

October 27, 2016

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
H-232, the Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
H-204, the Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Majority Leader
U.S. House of Representatives
H-107, the Capitol
Washington, DC 20515

The Honorable Steny Hoyer
Democratic Whip
U.S. House of Representatives
H-148, the Capitol
Washington, DC 20515

Dear Speaker Ryan, Leader Pelosi, Leader McCarthy, and Whip Hoyer:

Today, we write regarding the urgent matter impacting thousands of members of the California National Guard. Years after receiving enlistment bonuses, these men and women are being asked to pay back the bonuses they improperly received through no fault of their own. This is no way to treat our brave servicemembers. Thankfully, the Department of Defense announced that it would suspend these bonus collections and develop a streamlined process. While this is a positive step, Congress must remain vigilant and work with the Department to find a permanent solution to end unfair bonus recoupsments and make servicemembers whole.

As reported by the *Los Angeles Times*, “nearly ten thousand soldiers, many of whom served multiple combat tours, have been ordered to repay large enlistment bonuses — and slapped with interest charges, wage garnishments and tax liens if they refuse.” The overpayments were discovered after a federal audit found paperwork errors committed by the California National Guard when awarding enlistment bonuses. Those responsible pleaded guilty and were held accountable.

The vast majority of those who served in the California National Guard bear no responsibility for the mistakes and misconduct that led to these payments. It is unfair and unacceptable to hold them accountable a decade later. Basic contract law dictates that if a member of the National Guard was offered a reenlistment bonus or other benefits and incentives in exchange for agreeing to serve another enlistment and deploy to war, that member should receive the bonus money and benefits if they fulfilled the terms of their enlistment. Even if those bonuses and benefits offered by the Guard were unauthorized, the Army would be contractually liable for paying the bonuses to the Guard members because they signed reenlistment contracts and agreed to put their lives on

the line under a belief that they would receive the bonuses and incentives offered to them for their service and sacrifice.

Guard members who received bonuses in good faith should not be required to go through a lengthy and frustrating appeals process that damages their credit and causes undue stress on Guard members and their families. They should not be forced to file a lawsuit to enforce their rights under the reenlistment contract they signed after honorably serving and deploying to war. The *LA Times* story highlights cases in California, servicemembers could be facing this same issue across the country. Although the full scale of this matter is still unclear, the National Guard Bureau has acknowledged that overpayments have occurred in every state during the height of the wars in Iraq and Afghanistan. Any permanent solution should also make servicemembers whole who have already repaid the Department.

We ask for your continued attention to this matter so that Congress will be ready and willing to act should the Department need additional guidance or authority to end the unfair recoupments for those who acted in good faith and make servicemembers whole. Thank you for your attention to this issue and we look forward to your response.

Sincerely,

Mark Takano
Acting Ranking Member
House Committee on Veterans' Affairs

Adam Smith
Ranking Member
House Armed Services Committee