we believed that we would be able to manage that. We also implemented an IT solution to automate the reconciliation. Unfortunately, there was a delay in implementing that, that automated solution, which we believed would correct the problem.

Mr. MCGARVEY. Who was held accountable for this incredible error and mistake?

Ms. DEVLIN. I cannot speak to who made those decisions last year. I was not there.

Mr. MCGARVEY. We would love to know. Looking ahead, I mean, look, we are obviously, we are upset the families are impacted again, blindsided, devastated by these decisions. We have to look ahead, too. What is the VA's plan to make sure the spring semester does not repeat this fall backlog? Will you commit to clear, timely communication with us, with the schools, and with the families if these problems come up again?

Ms. DEVLIN. Thank you. Yes, I make that commitment to you to continue to do a better job of communicating more transparently

with you, all of you on the subcommittee, and also with our beneficiaries.

For the spring term, we automated 50 percent of the spring term enrollments that we have gotten already. Of the ones that we have received just in the last 7 days, well, we only have 997 pending, and of those, 875 were received just in the last 7 days. We are timely on the spring already.

Mr. MCGARVEY. I am glad you brought up automation because you have said automation is helping now, but until that number, I had that only about 13 percent of claims are processed that way. If you are saying it is 50 percent, great. When will these reconciliations be fully automated, and when will they have proper human checks in place to make sure that the automation is doing what it needs to do?

Ms. DEVLIN. Many of the reconciliations are already automated at this point in time. We have corrected that, and our accuracy right now is 96 percent for originals and 93 percent for supplementals. We are—we are processing the claims correctly, we are trusting the BDN data that is coming over, and we are finding it to—to be accurate.

Mr. MCGARVEY. Part of the problem here, and I know I have got short time for lots of reasons, part of the problem here is when you did this right, it happened at the beginning of the semester when families are hit the hardest by this. What is your plan for scheduling future updates so families are not blindsided in this way? Have you thought about the actual time in which you can do this?

Ms. DEVLIN. Absolutely. We generally would not time a release this big around that timeframe. Unfortunately, the contract for the BDN was ending the end of the fiscal year. To be honest, if we had to keep that system alive for another year, not only would it cost 25 million additional dollars, but the risk to students was even greater. We would be having a much different kind of. It would be catastrophic if the BDN shut down.

Mr. MCGARVEY. Thank you. I have a lot more questions, but I am out of time. Mr. Chairman. Thank you.

Mr. BARRETT. Yes, thank you. Due to circumstances beyond the control of this committee, we are going to need to take a brief recess for this panel, these witnesses. Thank you. You are excused. We will reconvene with our second panel.

We have to take leave for a recess for a classified briefing scheduled for all members of the House. Therefore, the subcommittee will stand in recess subject to the call of the chair. I expect to reconvene at 12:25 or as soon as possible. Thank you.

[Recess.]

Mr. BARRETT. All right. Committee will come back to order. Our second panel, we will hear from the following witness. Ms. Ashlynn Haycock-Lohmann, Director, Government of Legislative Affairs at Tragedy Assistance Program for Survivors, also known as TAPS. I would like to welcome the witness on our second panel to the witness table.

I ask you, please stand and raise your right hand.

[Witness sworn.]

Mr. BARRETT. Do you solemnly swear that the testimony you are about to provide is the truth, the whole truth and nothing but the truth?

Let the record—thank you and let the record reflect that the witness of witness has answered in the affirmative. Ma'am, you are now recognized for 5 minutes to deliver your testimony.

STATEMENT OF ASHLYNNE HAYCOCK-LOHMANN

Ms. HAYCOCK-LOHMANN. Chairman Barrett, Ranking Member Pappas, and distinguished committee members, the Tragedy Assistance Program for Survivors is grateful for the opportunity to continue to testify today on behalf of the 120,000 surviving families TAPS is honored to serve and the 168,000 Chapter 35—

Mr. BARRETT. Can you move the microphone a little closer?

Ms. HAYCOCK-LOHMANN. Yes. The 168,000 Chapter 35 beneficiaries who received delayed payments for the fall semester. The recent delays and incomplete payments in the VA's Chapter 35 Survivors and Dependents Education Assistance Program are not just a technical failure. For surviving families, they represent a deeply personal setback at a time when they are already rebuilding their lives after a profound loss.

As a surviving child who previously utilized these benefits, I can say with certainty that when payments do not arrive on time, it creates unnecessary stress and anxiety. When payments were delayed, for me, that often meant hours on the phone and having to choose between attending classes or picking up extra shifts at the restaurant I waited tables at to make sure I could cover rent, food, and bills. This is not a choice any VA beneficiary should have to make, especially when the student did everything they were supposed to do.

Chapter 35 is an education benefit created nearly 70 years ago under the War Orphans Education Assistance Act of 1956. Despite small improvements, the benefit is still only \$15.74 per month. That is less than half of the Montgomery GI Bill and far below the Post-9/11 GI Bill and Fry Scholarship. For students today, it barely makes a dent in the cost of tuition, let alone living expenses. Students using Chapter 35 are the dependents of 100 percent disabled veterans, those who died at service, connected causes, and the families of those who died before 9/11. Populations that already received fewer benefits than their Post-9/11 counterparts.

While the VA has made progress automating Chapter 33 claims through the Digital GI Bill, Chapter 35 was still being processed on Common Business-Oriented Language (COBOL), a system from 1959, until recently. When the VA finally moved toward automation in August 2025, the update triggered major technical failures. In September, the VA told Congress that around 900 students were affected. By mid-October, over 75,000 Chapter 35 beneficiaries still had not received a single payment. In total, 168,000 fall semester beneficiary payments were delayed.

TAPS only learned of the issue because families and schools contacted us, not because VA alerted stakeholders. While we understand that payments often arrive late, the volume of October inquiries this year was unlike anything we had seen since 2018. To date, the VA has not provided any briefings to the VSO community

on what happened or how they plan to fix it. For surviving families, these benefits are not supplemental income. They are a lifeline, a bridge to stability, healing, and opportunity. When payments did not arrive, students missed tuition deadlines, schools could not get information, and families borrowed money or went into debt. Some students dropped courses or delayed enrollment. This hardship is unacceptable for anyone, but especially for survivors who have already endured so much.

This is also not the first time VA Education Services has struggled with major IT changes. In 2018, failures implementing the Forever GI Bill caused a backlog of more than 200,000 claims. Congress acted then to prevent students from being penalized by their schools, a law that helped many of the 168,000 Chapter 35 beneficiaries this year. That law does not protect against eviction notices, repossession, or late fees. Being made whole eventually is not enough. The situation was made worse by the government shutdown. While the IT failure occurred in August, unrelated to the shutdown, the shutdown eliminated the very resources students needed to seek help. The GI Bill hotline was closed, communication staffs were furloughed, yet press releases continued even as 75,000 students were left completely in the dark.

TAPS tried to submit hardship cases through established VA inboxes, but received only automated shutdown messages. Ultimately, we relied on the staff of this committee to help surviving families during a critical time, and we thank them sincerely.

TAPS is committed to working with VA to ensure our surviving families receive their education benefits on time and ensure this never happens again, which is why we recommend VA implement the following. One, make the GI Bill hotline an essential service during any future government shutdown. Two, designate all education claims processors as essential, just as other VBA processors are. Three is to resume the monthly stakeholder calls so that updates, issues, and upcoming IT changes are communicated clearly and consistently. Four, to create an IT rollout plan that avoids the start of academic terms. Last, publicly share rigorous IT testing and rollout plans with the community.

Our surviving families did everything right. They applied early, checked their status, and waited. The system failed them. We must ensure it does not happen again.

On behalf of our surviving families, TAPS appreciates the opportunity to testify today, and I look forward to your questions. Thank you.

[THE PREPARED STATEMENT OF ASHLYNNE HAYCOCK-LOHMANN APPEARS IN THE APPENDIX]

Mr. BARRETT. Thank you. The written statement of Ms. Haycock-Lohmann will be entered into the record. Appreciate your testimony.

Now, we will move on to questions, and I will recognize myself for 5 minutes.

Deeply appreciate your willingness to come and testify in front of the committee and share some of these examples and stories with us. I know you have quite a few folks that you have spoken to that have been deeply affected by this. You know, from our position on this committee, to the extent that, you know, we offer an

apology for that. I want it to be, you know, heartfelt and sincere, that, you know, we want to make sure that this does not happen again, and we want to work with you on that. I am committed to working with the VA to re-engage that periodic, you know, outreach to our VSOs so that there is a flow of information back and forth where they can hear from you and you can hear from them and vice versa.

Also, you know, I began to think about potential policy changes that might be effective in helping to ease this, one of which was the certificate of eligibility. Instead of waiting until a student is about to enroll in college, which might be 10 or more years after they would become eligible due to the death of a parent or family member, why not furnish the certificate of eligibility upon the time that they are eligible? That way, it is one less step in the process later on, and trying to accumulate military records from 10 or 15 or more years prior to that, for example. That is something that we are going to look at.

I know that there was concerns of students that may have been dismissed from school because enough time had gone on. I think there is a 90-day window that they cannot take action against a student. Some of that may have, you know, unfortunately, gone beyond that threshold. Do you know of any institution that, you know, that removed from enrollment a student that fell into this circumstance of not having payment authorized?

Ms. HAYCOCK-LOHMANN. We heard of quite a few schools that threatened to do so. Our casework team is phenomenal and reached out directly to the schools, provided them with the law, and provided them with all of the publicly available information, which is very little from VA. Tried to work with them as well as we work with a lot of private scholarship organizations to try and make sure that there was enough of a payment made for those students if the school was truly threatening that to make sure that they were not going to be dropped.

Mr. BARRETT. Okay.

Ms. HAYCOCK-LOHMANN. The stress and anxiety of that was something that was—

Mr. BARRETT. Oh, sure.

Ms. HAYCOCK-LOHMANN [continuing]. very difficult for them.

Mr. BARRETT. No schools that we know of and that you have heard of disenrolled or unenrolled a student during this? Not that that defends the delay, but we want to make sure that there are not any—any schools that actually followed through on that, to the best of your knowledge?

Ms. HAYCOCK-LOHMANN. Not that we know of, because we made sure those working with other organizations to make sure those payments were at least made to prevent that from happening.

Mr. BARRETT. Okay, thank you. Then do you know how many of the—of the students within the TAPS program were affected by this specific delay?

Ms. HAYCOCK-LOHMANN. We heard from several dozen cases that were true hardship, which we worked directly with your staff to establish. We heard from even larger numbers, more in the hundreds, potentially thousands, that were delayed but did not consider themselves true hardships, especially if they had other schol-

arships and things that were helping supplement at least the tuition piece.

Mr. BARRETT. Okay. Then we have heard that the Chapter 35 backlog has essentially been extinguished. Have you heard from any of your members that does not substantiate that claim?

Ms. HAYCOCK-LOHMANN. Not at this time. Every case that we sent forward was paid fairly quickly, and we are hearing—we have not heard from anyone that they still have outstanding payments.

Mr. BARRETT. As of the last few weeks or so?

Ms. HAYCOCK-LOHMANN. Correct.

Mr. BARRETT. Okay. What, I guess, you may have mentioned this in your testimony in an earlier question, but do you have any regular contact with the VA through your organization, or is that really just sort of halted?

Ms. HAYCOCK-LOHMANN. Normally, we do. We actually have a memorandum of understanding with the VA, and we have worked closely with education services in the past. The stakeholder meeting that I mentioned was held monthly for many years, but the last VA stakeholder meeting occurred in December 2024. We were told in January that they were moving them to quarterly. Then the first two quarterly ones were canceled, and then everything has been removed from the calendar since.

Mr. BARRETT. Okay. Okay. Then, have you heard for the upcoming semester, the January enrollment, obviously, there are going to be individuals applying for either continuation of benefits or for new benefits that they would be enrolling in. Have you heard of any lengthy delays beyond, you know, maybe a couple of weeks or so for these claims to get processed?

Ms. HAYCOCK-LOHMANN. Not that we are aware of, but we also have not been briefed, and to my knowledge, schools have not been briefed on any possible delays or things that schools can be doing to better support students if there is a delay.

Mr. BARRETT. Okay. You have not had from either—or have not heard from either schools or beneficiaries that you are affiliated with that have had lengthy delays for the January semester?

Ms. HAYCOCK-LOHMANN. We generally would not know until a payment does not arrive.

Mr. BARRETT. Okay. So—

Ms. HAYCOCK-LOHMANN. Because the way VA pays, we would not even generally know until February, because the VA pays in the arrears.

Mr. BARRETT. Okay.

Ms. HAYCOCK-LOHMANN. January payments would not arrive until February 1st.

Mr. BARRETT. Okay, thank you.

I will now recognize Ranking Member Pappas for 5 minutes.

Mr. PAPPAS. Thanks, Mr. Chairman. Thank you, Ms. Haycock-Lohmann, for joining us here at this hearing. We really appreciate your testimony.

Now, VA had been calling this problem for months a technical glitch, but it really was not technical at all. It was a result of poor planning and management. I am just wondering if you can tell us more about the level of communication that you may have or have not had with VA to understand this challenge. Did you receive di-

rect communication from VA about this issue, or how did you learn about it?

