

VA BUDGET SHORTFALL ACCOUNTABILITY ACT

MAY 17, 2025.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. BOST, from the Committee on Veterans’ Affairs,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 1823]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans’ Affairs, to whom was referred the bill (H.R. 1823) to direct the Secretary of Veterans Affairs and the Comptroller General of the United States to report on certain funding shortfalls in the Department of Veterans Affairs, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “VA Budget Shortfall Accountability Act”.

SECTION 2. FUNDING SHORTFALLS IN CERTAIN ADMINISTRATIONS OF THE DEPARTMENT OF VETERANS AFFAIRS: REVIEWS; REPORTS.

(a) **FIRST GAO REVIEW.**—

(1) **REVIEW REQUIRED.**—Not later than 30 days after the date of the enactment of this Act, the Comptroller General of the United States shall begin a review regarding the circumstances surrounding, and the causes of—

(A) the shortfall in the funding of the Veterans Benefits Administration for fiscal year 2024; and

(B) the expected shortfall in the funding of the Veterans Health Administration in fiscal year 2025.

(2) **ELEMENTS.**—The review under this subsection shall include the following elements:

(A) A comparison of monthly obligations and expenditures in relevant accounts against the spending plan of the Department of Veterans Affairs.

(B) Any transfers between accounts described in subparagraph (A).

(C) The reasons for any significant diversions of obligations or expenditures from such spending plan.

(D) An analysis of the accuracy of any projections or estimates relevant to diversions described in subparagraph (C).

(E) Remedial actions the Secretary of Veterans Affairs may take—

(i) to improve the accuracy of supporting information submitted under section 1105(a) of title 31, United States Code, with respect to the Department; and

(ii) to prevent funding shortfalls for the Department.

(3) **REPORT.**—Not later than 30 days after completing such review, the Comptroller General shall submit to the Secretary of Veterans Affairs a written report containing the results and findings of such review.

(b) **SUBSEQUENT GAO REVIEWS.**—In each of the five calendar years following the date of the enactment of this Act, the Comptroller General shall conduct a review including the elements described in subsection (a)(2), and submit a report described in subsection (a)(3), regarding the funding of the Department of Veterans Affairs for the most recent fiscal year to end before the date of such review.

(c) **REPORTS OF THE SECRETARY OF VETERANS AFFAIRS.**—Not later than 30 days after the Secretary of Veterans Affairs receives a report of the Comptroller General under subsection (a) or (b), the Secretary shall submit such report to—

(1) the Committees on Veterans’ Affairs of the House of Representatives and the Senate; and

(2) the Committees on Appropriations of the House of Representatives and the Senate.

PURPOSE AND SUMMARY

H.R. 1823, the “VA Budget Shortfall Accountability Act,” was introduced by Rep. Jack Bergman of Michigan on March 4, 2025. The bill, as amended, would require the Comptroller General to conduct a review of the circumstances surrounding the expected shortfall for Fiscal Year 2024 and require an annual review thereafter of the funding situation at the Department of Veterans Affairs (VA). Specifically, it would require the Comptroller General to perform an audit of various accounting systems and procedures at VA that led to inaccurate financial projections and false claims of a funding shortfall in fiscal year (FY) 2024 and 2025. This bill, as amended, would ensure that such budgeting mistakes do not happen again and would prevent the overall mismanagement of billions of dollars in taxpayer funds.

BACKGROUND AND NEED FOR LEGISLATION

Section 1: Short Title

This Act may be cited as the “VA Budget Shortfall Accountability Act.”

Section 2: Funding Shortfalls in Certain Administrations of the Department of Veterans Affairs: Review; Reports

In July 2024, the Department of Veterans Affairs (VA) informed Congress that the Veterans Benefits Administration (VBA) would need almost \$2.9 billion in emergency funding for the remainder of FY 2024, citing an impending shortfall that may hinder the delivery of veterans’ benefits. VA also informed Congress that the Veterans Health Administration (VHA) may need an additional \$12 billion in funding in FY 2025 based on financial projections.

