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December 3, 2019

The Honorable Kathy Kraninger
Director
Consumer Financial Protection Bureau
1990 K Street, NW
Washington, DC 20006

Dear Director Kraninger,

I write today to inquire about the Consumer Financial Protection Bureau's (CFPB) current programs, oversight, coordination, and outreach efforts to protect veterans and servicemembers from unfair and predatory financial practices. Our aging and vulnerable veterans population continues to fall victim to various pension poaching scams, and it is clear that more needs to be done to educate this particular population about potential scams, and to ensure they are aware of all available resources and ways to identify and report abuses.

In fiscal year 2018, the Department of Veterans Affairs (VA) paid 450,000 elderly, low-income, wartime veterans and their surviving spouses a pension totaling \$4.9 billion. Additionally, every year, thousands of servicemembers and their families fall deeply into debt from scams – often because they move frequently or get deployed. According to the Office of Servicemember Affairs' (OSA) annual report published in January 2019, CFPB saw a 47 percent increase in financial complaints received by servicemembers from 2016 to 2017. Additionally, the Federal Trade Commission recently published a study indicating that servicemembers see a 44 percent higher median loss than civilians when they are victim to fraud. Despite these staggering statistics, nowhere in OSA's annual report is there a mention of pension poaching or education efforts on the part of the OSA to reach out to vulnerable veterans about possible scams targeted at VA pensions. In fact, on CFPB's webpage, the only advisory product educating veterans on protecting their pensions is a two page graphic from March 2015. If a problem as big as pension poaching has fallen through the cracks at CFPB, how can Americans trust that CFPB is carrying out its statutory duties to the best of its abilities?

Given OSA's statutorily mandated charge to educate, coordinate, monitor and respond to complaints of servicemembers, veterans, and military families, I would like more detailed information about how it is meeting this responsibility. In particular, I would like to know how CFPB identifies and tracks pension poaching scams aimed at veterans. Further, what is CFPB doing to educate servicemembers and veterans about how to identify possible fraud? And finally, what is the process for servicemembers and veterans to contact CFPB to report pension poaching schemes and other instances of fraud, and how does CFPB address such matters?

Given the importance of this issue, which impacts the financial well-being of servicemembers, veterans and their survivors, I am hopeful for a prompt response to the issues raised in this letter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Tester". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Jon Tester
United States Senator