Frequently Asked Questions for Beneficiaries (FAQ)

VA Introduces New Direct Deposit Options for Veterans and Beneficiaries
Partners with Association of Military Banks of America

Q: Why is VA doing this?
A: The Association of Military Banks of America (AMBA) will provide Veterans with increased banking options, support, and access to education that is necessary for them to achieve greater financial independence, resiliency, and literacy, which ultimately is in the best interest of Veterans. Providing more banking options for our Veterans and other beneficiaries is important for Veterans and beneficiaries to have an additional secure way to electronically receive VA benefits. These options will also assist VA beneficiaries in managing their monetary benefits, in order to reduce the number of fraud cases reported to VA.

Q: What is this program?
A: The partnership with AMBA member banks and financial institutions affords certain Veterans potential access to banks and financial institutions that they may otherwise not have access to, based on their credit and/or legal history.

Q: What’s the difference?
A: This partnership will provide eligible Veterans and beneficiaries with an opportunity to open a bank account with the partner banks and receive their funding electronically. Furthermore, it will give our customers the opportunity to receive other benefits from banks that otherwise are not available.

Q: Why now?
A: 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 that was sponsored by AMBA and conducted by the Better Business Bureau Institute of Marketplace Trust and is 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 kind of regulated, safe, and reliable financial services banks can provide.

Q: What are my present options for receiving VA benefits?
A: Currently, VA benefits can be delivered to your existing bank via Electronic Funds Transfer (EFT), Direct Express, or paper check (waiver approval required by Treasury).

Q: When can I use this service?
A: Effective December 20, 2019, all who wish to enroll with the partnering banks will be able to utilize this service.
Q: What is Direct Express?
A: The Direct Express card is a prepaid debit card offered to federal benefit recipients who receive benefits electronically. The pre-paid debit card offers the convenience and security of using electronic transactions to spend and access your money, rather than using cash for purchases. You do not need to have a bank account to sign up for the card. There is no credit check or minimum balance requirement.

Q: Who is eligible?
A: All in receipt of benefits who wish to receive funding electronically.

Q: How many Veterans are potentially affected by this issue?
A: All Veterans and beneficiaries who receive financial benefits through VA are affected. 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 that may not have a bank account.

Q: How does this compare to Veterans receiving benefits from other federal agencies?
A: Receiving monetary benefits by Direct Deposit is available to all federal beneficiaries with accounts at banks or credit unions. The Veterans Benefits Banking Program (VBBP) simply extends this option to recipients of VA monetary benefits.

Q: Are the AMBA institutions the only ones eligible?
A: No, any bank wishing to assist Veterans and other beneficiaries with their banking needs can participate.

Q: What is AMBA?
A: The Association of Military Banks (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 Federal Deposit Insurance Corporation (FDIC). AMBA represents the interests of banking institutions serving the military and Veterans.

Q: How does AMBA-associated bank services compare to what already exists? What products or services are different?
A: Members of this AMBA bank coalition are banks 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.

Q: Are they FDIC certified?
A: Yes, all banks are FDIC insured.
Q: What banks can I work with?
A: Current participating AMBA partners are USAA, Wells Fargo, Bank of America, Regions Bank, and Fort Sill National Bank.

Q: What is the enrollment process?
A: The link, www.veteransbenefitsbanking.org, will provide assistance on choosing a bank that fits your needs, and the steps on how to apply for an account.

Q: How do you qualify for an account with the banks?
A: All banks have an application process. AMBA’s Veterans Benefits Banking Program website – www.veteransbenefitsbanking.org – provides links to participating banks. Each bank has its own account application process.

Q: What if I had issues in the past qualifying?
A: Veterans will have to work with each bank/financial institution to determine their eligibility. Each bank participating in the VBBP is committed to assisting Veterans and their families find banking services that fit their needs and qualifications.

Q: How does AMBA assist Veterans and other beneficiaries?
A: AMBA itself is not a bank. However, we believe we can help Veterans and banks in the eligibility process. On the one hand, we can help Veterans understand the benefits of banking and the limits banks place on eligibility for a variety of financial products. On the other hand, we can help banks understand the unique financial challenges Veterans routinely encounter so they can consider those challenges in their decisions to offer specific financial services.

Q: Why has VA selected this particular association and not others?
A: The 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. Additionally, VA and AMBA intend to cooperate to identify any of AMBA’s member banks and any other banks that could offer banking products meeting Veterans’ needs.

Q: Are banks participating in the VBBP located in communities where most Veterans live?
A: VBBP membership includes large and small national- and state-chartered banks, most operating on military installations and all insured by the Federal Deposit Insurance Corporation.

Q: Who can I talk to if I have any questions?
A: VA’s toll-free number is 1-800-827-1000.

Q: How do I get a hold of the banks?
Q: Why isn’t the AMBA toll-free number provided?
A: VA needs to streamline the feedback process for our Veterans. Questions about the VBBP should be directed to VA because it supervises the program. Questions about specific bank services should be directed to individual banks. AMBA serves as a bridge between the two and exercises its role by maintaining a robust website that it will update regularly based on feedback from VBA and participating banks.

Q: What is the enrollment process?
A: The link, www.veteransbenefitsbanking.org, will provide steps on how to apply for an account.

Q: What does enrollment get me? Financial advice?
A: The services available to account holders varies from bank to bank. One of the reasons we have included a number of banks in the VBBP is because we want Veterans to have choices. Veterans will select banks based on their services and attributes.

Q: Can AMBA Assist with the fiduciary fraud that is so prevalent in the Veteran community?
A: AMBA provides education on its website and through its participating banks to help Veterans avoid these issues.

Q: How is AMBA more than just a website that lists military financial institutions?
A: AMBA has agreed to assemble a coalition of banks – not necessarily confined to AMBA member banks – that will undertake a commitment to provide regulated, safe, and reliable financial services to “unbanked” or “underbanked” Veterans.

Q: How does AMBA create greater access and options within these already accessible institutions?
A: Many Veterans who currently receive their VA monetary benefits via a prepaid card may be unaware of the kinds of financial services banks can offer or could be wary of banks, perhaps as a result of a past negative experience. The banks AMBA has assembled for this program have extensive experience providing banking services to military members, Veterans, and their families. AMBA is confident that the VBBP will provide Veterans and banks a new look and a new appreciation for the many and varied financial services banks can provide Veterans.

Q: What oversight will VA do on AMBA and the affiliated banks to ensure Veterans are receiving appropriate service?
A: AMBA hopes to educate Veterans on the benefits of banking as a way of receiving and managing their VA benefits. Each bank participating in the Veterans Benefits Banking Program is regulated by federal and/or state banking regulators and insured by the Federal Deposit Insurance Corporation. VA will continue to seek feedback from Veterans participating in this program and resolution of their issues with participating banks through AMBA. Any bank’s continued participation in this program will be based on its safety, reliability, and customer service.