



DCUC
DEFENSE CREDIT UNION COUNCIL

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Jason Stverak
Chief Advocacy Officer

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The Honorable Jerry Moran
Chairman
Veterans Affairs Committee
United States Senate
Washington, DC 20510

The Honorable Richard Blumenthal
Ranking Member
Veterans Affairs Committee
United States Senate
Washington, DC 20510

Dear Chairman Moran and Ranking Member Blumenthal:

I am writing on behalf of the Defense Credit Union Council (DCUC) and the over 40 million members of defense credit unions as you evaluate the nomination of Congressman Doug Collins as Secretary of Veterans Affairs. DCUC has a longstanding commitment to advocating for the financial well-being of service members, veterans, and their families.

We wish to highlight several critical issues within the Department of Veterans Affairs (VA) that directly impact our members:

1. VA Home Loan Program Issues: In March 2024, the National Association of Realtors® (NAR) reached a settlement in a class-action lawsuit that required changes to its brokerage fee rules. Traditionally, home sellers covered both their own and the buyer's agent's commissions. The settlement introduced an expectation for buyers to pay their own broker fees, potentially disadvantaging veterans using VA home loans, as they were previously prohibited from paying these fees.

To address this, the U.S. Department of Veterans Affairs (VA) updated its policy effective August 10, 2024, allowing veterans, active-duty service members, and eligible surviving spouses to pay reasonable and customary buyer-broker fees when purchasing a home with a VA loan. This change ensures that veterans remain competitive in the evolving real estate market.

We encourage the committee to ask the Secretary nominee to have the VA continue to monitor the settlement's impact on the real estate market and pursue further rulemaking to support veterans' access to homeownership.

Serving Those Who Serve Our Country

2. Support for Veteran-Owned Small Businesses: Current lending caps restrict credit unions' ability to fully support veteran entrepreneurs. We advocate for the passage of the Veterans Member Business Loan Legislation, which would exempt business loans made to veterans from these caps, empowering veteran-owned small businesses to thrive. Many veterans start their own businesses after transitioning out of the military but face significant barriers in accessing capital, including higher loan denial rates and insufficient credit histories due to unique challenges like frequent relocations. Despite some growth in SBA programs, veterans benefit far less than non-veterans, particularly when seeking small loans that commercial banks often cannot cost-effectively underwrite. Credit unions, with their understanding of military life cycle, are well-positioned to fill these gaps, and policies like exempting veteran business loans from lending caps could significantly enhance support for veteran entrepreneurs and their vital role in the economy.

3. Preservation of Credit Union Tax-Exempt Status: Over 30% of military personnel and veterans rely on credit unions for essential financial services. Maintaining the tax-exempt status of credit unions is vital to continue offering low-cost loans, financial education, and support during times of crisis to our military and veteran communities.

4. Protection Against Financial Scams: Military members and veterans remain top targets for various scams. The latest [FTC Consumer Sentinel Network report](#) indicates these groups are disproportionately targeted by identity theft, online shopping fraud, and imposter scams. Last year, a total of 93,735 reports came from service members, veterans, and their families, highlighting fraud schemes that have taken millions from these communities. These military and veteran consumers reported losing nearly \$477 million in 2023, with average losses higher than the general population. We urge the VA to collaborate with financial institutions to enhance protective measures and provide robust financial education to safeguard our veterans from such threats.

We respectfully request that the Committee consider these issues during the confirmation process to ensure that the VA continues to support the financial stability and success of our nation's heroes.

Addressing these questions is vital to safeguard the financial interests of our service members and to maintain the integrity of military banking services. We trust that you will give these matters the attention they deserve during Congressman Collins' confirmation process.

Should you or your team have any questions or desire additional information, please do not hesitate to contact me at 202.557.8528 or by email at jstverak@dcuc.org.

Sincerely,



Jason Stverak
Chief Advocacy Officer
DCUC

CC: Congressman Doug Collins, Secretary of Veterans Affairs Nominee
Senate Veterans Affairs Committee Members