

VETERANS AND MILITARY RIGHTS AND RESOURCES



Dave Sunday

Pennsylvania Attorney General



As a young man, joining the Navy was the best decision I could have made for my future. When I returned from deployment the benefits that were available to me helped me educate myself and build the life I have had. Without the military, I very likely would not be sitting here as Pennsylvania's Attorney General.

Here at the Office of Attorney General, protecting our veterans is a core mission. Ensuring they are educated about their rights, protected from scammers and able to live in safe communities is what we do every day.

My office has created this resource booklet to help aid our veterans as they return to civilian life and enjoy the benefits their service has afforded them.

To our veterans, and those who care for them, thank you for your service to our nation.

Sincerely,

Dave Sunday
Attorney General of Pennsylvania

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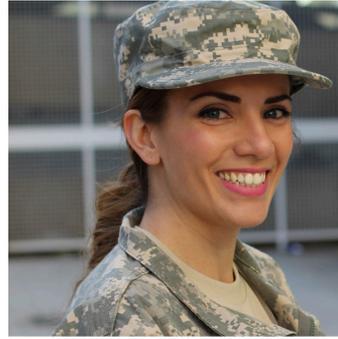
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**Almost 80% of
veterans have been
targeted
in the last five years**

COMBATTING IDENTITY THEFT

ID Theft Tactics

There are several methods scammers use to steal your information. Some are sophisticated, using mail, phone or online scams. Others include taking advantage of documents left unattended in open view such as taking mail from an unsecured mailbox or going through the trash. Scammers will “dumpster dive” to steal personal information. Some use old school tactics like pickpocketing, stealing records or keeping a restaurant customer’s credit card information. In fact 55 percent of ID theft is perpetrated by someone the victim knows.



Practical Tips for Combating ID Theft

- Use ATMs inside banks and stores. ATMs located outside can be tampered with more easily.
- Never give out banking, credit card or Social Security numbers to people who initially contact you by phone or email. Look up the caller's information on your own to confirm the request.
- Don't complete unsolicited surveys or popups.
- Verify a charity before you donate -- in Pennsylvania, check with the Department of State.
- Caller ID displays can be manipulated by thieves; don't trust that they're correct.
- Make shredding materials with your personal information standard procedure. A crosscut shredder is best.
- Be careful of information you keep on iPads, smartphones, netbooks, laptops, etc. because they're easily stolen and compromised.



- Steer clear of public or shared photocopiers because they have a digital memory; instead use a home scanner, or if using a public copier use correction tape to cover personal data and handwrite the information on copies.
- Opt out of junk mail by logging onto www.dmachoice.org; and for unsolicited credit card offers www.optoutprescreen.com, or call **1-888-5-OPT-OUT**.
- Use a mailbox that locks.
- Keep a security box in your home and affix it to a closet wall or floor so it can't be removed easily.
- Always verify websites, don't trust a link that comes in an unsolicited email.
- Never pay taxes or a fee in order to claim a prize. In fact, a random phone call, letter or email indicating you have won a prize is most likely a hoax to scam you.

Veterans Crisis Hotline:
1-800-273-8255

 **1-833-OAG-4YOU**
833-624-4968

 **www.attorneygeneral.gov**

 **info@attorneygeneral.gov**

Red Flags of Identity Theft

If you experience one or more of the following indicators, an identity theft may have occurred.

- Errors on your bank account, credit card or other account statement.
- Mistakes in the explanation of medical benefits of your health plan.
- Your regular bills or account statements don't arrive on time.
- You receive bills or collection notices for products or services you never received.
- You receive calls from debt collectors for debts that don't belong to you.
- You receive a notice from the IRS that someone used your Social Security number.
- Mail, email or calls about accounts, or jobs in your minor child's name.
- Unwarranted collection notices on your credit report.
- Businesses decline your checks.
- You're unexpectedly denied a loan or job.

Standard procedure if your personal information has been compromised...