In August 2024, VA requested supplemental appropriations of \$12 billion to cover medical care for the rest of FY 2024 and all of FY 2025 at VHA.

In September 2024, Congress approved the funding for VBA to avert potential delays in payments to approximately 7 million veterans and beneficiaries (P.L. 118–82). In that bill, Congress also required the VA Office of Inspector General to review the circumstances that led to projected funding shortfalls at VBA and VHA.

In October 2024, VA officials acknowledged significant errors in their budget projections. VA said that without the supplemental funding Congress had already appropriated, VBA would have carried over approximately \$2.1 billion in the compensation and pension account and over \$92 million in the readjustment benefits account, thus negating the need for the supplemental funding request. In November, VHA also revised its estimated shortfall from \$12 billion to \$6.6 billion for only the remainder of FY 2025.

In mid-March 2025, Congress passed a continuing resolution to fund VA’s remaining FY 2025 medical care using \$6 billion from the Toxic Exposure Fund.

VA attributed the initial miscalculations to unprecedented increases in benefits claims and health care utilization. VA delivered a record \$187 billion in benefits (including \$173 billion in compensation and pension benefits) to 6.7 million veterans and beneficiaries in 2024. VA also processed a record 2,517,519 disability benefit claims, a 27% increase over the year prior. Further, VA provided a record 127.5 million health care appointments in fiscal 2024—a 6% rise from the previous year.

VA’s inaccurate requests for emergency funding caused panic among veterans and their families, who were worried about delays and cuts in VA services. The Committee was concerned that the misleading information would undermine public faith in VA as an institution and that these errors in accounting suggested a much larger issue with VA management overall.

The Committee recognizes that veterans must be able to trust VA to provide their promised benefits and healthcare. As such, H.R. 1823, as amended, would require the Comptroller General to perform an internal audit of VA’s accounting systems and procedures, which resulted in VA’s incorrect 2024 budget projections. The bill, as amended, would ensure that such a budgeting mistake

does not happen again and would prevent the mismanagement of federal funds.

Through this and subsequent reviews by the Comptroller General, the Committee believes H.R. 1823, as amended, will hold the VA responsible for its stewardship of taxpayer dollars and the care, benefits, and services that are delivered to veterans and their beneficiaries.

HEARINGS

On March 11, 2025, the Subcommittee on Health held a legislative hearing on H.R. 1823 and other bills that were pending before the subcommittee.

The following witnesses testified:

The Honorable Jack Bergman, U.S. House of Representatives, 1st Congressional District, Michigan; The Honorable Greg Murphy, U.S. House of Representatives, 3rd Congressional District, North Carolina; The Honorable Steve Womack, U.S. House of Representatives, 3rd Congressional District, Arkansas; The Honorable Don Bacon, U.S. House of Representatives, 1st Congressional District, Nebraska; The Honorable Sylvia Garcia, U.S. House of Representatives, 29th Congressional District, Texas; The Honorable Lauren Underwood, U.S. House of Representatives, 14th Congressional District, Illinois; The Honorable Chris Deluzio, U.S. House of Representatives, 17th Congressional District, Pennsylvania; Dr. Thomas O'Toole, Deputy Assistant Under Secretary for Health for Clinical Services, Quality and Field Operations, Veterans Health Administration, U.S. Department of Veterans Affairs; Dr. Antoinette Shappell, Deputy Assistant Under Secretary for Health for Patient Services, Veterans Health Administration, U.S. Department of Veterans Affairs; Dr. Thomas Emmendorfer, Executive Director, Pharmacy Benefits Management, Veterans Health Administration, U.S. Department of Veterans Affairs; Dr. Jeffrey Gold, President, University of Nebraska System; Ms. Sue Morris, President, Veterans Trust; Mr. Brian Dempsey, Director of Government Affairs, Wounded Warrior Project; Mr. Ed Harries, President, National Association of State Veterans Homes; Mr. Jon Retzer, Deputy National Legislative Director, Disabled American Veterans.

