

Union Calendar No.

118TH CONGRESS
1ST SESSION

H. R. 4016

[Report No. 118-]

To amend title 38, United States Code, to improve the repayment by the Secretary of Veterans Affairs of benefits misused by a fiduciary.

IN THE HOUSE OF REPRESENTATIVES

JUNE 12, 2023

Mr. CONNOLLY (for himself and Mr. CISCOMANI) introduced the following bill;
which was referred to the Committee on Veterans' Affairs

DECEMBER --, 2023

Committed to the Committee of the Whole House on the State of the Union,
and ordered to be printed

A BILL

To amend title 38, United States Code, to improve the repayment by the Secretary of Veterans Affairs of benefits misused by a fiduciary.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Veteran Fraud Reim-
5 bursement Act”.

6 **SEC. 2. IMPROVEMENT TO REPAYMENT BY SECRETARY OF**
7 **VETERANS AFFAIRS OF CERTAIN MISUSED**
8 **BENEFITS.**

9 Section 6107 of title 38, United States Code, is
10 amended to read as follows:

11 **“§ 6107. Reissuance of benefits**

12 “(a) REISSUANCE OF MISUSED BENEFITS.—(1) In
13 any case in which a fiduciary misuses all or part of an
14 individual’s benefit paid to such fiduciary, the Secretary
15 shall pay to the beneficiary or the beneficiary’s successor
16 fiduciary an amount equal to the amount of such benefit
17 so misused.

18 “(2) In any case in which the Secretary reissues a
19 benefit payment (in whole or in part) under paragraph (1),
20 the Secretary shall make a good faith effort to obtain
21 recoupment from the fiduciary to whom the payment was
22 originally made.

23 “(3) In any case in which the Secretary obtains
24 recoupment from a fiduciary who has misused benefits,
25 the Secretary shall promptly remit payment of the re-

1 couped amounts to the beneficiary or the beneficiary’s suc-
2 cessor fiduciary, as the case may be, to the extent that
3 such amounts have not been paid under paragraph (1).

4 “(b) LIMITATION ON TOTAL AMOUNT PAID.—The
5 total of the amounts paid to a beneficiary or the bene-
6 ficiary’s successor fiduciary under this section may not ex-
7 ceed the total benefit amount misused by the fiduciary
8 with respect to that beneficiary.

9 “(c) OVERSIGHT OF NEGLIGENCE.—(1) The Sec-
10 retary shall establish methods and timing with respect to
11 determining whether an instance of misuse by a fiduciary,
12 of all or part of an individual’s benefit paid to such fidu-
13 ciary, is the result of negligence by the Secretary.

14 “(2) The Secretary may not withhold the reissuing
15 of a benefit payment under subsection (a)(1) by reason
16 of a pending determination under paragraph (1).

17 “(3) The Secretary is not required to make a deter-
18 mination under paragraph (1) for each instance of misuse
19 by a fiduciary, of all or part of an individual’s benefit paid
20 to such fiduciary.”.