Ms. HAYCOCK-LOHMANN. We learned from students in schools. We started getting large numbers of outreach, and other VSOs were hearing similar things when we actually do have biweekly education calls within the VSO community to communicate the things we are hearing. We all started hearing a lot of the same things. We were able to work through some back channels and start hearing, especially from committee staff, that they were hearing consistently that there was a bigger issue. To date, we have not received any briefing or messaging from VA on the pathway forward.

Mr. PAPPAS. Okay. As you said, no stakeholder meeting, no quarterly meeting. Those have not been happening. No direct communication. You are piecing this together with your colleagues from other organizations and based on what you are hearing directly from your members?

Ms. HAYCOCK-LOHMANN. Yes. As well as committee staff who were hearing the same thing and were getting more communication at least than we were.

Mr. PAPPAS. Like you, I have been hearing from people on this issue, from constituents who have been impacted by the failure to pay benefits on time, and I spoke to one of those stories in my opening statement. Here I ask unanimous consent that the October 2025 report from the National Association of Veterans Program Administrators on the impact of missed payments and the government shutdown into the record, as it has direct quotes from beneficiaries and hardship and emotional stress that has been put on our veterans and beneficiaries. Mr. Chairman, I ask unanimous consent to put this report into the hearing record.

Mr. BARRETT. Without objection, so ordered.

Mr. PAPPAS. Thanks. Ms. Haycock-Lohmann, what impact, you talked about your own personal experience with delayed benefits, what impact does 4 months of missed benefits have on someone?

Ms. HAYCOCK-LOHMANN. Most Chapter 35 recipients are children. They are, you know, between the ages of 18 and 26. They are young adults. They do not have savings. They generally do not have other income or benefits coming in. Four months of no payments means 4 months of missed rent, 4 months of not making car payments, you know, scrambling to pay for food, things like that that these young adults should not be having to deal with. This is a pretty young community. They do not have that savings, and they generally do not have credit. It also opens them up to predatory actors, things like looking for payday lenders, title loans, you know, emergency situations when you are that desperate to make sure you do not get evicted.

Mr. PAPPAS. You made an important point. There are a lot of folks that are just not moving money between accounts to be able to deal with the lack of benefits being paid on time. You mentioned that people are not necessarily whole even if their benefits have been paid?

Ms. HAYCOCK-LOHMANN. Correct.

Mr. PAPPAS. Well, I appreciate that. You know, can you talk about other ways that you think VA should be acting to address

this? You gave us a list of things that you would hope VA could—could take under consideration including—including making the hotline permanent, ensuring that that is always open for GI Bill beneficiaries, and making sure that, that those stakeholders' calls get back online. You know, what can we work with you on to ensure that VA is, you know, taking steps that are going to help either prevent this from happening again, but also, you know, making sure ultimately that people who have these tough cases and are not getting their answers have some way of getting through the system?

Ms. HAYCOCK-LOHMANN. A big piece of that is transparency and working with the VSO community. We are oftentimes talking to survivors and veterans more closely and daily than the VA generally is. We are hearing these stories, but we are also messaging to them. We put out newsletters. We have social media with large followings. We have ability to make sure this information is getting to the community that it needs to when VA is sending out—they have not sent out really anything specific on this to date. You know, large, we have newsletters and things that are hitting the population that are actually read more closely than large things, you know, from VA that are in legalese that they might not understand what exactly that VA email says. The way we are able to word it, because we are not tied to those legal rules, makes it a little easier for survivors to understand. If we do not know what is going on, we cannot message that to our community.

Mr. PAPPAS. Sure, certainly. I think you probably heard the exchange that we had with VA officials on the first panel. Congress was kept in the dark on this. VSOs were kept in the dark. Beneficiaries were kept in the dark. That level of transparency, you think that would have helped individuals, even if they know their benefits were going to be late, just knowing what was going on and being able to plan would have been of some value to folks?

Ms. HAYCOCK-LOHMANN. Absolutely, because they could have, you know, we could have messaged this out to survivors. We could have worked more closely ahead of time with some of our partner scholarship organizations and the other programs out there that support survivors to make sure that, you know, instead of this very scrambling of trying to make payments, that we were working with them and getting them into some of these other programs to help offset the immediate costs earlier instead of, you know, waiting until it was too late because we did not know what was happening.

Mr. PAPPAS. Well, I thank you for your testimony today and answering those questions and for being patient with us, too. This is an important issue, and we want to continue to engage with you. You—you often help us understand how veterans are receiving information, how beneficiaries are encountering challenges with programs. Your feedback is so critical. Thanks for being here. I yield back.

Mr. BARRETT. Very good. I want to thank our witness on the second panel and our witnesses earlier today for being here to discuss the ways that VA can resolve the issue of delayed payments and ensure that this problem does not happen again. While Chairman Van Orden could not be here today, he takes these issues very seriously. He conveyed that to me and to all of us on this committee.

This will not be our final hearing on the digital GI Bill this Congress. With that, I am going to yield to. Well, I want to dismiss our panel now and then yield to Ranking Member Pappas for any concluding remarks.

Very good. I want to thank our witness on the second panel and our witnesses earlier today for being here to discuss the ways that VA can resolve the issue of delayed payments and ensure that this problem does not happen again. While Chairman Van Orden could not be here today, he takes these issues very seriously. He conveyed that to me and to all of us on this committee. This will not be our final hearing on the Digital GI Bill this Congress.

With that, I am going to yield to—well, I want to dismiss our panel now. Then yield to Ranking Member Pappas for any concluding remarks.

Mr. PAPPAS. Well, thanks, Mr. Chairman, and I think this was an important hearing today.

What is clear is that the problem is not fully solved. We need to continue to dedicate more time to it, examining it, especially as we enter the spring 2026 school semester. People that we hear from the most, veterans, families, survivors themselves, need to have a larger voice. I would like to receive testimony from more VSOs on how their members have been impacted.

I also want to note that we were only discussing Chapter 35 benefits today. Our committee has received reports of delayed benefits in Chapter 31, Veterans Readiness and Employment (VR&E), and Chapter 33, the Post-9/11 GI Bill, during the fall 2025 school semester. We must conduct rigorous bipartisan oversight to identify and address benefits payments issues in those programs as well.

Finally, Mr. Chairman, I would like to have a follow-up hearing on these Chapter 35 delays when we get back from the holiday recess, where we have appointees of the President testifying. We as Congress must assert our Article 1 powers to conduct oversight and demand answers from those attempting to sweep failure under the rug. Those in charge must be held to account.

With that, I would like to thank our witnesses for their flexibility, and I yield back, Mr. Chairman.

Mr. BARRETT. Thank you, Ranking Member Pappas. Again, thank you to all of our witnesses who are here today. This will not be the last time we examine this issue, and we are going to really extract expectations from the VA around what is the appropriate amount of time under which an approval will take place, what is the target time that we are going to have, how are we going to hold to that standard and what is the methodology that we are going to follow to get there.

As I said on the subcommittee in which I serve as chairman, on the Technology and Modernization Subcommittee, there is quite a bit of overlap with this area of jurisdiction as well. Look forward to working with the members of this subcommittee in that effort in that pursuit, as well as our folks at the VA, that we will be working with as well.

Thank you again to all of our witnesses. Thank you to the Ranking Member. I ask unanimous consent that all members have 5 legislative days to revise and extend the remarks and include extra-

neous material. Without objection, so ordered. With that, this hearing is adjourned.

[Whereupon, at 12:45 p.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENTS OF WITNESSES

Prepared Statement of Margarita Devlin

Chairman Tom Barrett, Ranking Member Pappas, and Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the recent challenges associated with the implementation of Release 8 of the Digital GI Bill (DGIB) platform and its impact on the processing of Chapter 35 education benefits. I am accompanied today by Mr. Kenneth Smith, the Executive Director for the Education Service.

Background

In August 2025, the Department of Veterans Affairs (VA) completed the final phase of its transition from the legacy Benefits Delivery Network (BDN) to the modern DGIB platform. This transition was a critical milestone in our multi-year effort to modernize education benefits delivery, improve services for Veterans and their families, and eliminate approximately \$25 million in annual Information Technology maintenance costs through the decommissioning of BDN.

This specific release was designed to migrate beneficiaries and payments from the BDN system to the DGIB system for Chapters 35, 30, and 1606. The migration was successful, resulting in a 99.3 percent success rate. A decision in 2024 which required a complex manual reconciliation for all first-time claims converted beneficiaries, in addition to an August 2025 software release severely impacted our Chapter 35 program. By September, the majority of all pending claims were for Chapter 35 students, which consists of approximately 24 percent of GI Bill beneficiaries.

Root Causes of the Fall 2025 Delays

The delays in Chapter 35 processing during the Fall 2025 enrollment period were the result of several interrelated factors:

1. Manual Reconciliation Requirement:

In February 2024, during the prior administration, VA implemented a policy in the DGIB design requiring manual review and reconciliation of all claims converted from BDN to DGIB. This decision, made at the recommendation of staff to mitigate the risk of improper payments, significantly increased the processing time for each converted claim. This “glitch” was not a technical failure but a business decision that could have been avoided through analytics and risk-based decisions. It was expected to add seconds to minutes to the claims process, but by some reports, this reconciliation requirement more than doubled the time to process these claims.

2. Compressed Testing Timeline:

VA was unable to delay DGIB Release 8 beyond August 4, 2025, due to the requirement to decommission BDN by the end of the Fiscal Year due to loss of contract support and **financial close out of BDN** on September 30. Extension of the contract, if possible, would have cost approximately \$25 million and required BDN to stay online for the full Fiscal Year 2026 to support final Fiscal Year accounting and reconciliation. Delays in partner system readiness—specifically, the payment system’s inability to support Chapter 35 until March 22, 2025, **due to the previous administrations decision to pause and review the DGIB Program**—forced DGIB to compress the testing period for Chapter 35 and required VA to process claims in BDN that would need to be converted in August. This limited the ability to mitigate issues in advance and reduced the volume of claims requiring manual reconciliation.

3. Lack of Enterprise Governance in 2024:

The Office of Inspector General cited the absence of a robust executive governance structure in 2024 as a contributing factor for past DGIB challenges. Without strong oversight, critical decisions about conversion timelines and system integration were not elevated for broader risk assessment, and resulting delays

were absorbed into the DGIB schedule. Fundamental decisions about manual requirements post conversion were not evaluated for mitigation or avoidance, they were accepted and baked into the requirements for the build. Release 8 efforts for BDN decommissioning began as soon as the prior release was put into production.

4. Unanticipated Surge in Claims Volume:

VA experienced a 19 percent increase in Chapter 35 claimants during the July–October 2025 enrollment period compared to the previous year. Preliminary analysis suggests this may be linked to an increase in permanent and total disability decisions following the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act, though further analysis is ongoing.

Call Center

VBA's Contingency Plan for 2025 placed all Education Call Center (ECC) personnel on furlough during the lapse in appropriation, because they do not routinely receive calls from Veterans requesting to establish a date of claim for entitlement and potential payment purposes. The establishment of a protective date for payment was considered the criteria for protection of life and property. As ECC does not do this, they were furloughed. VA is conducting an after action to reassess excepted positions for future contingency planning purposes.

Mitigation Efforts

VA took immediate action to address issues as they arose. Following the August 4, 2025, release, VA identified that Chapter 35 students could not verify their attendance on an external system known as Verify Your Enrollment (VYE). While students could still verify via text or email if enrolled, the lack of the VYE feature for chapter 35 posed an unacceptable degradation in the user experience. VA communicated with students, schools, Congress and others about its mitigation strategy, which included the waiver of attendance verification requirements. The impact was initially a small number of students whose claims had been processed but could not be paid due to the verification process. As the impact of the reconciliation process became the larger issue causing significant degradation in speed to process, this waiver was left in place to allow payment processing immediately for students who had been waiting too long for their education benefits. The Verify Your Enrollment tool was enabled for Chapter 35 students on December 13, and planning for the reimplementation of attendance verification is underway, and the schedule and communications products will be communicated to Congress and stakeholders.

VA quickly reviewed and validated automation rules to speed up processing for Chapter 35 claims where reconciliation was not required. In Fiscal Year 2026 through November 17, 2025, approximately 13 percent of completed Chapter 35 claims were completed through automation. VA continues to assess additional automation capability to speed up delivery of benefits for students.

VA then began to develop solutions to alleviate the high level of effort expended by claims processors on each claim requiring reconciliation. First, in an attempt to relieve the manual processing time, VA provided formal direction to claims processors to allow them to trust entitlement calculations from BDN rather than recomputing and reducing remaining entitlement due solely from the change from BDN to DGIB. Second, VA developed technical requirements to automate the reconciliation process. This automation capability was developed and ready for testing starting on October 6, with a planned release on October 18. At that time, an expected 40,000 reconciliations were expected to be completed, approximately 25 percent of the total pending inventory of supplemental claims. However, the team required to test and deploy the software was furloughed due to the lapse in appropriation.

VA has long relied on claims processor overtime to deliver timely benefits, particularly education benefits, where seasonal fluctuations are common and predictable. Through summer 2025, overtime was directed toward reduction of Chapter 35 inventories in an attempt to work claims down prior to Release 8. Due to the amount of data converted, the release required a full week where no Chapter 35 claims could be processed, and overtime resumed immediately following the release. VA provided an additional \$1.6 million in overtime to Education Service in August 2025, and this was immediately made available to the field for use, specifically to work Chapter 35 claims. VA typically uses overtime in October and November to address surging inventory during fall enrollment. Overtime for Education Service claims processors resumed in mid-November, following passage of the appropriation bill.

