

# Congress of the United States

Washington, DC 20515

April 9, 2025

The Honorable Doug Collins  
Secretary of Veterans Affairs  
810 Vermont Avenue, NW  
Washington, DC 20420

Dear Secretary Collins,

On April 3, 2025, you abruptly announced the closure of the Veterans Affairs Servicing Purchase Program (VASP), leaving tens of thousands of veterans at risk for foreclosure. These actions were taken unilaterally, leaving veterans, Veterans Service Organizations, and mortgage services unsure how the closure would be administered, and what would happen to veterans who are already reeling from this Administration's assault on veterans and our economy. We write today to urge you to immediately reverse this decision, and avoid foreclosing on veterans who simply wish to keep paying their mortgage and keep their home.

Since the inception of the VASP Program in May 2024, more than 17,000 veterans have been able to avoid foreclosure and remain in their homes. VASP was established as a last-resort option within VA's "Home Retention Waterfall" to help veterans impacted by the COVID-19 pandemic. During this emergency, Congress and VA rightfully allowed borrowers to request forbearance and allowed missed payments to be added to the end of the loan term. Upon expiration of this pandemic program, VA used its authority to end borrowers' ability to push missed payments to the end of the loan term and created VASP to help up to 80,000 veterans at-risk of foreclosure. Now VA is taking a misstep that will push thousands of veterans into foreclosure. This is cruel, wrong, and runs counter to the benefits earned by veterans as led by the VA Loan Guaranty office – which always seeks to use foreclosure as an absolute last resort.

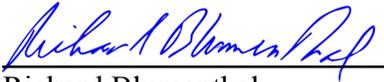
Furthermore, with the rising costs of housing and overall inflation, VA must ask itself: Is it more cost effective to allow veterans to lose their homes or help them? VA leaders, Veterans Service Organizations, and housing organizations have all recently shared with Congress their concerns about ending VASP too soon. All have testified that VASP is the only program of its kind that currently exists as the "last-resort" for veterans facing foreclosure.

Critics of VASP who believe the program will incentivize veterans to purposely default on their loans to get a lower mortgage rate, grossly misunderstand and mischaracterize the sacrifices veterans and their loved ones have made in service to our nation. VA should learn from its past, when in the 1990s the Government Accountability Office found that VA-insured homes foreclosed upon was the most expensive option, costing VA an average of \$25,387, which is the equivalent of \$65,038 today. While past policies have assumed that veterans have been financially irresponsible for assuming mortgages they can't afford, today's financial and housing market puts veterans at risk of losing their homes in a much more vulnerable situation.

Even a straightforward solution, such as forcing veterans to sell their homes to cover their arrears, would not leave the veteran better off precisely because the cost of housing has increased dramatically in the past five years. Until better policy solutions are in place that provide for stronger underwriting, ending the VASP program abruptly will only harm veterans and their families.

Congress, VA, and other stakeholders must work together and offer practical, cost-effective solutions that better serve veterans. Our veterans earned their home loan guarantee benefit, and they deserve a viable option to get back on track with payments and keep their homes. Secretary Collins, you have repeatedly stated that the mission of VA is to serve veterans and that no benefits would be cut. We call on you now to follow your words.

Sincerely,



Richard Blumenthal  
Ranking Member  
Senate Committee on  
Veterans Affairs



Mark Takano  
Ranking Member



Elizabeth Warren  
United States Senator



Rosa L. DeLauro  
Member of Congress  
Ranking Member, Committee  
on Appropriations



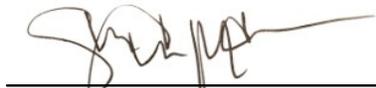
Debbie Wasserman Schultz  
Member of Congress



Morgan McGarvey  
Member of Congress

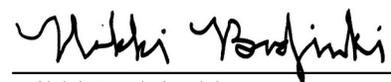


Delia C. Ramirez  
Member of Congress



Sheila Cherfilus-McCormick  
Member of Congress

  
Timothy M. Kennedy  
Member of Congress

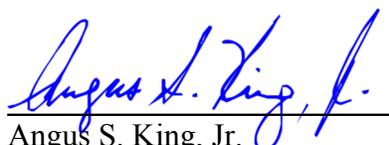
  
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Member of Congress

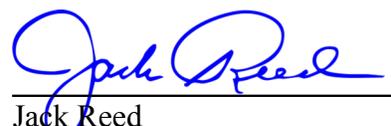
  
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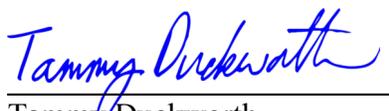
  
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Ruben Gallego  
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Mazie K. Hirono  
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Angus S. King, Jr.  
United States Senator

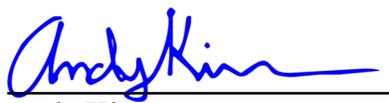
  
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Kelly Morrison  
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Chris Pappas  
Member of Congress

  
Maxine Dexter  
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Lisa Blunt Rochester  
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