The following individuals and organizations submitted statements for the record:

Veterans Healthcare Policy Institute; Paralyzed Veterans of America; American Federation of Government Employees; Representative Murphy; Trajector Medical; American Association for Marriage and Family Therapy.

SUBCOMMITTEE CONSIDERATION

On March 25, 2025, the Subcommittee on Health met in an open markup session, a quorum being present, on H.R. 1823 and other bills pending before the subcommittee. Following a motion by Representative Kimberlyn King-Hinds of the Northern Mariana Islands, H.R. 1823 was ordered favorably forwarded to the full Committee on Veterans' Affairs by a voice vote.

COMMITTEE CONSIDERATION

On May 6, 2025, the full Committee met in an open markup session to consider H.R. 1823, as amended. During consideration of the bill, the following amendments were considered:

An amendment in the nature of a substitute to H.R. 1823 offered by Representative Bergman was agreed to by voice vote. The amendment in the nature of a substitute would direct the Comptroller General of the United States to conduct a forensic audit on an annual basis until calendar year 2031.

A substitute amendment to the amendment in the nature of a substitute to H.R. 1823 offered by Representative Delia Ramirez of Illinois would strike the entirety of the bill and change its focus from oversight over the previous administration, to the production of a report concerning all communication within VA that discusses any policy, directive, or guidance from the Department of Government Efficiency (DOGE) to the Secretary relating to the management of VA employees. The amendment failed by a recorded vote of 11 yeas, 13 nays.

An amendment to the amendment in the nature of a substitute to H.R. 1823 offered by Ranking Member Mark Takano of California would require the United States Attorney General to submit to the Committee on Veterans' Affairs and the Committee on Appropriations in both the U.S. House of Representatives and the U.S. Senate any evidence of wrongdoing in VA budget mismanagement. The amendment failed by a recorded vote of 11 yeas, 13 nays.

An amendment to the amendment in the nature of a substitute to H.R. 1823 offered by Ranking Member Takano would require that any federal funds not expended because of DOGE be used to furnish hospital care or medical services. The amendment failed by a recorded vote of 11 yeas, 13 nays.

An amendment to the amendment in the nature of a substitute to H.R. 1823 offered by Representative Tim Kennedy of New York would exempt VA from any hiring freeze, reinstate any veteran who was a career employee prior to January 20, 2025, and require a written notice to Congress 15 days prior to the termination of an employee. The amendment failed by a recorded vote of 11 yeas, 13 nays.

An amendment to the amendment in the nature of a substitute to H.R. 1823 offered by Representative Kennedy would exempt any veteran working in VA from being removed from employment pursuant to a reduction in force. The amendment failed by a recorded vote of 11 yeas, 13 nays.

An amendment to the amendment in the nature of a substitute to H.R. 1823 offered by Representative Kennedy would exempt any veteran with a service-connected disability working in VA from being removed from employment pursuant to a reduction in force. The amendment failed by a recorded vote of 11 yeas, 13 nays.

A motion by Representative Bergman to report H.R. 1823, as amended, favorably to the House of Representatives, was agreed to by voice vote.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, six recorded votes were taken on amendments or in connection with ordering H.R. 1823, as amended, reported to the House.