Without technology improvements or overtime, VA worked to mitigate impact through other means, recalling quality and training personnel—more than 50 people

who were initially furloughed—to perform claims processing actions, as well as policy positions to lighten the load and streamline processing for front-line personnel. VA began testing the software solution and deployed it on November 15, 2025, which resolved the reconciliation requirement for approximately 5,400 students, resulting in more than 1,100 payments to students. To prevent recurrence in the spring term, VA performed similar reconciliation processing for approximately 67,000 students who have attended in the past year but are not currently enrolled. VA's automation rules can now process enrollments from these students, resulting in a same-day completion.

VA continues to waive the verification of attendance requirement and is currently working on a change management strategy to ensure that students update their contact information with their cell number or email address for simplest and most convenient enrollment verification. For any student who has changed their enrollments, this system will trigger a request to the school to confirm the change, which can also be automated. The verification requirement and change notices are anticipated to reduce the most common causes of overpayments—a simple change to enrolled hours.

Lessons Learned and Path Forward

Identifying the root cause for problems and mitigating them as quickly as possible are always important and urgent steps, but developing lessons learned and communicating a new vision for Education Service is necessary to prevent recurrence.

1. Strengthened Executive Governance:

In 2025, VA implemented a governance structure with clear executive sponsorship to ensure accountability across programs. There are now three clear levels of leadership accountability, under the sponsorship of the VA Deputy Secretary, who ensures integration at the VA level to enforce schedules and commitments across the VA's systems and articulates priorities. The Education Service Executive Director ensures planning and execution at the program level, so that work leads to completion of prioritized requirements across multiple planning cycles. The Program Director ensures the requirements for each build are clear, the contractors can execute them on schedule, and the goals for each release are accomplished.

2. Automation-First Strategy:

We have reaffirmed our strategic objective to automate all possible claims processing, reserving manual intervention for exceptions only. Clearly articulating this strategy will ensure alignment and accountability for accomplishing automation instead of re-building the BDN capability, which was primarily manual.

3. Enhanced Change Management:

We are expanding our change management team and improving field engagement to better anticipate and respond to operational impacts. Going forward, the entire process, from planning, analysis and design will prioritize end-to-end automation, with manual processing capabilities for exceptional cases.

Conclusion

While the transition to DGIB represents a significant step forward in modernizing VA's education benefits systems, the challenges we faced during Release 8 underscore the importance of strong governance, strategic alignment, and proactive risk management. We are committed to learning from these experiences and ensuring that our systems and processes better serve Veterans and their families.

Thank you for your continued oversight and support. I welcome your questions.

Prepared Statement of Justin Parke

Congressman Barrett, Ranking Member Pappas, members of the Subcommittee on Economic Opportunity, thank you for inviting me to testify at today's hearing. I am Justin Parke, a Managing Director at Accenture Federal Services and a member of Accenture Federal Leadership. I am also the Program Manager of our Digital GI Bill engagement, leading the implementation and operations of Accenture Federal DGIB systems. I am honored to be here today and to serve Veterans and their families in my role on the DGIB program.

Since 2021, through our work on DGIB, Accenture has supported VA's efforts to make it faster and easier for Veterans to access and reliably receive education benefits. These education benefits enable Veterans to take better care of themselves and their families, and to pursue life-changing post-service goals and aspirations. The

education benefits provided by VA have real impact. Compared with a high school diploma holder, a Veteran with a college degree can earn an average 84 percent more (\$1.2M) over their lifetime.

Since we met last year, we have delivered on our commitment to successfully replace VA's nearly 50-year-old BDN mainframe with our state-of-the-art cloud-based claims processing platform. This technology improves VA's operational resilience, and, for the first time in the GI Bill's 80-year history, has enabled fully automated processing of Chapter 33 eligibility and Chapter 35 claims.

We completed this milestone ahead of schedule after VA experienced multiple failed attempts to replace BDN over several decades. Retiring BDN and replacing it with modern technology as soon as possible was imperative and is now complete. As we have heard from VA this effort was necessary because of the serious operational risks that BDN created for VA, including but not limited to:

- BDN was past end-of-life, and VA was unable to reasonably update BDN to comply with legislative and judicial mandates such as Dole and Rudisill, meaning that any legislation changes or judicial rulings providing new or updated benefits to Veterans could not be accommodated, and those claims would need to be processed completely by hand;
- BDN was at risk of catastrophic failure, such as overheating and completely shutting down. Due to the age of the system and its component parts, there would be no way to reasonably bring BDN back online, meaning all non-33 claims processing would be stopped in the case of such failure; and
- Of VA staff supporting BDN, more than 80 percent are eligible to retire, with the most knowledgeable and senior technical staff having retired in the past 6 months. Due to the age of this technology, these skillsets are not readily available in the job market, and this talent cannot be replaced, which presents a large risk to keeping the system online and operational for claims processing.

Through our DGIB automation efforts with VA, more than 55 percent of all education claims – all chapters, all claim types – are processed same-day, the vast majority of these in seconds. To date, DGIB has processed over 16 million claims, delivering more than 43 billion dollars in Veteran benefits to 2.3 million unique beneficiaries.

In partnership with VA, we have retired the major legacy systems envisioned, exceeded original Chapter 33 automation aspirations, and are on track to do the same for Non-Chapter 33 automation. We have made it easier for Veterans to access their education benefits and are processing claims for one tenth of the estimated pre-DGIB cost. We have achieved all of this while also accommodating additional requirements and changes to scope, including legacy data migration, data mart, and implementation of legislative and judicial mandates like VET TEC, Dole, and Rudisill that expand eligibility for GI Bill students.

We understand and share the Committee's concerns about the Chapter 35 claim backlog. Delayed payments are unacceptable. We recognize the significant impact that this has had on Veterans and their families. We have been working tirelessly with VA to help reduce the backlog and quickly get payments into the hands of eligible beneficiaries.

There have been inaccurate reports of a system glitch causing the Chapter 35 backlog. These reports are not true. The system is working as required.

There are many contributing factors to the backlog, but there are two key drivers:

- First, the number of unique Chapter 35 students increased by 19 percent year over year, increasing Veteran Claim Examiner, or VCE, workload, and
- Second, per requirements that VA decided in 2024, DGIB was designed to require a one-time manual validation, or reconciliation, of BDN data for all claimants migrated from the mainframe. And this takes VCE time.

Since December 2024, and before manual data validation was required, DGIB successfully processed tens of thousands of non-Chapter 33 claims for new beneficiaries and millions of claims overall. Throughout this time, DGIB continued to work as required. When it was identified that VCEs were unable to keep up with claim workload, we worked in close collaboration with VA to identify solutions that automate a portion of the manual data validation and decrease the backlog.

To give you additional details:

On September 23d, VA completed and approved new requirements for this automation, and we developed the system enhancements shortly after. VA completed the required user acceptance testing, approved the enhancements, and we deployed the new automation to production on November 15th. Since that deployment, we have

automatically reconciled data for approximately 88 thousand claimants, greatly reducing the backlog. We remain focused on delivering on the promise made to Veterans. With the mainframe retired, we have completed all required major technical modernization. VA finally has a technology platform in DGIB that allows it to take full advantage of automations.

Since the inception of DGIB in 2021, we have improved access to education benefits and utilization has increased, with 42 percent more requests for eligibility, generating billions of dollars of economic activity and creating new jobs. We continue to work with VA to increase automation and deliver education benefits faster, easier, and more reliably, which is what our Veterans have earned and deserve. Thank you, I look forward to your questions.

Prepared Statement of Ashlynn Haycock-Lohmann

The Tragedy Assistance Program for Survivors (TAPS) is the national provider of comfort, care, and resources to all those grieving the death of a military or veteran loved one. TAPS was founded in 1994 as a 501(c)(3) nonprofit organization to provide 24/7 care to all military survivors, regardless of a service member's duty status at the time of death, a survivor's relationship to the deceased service member, or the circumstances or geography of a service member's death.

TAPS provides comprehensive support through services and programs that include peer-based emotional support, casework, assistance with education benefits, and community-based grief and trauma resources, all delivered at no cost to military survivors. TAPS offers additional programs, including, but not limited to, the following: the 24/7 National Military Survivor Helpline; national, regional, and community programs to facilitate a healthy grief journey for survivors of all ages; and information and resources provided through the TAPS Institute for Hope and Healing. TAPS extends a significant service to military survivors by facilitating meaningful connections to peer survivors with shared loss experiences.

In 1994, Bonnie Carroll founded TAPS after the death of her husband, Brigadier General Tom Carroll, who was killed along with seven other soldiers in 1992 when their Army National Guard plane crashed in the mountains of Alaska. Since its founding, TAPS has provided care and support to more than 120,000 bereaved military survivors.

In 2024 alone, 8,911 newly bereaved military and veteran survivors connected to TAPS for care and services, the most in our over 30-year history. This is an average of 24 new survivors coming to TAPS each and every day. Of the survivors seeking our care in 2024, 37 percent were grieving the death of a military loved one to illness, including as a result of exposure to toxins; 29 percent were grieving the death of a military loved one to suicide; and only 3 percent were grieving the death of a military loved one to hostile action.

As the leading nonprofit organization offering military grief support, TAPS builds a community of survivors helping survivors heal. TAPS provides connections to a network of peer-based emotional support and critical casework assistance, empowering survivors to grow with their grief. Engaging with TAPS programs and services has inspired many survivors to care for other, more newly bereaved, survivors by working and volunteering for TAPS.

Chairman Van Orden, Ranking Member Pappas, and distinguished members of the House Committee on Veterans' Affairs, the Tragedy Assistance Program for Survivors (TAPS) is grateful for the opportunity to provide a statement for the record on issues of importance to the 120,000-plus surviving family members of all ages, representing all services, and with losses from all causes who we have been honored to serve.

The mission of TAPS is to provide comfort, care, and resources for all those grieving the death of a military loved one, regardless of the manner or location of death, the duty status at the time of death, the survivor's relationship to the deceased, or the survivor's phase in their grief journey. Part of that commitment includes advocating for improvements in programs and services provided by the U.S. Federal Government—the Department of Defense (DoD), Department of Veterans Affairs (VA), Department of Education (DoED), Department of Labor (DOL), and Department of Health and Human Services (HHS)—and State and local governments.

TAPS and the VA have mutually benefited from a long-standing, collaborative working relationship. In 2014, TAPS and the VA entered into a Memorandum of Agreement that formalized their partnership with the goal of providing earlier and expedited access to crucial survivor services. In 2023, TAPS and the VA renewed

and expanded their formal partnership to better serve our survivor community. TAPS works with military and veteran survivors to identify, refer, and apply for resources available within the VA, including education, burial, benefits and entitlements, grief counseling, and survivor assistance.

TAPS also works collaboratively with the VA and DOD Survivors Forum, which serves as a clearinghouse for information on government and private-sector programs and policies affecting surviving families. Through its quarterly meetings, TAPS shares information on its programs and services as well as fulfills any referrals to support all those grieving the death of a military or veteran loved one.

TAPS President and Founder Bonnie Carroll previously served on the Department of Veterans Affairs Federal Advisory Committee on *Veterans' Families, Caregivers, and Survivors*, where she chaired the Subcommittee on Survivors. The committee advises the Secretary of the VA on matters related to veterans' families, caregivers, and survivors across all generations, relationships, and veteran statuses. Ms. Carroll is also a distinguished recipient of the Presidential Medal of Freedom, the Nation's highest civilian honor.

CHAPTER 35 PAYMENT DELAYS

The recent delays and incomplete payments in the Department of Veterans Affairs (VA) Chapter 35 Survivors' and Dependents' Education Assistance (DEA) Program represent not just a technical failure, but a **deeply personal hardship** for those who have already endured the greatest loss imaginable. TAPS is grateful for the Committee's attention to this urgent issue.

Survivors' and Dependents' Educational Assistance, or Chapter 35, is an outdated education benefit created by the **War Orphans' Educational Assistance Act of 1956 (P.L. 634, 84th Congress)**, and it has not had many improvements since then. The Forever GI Bill increased education benefits by \$200 per month; however, that remains nearly half of the amount paid by the Montgomery GI Bill, and far less than the Post-9/11 GI Bill and Fry Scholarship. With the current rate of only \$1,574 per month, Chapter 35 benefits barely make a dent in the cost of an education in today's economy.

Those using DEA are dependents of a 100 percent disabled veteran, those who died of a service-connected death, and those who died before 9/11, all of which are populations that traditionally receive fewer benefits than their active-duty, Post-9/11 counterparts.

While the VA has made major improvements with the Digital GI Bill toward automation for Chapter 33 benefits, they only recently switched from utilizing COBOL to process most Chapter 35 claims. COBOL is a program from 1959 and is not widely utilized anymore. While we appreciate VA moving toward automation of Chapter 35 claims, the fact is that a total of 168,000 payments were significantly delayed for the fall 2025 semester.

