

Highlights of GAO-25-107564, a report to congressional committees

Why GAO Did This Study

Acts of state sponsored terrorism have resulted in the death and injury of thousands of U.S. persons and the suffering of victims' family members. The Fund was established in 2015 by the Justice for United States Victims of State Sponsored Terrorism Act. Administered by a Special Master, who is appointed by the Attorney General, and supported by DOJ personnel, the Fund provides compensation to eligible claimants though regular payment distribution rounds.

The Fairness Act includes a provision for GAO to determine lump sum catchup payments for eligible 1983 Beirut barracks bombing victims and 1996 Khobar Towers bombing victims. To conduct this work, GAO reviewed relevant legislation and DOJ documentation; analyzed Fund data on new and existing claimants; and interviewed Fund officials. In December 2023 and July 2024, GAO published Federal Register Notices requesting public comments on GAO's planned methodology for calculating lump sum catch-up payments. GAO received and carefully considered all comments received.

What GAO Recommends

Congress should consider amending the Justice for United States Victims of State Sponsored Terrorism Act to allow any of the 274 victims who did not apply for lump sum catch-up payments due to DOJ's guidance to receive such payments.

View GAO-25-107564. For more information, contact Triana McNeil at (202) 512-8777 or McNeilT@gao.gov or Nagla'a El-Hodiri at (202) 512-7279 or ElHodiriN@gao.gov.

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U.S. VICTIMS OF STATE SPONSORED TERRORISM FUND

1983 Beirut Barracks and 1996 Khobar Towers Bombing Claimants Due \$614 Million

What GAO Found

GAO determined that lump sum catch-up payments to 2,081 eligible victims of the 1983 Beirut barracks and 1996 Khobar Towers bombings total about \$614 million. Lump sum catch-up payments are to result in the percentage of the claims these victims received from the U.S. Victims of State Sponsored Terrorism Fund (Fund) being equal to the percentage of the claims non-9/11 victims of state sponsored terrorism received from the Fund. However, 274 claimants did not submit applications for the payments during the statutory application time frame and therefore cannot be included in lump sum catch-up payments without action by Congress.

Specifically, GAO found that Department of Justice (DOJ) guidance may have discouraged up to 274 eligible Beirut barracks and Khobar Towers bombing victims from applying for lump sum catch-up payments. According to DOJ officials who administer the Fund—which provides compensation to certain U.S. persons injured in acts of international state sponsored terrorism—these claimants may have refrained from submitting applications after contacting the Fund or reviewing its application procedures. Under GAO's interpretation of the Fairness for 9/11 Families Act (Fairness Act), claimants who previously applied and were found eligible to participate in the Fund could still receive catch-up payments but must have submitted applications within the statutory application time frame (December 29, 2022, through June 27, 2023). The Fund, however, took the view that these existing claimants could not submit a separate or "successive" application in order to apply for catch-up payments because each claimant may only submit one application per claim under the Fund's procedures.

Existing claimants who did submit timely applications are eligible for catch-up payments and are included in our calculations. According to Fund officials, as provided by the Fairness Act, the Special Master will authorize catch-up payments in amounts as determined by GAO.

The Fairness Act does not authorize GAO to include the 274 claimants in its determination of lump sum catch-up payments given the application submission requirement, and DOJ officials have stated that the Fund cannot allow these claimants to submit successive applications under the Fund's established procedures. However, GAO determined that lump sum catch-up payments for these 274 claimants would be about \$116 million. Amending the Justice for United States Victims of State Sponsored Terrorism Act would allow claimants who did not apply because of Fund guidance to receive lump sum catch-up payments.