- Contact the police
- Immediately close all accounts
- Open new accounts with different pin numbers or passwords
- Report it to the Office of Attorney General:
1-800-441-2555; and the Federal Trade Commission:
1-877-ID-THEFT (438-4338)
- Start a secure file of all correspondence
- Contact 3 major credit bureaus and place a “fraud alert” on your report:
Equifax- **1-800-525-6285**, www.equifax.com
Experian- **1-888-397-3742**, www.experian.com
TransUnion- **1-800-680-7289**, www.transunion.com

Safeguarding your password:

1. Create password with a minimum of 12 characters
2. Mix letters, numbers and special characters
3. Consider a unique phrase, add numbers at the beginning and end
4. Never write your password down or store it on your computer
5. Change your password regularly, and immediately if you suspect someone has guessed it

Annual Credit Reports

Consumers are eligible to one free credit report from each bureau per year, so you can stagger requests and receive a report every four months.

To get your free credit report:

Log on - **www.annualcreditreport.com**

Call - **1-877-322-8228** or

Write - Annual Credit Report request
P.O. Box 105283
Atlanta, GA 30348-5283

EDUCATIONS AND CIVILIAN EMPLOYMENT

Knowing your options

The options for advancing your education are limitless. Whether you're considering a local community college, professional school, traditional four-year university or an online degree, there are programs to meet every student's needs. But similar to any significant purchase, a consumer should do their homework and understand their options.



For-profit colleges

For-profit colleges comprise a growing share of the postsecondary education market. Their flexible scheduling and online courses make them an attractive option for many nontraditional students, including military personnel and veterans. For-profit colleges are the right fit for many transitioning service members.



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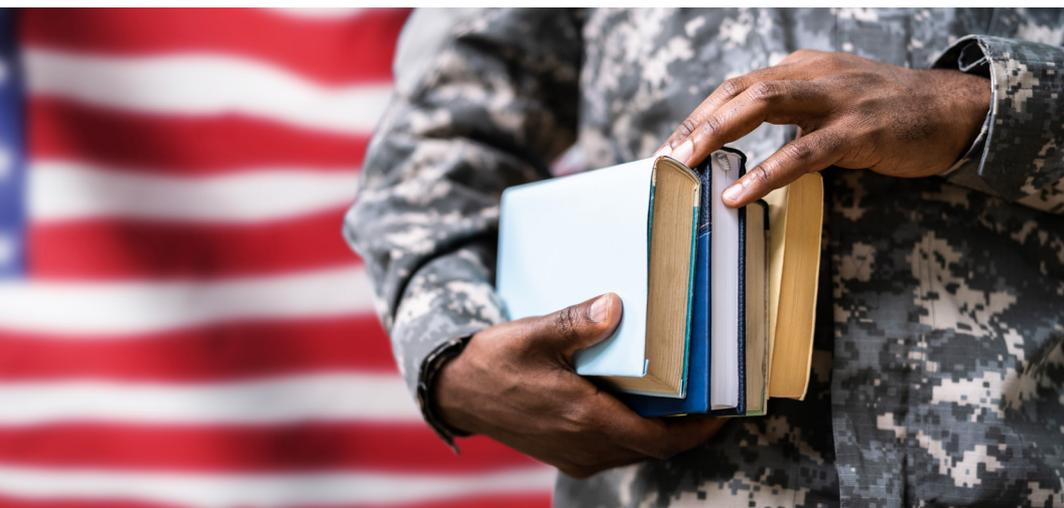
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Some for-profit colleges actively recruit veterans because of a provision in the Higher Education Act, which allows them to qualify for additional federal funds by enrolling students using the Post-9/11 GI Bill or the Defense Department's Tuition Assistance Program.

The U.S. Senate's Committee on Health, Education, Labor and Pensions found that some use aggressive recruiting tactics, and mislead potential students about costs, transferability of credits and job placement rates.

A bachelor's degree from a for-profit college runs 20 percent more on average than a degree from a public college. Ninety-six percent of for-profit students, including veterans, take out student loans, and low completion rates at some for-profits can mean a student accumulates debt without increasing earnings potential.

Bottom line, students have to make the choice that is right for them -- college is an investment in their future. The flexibility offered by some for-profit schools make them the



right choice for many veterans and military members, but like any significant investment a student and their family should evaluate their options and make the right choice for them, not because of pressure or misinformation from a recruiter.

Don't be apprehensive to ask some important questions before you enroll...

Does the school accept military transfer credits? Ask about the school's policies regarding credits from military training, nontraditional learning (CLEP, DANTES, etc.), and previous colleges. Have your transcripts ready, and provide them to the school before you begin classes.