Committee on Veterans' Affairs

U.S. House of Representatives

119th Congress

Date: May 6, 2025

Recorded Vote #10

Meeting on / Amendment on: **Substitute Amendment to the Amendment in the Nature of a
Substitute to H.R. 1823 offered by Rep. Ramirez**

Name & State	Aye	Nay	Not Voting	Name & State	Aye	Nay	Not Voting
Chairman Bost, IL		X		Ranking Member Takano, CA	X		
Rep. Radewagen, AS			X	Rep. Brownley, CA	X		
Rep. Bergman, MI		X		Rep. Pappas, NH	X		
Rep. Mace, SC		X		Rep. Cherfilus-McCormick, FL	X		
Rep. Miller-Meeks, IA		X		Rep. McGarvey, KY	X		
Rep. Murphy, NC		X		Rep. Ramirez, IL	X		
Rep. Van Orden, WI		X		Rep. Budzinski, IL	X		
Rep. Luttrell, TX		X		Rep. Kennedy, NY	X		
Rep. Ciscomani, AZ		X		Rep. Dexter, OR	X		
Rep. Self, TX		X		Rep. Conaway, NJ	X		
Rep. Kiggans, VA		X		Rep. Morrison, MN	X		
Rep. Hamadeh, AZ		X					
Rep. King-Hinds, NMI		X					
Rep. Barrett, MI		X		TOTAL	11	13	

Committee on Veterans' Affairs

U.S. House of Representatives

119th Congress

Date: May 6, 2025

Recorded Vote #11

Meeting on / Amendment on: Amendment to the Amendment in the Nature of a Substitute #1
to H.R. 1823 offered by Ranking Member Takano

Name & State	Aye	Nay	Not Voting	Name & State	Aye	Nay	Not Voting
Chairman Bost, IL		X		Ranking Member Takano, CA	X		
Rep. Radewagen, AS			X	Rep. Brownley, CA	X		
Rep. Bergman, MI		X		Rep. Pappas, NH	X		
Rep. Mace, SC		X		Rep. Cherfilus-McCormick, FL	X		
Rep. Miller-Meeks, IA		X		Rep. McGarvey, KY	X		
Rep. Murphy, NC		X		Rep. Ramirez, IL	X		
Rep. Van Orden, WI		X		Rep. Budzinski, IL	X		
Rep. Luttrell, TX		X		Rep. Kennedy, NY	X		
Rep. Ciscomani, AZ		X		Rep. Dexter, OR	X		
Rep. Self, TX		X		Rep. Conaway, NJ	X		
Rep. Kiggans, VA		X		Rep. Morrison, MN	X		
Rep. Hamadeh, AZ		X					
Rep. King-Hinds, NMI		X					
Rep. Barrett, MI		X		TOTAL	11	13	

Committee on Veterans' Affairs

U.S. House of Representatives

119th Congress

Date: May 6, 2025

Recorded Vote #12

Meeting on / Amendment on: Amendment to the Amendment in the Nature of a Substitute #2
to H.R. 1823 offered by Ranking Member Takano

Name & State	Aye	Nay	Not Voting	Name & State	Aye	Nay	Not Voting
Chairman Bost, IL		X		Ranking Member Takano, CA	X		
Rep. Radewagen, AS			X	Rep. Brownley, CA	X		
Rep. Bergman, MI		X		Rep. Pappas, NH	X		
Rep. Mace, SC		X		Rep. Cherfilus-McCormick, FL	X		
Rep. Miller-Meeks, IA		X		Rep. McGarvey, KY	X		
Rep. Murphy, NC		X		Rep. Ramirez, IL	X		
Rep. Van Orden, WI		X		Rep. Budzinski, IL	X		
Rep. Luttrell, TX		X		Rep. Kennedy, NY	X		
Rep. Ciscomani, AZ		X		Rep. Dexter, OR	X		
Rep. Self, TX		X		Rep. Conaway, NJ	X		
Rep. Kiggans, VA		X		Rep. Morrison, MN	X		
Rep. Hamadeh, AZ		X					
Rep. King-Hinds, NMI		X					
Rep. Barrett, MI		X		TOTAL	11	13	

Committee on Veterans' Affairs

U.S. House of Representatives

119th Congress

Date: May 6, 2025

Recorded Vote #13

Meeting on / Amendment on: Amendment to the Amendment in the Nature of a Substitute #1
to H.R. 1823 offered by Rep. Kennedy

