



U.S. Department  
of Veterans Affairs

## Fact Sheet

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### Frequently Asked Questions for Beneficiaries (FAQ) The Veterans Benefit Banking Program (VBBP)

#### **What is the Veterans Benefit Banking Program?**

The Veterans Benefits Banking Program, or VBBP, is a partnership between VA and the Association of Military Banks of America (AMBA) that highlights for Veterans and beneficiaries potential access to banks and credit unions they may otherwise not have access to due to lack of awareness, individual credit history, and/or legal history.

#### **Why did VA create VBBP?**

VA seeks to provide Veterans with banking options, support, and access to education necessary for them to achieve greater financial independence, resiliency, and literacy. Providing banking options for our Veterans and other beneficiaries will give them secure ways to electronically receive VA benefits, more effectively manage their monetary benefits, and reduce the instances of fraud they experience.

#### **What's the difference between VBBP and Direct Deposit?**

Mechanically, there are no differences. However, the VBBP partnership seeks to highlight for Veterans and beneficiaries the opportunity to open an account with participating banks and credit unions which understand the unique financial issues Veterans face – and also receive their funds electronically. Furthermore, we hope to inform Veterans that bank or credit union customers may have access to other financial products and benefits not available to individuals who receive their benefits on prepaid cards or paper checks.

#### **Why now?**

Veterans face increasing challenges from a variety of predatory marketplace actors. For example, scams and unsavory business practices often target military members and Veterans. A recent report sponsored by AMBA, conducted by the [Better Business Bureau Institute of Marketplace Trust, and available on the AMBA VBBP website](#), identifies many of those threats. Under these circumstances, it's critical that Veterans receiving VA monetary benefits have access to the kinds of regulated, safe, and reliable financial services banks and credit unions can provide.

#### **What are my present options for receiving VA benefits?**

Currently, you can have your VA benefits deposited into any bank or credit union account via Electronic Funds Transfer (EFT), deposited on Direct Express prepaid debit cards, or issued on paper checks (waiver approval required by Treasury).

**When did the program begin?**

VBBP began on December 20, 2019. Since that date, Veterans and their beneficiaries have used the VBBP to identify participating banks and credit unions which meet their banking needs, and applied to open accounts at one of these financial institutions.

**Who is eligible to participate in the VBBP?**

Any Veteran or beneficiary who receives federal monetary benefits and who wishes to receive their benefit payments electronically can participate in the VBBP.

**How many Veterans receive their monetary benefits on prepaid cards or paper checks?**

There are approximately 250,000 Veterans and beneficiaries who receive their VA benefits through a Direct Express pre-paid card or US Treasury-issued paper check. These Veterans may or may not have a bank account.

**How does this compare to Veterans receiving benefits from other federal agencies?**

Receiving monetary benefits by Direct Deposit is available to all federal beneficiaries with accounts at banks or credit unions. The VBBP lets Veterans know this service is also available for those receiving VA or other federal monetary benefits.

**Are AMBA or Defense Credit Union Council (DCUC) financial institutions the only ones eligible to participate in VBBP?**

No. Although any Veteran with an account at any bank or credit union may participate in the Direct Deposit program, VBBP participating banks and credit unions have particular experience dealing with the unique financial issues facing military and Veteran communities. They have undertaken an additional commitment to open accounts for any qualified Veterans, and to help Veterans who may not qualify immediately to become qualified. Veterans may also enjoy competitive deposit products and other financial products at banks or credit unions not participating directly in the VBBP and still receive their VA benefits electronically.

**What if I already have a bank and want to set up Direct Deposit with VA?**

The fastest way for you to set up Direct Deposit with VA is to call VA's toll free number at 1-800-827-1000 and work with one of the agents to enroll in Direct Deposit (if you use a Telecommunications Device for the Deaf, the Federal number is 711), or go online to <https://www.va.gov/change-direct-deposit>. If you choose to do this online, just click the "Sign In or Create and Account" button and you are on your way.

**How do VBBP participating bank or credit union services compare to what already exists?**

Veterans may receive their monetary benefits in an account at any bank or credit union that offers direct deposit. However, members of the VBBP bank and credit union coalition are financial institutions that are very familiar with the financial challenges and needs of service members, Veterans, and their families. As such, they understand and can provide the kinds of financial services that are appropriate for our Veterans based on their individual circumstances.

### **Are the VBBP participating banks Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA) insured?**

Yes, all VBBP participating banks are FDIC insured and all participating credit unions are NCUA insured.

### **What banks or credit unions can I work with?**

You can set up direct deposit to manage your VA monetary benefits at any bank or credit union. VBBP bank and credit union coalition are financial institutions that are very familiar with the financial challenges and needs of service members, Veterans, and their families. As such, they understand and can provide the kinds of financial services that are appropriate for our Veterans based on their individual circumstances.