In August 2025, the conversion from COBOL to the new processing system triggered a technical glitch. The VA did not inform any external stakeholders of this glitch until September 2025, when they informed Congress that it would only impact approximately 900 students. It was not until Oct. 1, 2025, when over 75,000 Chapter 35 recipients did not get paid, that the glitch became public knowledge. TAPS was made aware of this issue solely after students and institutions notified us of missed payments, rather than through any direct notification from the VA.

At TAPS, we do not consider it unusual for educational benefits to be delayed until after October 5th for the fall semester or March 5th for the spring semester. We understand that the VA pays benefits in arrears and that earlier payments are often partial because students attend only a few days of classes in August and January. Until those dates, unless a student is experiencing hardship, we generally advise them to wait.

However, we were surprised by the significant increase in inquiries this October. The VA announced that all education benefits would continue during the shutdown; they did not mention the technical glitch affecting Chapter 35 in that messaging.

For the surviving families we serve, education benefits are more than financial support—they are a pathway to healing, stability, and renewed purpose after tragedy. Survivors should not have to relive crisis moments simply because a system update failed. When those benefits fail to arrive, the consequences are real, immediate, and deeply felt.

Many of these students live month to month. Education benefits are not a supplement; they are a primary lifeline. When payments were delayed:

- Tuition deadlines were missed.
- Institutions of Higher Learning (IHLs) were left without information.
- Families were forced to borrow money or take on debt.

- Some students were forced to drop courses or delay enrollment.

For a survivor or dependent already navigating life after loss or injury, this added burden is unacceptable.

This is not the first time VA's Education Services has failed to properly implement an Information Technology (IT) update. In 2018, the VA experienced major delays and errors in housing and education payments due to problems implementing the Forever GI Bill. The Forever GI Bill required the VA to calculate the Monthly Housing Allowance (MHA) based on the location of the student's campus, not the location of the school's main campus. To do this, the VA needed a significant IT upgrade. That upgrade failed repeatedly, and the system could not process claims correctly. At its peak, the backlog reached over 200,000 claims before the VA eventually acknowledged it could not meet the legal requirements set forward by Congress.

What happened this fall is especially concerning, given the events of 2018—one of the most significant breakdowns in VA Education Services' history. What we learned in 2018 was the true human impact of how delayed payments translated to students being unable to afford tuition, fees, rent, and insurance. This committee even changed the law in 2018 (P.L.115–407) to ensure GI Bill beneficiaries cannot be penalized by schools—through dropping of classes or late fees—due to delayed VA benefit payments. That law has helped thousands of students during times when VA payments were delayed and heavily assisted the 168,000 Chapter 35 beneficiaries whose payments were late this semester.

While preventing students from being dropped from classes is critical, the law does not do anything when students can't pay their rent, car payments, or insurance. It doesn't prevent them from being evicted or having their car repossessed. Being made whole "eventually" does not prevent students from racking up late fees or fearing homelessness.

As the primary organization supporting families of the fallen, TAPS heard from families across the country who were blindsided by the delays. They did what they were told to do: They applied early; they checked their status; they waited for payments—and the system failed them.

IMPACT OF GOVERNMENT SHUTDOWN

Initially, the VA attributed the technology failure to the shutdown, but it is important to note that the government shutdown was not a factor in August when the IT update failed. However, the shutdown did exacerbate the situation. Because of the shutdown, all of the resources students would normally rely on were unavailable. With the GI Bill Hotline closed, students had no avenue to seek assistance for hardships.

The VA informed us that they had developed a "communications plan" to inform beneficiaries and IHLs about the IT failure, but the communications staff responsible for executing that plan in early October 2025 had been furloughed. However, not all communications personnel were furloughed, as the VA continued issuing press releases during the shutdown—yet they were still unable to communicate critical information to the 75,000 dependents who were not being paid and were left completely in the dark.

TAPS submitted hardship cases to the same VA Education Services inboxes we have used for years, only to receive auto-generated responses stating: "As a result of a lapse in appropriation, VBA non-furloughed personnel are limited to performing duties and responsibilities excepted by law. Requests for assistance may be delayed if they are not considered an excepted activity by law. I apologize for any inconvenience this may cause."

Ultimately, the only way we were able to assist certain hardship cases was by sending them directly to staff at the House Committee on Veterans' Affairs and having them submit the cases on our behalf. TAPS thanks the professional staff, especially Chase Bergerson, Allyson Horn, and Halle Sarkisian, for assisting our surviving families during this very difficult time.

IMPACT STORIES

Jonathan Mackey, Surviving Son of SSGT Matthew Mackey, Iowa National Guard

"I am currently a senior at Southeastern Louisiana University and have been using Chapter 35 education benefits for the past year. I appreciate the opportunity to share my experience regarding the use of these benefits this fall.

"My school certified my enrollment in July. I recognize that I'm among the students this semester who have received any Chapter 35 payments, and I'm grateful. How-

ever, my issue has been underpayment. When my certification was first submitted, one of my classes was still waitlisted, so the VA initially recorded me as less than full-time. My school submitted a correction, but I was told that the VA was significantly backlogged in processing Chapter 35 amendments.

"Two weeks later, I received a random amount that still did not add up to the missing funding. My September payment was issued as the government shutdown began, again reflecting an incorrect amount. My school filed another amendment, but I was informed that due to the shutdown, no corrections would be processed for the foreseeable future. I was also told it could take months before the issue is resolved. The payments received this fall are completely random amounts that vary from less than half-time to less than three-quarters' time, even though I am a full-time student with 15 hours this semester.

"Meanwhile, my expenses continue. My November payment was for \$839; this covers my rent, with \$13 left to pay my bills and eat. I am one of five children, and four of us rely on VA education benefits we earned through my father's service and sacrifice. My mother, who forfeited her own earned benefits when she remarried, now works full-time to cover our health insurance while we finish our degrees because TRICARE Young Adult is not affordable for any of us. She also had to step in financially last year to help my siblings due to VA education issues. Now, she has to step in again due to my VA education issues to help meet essential expenses, creating significant hardship for her.

"What makes this even more difficult is the lack of communication and accountability. Calls to the VA education line go unanswered, and students were not informed of these processing delays prior to or during the shutdown. Now, we are told by our schools that we'll receive back pay, eventually, but delayed payments don't keep students housed or fed in the meantime.

"I did everything correctly, submitted my certification, maintained full-time status, and followed up with my school. Yet, I'm still facing months of uncertainty. This situation not only creates financial stress but also affects my ability to focus on my education.

"I hope my experience shows how these administrative delays impact real families—families of those who have already sacrificed so much. We're simply asking for timely processing, communication, and accountability, so that those of us using Chapter 35 benefits can stay focused on our education instead of survival."

Kaanan Mackey Fugler, Surviving Spouse of SSGT Matthew Mackey, Iowa National Guard

"I wish I could say this is the first time we've had issues with my children receiving their education benefits, but it isn't. This is the second year and the third consecutive semester that I've had to step in and cover my adult children's housing and living expenses for months, just so they wouldn't face eviction, repossession, or loss of credit, all because of delays and underpayments from the VA.

"When my husband died, I had 5 little ones at home. I put my career on hold to support his service, and then spent the next 15 years raising our family. The gaps in my education and work history have permanently affected my earning potential. Although I used my education benefits, my survivor benefits were meant to help offset not only the loss of Matt's income but also the years I couldn't work because of our military life.

"Today, even with a master's degree, I work full-time and earn around \$20 an hour. Out of that, I pay health insurance for two of my children because it's cheaper than TRICARE Young Adult, which is totally unaffordable. What's left of my paycheck often goes toward covering the shortfall when their benefits don't arrive. It's a financial hardship for all of us.

"When students use Chapter 35, they have to pay tuition up front. They're told they'll receive \$1,574 per month as full-time students, and they budget accordingly. When payments don't arrive, or arrive in random, reduced amounts, these students and their families are left scrambling.

"We keep hearing, 'You'll get back pay.' But back pay doesn't help when students are sitting in their classes and apartments, wondering how to pay for food or rent today. Even if we were able to reach someone at VA Education Services, Jon wouldn't meet the definition of 'hardship' because I stepped in to prevent an eviction or utility shutoff."

Julie Wargo, Surviving Former Spouse of SPC Michael Wargo, U.S. Army Veteran

"The delay in the receipt of Chapter 35 benefits that my daughter receives caused an extreme amount of stress this fall. Every year, we sit down with spreadsheets,

countlessly going over scholarship opportunities and funding to be able to pay for her nursing program at a State college. Her Chapter 35 benefits are a vital component of paying for her tuition.

“This October, when the benefits were not received on time, we scrambled to find any funding we could come up with to make sure we paid the tuition. Without complete payment, she would not have been able to register for the spring semester, and she could have potentially lost her spot in a rigorous program. She reached out to her State senator, but got no response from his office. She spent countless hours on the phone with the VA, trying to understand what was going on, and was given the runaround.

“We were left in the dark until the end of October, when the first payment was made just 2 weeks prior to the tuition deadline that enabled her to register for spring classes. This just served as another reminder of the loss our family faced 12 years ago.”

Emma Deghand, Surviving Daughter of MSG Bernard Deghand, Kansas National Guard

Emma, a student at Highland Community College, contacted TAPS on November 4, 2025, after not receiving a single payment for Chapter 35 benefits for the fall 2025 semester, which began on August 18, 2025. She stated she was unable to make ends meet and was worried about being evicted from her apartment. When we contacted VA Education Services on her behalf, requesting hardship assistance, we received the following response:

“Thank you for contacting us. As a result of a lapse in appropriation, we are unable to continue performing duties and responsibilities at the Department of Veterans Affairs. We apologize for any inconvenience this may cause. You may leave a message and we will respond when appropriations are in place, and we are able return to a duty status. If this is an urgent matter, there are many VA services that remain operational and may be able to assist you. To access VA’s Human Capital Contingency Plan, please go to VA Contingency Plan for a full list of functions that are continuing and those that are suspended during this time.”

On November 7, 2025, TAPS forwarded Emma’s information to the House Committee on Veterans’ Affairs majority staff, who were able to help expedite her hardship claim. As a result of the Committee’s assistance, Emma was paid on November 10, 2025—nearly two and a half months later than she should have been.

RECOMMENDATIONS

1. **Make the GI Bill Hotline an Essential Service During Government Shutdowns:** During the shutdown, impacted students had no way to file hardship cases because the GI Bill Hotline was closed. Designating the hotline as an essential service will ensure that, in the event of future shutdowns, students retain access to support and do not go without benefits.
2. **Designate All Education Claims Processors as Essential:** It took several weeks for the VA to bring claims processors back during the shutdown, leaving 75,000 dependents without a single payment. Treating education claims processors as essential—consistent with how other Veterans Benefits Administration (VBA) claims processors are treated—will help ensure that already-funded programs continue to operate as intended.
3. **Resume Monthly Stakeholder Calls:** VA Education Services previously held monthly stakeholder meetings to provide updates on the Digital GI Bill, backlogs, and upcoming program or IT changes. These meetings have not occurred since December 2024. Reinstating them would keep stakeholders informed, allow for regular dialog, and strengthen accountability.
4. **Create an IT Rollout Plan that Avoids the Start of Academic Terms:** This is the third time in 7 years (fall 2018, spring 2025, fall 2025) that a VA IT update rollout failed and caused delays in student payments. The VA must develop a plan that ensures systems are fully functional before implementation and avoid releasing major updates at the beginning of semesters, when failures have the greatest impact on students.
5. **Publicly Share Testing Protocols for New IT Rollouts:** The VA does not currently disclose its testing procedures for new IT systems prior to launch. These protocols should be made public and reviewed by the Committee to reduce the likelihood of future failures.

CONCLUSION

TAPS thanks the leadership of the House Committee on Veterans' Affairs, their distinguished members, and professional staff for holding this hearing. TAPS is honored to testify on behalf of the thousands of surviving families we serve.

STATEMENTS FOR THE RECORD

Prepared Statement of Veterans Education Success

Chairman Van Orden, Ranking Member Pappas, and Members of the Subcommittee:

We thank you for the opportunity to present this statement for consideration at this hearing, which includes a review of recent critical failures in the delivery of higher education and veterans' education benefits. Veterans Education Success is a nonprofit organization with the mission of advancing higher education success for veterans, service members, and military families, and protecting the integrity and promise of the GI Bill and other Federal education programs.

In this statement, we address this timely and important hearing topic, "Detrimental Delays: Reviewing Payment Failures in VA's Education Programs."

Unfortunately, payment delays are nothing new when it comes to education benefits at the Veterans Benefits Administration (VBA). At the beginning of the Post-9/11 GI Bill, the U.S. Department of Veterans Affairs (VA) was forced to issue emergency payments of up to \$3,000 to more than 25,000 veterans who were left without their funds.¹ The following year, delayed payments persisted, and nearly 50,000 veterans continued to experience difficulties with VA's failures.^{2,3}

More recently, while implementing the Forever GI Bill, VA experienced major IT failures in the fall of 2018.⁴ Housing payments for as many as 180,000 student veterans were delayed due to computer system updates and processing issues.⁵ A separate—but all too familiar—breakdown occurred in 2023 under the Biden Administration: VA's rollout of the digital enrollment system reportedly triggered an unexpected gap in housing payments.⁶ We testified that "VBA publicly announced a technical flaw that resulted in more than 280,000 student veterans' being delayed on their monthly housing allowance (MHA) GI Bill payments. For nearly 4,000 of these veterans, VBA had to work with the U.S. Department of the Treasury (USDT) to mail hard-copy checks to the individuals to ensure continuity of on-time payments."⁷

- **Problem:** VA's education benefit systems continue to experience recurring payment failures that destabilize GI Bill students' lives.
- **Solution:** Congress should require VA to implement reliable technical safeguards, transparent timelines, and actionable contingency plans for any failure to administer education benefits as otherwise anticipated.