Name & State	Aye	Nay	Not Voting	Name & State	Aye	Nay	Not Voting
Chairman Bost, IL		X		Ranking Member Takano, CA	X		
Rep. Radewagen, AS			X	Rep. Brownley, CA	X		
Rep. Bergman, MI		X		Rep. Pappas, NH	X		
Rep. Mace, SC		X		Rep. Cherfilus-McCormick, FL	X		
Rep. Miller-Meeks, IA		X		Rep. McGarvey, KY	X		
Rep. Murphy, NC		X		Rep. Ramirez, IL	X		
Rep. Van Orden, WI		X		Rep. Budzinski, IL	X		
Rep. Luttrell, TX		X		Rep. Kennedy, NY	X		
Rep. Ciscomani, AZ		X		Rep. Dexter, OR	X		
Rep. Self, TX		X		Rep. Conaway, NJ	X		
Rep. Kiggans, VA		X		Rep. Morrison, MN	X		
Rep. Hamadeh, AZ		X					
Rep. King-Hinds, NMI		X					
Rep. Barrett, MI		X		TOTAL	11	13	

Committee on Veterans' Affairs

U.S. House of Representatives

119th Congress

Date: May 6, 2025

Recorded Vote #14

Meeting on / Amendment on: Amendment to the Amendment in the Nature of a Substitute #2
to H.R. 1823 offered by Rep. Kennedy

Name & State	Aye	Nay	Not Voting	Name & State	Aye	Nay	Not Voting
Chairman Bost, IL		X		Ranking Member Takano, CA	X		
Rep. Radewagen, AS			X	Rep. Brownley, CA	X		
Rep. Bergman, MI		X		Rep. Pappas, NH	X		
Rep. Mace, SC		X		Rep. Cherfilus-McCormick, FL	X		
Rep. Miller-Meeks, IA		X		Rep. McGarvey, KY	X		
Rep. Murphy, NC		X		Rep. Ramirez, IL	X		
Rep. Van Orden, WI		X		Rep. Budzinski, IL	X		
Rep. Luttrell, TX		X		Rep. Kennedy, NY	X		
Rep. Ciscomani, AZ		X		Rep. Dexter, OR	X		
Rep. Self, TX		X		Rep. Conaway, NJ	X		
Rep. Kiggans, VA		X		Rep. Morrison, MN	X		
Rep. Hamadeh, AZ		X					
Rep. King-Hinds, NMI		X					
Rep. Barrett, MI		X		TOTAL	11	13	

Committee on Veterans' Affairs

U.S. House of Representatives

119th Congress

Date: May 6, 2025

Recorded Vote #15

Meeting on / Amendment on: Amendment to the Amendment in the Nature of a Substitute #3
to H.R. 1823 offered by Rep. Kennedy

Name & State	Aye	Nay	Not Voting	Name & State	Aye	Nay	Not Voting
Chairman Bost, IL		X		Ranking Member Takano, CA	X		
Rep. Radewagen, AS			X	Rep. Brownley, CA	X		
Rep. Bergman, MI		X		Rep. Pappas, NH	X		
Rep. Mace, SC		X		Rep. Cherfilus-McCormick, FL	X		
Rep. Miller-Meeks, IA		X		Rep. McGarvey, KY	X		
Rep. Murphy, NC		X		Rep. Ramirez, IL	X		
Rep. Van Orden, WI		X		Rep. Budzinski, IL	X		
Rep. Luttrell, TX		X		Rep. Kennedy, NY	X		
Rep. Ciscomani, AZ		X		Rep. Dexter, OR	X		
Rep. Self, TX		X		Rep. Conaway, NJ	X		
Rep. Kiggans, VA		X		Rep. Morrison, MN	X		
Rep. Hamadeh, AZ		X					
Rep. King-Hinds, NMI		X					
Rep. Barrett, MI		X		TOTAL	11	13	