Is the school military friendly? How many veterans are currently enrolled? Is the class schedule flexible for military students? Is there academic and health support on campus?

Paying for college

Once the decision is made on where to attend school, the next step is how to pay for it. Seventy percent of Pennsylvania college students take on student loan debt. Comparing financing options is an important part of being a smart consumer.

Funding options such as the Post-9/11 GI Bill, scholarships, grants, work study and federal loans are attractive. But if those don't make ends meet, private loans - often offered through banks with higher interest rates- may need to be considered. Here are some tips when shopping for a private college loan.

- Talk to the school's financial aid office. Most legitimate lenders require a form certifying the need for additional aid to cover the cost of attendance.
- Shop around. Look for lower interest rates and loans that offer flexibility if you have trouble making payments.
- Know your rate. Some private lenders advertise very low interest rates - but few borrowers qualify.
- Find your co-signer. Most private student loans require a co-signer, who will be legally obligated to repay the loan if you can't or don't.
- Know the lender. Be mindful of direct marketing tactics, which use names and logos to give the appearance of federal government affiliation. The federal government doesn't send advertisements or solicit people to borrow money.
- Don't let promotions or incentives sway your decision. Taking on college debt is a serious and long-term

obligation; don't allow a small gift to be the determining factor in your decision.

- Don't be a victim of identity theft. Don't provide personally identifiable information over the phone or Internet to someone who contacts you. Always verify that the company you are dealing with is a legitimate one.

Know your rights under the Servicemembers Civil Relief Act. If you're put on orders you are eligible to have your interest rate lowered to 6 percent on loans acquired before active duty for both federal and private student loans.

Contact your loan servicer to ask about this option. You will need to submit a written request and copy of orders. You can submit your request anytime during active-duty service or up to 180 days after leaving active duty. The interest rate reduction must be applied retroactively for the period of active-duty service.

Exploring the civilian job market

Starting a civilian career should be an exciting time in your life. However, fraudulent job listings and scams can be directed at any job seeker. Knowing the signs of a scam can be useful before you provide your personally identifiable information or pay a fee to secure a job. Here are some clues that a potential job posting may be a scam.

- You're asked for an upfront fee to secure your position. A scammer may guarantee you a job if you pay a fee in advance for certification, training materials or for placement expenses.

- You're asked for credit or bank account information over the phone.
- The job listing claims to be a "previously undisclosed" federal job. All federal positions are announced on www.usajobs.gov; otherwise it is not a legitimate federal listing.
- Work at home businesses claiming you can earn thousands of dollars a month. They're often scams, or don't include details of the business or costs of operating.

Using a job placement service

There are many valid job placement services. However, some mislead job seekers by advertising outdated jobs, charging upfront fees that do not lead to a job, or not returning your calls once you've paid.

Before you pay, get the details of the agreement in writing. What's the cost? What do you get? Does the employer pay the fee if you're hired? Is there a refund if you don't get placed within a certain time frame? Ensure it is job placement, not job counseling.



MORTGAGE AND OTHER LOANS

Credit card complaints

While serving on active duty, military members including reservists and National Guard members are afforded certain protections under the Servicemembers Civil Relief Act (SCRA). One provision of the law limits the amount of interest collected on debts to 6 percent during the period of active service. This includes active duty, and reservists and National Guard members while they're deployed.

SCRA states that interest above 6 percent may not accrue, and that any amount above 6 percent during active service must be forgiven. These provisions are for both credit and mortgage debt incurred before active service by an active duty, reservist or National Guard member.

To qualify, a service member is obligated to provide written notice and a copy of military orders to creditors as soon as possible, but no later than 180 days after leaving active service.



Deploying?

Consider placing an active duty alert on your credit report while you're deployed to reduce your risk of identity theft. An active duty alert, managed through the three major credit bureaus, requires businesses to take additional steps before granting credit in your name. You'll also be removed from the credit card bureau's marketing list for pre-approved credit card offers for two years. The alert remains in effect for one year; a new alert can be filed if you are deployed for more than one year.

To place an alert contact the three credit bureaus:

Equifax- **1-800-525-6285**, www.equifax.com

Experian- **1-888-397-3742**, www.experian.com

TransUnion- **1-800-680-7289**, www.transunion.com

Managing your Mortgage

Poor mortgage servicing has impacted many military families, damaging their overall financial health. Consumers, including veterans and military members, now have increased rights, protections and guidance, which can aid in dealing with mortgage servicers.