The recurring theme of "technical glitches" that inevitably leaves thousands of GI Bill students missing their education benefits is simply unacceptable. While VA al-

¹Philpott, Tom. "VA, lawmakers share blame for GI Bill delay," *Stars and Stripes*, (Oct. 17, 2009), <https://www.stripes.com/news/2009-10-17/military-update-va-lawmakers-share-blame-for-gi-bill-delay-1991955.html>.

²Daniel, Lisa. "VA Seeks to Eliminate Claims Processing Backlog, Official Says," *Army.mil*, (Dec. 18, 2010), https://www.army.mil/article/49646/va_seeks_to_eliminate_claims_processing_backlog_official_says.

³Scholarships.com. "GI Bill Backlog Continues into Spring," *Scholarships.com Blog*, (Jan. 8, 2010), <https://www.scholarships.com/blog/gi-bill-backlog-continues-into-spring>.

⁴Veterans of Foreign Wars. "Delayed Housing Payments Impacting 180,000 Student Veterans," *VFW Archives*, (Oct. 2018), <https://www.vfw.org/media-and-events/latest-releases/archives/2018/10/delayed-housing-payments-impacting-180000-student-veterans>.

⁵*Id.*

⁶Garcia, Joseph. "Update on Post 9/11 GI Bill MHA Delayed Payment for March 2023," *Veterans Benefits Administration*, (Apr. 19, 2023), <https://content.govdelivery.com/accounts/USVAVBA/bulletins/355e1e1>.

⁷Veterans Education Success. "Statement for the Record Submitted to the Senate Committee on Veterans Affairs 118th Congress, First Session," (Apr. 26, 2023), <https://vetsedsuccess.org/wp-content/uploads/2023/04/Veterans-Education-Success-Statement-For-the-Record-SVAC-4-26-2023.pdf>.

ways has an excuse for the error, the impact of these debacles falls on veterans and their families, who are forced to shoulder the burden of VA's repeated failures.

- **Problem:** VA's repeated characterization of major payment disruptions as isolated "technical challenges" hides systemic weaknesses in planning and delivery of benefits.
- **Solution:** VA must adopt more rigorous testing of technology solutions and independent verification of efficacy. VA should also implement staged technology rollouts that prevent failures from reaching students in the first place.

Continuing the trend of IT failures and poor communication, VA once again left students scrambling this fall. Students who depend on Chapter 35 Survivors' and Dependents' Educational Assistance (DEA) experienced a sudden interruption in their payments. These benefits are fundamental to whether a student can remain enrolled, maintain housing stability, and cover the daily costs of attendance. When those funds disappear, the consequences are immediate and personal, as we saw over the course of this fall semester.

In Florida, the Hayward family found themselves caught in this payment breakdown.⁸ Wayne Hayward is a Marine Corps veteran who is permanently and totally disabled from his service. His daughter, Rachel, had prepared to begin training as a commercial diver and underwater welder in Texas, organizing her move and relying on Chapter 35 payments to make it possible. When her benefit did not arrive, and the GI Bill hotline was shut down, there was no clear way for the family to understand what had gone wrong or how long the disruption might last. Months of planning suddenly hinged on whether an IT malfunction at VA could be resolved in time for her to start school.

Jonathan Mackey, a senior at Southeastern Louisiana University, publicly described how his benefit amount dropped without warning.⁹ He received \$839 for the month, which barely covered his rent, leaving him with roughly \$13 for groceries and other expenses. He explained that he was trying to focus on completing his degree while hoping someone at VA would eventually answer the phone and explain why his housing support had been reduced.

Another student wrote to us to describe the difficult position she faced as a result of the delays: "I have not received one of my payments and it's almost 90 days. I had my vehicle repossessed last week and I am facing eviction with late fees that are mounting[.] I am attending out of State school and I have no family near me. I am in dire need of assistance please help me. I can't get any answers from the emails I sent and the phone calls that go unanswered. I checked the VA benefits website and it shows that my benefits are eligible, but they have not issued any payments. This goes back to August. This is affecting my life tremendously."

What made this situation more damaging was not simply the payment disruption, but the utter lack of communication. VA was aware in August about the risk of payment delays.¹⁰ VA later described the payment failure as being the result of a technical malfunction of their IT rollout.¹¹ Once students became aware of missing payments, no one could get answers because the GI Bill hotline was classified as non-essential during the Federal Government shutdown.

- **Problem:** Students, families, institutions, advocates, and Congress were left uninformed, even though VA knew about the risk of payment delays weeks before they occurred.
- **Solution:** VA should be required to provide proactive, plain-language notifications to students, schools, and oversight entities whenever payment risks are identified.

Congressional staff contacted organizations like ours to verify reports that GI Bill payments were not being disbursed. That outreach underscores the core issue: stakeholders outside VA were forced to determine the extent of the problem on their own because VA did not communicate it openly, even though it knew the risks to

⁸Hersey, Linda F. "Computer 'Glitch' Delays Higher-Ed Payments for Veterans' Dependents and Survivors," *Stars and Stripes*, (Oct. 16, 2025), <https://www.stripes.com/veterans/2025-10-16/veterans-gi-bill-payments-shutdown-19448904.html>.

⁹Dille, Grace. "VA Tech Issue Delays GI Bill Payments for Thousands of Students," *MeriTalk*, (Nov. 10, 2025), <https://meritalk.com/articles/va-tech-issue-delays-gi-bi>, leaving him with roughly \$13 forll-payments-for-thousands-of-students/.

¹⁰Krupnick, Matt. "Complete nightmare: Student veterans, advisers say VA cuts are derailing their educations," *The Hechinger Report*, (Aug. 12, 2025), <https://hechingerreport.org/complete-nightmare-student-veterans-advisers-say-va-cuts-are-derailing-their-educations/>.

¹¹See note 8.

families. The absence of clear information created confusion for schools and exposed students to housing insecurity.

It is also important to view this incident in context. As discussed earlier, this was the third significant technology transition involving GI Bill payments in recent years that has caused considerable payment delays during implementation. Each was scheduled at the beginning of an academic term, when even minor interruptions can quickly lead to adverse outcomes for students. Modernizing systems is essential, but modernization that jeopardizes the delivery of core benefits is misguided. When the scheduling of VA's actions guarantees maximum disruption if anything goes wrong, the planning has already fallen short.

- **Problem:** VA continues to schedule major system changes at the start of academic terms, when even minor disruptions would create maximum harm.
- **Solution:** Congress should direct VA to avoid releasing education benefit system upgrades during critical enrollment or disbursement windows and require independent certification of readiness before launch.

There are practical steps VA should adopt to ensure this is avoided moving forward. Education benefits delivery must be treated as an essential function that does not pause when other parts of government do. A continuity plan is needed so that if one system fails or is offline, another is ready to take over. Institutions should receive clear guidance to avoid penalizing students for late payments due to circumstances beyond their control. Most importantly, when VA becomes aware of a significant risk to on-time payments, it should proactively share that information with students, institutions, policymakers, and advocates before financial harm occurs.

Student veterans, survivors, and their families do not view their education benefits as optional. Oftentimes, they plan their lives around these benefits because that is what they were told they could count on. VA must build on the lessons learned from these failures to reestablish trust with GI Bill students.

- **Problem:** Without stronger accountability and basic execution on benefits delivery, VA will continue to erode student trust in the GI Bill.
- **Solution:** Congress should strengthen oversight requirements, mandate transparent performance metrics, and ensure that students are not left bearing the cost of VA's failures.

Thank you for your attention to this issue and for your continued oversight as VA works to restore confidence in its delivery of education benefits. Veterans Education Success stands ready to support the Subcommittee in any way that helps protect the students and families who depend on these programs.

In summary, the five solutions we propose are for VA to:

- Implement reliable technical safeguards, transparent timelines, and actionable contingency plans for any failure to administer education benefits as otherwise anticipated;
- Adopt more rigorous testing of technology solutions and independent verification of efficacy; implement staged technology rollouts that prevent failures from reaching students in the first place;
- Provide proactive, plain-language notifications to students, schools, and oversight entities whenever payment risks are identified;
- Avoid releasing education benefit system upgrades during critical enrollment or disbursement windows and require independent certification of readiness before launch;
- Finally, for Congress to strengthen oversight requirements, mandate transparent performance metrics, and ensure that students are not left bearing the cost of VA's failures.

Finally, as the higher education industry continues to evolve in these unique times, we also emphasize the importance of maintaining high standards of quality. Student veterans, taxpayers, and Congress must expect the best outcomes from the use of hard-earned GI Bill benefits. We look forward to discussing and reviewing these topics and are grateful for the continued opportunity to collaborate on them.

We appreciate the opportunity to share our views with the Subcommittee, and look forward to continued collaboration.

Information Required by Rule XI2(g)(4) of the House of Representatives

Pursuant to Rule XI2(g)(4) of the House of Representatives, Veterans Education Success has not received any Federal grants in Fiscal Year 2025, nor has it received any Federal grants in the two previous Fiscal Years.

Prepared Statement of Student Veterans of America

Chairman Van Orden, Ranking Member Pappas, and Members of the Subcommittee: Thank you for inviting Student Veterans of America (SVA) to submit a statement for the record on this important hearing titled *“Detrimental Delays: Reviewing Payment Failures in VA’s Education Programs”* today.

With a mission focused on empowering student veterans, SVA is committed to providing an educational experience that goes beyond the classroom. Through a dedicated and expansive network of on-campus chapters across the country, SVA aims to inspire yesterday’s warriors by connecting student veterans with a community of like-minded chapter leaders. Every day these passionate leaders work to provide the necessary resources, network support, and advocacy to ensure student veterans, military-connected students, their families, caregivers, and survivors can effectively connect, expand their skills, and ultimately achieve their greatest potential.

SVA thanks the Subcommittee for considering this issue that would impact student veterans, military-connected students, their families, caregivers, and survivors in higher education.

Introduction

Chapter 35 beneficiaries throughout the Nation started off their Fall 2025 semester without receiving their Monthly Housing Allowance (MHA) due to various technological issues. These students turned to the Department of Veterans Affairs (VA) Education Service for help through their counselors or through the GI Bill Hotline. However, the Federal funding interruptions that began on October 1, 2025, halted these critical operations that student veterans rely on to stay enrolled and housed.

In 2025, the GI Bill remains one of the most powerful tools for veteran success, offering pathways to higher education, economic mobility, and long-term well-being. For many transitioning service members, the GI Bill serves as their first interaction with VA, making it a defining moment that shapes their trust in the whole of VA. A smooth, transparent experience encourages veterans to explore the full range of VA services, from mental health care to career resources, while bureaucratic hurdles discourage engagement. If fully optimized, the GI Bill can serve as the “front door” to VA, ensuring that veterans not only succeed in education but also remain engaged in the broader network of programs designed to support them throughout their lives. The past several years has seen significant advancements in the administration of the GI Bill, including IT infrastructure improvements, automation of benefit processing, and expanded student veteran support services.¹ Some of these services include the GI Bill Hotline (GIBH) and Vocational Rehabilitation Counselors (VRCs). However, on October 1, 2025, the interruptions of Federal funding paused these critical VA Educational Service operations that student veterans relied on to stay enrolled and housed.

GI Bill Hotline

As of February 2024, nearly 840,000 students were receiving some GI Bill benefits, with almost 600,000 of them enrolled at campuses with an SVA chapter.^{2,3} The GIBH is the only place where a student can speak with a live representative about any question they have regarding their GI Bill education benefits. The GIBH is open Monday through Friday between 8 a.m. to 7 p.m. ET by dialing 888-

¹U.S. Department of Veterans Affairs. (n.d.). Transforming the GI Bill experience. Digital VA. Retrieved February 19, 2025, from <https://digital.va.gov/delightful-end-user-experience/transforming-the-gi-bill-experience/>.

²According to the VBA Annual Benefits Report Fiscal Year 2023, updated February 2024, there were 843,135 recipients combined of the Post-9/11 GI Bill (chapter 33), MGIB-AD (chapter 30), MGIB-SR (1606), DEA (chapter 35), and VEAP (chapter 32).

³The number of those receiving GI Bill benefits reported by campus in the VA’s GI Bill Comparison Tool dataset were cross-referenced with campuses present in the SVA system of record as having an SVA chapter.

GIBILL-1 (888-442-4551).⁴ By calling that hotline, a student can speak with a VA representative, knowledgeable in education benefits, to verify payments, fix billing errors, and get real-time benefit guidance when they are unable otherwise. When the interruptions of Federal funding forced the GIBH to close on October 1, 2025, it had potentially left roughly 840,000 students using VA education benefits with nowhere to turn when their monthly benefits were delayed – risking eviction or withdrawal. Students utilizing Chapter 31 Veteran Readiness & Employment (VR&E) were impacted even further to the hotline closing when all VRCs were also furloughed on October 3, 2025.⁵

Vocational Rehabilitation Counselors (VRC)

VR&E, Veteran Readiness and Employment, program has continually evolved to better serve veterans and service members with service-connected disabilities. This unique program is designed to help them prepare for, secure, and sustain meaningful and suitable employment. VRCs are responsible for approving academic plans, authorizing reimbursement stipends for educational supplies, and guiding employment readiness.