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives of H.R. 1823, as amended, are to ensure that VA submits to Congress accurate information supporting the President's Budget and to help prevent funding shortfalls for VA.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 1823, as amended, does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate on H.R. 1823, as amended, prepared by the Director of the Congressional Budget.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 1823, as amended, provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

H.R. 1823, VA Budget Shortfall Accountability Act			
As ordered reported by the House Committee on Veterans' Affairs on May 6, 2025			
By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	*
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000			

H.R. 1823 would require the Government Accountability Office (GAO) to report to the Congress on the causes of funding shortfalls in appropriation accounts for health care, disability compensation, and education benefits that the Department of Veterans Affairs (VA) anticipated would occur in 2024 and 2025. The bill also would require GAO to report annually, for five years, VA's spending plans

for those accounts, deviations from those spending plans, and transfers from those accounts.

Based on the costs of similar studies and reports, CBO estimates that fulfilling the bill's reporting requirements would cost less than \$500,000 over the 2025–2029 period; such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Noah Callahan. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

FEDERAL MANDATES STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104–4), is inapplicable to H.R. 1823, as amended.

ADVISORY COMMITTEE STATEMENT

No advisory committees, within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 1823, as amended.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that H.R. 1823, as amended, does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 1823, as amended, establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1: Short title

This section would establish the short title as the “VA Budget Shortfall Accountability Act.”

Section 2: Funding shortfalls in certain administrations of the Department of Veterans Affairs: reviews; reports

Section 2(a) would require the Government Accountability Office (GAO) to review the circumstances and causes of the funding shortfall in the Veterans Benefits Administration (VBA) for fiscal year 2024 and the expected funding shortfall in the Veterans Health Administration (VHA) in fiscal year 2025. In the review, GAO would examine VBA and VHA's relevant accounts, compare monthly obligations and expenditures against VA's spending plan, identify significant diversions from the spending plan and their causes, and

analyze the accuracy of projections or estimates relevant to such diversions. This review would also include remedial actions that the VA Secretary may take to ensure that VA submits to Congress accurate information supporting the President's Budget and to prevent future funding shortfalls for VA. GAO would submit the review to the Secretary within 30 days of completion.

Section 2(b) would require GAO to submit annual reviews for the next five calendar years. Each review would examine the most recent fiscal year.

Section 2(c) would require VA to submit reviews to the Committees on Veterans' Affairs and Appropriations in the House of Representatives and the Senate. Each review would be due to Congress within 30 days from when the Secretary receives the review from GAO.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

There are no changes to existing statutes made by H.R. 1823.

*****INSERT RAMSEYER*****

MINORITY VIEWS

This bill, as amended, requires the U.S. Government Accountability Office (GAO) to conduct a review of the circumstances surrounding the budget shortfalls at the Veterans Benefits Administration (VBA) and the Veterans Health Administration (VHA) in fiscal year (FY) 2024 and FY 2025, respectively. The review must include a comparison of monthly obligations in the relevant accounts, the reasons for any significant diversions from the spending plan, an analysis of the accuracy of any estimates, and recommendations on remedial actions the Department of Veterans Affairs (VA) can take to improve projection accuracy and avoid future shortfalls. GAO will submit the report to VA, who must report it to the House and Senate Veterans' Affairs and Appropriations Committees.

The A.N.S. to this bill requires GAO to do an initial review and then complete subsequent reviews for five years following the date of enactment, reviewing requests for subsequent fiscal years.

Committee Democrats are concerned that this bill is duplicative of existing Office of Inspector General efforts. The Office of Inspector General (OIG) recently issued two reports, which were mandated by the Veterans Benefits Continuity and Accountability Supplemental Appropriations Act 2024 (P.L. 118-82). Those reports identified that VA's existing accounting and budget technological infrastructure is a primary cause of the shortcomings in VA's monitoring of budget execution that led to the shortfall. This bill does nothing to address that and other underlying causes, and instead seems to be designed to reopen investigation of previous errors.

