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**Heller Backs Bill To Protect Nevada Veterans from Predatory Home Lending**

**WASHINGTON, D.C. –** U.S. Sen. Dean Heller (R-NV), a senior member of the U.S. Senate Veterans’ Affairs Committee, joined U.S. Senators Thom Tillis (R-NC) and Elizabeth Warren (D-MA) to introduce the Protecting Veterans from Predatory Lending Act of 2018, legislation that would protect veterans from targeted predatory home loan practices by requiring lenders to demonstrate a material benefit to consumers when refinancing their mortgage.  
  
Senators Tim Scott (R-SC), Jon Tester (D-MT), Shelley Moore Capito (R-WV), Joe Manchin (D-WV), Richard Burr (R-NC), Brian Schatz (D-HI), Dan Sullivan (R-AK), Chris Van Hollen (D-MD), and Joe Donnelly (D-IN) are all original co-sponsors of the legislation.  
  
The Department of Veterans Affairs’ (VA) home loan program was designed to provide veterans and service members with the opportunity to purchase their own home through a VA insured mortgage from a private lender. VA loans have lower credit score requirements than other mortgages, and often don’t require down payments. Since its inception, it has insured more than 20 million home loans to help veterans become homeowners.  
  
However, today a small number of lenders are abusing the program by utilizing misleading advertising tactics and engaging in a [practice known as “churning”](https://www.wsj.com/articles/mortgage-firms-churning-refinance-loans-to-veterans-1506510002?mg=prod/accounts-wsj) – the refinancing of a home loan over and over again to generate fees and profits for lenders at the direct expense of veterans and their families, often without their knowledge.  
  
Over a period of time from April of 2016 through August of 2017, over 1,000,000 VA home loans were made, and almost half of those were refinanced VA loans. The vast majority of those refinanced loans are being originated by good actors, but this legislation addresses a pool of refinanced VA loans—over 40,000 nationwide—wherein veterans may have been subjected to abusive lending practices by some in the marketplace who engage in “churning.”

“The VA home loan program has assisted countless military veterans, including those in Nevada, in their pursuit to become homeowners. Recently we’ve learned some lenders are taking advantage of this important program and using veterans in order to earn a quick profit,” **said Senator Heller.** “I’m proud to cosponsor this bipartisan bill to help protect veterans from predatory lenders. It is my hope that Congress will send a strong message to these bad actors by swiftly approving our bill, and I look forward to working with my colleagues on both sides of the aisle to do just that.”  
  
“The VA home loan program was designed to give veterans and servicemembers the opportunity to become homeowners as they raise their families and it has proven to be a great success,” **said Senator Tillis.** “Unfortunately, a few bad actors are taking advantage of the program as home lenders have begun targeting veterans and servicemembers to generate profit and fees at their expense, often leading to higher loan amounts and putting families in a worse financial position than they started off. Our men and women in uniform deserve better, and I am proud to partner with Senator Warren on this bipartisan legislation that will end these predatory home lending practices. I hope Congress will consider this bill quickly so we can protect those who have sacrificed so much to protect us.”

“The government shouldn’t be backing lenders who exploit veterans just to line their own pockets.  All three of my brothers served in the military and I understand the incredible sacrifices made by those who fight for our country – they deserve better,” **said Senator Warren.** “I’m glad to work with Senator Tillis to crack down on lenders engaging in predatory practices that hurt veterans, their families, and American taxpayers.”

The American Legion, Veterans of Foreign Wars of the US (VFW), and the Mortgage Bankers Association (MBA) are all supportive of efforts to address this issue.

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