In December 2024, SVA has previously testified on the crucial role that VR&E plays in workforce reintegration and how its inconsistencies in service delivery have often left veterans in precarious financial and academic situations.⁶ SVA conducted a survey of its members about their experiences with the VR&E program.⁷ A majority of respondents said they would recommend the program to other service-connected disabled veterans seeking to prepare for, find, and maintain employment.⁸ However, the most significant barrier identified was communication, nearly one-third reported they could rarely reach their VRC, and only one in four had consistent access.⁹ These gaps have led to delayed approvals, interrupted stipends, and stalled career progress.¹⁰ What was once already a strained system had reached a standstill amidst the lapse in Federal funding, and was further exacerbated by the closing of the GIBH. This had left many student veterans uncertain about their ability to continue their training, secure meaningful employment, and provide for their families.

Chapter 35 Survivors' and Dependents' Educational Assistance (DEA) Beneficiaries

GI Bill beneficiaries utilizing their Chapter 35 VA Educational Benefits include children and spouses of veterans or service members who have died, been captured or are missing, or are totally disabled from a service-connected disability.¹¹ The payments help eligible students pay for school or cover expenses while training for a job. Full-time students enrolled in this program receive nearly \$1,600 each month from VA. SVA, amongst our veteran and military serving organizations allies, have started to hear issues amongst their membership on VA system failures that have compounded in light of the shutdown causing nationwide delays in education payments for dependents and survivors relying on Chapter 35 benefits.¹²

SVA heard from several Chapter 35 recipients who experienced significant delays in receiving their fall semester payments. One family reached out to us about their communications via the GIBH throughout the month of September with the goal of resolving their issue before their daughter started their term in November. VA instructed the family to continuously check in using the GIBH throughout the following weeks of October. However, their calls went unanswered once the GIBH halted, resulting in the daughter's enrollment might be impacted. It is without question that these delays have created real financial strain and uncertainty; many are now

⁴ U.S. Department of Veterans Affairs, Veterans Benefit Administration Education and Training Contact Us, https://www.benefits.va.gov/gibill/contact_us.asp.

⁵ U.S. Department of Veterans Affairs, *Human Capital Contingency Plan*, last updated Oct. 3, 2025, <https://department.va.gov/contingency-planning/human-capital-contingency-plan/#table-3-va-functions-to-be-suspended-by-administration-or-staff-office>.

⁶ Student Veterans of America, *EXAMINING the EFFECTIVENESS of the VETERANS READINESS and EMPLOYMENT (VR&E) PROGRAM*, December 11, 2025. <https://docs.house.gov/meetings/VR/VR10/20241211/117750/HHRG-118-VR10-20241211-SD003.pdf>.

⁷ Student Veterans of America, 2024 VR&E Exploration Survey.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ U.S. Department of Veterans Affairs, *Survivors' and Dependents' Educational Assistance*, last updated Aug. 4, 2025, <https://www.va.gov/family-and-caregiver-benefits/education-and-careers/dependents-education-assistance/>.

¹² Linda Hersey, *Computer 'glitch' delays higher-ed payments for veterans' dependents and survivors*, Oct. 15, 2025, <https://www.stripes.com/veterans/2025-10-16/veterans-gi-bill-payments-shutdown-19448904.html>.

struggling to cover basic living expenses such as rent, utilities, and transportation. Others are facing the difficult prospect of taking on additional debt or withdrawing from classes to avoid falling further behind financially.

Recommendations

With the GIBH closed and VRCs furloughed, students had no direct path to resolve payment issues or confirm their benefit status. This has led to uncertainty, financial strain, and the risk of withdrawal of students across the country. Below are several recommendations from SVA to ensure this will not happen again.

First, VA needs to designate staffing for the GI Bill Hotline and VRCs as an “essential service” and protect these services from future funding interruptions. This would ensure that that students retain access to support services and do not go without benefits. Second, SVA urges VA to provide timely communications in a transparent and plain manner to students, schools, Congress, and the veteran/military serving organizations when the risk of payment delays are known weeks in advance before occurring. Last, SVA recommends VA adopt an IT rollout plan that avoids the start of a new academic term and add/drop class period. The beginning of a term poses the highest risk to students if that system does malfunction. The add/drop period are when school certifying officials can confirm a students’ course enrollment for the term. Implementing changes at a different time would allow VA to fully test and stabilize its systems before they are implemented to the masses.

These recommendations will ensure that students will continue to get their benefits in a timely manner but also have a trusted VA resource to help them when they are in a significant time of need. Transparency and accountability must be held to the highest standard when the livelihood of student veterans, military-connected students, family members, caregivers, and survivors are at risk. We need to ensure that VA IT modernization efforts do not create more problems than they solve. When systems fail, student veterans are the ones to suffer the consequences. Modern technology can be used to make VA benefits easier, faster, and more reliable to access and process. If these upgrades are implemented properly, student veterans can focus on their education and career goals rather than spending time navigating a broken outdated system.

SVA welcomes any communication with VA to assist in disseminating timely information to students when an issue arises. Additionally, SVA would appreciate the GI Bill Stakeholder meetings to return to their regular cadence. These meetings have historically been a valuable and effective forum for veteran-and military-serving organization engagement and an important tool for highlighting educational benefit issues early.

The continued success of veterans in higher education in the Post-9/11 era is no mistake or coincidence. In our Nation’s history, educated veterans have always been the best of a generation and the key to solving our most complex challenges. Today’s student veterans carry this legacy forward.

We thank the Chairman, Ranking Member, and the Subcommittee Members for your time, attention, and devotion to the cause of veterans, military-connected students, their families, caregivers and survivors.

Document for the Record Submitted by Chris Pappas

Executive Summary

The 2025 Government Shutdown has had a profound and immediate impact on student veterans, dependents, and active-duty personnel relying on VA education benefits. A mixed-methods analysis conducted by the National Association of Veterans' Program Administrators (NAVPA) reveals systemic vulnerabilities that disrupted financial stability, academic progress, and mental health for thousands of beneficiaries.

Key Findings

- **Widespread Payment Delays:** Nearly **46.9% of students** using GI Bill® benefits did not receive their October payment, leaving many unable to afford rent, tuition, and basic living expenses.
- **Enrollment Impact:** Approximately **30.5% of respondents reported negative effects on enrollment**, with some withdrawing or delaying classes due to lack of funding.
- **Most Affected Groups:** Chapter 35 (Survivors' and Dependents' Educational Assistance), Chapter 33 (Post-9/11 GI Bill®), and Chapter 31 (Veteran Readiness & Employment) recipients experienced the greatest disruption.
- **Communication Breakdown:** Closure of VA Education Call Centers and furlough of VR&E counselors eliminated critical support channels, preventing students from verifying enrollment, requesting hardship assistance, or resolving benefit issues.
- **Emotional and Academic Strain:** Students reported high levels of stress, anxiety, and depression, compounded by financial hardship and uncertainty. Many resorted to loans, credit cards, or additional jobs, risking academic failure.

Systemic Issues Identified

- Delays in benefit processing due to technology updates and furloughed staff.
- Lack of transparency and insufficient contingency planning during shutdowns.
- IT failures and backlog exacerbating payment delays.

NAVPA Recommendations

- **Immediate Actions:** Reopen VA Education Call Centers and classify VR&E counselors as essential personnel to ensure uninterrupted support.
- **Policy Safeguards:** Implement legislative measures to protect veteran benefits during future shutdowns.
- **Operational Improvements:** Schedule technology updates outside peak academic periods and enhance communication protocols for benefit status and hardship assistance.

The findings underscore an urgent need for reform to safeguard educational benefits for those who have served. Without decisive action, future disruptions will continue to jeopardize the academic success and well-being of student veterans and their families.

GOVERNMENT
SHUTDOWN
2025 FINAL ANALYSIS



Dr. Jan Del Signore, Chair
National Association of Veterans' Program Administrators Legislative Committee

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Introduction

Membership Concerns

The National Association of Veterans' Program Administrators (NAVPA) is an organization of institutions and individuals who are involved or interested in the operation of veterans' affairs programs and/or the delivery of services to veterans across the country. A Board of Directors elected at the annual conference governs NAVPA. The purpose of NAVPA is to promote professional competency and efficiency through an association of members and others allied with, and involved in, veterans' educational programs and to promote the development, improvement, and extension of opportunities to any service member, veteran, or dependent of a veteran or service member, for their personal growth and development to its fullest potential. This is achieved through assisting with the assessment and attainment of individual needs, communicating and cooperating with communities, schools, agencies, and organizations at the local, state, regional, and federal levels; developing productive relations with the Department of Veterans Affairs, Department of Education, Department of Defense, and other federal or national Veterans Service Organizations or agency serving veterans; participating in efforts to facilitate the education and/or training of educationally or otherwise disadvantaged veterans and to promote cooperative studies, research, evaluation, workshops, seminars, conferences, and other activities as may be desired or required to fulfill the purpose of NAVPA.

NAVPA has served as the voice of advocacy for veterans in higher education since its founding in 1975. Our research, training, and policy initiatives have developed programs and support services to ensure veterans achieve their academic and professional goals. NAVPA's membership includes over 400 Institutions of Higher Learning across the nation which represent over 530,000 veterans.

One advantage of an institutional membership in NAVPA warrants the availability of a close-knit Listserv allowing NAVPA members to seek information from other institutions and school

administrators who may be experiencing similar issues. Lately, NAVPA members have been sharing information regarding how the current Government Shutdown has affected GI Bill® recipients. Topics of recent discussions include non-payment for Chapter 35, Survivors' and Dependents' Educational Assistance (DEA) program recipients, the closing of the School Certifying Official (SCO) Hotline, and concerns about the furloughed counselors that oversee Chapter 31, Veteran Readiness & Employment (VR&E) benefit.

Schools and students have been contacting their Congressional Representatives and sharing information about how the Government Shutdown has had a negative impact on student veterans and family members. Congressional Staffers from the House of Veterans Affairs Committee (HVAC) and the Senate Veterans Affairs Committee (SVAC) reached out to NAVPA to determine the effects and to garner additional information.

The NAVPA Legislative Committee created a short survey for NAVPA institutions and a separate survey for students attending NAVPA member schools. NAVPA was able to capture data extremely quickly from both institutions and students. The following pages are the data captured after a few hours of opening the survey, with updated results, and final analysis after the survey closed. The objective was to assess the impact of the 2025 Government Shutdown on students, schools, and VA education benefits. NAVPA developed a mixed-methods model using both quantitative and qualitative data to better understand the impact of the Government Shutdown on students using GI Bill® benefits.

School Findings

As initially reported, at 6:00pm on October 8, 2025, NAVPA received 177 responses to the school survey with the final school responses ending October 24, 2025, with 222 anonymous responses from higher educational institutions. Schools reported that the closing of the VA Education Call Center has had a negative impact on institutions and GI Bill® recipients alike. Schools reported that students are upset, frustrated, scared, and have nowhere to turn to find out information about missing VA payments. School administrators are unable to assist these students other than to confirm the students' benefits have been certified to the VA. Without access to the VA Call Centers, students cannot request a hardship to receive their benefits. These students currently cannot pay for basic life necessities such as food, rent, and transportation.

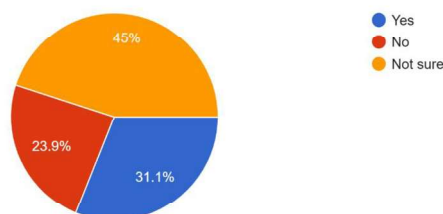
Students typically have an established relationship with their School Certifying Official (SCO) or school administrator, whom they rely on for guidance and support regarding their GI Bill® benefits. With the Call Center shutdown, school administrators and SCOs are no longer able to discuss educational benefits, hindering the process as schools do not know if a payment is delayed, denied, missing information, received, etc. Without this information, schools are unable to fill the gap and help advise students properly regarding their benefits. NAVPA members are reporting that students have been approaching the schools nonstop looking for help since the Government Shutdown on October 1, 2025. In addition, the VA has not been providing any messaging to schools or their students other than the original message that stated benefits would not be affected, to which we have seen the opposite effect as indicated in the data NAVPA was able to capture.

Another top concern reported was no access to counselors that oversee Chapter 31 for disabled veterans. If the counselor was able to process an electronic authorization for their students before they were furloughed, Chapter 31 benefits should be processed. Both schools and students alike have no access to anyone administering VR&E benefits for assistance.

The SCO survey asked if the Government Shutdown has a negative impact on student enrollment. The NAVPA participants had 31% of respondents answer “Yes,” 23.9% responded “No,” and 45% were uncertain about the potential impact on student enrollment. Some schools have continuous classes starting throughout the semester. These schools are reporting that Chapter 31 students are unable to procure VR&E approval to move forward with their enrollment. Schools also reported that new students could not enroll without an approval to use Chapter 31 benefits leaving these disabled veterans without funding or having to delay their enrollment.