To Committee Democrats' knowledge, the Majority did not consult with GAO on this legislation and in fact did not seek technical assistance from GAO to ensure the request complies with GAO's standard operating procedures and comment periods.

Additionally, GAO is already working on a report related to this issue. GAO's review, which it initiated under its Comptroller General authority (i.e. not based on a request or mandate from Congress), has much of the same scope as this bill; although, it does not address the VBA portions of the bill.

Committee Democrats are concerned that Rep. Bergman's legislation duplicates work that VA oversight bodies, including OIG and GAO, are already doing. It is especially concerning that it was included in this markup in the context of the letter the Chairman recently sent to the Department of Justice, urging the Attorney General to investigate three former Biden administration officials for criminal wrongdoing in handling last year's budget shortfall. This bill should be viewed as political retaliation; it is not serious oversight.

Finally, Committee Democrats are disappointed that the Majority did not accept any amendments offered by our members at

markup. Due to this bill's focus on VA's budget requests, Democratic amendments focused on ensuring that the ongoing workforce changes, accountability at VA, and other efforts will in fact improve VA's budget and not impact veteran care. These amendments included:

1. Substitute Amendment offered by Rep. Ramirez: Requires VA to report to Congress within 30 days all documents related to the Department of Government Efficiency's (DOGE) involvement at VA related to VA workforce actions (to include terminations, reductions in force, and reorganization plans); VA contract terminations or recompetes; and VA data systems which DOGE has accessed.

2. Amendment offered by Rep. Takano: Requires the Attorney General to submit to the Committees on Veterans' Affairs, and the Committees on Appropriations, of the Senate and the House of Representatives, any evidence of wrongdoing that is in the possession of the Attorney General and collected in the course of any ongoing or future investigation into alleged budget mismanagement at VA. Given that the department and its funding are under the oversight jurisdiction of these Committees, these bodies should have access to this information, and yet the Majority declined to vote to make this a requirement. This raises concerns that their ultimate goal with this legislation and in requesting ongoing investigation is not, in fact, legitimate oversight efforts.

3. Amendment offered by Rep. Takano: Requires any savings garnered from contract cancellations at VA, as ordered by DOGE, to be reinvested into veteran care and employee services. The Trump administration has claimed that the goal of any potential savings is to reinvest them into veteran care, but as DOGE is not a congressionally-established agency, it has no obligation to follow through on these claims. Therefore, Committee Democrats are concerned that the Majority elected not to support an amendment that would require VA to fulfill these claims.

4. Amendment offered by Rep. Kennedy: Would add the text of Rep. Kennedy's legislation, H.R. 2722, which exempts VA from hiring freezes, exempts veterans from RIFs, and reinstates veterans who have been fired since Jan. 20. It also prohibits removal of probationary employees at the department.

5. Amendment offered by Rep. Kennedy: Would exempt veterans from planned or future reductions in force at the department.

6. Amendment offered by Rep. Kennedy: Would exempt disabled veterans from planned or future reductions in force at the department. Committee Democrats feel that veterans who have chosen to continue to serve their country through post-service employment in the federal workforce at VA should not be subject to any firings and should not bear the burden of any attempts to "right size" the department's workforce. Unfortunately, the Majority does not appear to share that sentiment, even for those veterans who have made the ultimate sacrifice and have permanent disabilities following their service.

7. Amendment offered by Rep. Budzinski: Would require VA to brief Committees on Veterans' Affairs, and the Committees on Appropriations, of the Senate and the House of Representatives prior to its annual budget submission, and require that all personnel involved in development of the budget submission, including employees of DOGE, participate in the briefing.

Committee Democrats believe GAO's oversight resources could be put to better use on more meaningful oversight of VA's budget formulation and execution—to include the role of the Office of Management and Budget in determining VA's annual budget requests.

MARK TAKANO,
Ranking Member.

