Honolulu, Hawaii

FEB 0 7 2025

RE: S.B. No. 603
        S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

      Your Committee on Public Safety and Military Affairs, to
which was referred S.B. No. 603 entitled:

      "A BILL FOR AN ACT RELATING TO VETERANS,"

begs leave to report as follows:

      The purpose and intent of this measure is to establish
provisions governing any person who receives compensation for
advising, assisting, or consulting another person with veterans
benefits.

      Your Committee received testimony in support of this measure
from the Black Veterans Empowerment Council, Inc.; Brotherhood of
Maintenance of Way Employes Division of the International
Brotherhood of Teamsters; National Association for Veterans
Rights; Purple Heart Homes; United Veteran Benefits Agency, LLC;
Veterans Benefits Guide; Veterans Guardian VA Claim Consulting,
LLC; and four individuals.

      Your Committee received testimony in opposition to this
measure from the Veterans Caucus of the Democratic Party of Hawai'i
and two individuals.

      Your Committee received comments on this measure from the
Department of the Attorney General.

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Your Committee finds that it is necessary to protect veterans in the State from unethical practices in the claims assistance industry while preserving their freedom to navigate the complex disability claims process as they see fit. The inclusion of clear disclosures and written agreements ensures veterans are informed of their rights and are aware of free service options. This measure addresses predatory practices such as excessive fees, misleading guarantees, and improper access to veterans' sensitive information which will protect veterans and ensure they have access to the services that they need.

Your Committee notes the concerns raised by the Department of the Attorney General regarding potential challenges to this measure under the First Amendment and the Contract Clause of the United States Constitution, therefore amendments to the measure are necessary to address this issue.

Your Committee has amended this measure by:

(1)   Inserting legislative findings;

(2)   Specifying that this measure shall be applied so as to not impair any contract as of its effective date in a manner violative of either the Hawaii State Constitution or Article I, Section 10 of the United States Constitution;

(3)   Inserting an effective date of July 1, 2077, to encourage further discussion; and

(4)   Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 603, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 603, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Public Safety and
Military Affairs,

BRANDON J.C. ELEFANTE, Chair

Record of Votes
Committee on Public Safety and Military Affairs
PSM

Bill / Resolution No.:*	Committee Referral:	Date:
SB 603	PSM, CPN/JDC	1-29-25

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended 2312　　☑ Pass, with amendments 2311　　☐ Hold 2310　　☐ Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
ELEFANTE, Brandon J.C. (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
RHOADS, Karl	✓			
DECORTE, Samantha	✓			
TOTAL	5	0	0	0

Recommendation:

☑ Adopted　　　　☐ Not Adopted

Chair's or Designee's Signature: _____

*Only <u>one</u> measure per Record of Votes

Revised: 12/09/24