Wrongful Foreclosures

Several of the nation's largest banks agreed to conduct a careful review to determine if any service members were foreclosed on since Jan. 1, 2006 in violation of the Servicemembers Civil Relief Act (SCRA). Any military member who was a victim of a wrongful foreclosure is entitled to a payment.

Additionally, under SCRA military members on active duty cannot be charged mortgage interest above 6 percent, but are required to inform their mortgage servicers in writing and provide a copy of military orders as soon as possible.

Permanent Change of Station

Permanent Change of Station (PCS) orders present unique challenges for military families particularly because they are nonnegotiable and have strict timelines. A family may be forced to sell their home quickly, even if it has declined in value.

A mortgage servicer should provide accurate, clear and understandable information on any assistance they're aware of. A servicer should:

- Not advise a homeowner to waive their legal rights under SCRA.
- Not advise a homeowner who is current on their mortgage to skip a payment in order to create the appearance of financial distress.
- Promptly communicate the servicer's decision on a homeowner's request for assistance.

If a military member with a Fannie Mae or Freddie Mac mortgage receives PCS orders, they are automatically eligible for a short sale.

Dual Tracking

In the past, military homeowners who were working with their mortgage servicer on a loan modification were surprised to learn the servicer was simultaneously moving forward with a foreclosure, otherwise known as dual tracking. Now servicers must comply with rules when working with a military member on loan modifications.

Dual tracking is not prohibited, but a lender must provide the borrower an opportunity to complete every step of a loan modification. A servicer cannot initiate a foreclosure until a borrower has been delinquent for 120 days, or while a borrower has a pending loan modification application. Servicers must provide borrowers written notice of alternatives to foreclosure and examples of those options.

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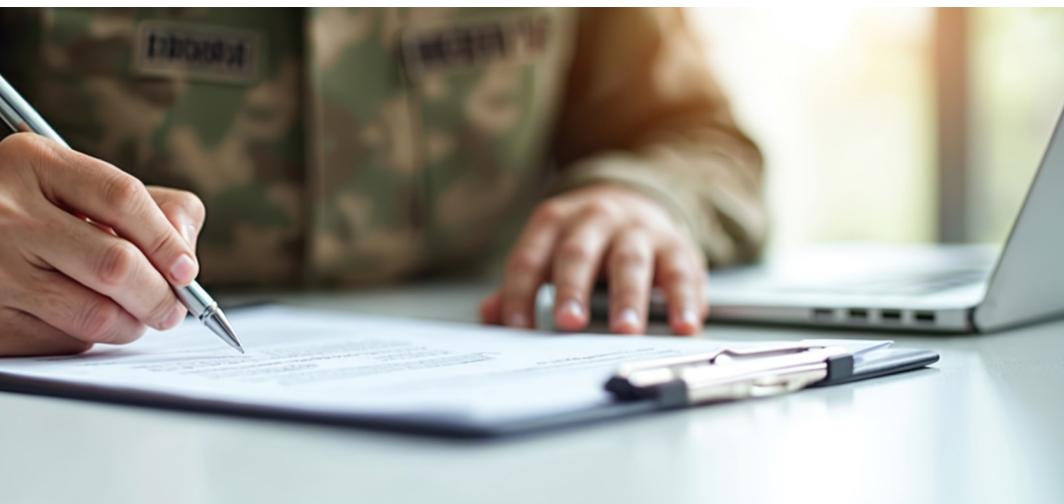
Phantom Debts

Fraudulent debt collection is a growing complaint from veterans and military personnel. Often a debt collector will repeatedly contact a consumer claiming they owe money, when no debt exists. They're called "phantom debts."

Collectors may use official looking letters with personally identifiable information, or aggressive phone calls. They falsely threaten legal action including fines, fees or arrest; or punishment under the Uniform Code of Military Justice or revocation of a security clearance.

If you receive a letter or call, don't confirm or provide your personally identifiable information. First find the number for the agency or official to see if the collection is valid.