Has there been any negative impact on student enrollment?

222 responses

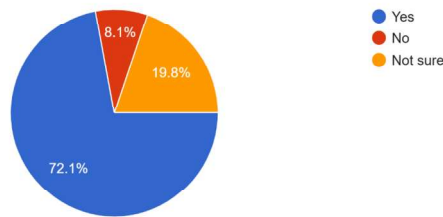


Some schools reported that students have withdrawn due to the uncertainty of the Government Shutdown. Other NAVPA members stated that the Government Shutdown is creating a student retention issue as students are afraid to stay in school with no VA funding being provided. Some schools reported that students have taken on extra jobs during this time. Schools are working to find other resources to assist students, but these are limited.

NAVPA schools reported that the Government Shutdown is having a negative impact on student payments. NAVPA members nationwide are reporting that Chapter 35 recipients are not being paid. After further investigation, several schools reported that this may be a cause and effect from the VA updating their technology in July. One member reported that the upgrade that was pushed out in July caused a crash in August and VA must reprocess Chapter 35 claims. But there is no way to confirm

this with the Call Center being down. Some schools are reporting that their Chapter 35 students have not received any payment since August. There has been no notification that this payment delay occurred from the VA.

Any negative impact on student payments?
222 responses



In October, NAVPA met virtually with the Executive Director, Education Service, VBA, who confirmed that there was a Chapter 35 payment delay that affected over 75,000 recipients. This was caused by the Enrollment Manager (EM) update that occurred in July, but with the software personnel furloughed from the shutdown, the VA must manually process these benefits. Some staff with claims experience have been recalled to assist but the shutdown prohibits overtime, further slowing progress. During the NAVPA Conference October 27-30, 2025, 96% of schools responding to a NAVPA Poll question in the Whova app reported that students experienced a delay in payment for October.

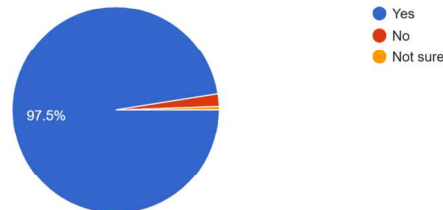
A screenshot of a Whova poll result. On the left, a purple sidebar contains the text: 'Powered by Whova', 'Submit your answer through the Whova app', and a three-step instruction list: '1. Go to the Home tab', '2. Find Polls under "Additional Resources" in the mobile app or just "Resources" in the web portal', and '3. Select the question you are answering'. The main content area has a light blue background and displays the poll question: 'Have your students experienced a delay in payment for October?'. Below the question, it says '252 responses'. The results are shown as two horizontal bars: a long purple bar for 'Yes' at 96% (242 of 252) and a very short grey bar for 'No' at 4% (10 of 252).

Student Findings

Beginning on October 8, 2025, NAVPA received 747 anonymous responses to the student survey, NAVPA concluded the survey on October 24, 2025, with responses collected from 2,428 students nationwide regarding their use of GI Bill® benefits and the effects of the Government Shutdown. Geographic distribution was nationwide, with high concentrations in Alabama, Florida, Colorado, California, and Nevada participating. Much of the data aggregated confirms the data the schools provided in their separate survey. However, students that participated gave more details in how the Government Shutdown has created a negative impact on student veterans and family members. Of those surveyed, 2,368 responded that they are currently using GI Bill® benefits to include, Chapter 33, Post 9/11 GI Bill®, Chapter 31, Veterans Readiness & Employment (VR&E), Chapter 30, Montgomery GI Bill®, Chapter 35, Survivors' and Dependents' Educational Assistance (DEA) program, and Chapter 1606, Montgomery GI Bill Selected Reserve (MGIB-SR).

Are you currently using any GI Bill(R) benefit to include Chapter 33, Chapter 31, Chapter 30, Chapter 35, or Chapter 1606 to attend school?

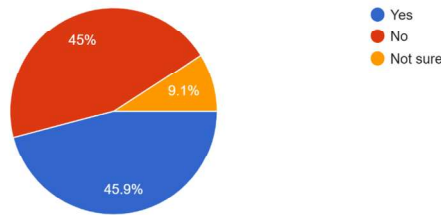
2,428 responses



For those students that responded YES to using GI Bill® benefits, NAVPA asked if they received their October payment. as to which a resounding 45% responded NO. That affects 1,093 students nationwide from the representative sample. Oftentimes, a picture can explain the detrimental effect. The next two charts provide clear examples of the negative impact of the Government Shutdown on

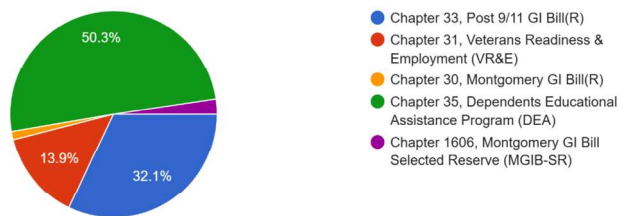
our student veterans and their family members attending school. Proportion of students who received October payments vs. those who did not are defined in the chart below.

If yes, did you receive your VA payment in October?
2,428 responses



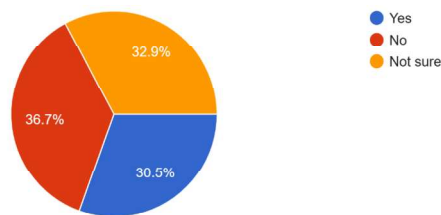
The below chart shows Chapter 35 students provided the most responses and had the most negative impact following with Chapter 33 students and then Chapter 31 for our disabled veterans. All chapters of the GI Bill® felt a negative effect. NAVPA shared the preliminary data with Congress as to which they were surprised to see all types of beneficiary users impacted. With the Call Centers temporarily closed, NAVPA understands that the VA may not have been fully aware that certain categories of beneficiaries had not received their housing payments until this information was brought to their attention.

If no, what benefit are you using?
1,623 responses



Many students are worried about how they will be able to continue attending school without any benefits being paid. Chapter 31 students responded that they were worried how their enrollment would continue without the approval of VR&E counselors. With the large number of students not receiving any housing assistance, many respondents reported that they were taking on additional work to pay for basic survival needs such as food, rent, and gas. Some students reported dropping out of school to take on additional jobs or moving in with family.

Has the Government Shutdown had any negative impact on your enrollment?
2,428 responses



Overall, the quantitative data showed 97.5% of respondents using GI Bill® benefits. Nearly half of respondents reported not receiving their October payment from the VA. Of the students participating, 30.5% report a negative impact on their enrollment due to the Government Shutdown and not receiving their housing benefits. The beneficiaries impacted the most are Chapter 35 (DEA), Chapter 33 (Post-9/11) and Chapter 31 (VR&E).

Like the SCO analysis, a Word Cloud was created to analyze the qualitative data based on the comments provided by students completing the survey. Prominent words included *payment, benefits, rent, school, shutdown, help, contact, and enrollment*. Themes from the qualitative data suggest *financial hardship, delayed payments and lack of communication* as major concerns. Lastly, emotional and urgent terms like *stress, need, and help* indicate the severity of the impact.

Common themes in the qualitative data include frequent mentions of *financial hardship*, *communication issues*, and *systemic problems*, along with moderate but significant references to *emotional impact*.

Under Financial Hardship, students reported eviction threats, homelessness, and food insecurity. With no payment of benefits, students now have increased debt relying on loans and/or credit cards. Many students use their GI Bill® benefits to help pay for tuition. Without these benefits, students are unable to pay tuition, register for classes, or buy textbooks for their courses.

The communication breakdown consists of the VA Education Call Center closure being a major barrier. Students cannot call to verify their enrollment, receive assistance to resolve issues, unable to file any hardship requests, or to confirm benefit status. Students reported that the VA.gov and AskVA portals were insufficient for urgent needs. Inaccessibility of counselors, especially for VR&E students, created undue stress and worry for these disabled veterans.

The systemic problems of delays in processing, system glitches, backlog, and verification failures were key issues and concerns. Students reported VA systemic inefficiencies to include processing delays, transparency, and IT issues compounded the impact.

Lastly, with the emotional and academic impact on students during the Government Shutdown, there are high level reports of stress, anxiety, depression, and academic distraction. Students are forced to work excessive hours risking academic failure. Some students are considering dropping out or delaying graduation as they have not received their benefits to pay living expenses.

The qualitative data gets to the heart and shows the human aspect of the matter and how the current Government Shutdown has had such a negative impact on student veterans, dependents, and active-duty personnel trying to use their earned GI Bill® benefits to go to school. The qualitative data provided an in-depth understanding of experiences directly from students. NAVPA included an addendum to this report with actual student comments so their voices can be heard.

Conclusion

Overview

The comprehensive analysis of the surveys conducted by NAVPA reveals significant insights into the impact of the 2025 Government Shutdown on VA education benefits. The 2025 Government Shutdown exposed systemic vulnerabilities in the administration of VA education benefits. Thousands of students were left without financial support, guidance, or communication.

During this mixed-methods analysis, the number of respondents indicated a significant reliance on GI Bill® benefits while they attend school. The three most effected recipients were Chapter 35 (DEA), Chapter 33 (Post 9/11), and Chapter 31 (VR&E) students. Nearly half (46.9%) of respondents did not receive their October payment, creating widespread financial strain. Approximately 30.5% of respondents indicated a decline in enrollment, while 32.9% expressed uncertainty—reflecting potential systemic instability. Dominant themes include financial hardship and communication breakdown, followed by systemic issues, emotional distress, and policy concerns.

Impact of VA Education Benefit Disruptions

During the Government Shutdown, students relying on VA education benefits encountered significant challenges. Financial hardships are widespread, with many struggling to afford rent, tuition, food, and basic living expenses—often resorting to taking out loans, using credit cards, or taking on multiple jobs. The closure of the VA Education Call Center and furloughs of counselors led to a breakdown in communication, leaving students without critical support or guidance. These disruptions contributed to elevated levels of stress, anxiety, and uncertainty, which negatively affected academic performance and mental health. Additionally, there was notable frustration directed at congressional gridlock, with calls to ensure veteran benefits are protected during future shutdowns. Systemic issues, including delays, IT failures, and verification problems, further compounded the crisis and exposed operational vulnerabilities within the system.

NAVPA Recommendations

Students need to communicate with their school immediately for resources they may not be aware of. Many states and counties offer additional local sources specific to veterans, active-duty personnel, and their family members. Students should inform their SCO if benefits are not received, as schools cannot verify payment delays while VA Call Centers remain closed but may be able to assist with other resources. During the recent NAVPA conference, Congressional staffers invited SCOs to share with them students who were still waiting for their benefits as these staffers are in a unique position to help.

NAVPA strongly recommends that the VA avoid implementing technology updates immediately before the start of academic semesters and to maintain uninterrupted processing of education benefits during Government Shutdowns. Past instances of such timing have led to significant disruptions, negatively impacting students who rely on VA services. For example, earlier in January 2025, VA reported that more than 44,500 students were negatively impacted due to a similar technology update that caused a delay in student payments. To prevent adverse effects on student veterans, the VA should schedule technology updates outside of peak academic periods. Coordinating system changes during less critical times will help ensure uninterrupted access to benefits and support services for all students using their GI Bill®.

NAVPA has urged the VA to reopen the Education Call Center to assist both students and schools who are working with the impacted recipients to improve beneficiary communication immediately. Both Call Centers are still closed as of 11/11/2025. NAVPA recommends enhanced transparency and communication by improving communication with students about benefit status, timelines, and providing hardship assistance.

NAVPA recommends reclassifying Veteran Readiness and Employment (VR&E) counselors as essential personnel. This change would ensure uninterrupted support for disabled veterans,

particularly during Government Shutdowns or other service disruptions. Essential staff would be able to maintain consistent access to vital services for disabled veterans. This classification would help safeguard their educational and rehabilitation progress during periods of operational uncertainty.

NAVPA will be conducting another student and school survey to collect new data for the second week in November which should be sufficient time for the VA to process normal housing payments. This will give more insight into systemic issues and operational vulnerabilities.

NAVPA appreciates all that Congress has done to help our students. This information will be shared with both the House and Senate Veterans Affairs Committees (HVAC and SVAC). After reviewing the data and hearing directly from our students, NAVPA encourages legislative action to safeguard these benefits and ensure continuity of support for student veterans and their families. The testimonies collected reflect a deep need for reform, empathy, and accountability in how the government supports those who have served. As seen in the comments below, this has negatively impacted veterans, disabled veterans, their family members, and survivors nationwide.

In closing, the Government Shutdown exposed critical vulnerabilities in the VA education benefits system. The combination of payment delays, lack of communication, and systemic inefficiencies created severe financial and emotional consequences for student veterans and dependents attending school. These findings underscore the urgent need for policy safeguards, processing improvements, and contingency measures to ensure uninterrupted support for our nation's heroes.

Addendum

Student Voices Sample

Financial Hardship

Students expressed difficulty affording basic needs due to delayed or missing benefits:

I have not received payment for the semester at all and now do not have the ability to speak with a VA representative to remedy the issue.

