



DEPARTMENT OF VETERANS AFFAIRS
Veterans Benefits Administration
Washington, D.C. 20420

October 3, 2008

Director (00/21)
All VA Regional Offices and Centers

Fast Letter 08-29

SUBJ: Terminating Fugitive Felon Awards

Background

In accordance with [38 U.S.C. 5313B](#), Department of Veterans Affairs (VA) benefits are not payable to

- beneficiaries while they are fugitive felons, or
- dependents of a veteran beneficiary who is a fugitive felon.

[M21-1MR, Part IX, Chapter 16.2.i](#) currently instructs that benefit payments to fugitive felons must be discontinued either by terminating the master record (making it a type “E” record) or by leaving the award running but withholding all benefits using a “type 1” withholding. At the end of December 2007, the Office of Performance Analysis and Integrity identified 108 records with benefits exceeding \$1.5 million withheld due to fugitive felon status. Since the law prohibits payment of these benefits, VA has decided to terminate the awards of fugitive felons; “type 1” withholding will no longer be used.

Actions Required

The Compensation and Pension Service will notify each regional office (RO) of the fugitive felon cases within its jurisdiction that require action. This notification will be sent via the Veterans Service Center Manager (VSCM) mailbox (see the *VSCM Distribution List* at <http://vbaw.vba.va.gov/bl/21/staff/docs/VSCMDisList.doc>). ROs must review the master or corporate records of each beneficiary listed on the Excel spreadsheet and terminate the award effective the date the warrant was issued. For benefits that were previously reinstated due to an invalid arrest or warrant, no action is necessary since the date of reinstatement remains unchanged.

Terminate the awards within 90 days of the date of this fast letter. After terminating the awards, RO staff will mark the “actions complete” blocks provided on the spreadsheet. When all actions are completed, e-mail the spreadsheet to VAVBAWAS/CO/212A.

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Dates of Claim and End Products

Development and due process are not necessary in these cases. ROs should terminate benefits under end product 690, using the date of this fast letter as the date of claim.

Questions

Questions concerning this fast letter should be e-mailed to VAVBAWAS/CO/212A.

/S/

Bradley G. Mayes,
Director

Compensation and Pension Service