If you do owe a debt, collectors and creditors in Pennsylvania must comply with the Fair Credit Extension Uniformity Act,



which prohibits them from engaging in unfair and deceptive practices, including:

- Threatening to file a lawsuit when they cannot or do not intend to do so.
- Contacting you at unusual times and places (before 8 a.m. or after 9 p.m.), or if you are represented by an attorney.
- Harassment.
- Misrepresenting themselves by name, as an attorney or the amount or legal status of your debt.

If a debt collector is harassing you or contacting you erroneously, complete a complaint form on the Office of Attorney General's website at:

- **www.attorneygeneral.gov**
- or call **1-833-OAG-4YOU** for assistance

PENSION POACHING

How pension poachers operate

There are dishonest financial planners and advisors who target veterans and their families, offering assistance with filing paperwork or claiming they can help veterans qualify for supplemental benefits. These advisors fail to fully explain the details or long-term consequences of their advice. Some have sophisticated operations, which makes it more difficult to recognize when they are offering advice that you can ordinarily get for free, or selling you a product you don't really need.

In one common approach an advisor claims they can assist a veteran or their family in qualifying for Aid and Attendance benefits (A&A) by transferring the veteran's assets into a trust or by purchasing a product, like an annuity. However the A&A has strict eligibility guidelines. The transferring of such assets may result in the veteran failing to qualify for other services, like Medicaid; or being forced to pay back any payment or services received erroneously. Some advisors charge hundreds or thousands of dollars for incomplete or inaccurate advice and are long gone when the veteran or their family have a question.



There are organizations or financial planners who stay right within the edge of the law. To protect yourself and your family, know where you can find out if what an advisor is offering is accurate and sincere.

Where you can get real advice

There are no costs for VA forms nor are there application fees for A&A benefits. Pennsylvania veterans and their families can receive free information and assistance in their county Veteran Service Office (check online, or call your county commissioners' office). There may also be help with other VA-recognized Veterans Service Organizations. For a complete list visit **www.VA.gov** and search for "OGC- Accreditation Search."

The VA accredits professionals from VA-recognized VSOs, independent claims agents and private attorneys. Accreditation means that a provider is trained in how to complete paperwork and file claims. Accreditation doesn't mean the VA endorses the professional's advice, their products or ethics, only that they are trained in completing and submitting the claim.

Accredited professionals are not permitted to charge a veteran to complete or submit a veteran's claim.

Tips to prevent having your pension poached:

Don't pay for a service that is free. There is no cost for forms or to apply for VA benefits, and you can get free assistance from trained veterans service officers across Pennsylvania.

Check a person or group's VA accreditation.

Ask an advisor what the impact of purchasing their product will be on your eligibility for other benefits like Medicaid.

Take time to consider your options before signing a contract.

Don't be pressured into accepting an advisor's advice. If an advisor pressures you, or offers vague or evasive answers to your questions take those as indicators you should not trust them with your money or paperwork.

Get everything you've discussed in writing, read all paperwork and the contract carefully, and get answers to your questions in writing.

Don't believe a promise or guarantee offered by an advisor claiming they can secure A&A benefits. There are no guarantees.

File a complaint

If you feel that you've been the victim of a dishonest financial planner, or that someone is operating dishonestly, you can file a complaint with the Federal Trade Commission at **www.military.ncpw.gov/file-complaint**.

The FTC does not resolve individual cases, but can assist law enforcement in spotting trends and identifying fraud for prosecution.

To file a consumer complaint with the Pennsylvania Attorney General's you may:

- visit **www.attorneygeneral.gov**
- or call **1-833-OAG-4YOU** for assistance

SCAMS AND FRAUD

Scammers and identity thieves target veterans because of the additional government benefits they receive. They often appeal to vets' patriotism or exploit elements of a military lifestyle, like frequent travel, to steal their hard-earned benefits.

Best Practices for Veterans

- Don't pay for a service that is free. It is illegal for an accredited veterans' service officer to accept any form of payment from veterans.
- Be cautious when you receive an unsolicited offer for services from an unknown source.
- Do research on the U.S. Department of Veterans Affairs (VA) website into both the entity you are considering working with and the claims process.
- Follow recommendations and referrals of fellow veterans who have had successful experiences filing VA benefit claims with specific veterans' service organizations. Always ask to see the representative's accreditation credentials.



