

Congress of the United States
Washington, DC 20515

June 24, 2019

The Honorable Robert Wilkie
Secretary
Department of Veterans Affairs
810 Vermont Ave., NW
Washington, D.C. 20420

Dear Mr. Secretary:

We are writing to raise our significant concerns regarding hundreds of millions of dollars in funding fees owed to our nation's veterans by the Department of Veterans Affairs (VA).

On June 6, the Department's Office of Inspector General (OIG) released a report, *Veterans Benefits Administration: Exempt Veterans Charged VA Home Loan Funding Fees*, detailing that VA owes \$286.4 million in home loan funding fee refunds to thousands of veterans participating in the VA Home Loan Guaranty Program. As part of the loan guaranty program, many veterans are exempt from paying the funding fees if they are entitled to VA disability compensation. For the estimated 72,900 veterans affected, the amounts owed by VA averaged \$4,483, with some veterans owed as much as \$19,470. Of course, this is a large amount of money for the individual veterans.

The OIG established that the Veterans Benefits Administration's (VBA) Loan Guaranty Service management, "was aware since October 2014 that thousands of exempt veterans may have been charged home loan funding fees," which the OIG noted as "troubling." The OIG also found "disturbing" that as of January of this year, the Department had not acted to issue refunds for the erroneously collected funding fees. We share the OIG's concerns.

While we recognize that VA has largely agreed to implement the OIG recommendations, it is unclear when veterans will see their reimbursement. The Under Secretary for Benefits agreed to implement a plan for identifying and returning the funding fees to veterans by July 31 of this year. The Under Secretary also promised to establish improved control measures, in order to prevent charging fees to exempt veterans in the future.

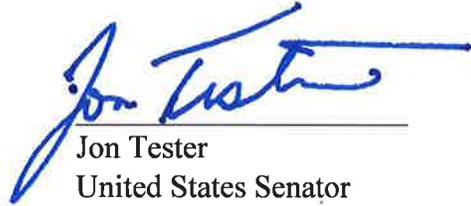
We therefore ask that you provide our Committees with a detailed schedule for the funding fee repayments as well as a plan to implement the necessary financial controls to mitigate this from happening again in the future. We would also like to see the Department's plan for comprehensive improvements to documentation of home loan guarantees. We request a briefing to the Committees' staff regarding the plan of action to schedule the repayments and all other issues the Department is taking in response to the OIG's report by June 28, 2019.

Thank you in advance for your attention to our request.

Sincerely,



Mark Takano
Member of Congress



Jon Tester
United States Senator



Chris Pappas
Member of Congress



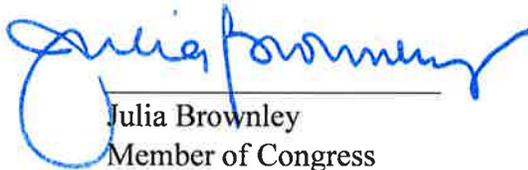
Richard Blumenthal
United States Senator



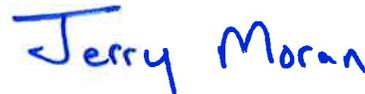
Mike Levin
Member of Congress



Marsha Blackburn
United States Senator



Julia Brownley
Member of Congress



Jerry Moran
United States Senator



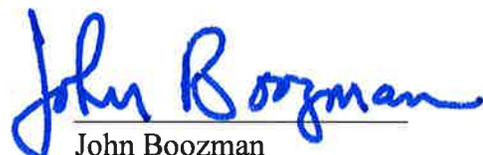
Elaine Luria
Member of Congress



Jeanne Shaheen
United States Senator



Susie Lee
Member of Congress



John Boozman
United States Senator



Gregorio Kilili Camacho Sablan
Member of Congress



Mazie K. Hirono
United States Senator



Colin Allred
Member of Congress



Margaret Wood Hassan
United States Senator



Conor Lamb
Member of Congress