My parents are having to take out loans to pay for my school that the government should be sending money for since my dad retired from the army

I can't pay my rent and might be homeless next month

I am currently in the Doctorate program at xxxx University (sic) and have been using my chapter 35 benefits to assist in everyday expenses such as gas, internet service, food and housing. My financial planning relies on timely receipt of these benefits. It is a core essential monthly living income that I depend on since losing my husband to a service connected death.

Unable to call the VA hotline and track my payment or even verify my enrollment.

I rely on the my Chapter 35 benefits to help cover my cost of living expenses. I have a campus job, but I am no able to work enough hours to cover all my expenses from that income alone. The shutdown has left me incredibly financially insecure, wondering if the government will open back up in time for me to pay my rent next month.

I am stuck waiting with no answers to whether or not I'll be getting any of my payments for this semester. If I don't receive payments by the end of this month I won't be able to pay my bills and continue to be in school.

I have to drop out and move back home because I was unable to pay rent on the first.

The money i use to pay for books, housing, food, etc. Is now digging into my savings and out of pocket

I can't afford many things like food and clothes and many necessities. I'm having to rely on my parents when they can't afford to give me aid either. I NEED the stipend to survive and right now I'm not surviving.

I haven't received my VA payment which is essential when it comes to paying bills, textbooks, and other school related costs.

I have not received my benefits and am low on money. I cannot reach anyone to figure out when I might get these benefits.

I cannot verify enrollment for this and the last 2 months. So I cannot get groceries or pay rent.

I have not received any payments and have been unable to pay my rent. My application is still being processed.

I'm not able to verify my September time with the VA for my Ch 30 pay.

I should not be worried about my parents losing their jobs while I'm in college.

Haven't received my education benefits. Horrible. No one there to let me know WHEN I'm receiving October payment.

Difficult paying rent/bills. Unknown on when and if I'll receive my Chapter 35 payments.

I had to take out loans to continue my education.

I rely on this money to pay bills. I don't want to ask my parents for money.

I haven't received my monthly payments. I'm working every day and still barely getting by.

I'm stuck waiting with no answers to whether or not I'll be getting any of my payments.

I rely on Chapter 35 benefits to pay for textbooks, travel, and food. I am unable to work as much due to my class workload.

My insurance went up. I can't get needed information that is crucial for my education and paying my bills.

I use my monthly stipend to provide for myself while attending school. If I do not receive a payment soon, I will have to leave school to work.

I haven't been able to get any of my money. I'm left in the dark about when I'll get it and I don't know if I'll be able to pay my bill. I'm trying to get an education and have a good future.

I have not received any education benefits since August. These benefits are what I use to pay rent for living at my college.

My entire family are federal workers. If I can't pay my tuition, I can't ask them to help because they're not getting paid either.

I rely on Chapter 35 benefits to pay for textbooks, travel, and food. I am unable to work as much due to my class workload.

I received \$41 for October from my GI benefits rather than the full amount (approximately \$1900).

I have no source of income if the Government Shutdown continues. I support my spouse, my mom, and others. Congress should not receive pay during a shutdown!

The shutdown has affected all cadets negatively. The stipends are vital to pay for college. We won't receive backpay unless something changes.

I never received my pay from August or September. With the government closed, I'm not sure if my claim is still being processed.

The shutdown caused delays in my educational payments. I've struggled with transportation and housing expenses.

Communication Issues

Students struggled to get updates or assistance due to the call center closure because of the Government Shutdown.

I can't get in contact with anyone about my missed September and October payments.

I understand that relying on the VA for money is not ideal, but as a college student, I was relying on this money. The education call center is important for me to know the timeline of the processing of my enrollment.

I have no one to talk to about the difficulties and hardships going on.

I cannot ask any questions, leaving me confused and feeling unheard.

I can't check my benefits status, verify enrollment, or figure out why I haven't received my check.

I am not able to receive any information on future GI Bill benefits.

I struggle to pay rent and other bills (utilities, groceries, gas, phone, etc) without my monthly payment from August–October. I'm unable to check in on the processing of my benefits.

I have not received my payment for October and I am not able to get any questions answered from the VA due to the shutdown.

I use my stipend to help with daycare and rent. Even with my husband working full-time, we cannot sustain ourselves for long without it.

I am unable to pay bills while in school due to lack of payments. I can't contact the call center to get an update.

I cannot get in touch with anyone to try to get my benefit payments, so I have no help.

I am unable to contact my VR&E counselor for issues with school. I will end up having to drop my classes and will not be able to complete my courses.

Harder to talk to VR&E counselor to switch my benefits. Can't get help if I'm having an issue. We rely on the government to live and it affects us heavily.

I needed to change my minor and inquire about a dropped class, but my counselor is unavailable due to the shutdown. Stop using veterans as political tools.

It has made it harder to get answers about questions I have and needing updates. Please don't shut down the government.

I would like to call to get my questions answered, and I cannot contact them throughout the shutdown. Please work hard to end it!

I can't get in contact with my counselor. I'm stuck in a major that aggravates my disabilities and delays my entry into the workforce.

I am unable to contact my VR&E counselor in efforts to get reimbursed for amounts totaling 5 Figures.

Systemic Issues

The recent VA service disruptions have created widespread systemic challenges including delays in benefit processing, inability to access essential support services, and significant financial strain on students.

I am unable to sign up for classes because VA staff are on furlough.

Processing delays have created more financial burden on us students.

Paperwork is unable to process because the VA offices are unavailable."

I won't be able to pay my tuition on time.

I have not received the proper funds to support myself during this semester and buy my school necessities.

The new payment system has glitches that held up my August stipend payment.

I am interested in applying for VR&E benefits and not sure if I can at this time.

Army TA and other benefits should be processed before the school year starts.

Unable to effectively receive assistance regarding my benefits. I am active duty, I would like to get paid. We are going into debt to make ends meet.

Unable to determine if I'm eligible for a Rudisil review for additional benefits.

I submitted my paperwork early, but I always receive my Chapter 35 benefits late. I've been working more to pay rent and still haven't paid off my books for the semester.

If I do not receive my payment, I will not be able to pay my monthly tuition plan. My account is on hold and I can't register for spring semester.

I'm trying to switch from Post 9/11 to VR&E and the shutdown caused my orientation to be canceled.

Emotional Stress Comments

The shutdown directly impacts veterans who rely on educational benefits to rebuild their lives. These interruptions affect housing stability, mental health, and academic progress.

I was told the VR&E program has stopped indefinitely and I am worried. I need help with my VR&E, I am a disabled veteran and I am almost done using all my GI benefits, but I have more schooling to complete. I am worried about taking out loans to finish my program because I am struggling to balance a full-time job and going to school- so far my school work has suffered this semester.

The new semester is coming up and I'm not sure if I'll be able to continue in the program if the money doesn't come through.

I can barely make rent as a full-time student. I really need to get paid so this is very frustrating for me.

I am going hungry just so my family can have food. This shutdown is making people who rely on the VA suffer.

Veterans are suffering from loss of compensation. This must change and be rectified immediately!

I have to work more which takes away time from studying. I can't find out when my benefits will be processed which is stressing me out.

These education benefits are a big reason why I can go to college and afford it, but not having them is causing stress.

I can't get help navigating the system. The shutdown has made an already stressful situation feel hopeless.

I am scared whether or not I'll be able to pay my tuition and I just applied for a 3rd job to try to pay for my tuition that I needed my benefits to help pay for college.

I have been struggling greatly financially. It has negatively impacted my mental health and continues to make my mental health decline.

This has made me very anxious and uncomfortable because I have been waiting for months on my payment.

The uncertainty is stressful just because we rely on these programs for our livelihood.

I am overwhelmed and worried about how I will pay my bills.

I am broke like a lot of other students but this especially affects me as I try to use my benefits to graduate debt free.

I am stressed out of my skull right now.

Questions for the Record Submitted by Abe Hamadeh

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December 19, 2025

The Honorable Douglas A. Collins
 Secretary
 U. S. Department of Veterans Affairs
 810 Vermont Avenue, NW
 Washington, DC 20420

Dear Mr. Secretary:

Thank you to your team for appearing as witnesses before the House Committee on Veterans' Affairs Subcommittee on Economic Opportunity Oversight hearing on December 16, 2025.

As a follow-up to the hearing, Representative Abe Hamadeh has requested Ms. Margarita Devlin, Acting Principal Deputy Under Secretary for Benefits, respond to the attached questions for the record.

The Committee requests a written response no later than January 13, 2026, so they may be made part of the record. If you have any questions, please let my staff know.

Sincerely,



DERRICK VAN ORDEN
 Chairman
 Subcommittee on Economic Opportunity

Cc: The Honorable Chris Pappas, Ranking Member, Subcommittee on Economic Opportunity

Enclosures:

Questions for the Record submitted by Rep. Abe Hamadeh

QUESTIONS FOR THE RECORD

Respectfully submitted by Mr. HAMADEH of Arizona.

1. FOR MS. MARGARITA DEVLIN (Acting Principal Deputy Under Secretary for Benefits, VA):

We have heard plenty about the failures of the previous administration. There's a lot to work with there. Joe Biden was the worst president in our nation's history, full stop. But what I don't understand is why you chose to keep his policies in place.

You've had employees manually keying data into systems older than the students they're supposed to serve, you were spending \$25 million to maintain an outdated system, plus a nearly \$1 billion Accenture contract that isn't delivering. The VA is the one signing the checks and setting the policy.

A. How many full-time employees were assigned to manually process these claims?

ANSWER:

B. What were their pay grades?

ANSWER:

2. FOR MS. MARGARITA DEVLIN (Acting Principal Deputy Under Secretary for Benefits, VA):

Biden's VA was paying GS-13s and GS-14s six-figure salaries to do data entry that a computer should have handled in seconds, that's not a staffing solution. That's a jobs program for bureaucrats funded by delays to our veterans.

A. You said these problems have been solved as of the date of the hearing (December 16, 2025), but why was VA paying premium prices for an archaic service?

ANSWER:

B. Who specifically decided to manually punch data into archaic spreadsheets instead of using the automation we paid for? Please list all names and positions.

ANSWER:

C. Was it you?

ANSWER:

D. During the hearing, you mentioned "accuracy," but 43 days pending for a claim isn't accuracy; it's negligence. When specifically (give me a date) did this manual data entry end?

ANSWER:

U.S. Department of Veterans Affairs Response to Questions for the Record

Department of Veterans Affairs (VA) Questions for the Record
Committee on Veterans' Affairs
Subcommittee on Economic Opportunity
U.S. House of Representatives
Detrimental Delays: Reviewing Payment Failures in VA's Education Programs
December 16, 2025

Questions for the Record from Representative Hamadeh:

Question 1: FOR MS. MARGARITA DEVLIN (Acting Principal Deputy Under Secretary for Benefits, VA): We have heard plenty about the failures of the previous administration. There's a lot to work with there. Joe Biden was the worst president in our nation's history, full stop. But what I don't understand is why you chose to keep his policies in place.

You've had employees manually keying data into systems older than the students they're supposed to serve, you were spending \$25 million to maintain an outdated system, plus a nearly \$1 billion Accenture contract that isn't delivering. The VA is the one signing the checks and setting the policy.

1a. How many full-time employees were assigned to manually process these claims?

VA Response: A total of 452 Education Service employees manually reviewed and reconciled records for claims processing after VA's transition from the Benefits Delivery Network (BDN) platform.

1b. What were their pay grades?

VA Response: Claims processor pay grades range from GS-9 to GS-12, with direct oversight by GS-13 supervisory claims processors.

Question 2: FOR MS. MARGARITA DEVLIN (Acting Principal Deputy Under Secretary for Benefits, VA): Biden's VA was paying GS-13s and GS-14s six-figure salaries to do data entry that a computer should have handled in seconds, that's not a staffing solution. That's a jobs program for bureaucrats funded by delays to our veterans.

2a. You said these problems have been solved as of the date of the hearing (December 16, 2025), but why was VA paying premium prices for an archaic service?

VA Response: Prior to decommission, BDN was a decades-old mainframe system, largely written in the Common Business-Oriented Language (COBOL) programming language, used to process education claims. Since COBOL is a legacy language, the cost of maintaining a system written in the language is extremely high. It was imperative that VA move away from the aging BDN platform to the more efficient, agile Digital GI Bill (DGIB) processing system. The timing of the decommission of BDN saved VA an estimated \$25 million in annual information technology maintenance costs.

2b. Who specifically decided to manually punch data into archaic spreadsheets instead of using the automation we paid for? Please list all names and positions.

VA Response: The decision to manually review and reconcile records for claims processing was made prior to my arrival at VA as Principal Deputy Under Secretary for Benefits. This decision was made in consultation with prior Administration leadership, claims processing experts, and the DGIB contractor to mitigate the risk of improper payments. Unfortunately, VA underestimated the time required to reconcile the data.

Instead of "seconds to minutes," some reports indicate that claims took double the estimated time to process. As a result, the current leadership decided to accept the data as they were transferred from BDN without spending precious time manually reconciling the entire claims record.

2c. Was it you?

VA Response: No.

2d. During the hearing, you mentioned "accuracy," but 43 days pending for a claim isn't accuracy: it's negligence. When specifically (give me a date) did this manual data entry end?

VA Response: On September 18, 2025, the Veterans Benefits Administration directed claims processors to use BDN as the authoritative source for records converted from BDN.

**Department of Veterans Affairs
February 2026**