Scams Targeting Veterans

The following are some of the most common scams that target veterans that are currently in the United States:

- Tax Reduction linked to military service
- U.S. Department of Veteran Affairs Disability Payout
- U.S. Department of Veteran Affairs Pension Poaching
- U.S. Department of Veteran Affairs Home Loans
- Education Benefits
- Military Record Copies or Updates
- Bogus Classified Advertisements
- Bogus Veteran Charities
- Military Discounts
- Military Impersonation/Stolen Valor

While each of these scams has unique elements, they share common themes and tactics. They typically start with a contact you didn't initiate, like an unexpected phone call, email or text message or contact through social media. The communication

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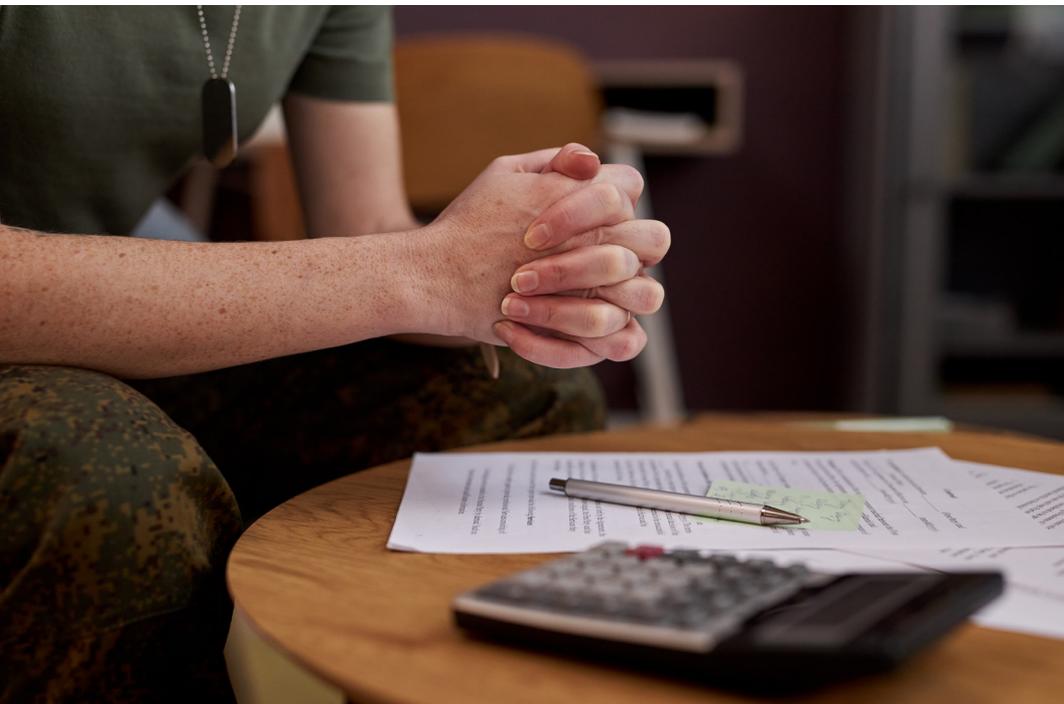
urges your immediate action, to help another veteran in need or protect yourself. The scam concludes with requesting money or your personal/financial information.

Combatting Veteran Scams

- The Internal Revenue Service, U.S. Department of Veteran Affairs and other government agencies will not initiate contact with you through phone calls, emails, text messages through social media.
- Do your research – if it sounds too good to be true, it probably is!
- Don't donate over the telephone or computer.
- Don't send upfront payments, especially using wire transfers or providing gift card codes for charitable donations, goods or services.



- Verify that charities are registered in Pennsylvania prior to donating by contacting the Bureau of Charitable Organizations at the Pennsylvania Department of State.
- Impersonating a veteran or member of armed services is a crime.
- If you suspect that someone is misrepresenting their status as a Service member or a Veteran or the nature of their goods or services, or you are a victim of a veteran scam, file a consumer complaint with the Pennsylvania Office of Attorney General:
 - visit **www.attorneygeneral.gov**
 - or call **1-833-OAG-4YOU** for assistance



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- Contact the police
- Immediately close all accounts
- Open new accounts with different pin numbers or passwords
- Report it to the Office of Attorney General: **1-800-441-2555**; and the Federal Trade Commission: **1-877-ID-THEFT (438-4338)**
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