

Ms. Alma Lee
President, National VA Council
1970 Roanoke Blvd.
Building 12
Salem, Virginia 24153

Dear Ms. Lee:

On June 30, 2008, the President signed the Post-9/11 Veterans Education Assistance Act of 2008 into law.

This new "GI Bill for the 21st Century" recognizes the service and sacrifice of our veterans, active duty servicemembers, and members of the National Guard and Reserve forces who have at least 90 days of active service after September 11, 2001. Greatly enhanced benefits are provided, including payment of tuition and fees (up to the maximum in-state public tuition); a monthly living allowance (equal to the Department of Defense Basic Allowance for Housing rate for an E-5 with dependents); and a books and supplies stipend (up to \$1,000 annually). The provisions of this new legislation are effective August 1, 2009.

The implementation of this new program and subsequent new work will have a profound impact on VA. The challenges of creating the procedures and systems to support a new program and ensuring accurate and timely benefit payments under this new program and ensuring accurate and timely benefit payments under this new program effective August 1, 2009, will tax the VA's resources. Not meeting this deadline is unacceptable to the veterans we serve and is unacceptable to me. Therefore, the decision has been made to see private-sector support to implement this new program. We will work to minimize any adverse impact on Veterans Benefits Administration employees, and we will invite you to work with us to assist employees in any transition that may be necessary. To that end, Michael Walcoff, Deputy Under Secretary for Benefits, will meet with you at the National Partnership Council meeting in Buffalo on July 29 to begin discussing employee transition issues.

We intend to move quickly to select a contractor that can fulfill our requirements and assist us in serving our veterans. We will notify you when that selection has been made.

We look forward to working with you on this very important initiative.

Sincerely yours,

James B. Peake, M.D.