### **How does VBBP create greater access and options within these already accessible institutions?**

Many Veterans who currently receive their VA monetary benefits via a prepaid card may be unaware of the kinds of financial services banks or credit unions can offer or could be wary of them, perhaps as a result of a past negative experience. The VBBP participating financial institutions have extensive experience providing financial services to military members, Veterans, and their families. VA is confident the VBBP will provide Veterans and participating banks and credit unions a new look at each other and a new appreciation for the many and varied financial services Veterans need and banks / credit unions can provide.

### **What is the process for finding a VBBP bank or credit union?**

The link, [www.veteransbenefitsbanking.org](http://www.veteransbenefitsbanking.org), will provide you with information about each VBBP participating bank or credit union and assistance on choosing one which best meets your needs.

### **How do I apply for an account with a VBBP participating bank or credit union?**

Each VBBP participating bank and credit union has their own unique application process, and you will need to directly contact the specific bank or credit union where you want to open an account to learn about their processes. The VBBP website provides information about and links to [participating banks and credit unions](#) to help get you started.

### **What if I had issues in the past applying for an account?**

Each financial institution participating in the VBBP is committed to helping Veterans and their families find banking services they qualify for and which fit their needs. Please reach out to any of the participating banks and / or credit unions – they're there to help you apply for an account.

### **What is AMBA?**

The Association of Military Banks of America (AMBA) is the only trade association representing banking institutions specializing in providing banking services for military personnel, Veterans and their families around the world. AMBA has a long history of partnering with the Department of Defense for the benefit of military members and their dependents. AMBA's

membership includes large and small national- and state-chartered banks, most operating on military installations and all insured by the FDIC. AMBA represents the interests of banking institutions serving the military and Veterans.

**Why has VA selected this association and not others?**

AMBA is the only trade association representing banking institutions specializing in providing banking services for military personnel, Veterans, and their families around the world. AMBA has a long history of partnering with the Department of Defense to assist military members and their dependents, and VA and AMBA are collaborating to identify AMBA member banks (or any other banks) that could offer banking products meeting Veterans' distinct financial needs.

**How does AMBA assist Veterans and other beneficiaries?**

AMBA itself is not a bank, but serves to help Veterans and participating financial institutions in applying for bank and / or credit union accounts. For example, AMBA can help Veterans compare the benefits of banking to other ways of receiving VA monetary benefits, and can help banks and credit unions understand the unique financial challenges Veterans routinely encounter so that they can consider those challenges in their decisions to offer specific financial services.

**Can AMBA assist with the fraud that is so prevalent in the Veteran community?**

AMBA provides education about fraud on its website and through its participating banks to help Veterans avoid these issues and to resolve them when they occur.

**Are banks and credit unions participating in the VBBP located in communities where most Veterans live?**

VBBP participating banks include large and small national- and state-chartered banks, and all of them can accept customers regardless of where they live. Most VBBP banks and credit unions operate on military installations and all are insured by either the FDIC or the NCUA. VBBP participating credit unions have "field of membership" criteria Veterans must meet before becoming customers. Some credit unions may accept Veterans wherever they live while others may accept only Veterans who live in the geographic areas they serve. Visit the VBBP website to find a financial institution that best fits your needs.

**What does obtaining a bank or a credit union account get me? Financial advice?**

The services available to account holders varies among financial institutions. One of the reasons we have included several banks and credit unions in the VBBP is because we want Veterans to have choices. Veterans can select financial institutions based on their services and attributes – and how those services / attributes align with their individual banking needs.

**How is VBBP more than just a website that lists military financial institutions?**

VBBP participating banks and credit unions are a coalition of financial institutions which are familiar with the challenges faced by service members, Veterans, and their families and are willing to work with this population to both become banked and increase financial security.

**What oversight will VA do on AMBA and the affiliated banks to ensure Veterans are receiving appropriate service?**

AMBA hopes to educate Veterans on the benefits of banking as a way of receiving and managing their VA benefits. Each bank and credit union participating in the Veterans Benefits Banking Program is regulated by federal and/or state banking regulators and insured by the FDIC or the NCUA. VA will continue to seek feedback from Veterans to resolve any issues with VBBP participating banks through AMBA. Any bank's or credit union's continued participation in this program will be based on their safety, reliability, and customer service.

**Who can I talk to at VA if I have any questions?**

VA's toll-free number is 1-800-827-1000.

**How do I contact a VBBP participating bank or credit union?**

Visit [www.veteransbenefitsbanking.org/banks](http://www.veteransbenefitsbanking.org/banks) for a list of all participating financial institutions and their contact information.

*Neither VA nor AMBA endorses any particular bank, credit union, or financial product. Nor do we seek to require Veterans or other beneficiaries to use any particular approved method of receiving benefits. The VBBP is simply a list of participating banks and credit unions familiar with Veterans' unique financial needs and willing to work with them to achieve financial independence. The financial institutions participating in VBBP are offered by VA and AMBA as options Veterans are free to explore or ignore.*