



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

ON THE FOLLOWING MEASURE:
S.B. NO. 603, RELATING TO VETERANS.

BEFORE THE:
SENATE COMMITTEE ON PUBLIC SAFETY AND MILITARY AFFAIRS

DATE: Wednesday, January 29, 2025 **TIME:** 3:00 p.m.

LOCATION: State Capitol, Room 225

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Christopher J.I. Leong, or Christopher T. Han, Deputy Attorneys
General

Chair Elefante and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purpose of this bill is to establish regulations for persons who receive compensation for advising, assisting, or consulting others on veterans' benefits. It sets forth certain disclosure requirements, advertising restrictions, and penalties for violations.

The bill may be subject to challenge under the First Amendment of the United States Constitution as a potential restriction on commercial speech, but additional legislative findings in section 1 stating the justification for the bill will better protect it against a legal challenge. Further, we recommend that a savings clause be entered to insulate the bill from a challenge under the Contract Clause, article I, section 10, clause 1, of the United States Constitution.

Courts have recognized that laws regulating business disclosures constitute a form of commercial speech regulation. *See Zauderer v. Off. of Disciplinary Couns. of Supreme Ct. of Ohio*, 471 U.S. 626, 652 (1985) (upholding the constitutionality of disclosure requirements for contingent-fee arrangements in attorney advertising).. In determining whether a regulation on commercial speech is constitutional, a regulation is more likely to be upheld where the speech is misleading, the asserted governmental interest is substantial, the regulation directly advances the governmental interest, and

the regulation is not more extensive than is necessary to serve that interest. *See Retail Digital Network, LLC v. Prieto*, 861 F.3d 839, 844 (9th Cir. 2017) (upholding prohibition on a retailer from leasing advertising space to alcohol manufacturers).

The proposed section titled "[d]isclosure," at page 3, line 4, through page 4, line 10, which requires service providers to provide written disclosures, could be subject to challenge as a restriction on commercial speech under the First Amendment. While the proposed section titled "[a]dvertising," at page 4, line 11, through page 5, line 7, does not directly impose advertising restrictions, the prohibitions still appear to be targeted towards advertising practices. Since these restrictions can impact and alter the way a service provider advertises, including barring the use of call or data centers for processing information, and requiring background checks prior to accessing a veteran's information, a court could still view the restrictions as a regulation of commercial speech.

To strengthen the bill against potential First Amendment challenges, we recommend including a preamble that acknowledges the risk of misleading or unfair practices associated with the services addressed in the bill and emphasizes the necessity of its requirements and restrictions to protect veteran consumers from potential exploitation.

Additionally, the first proposed section, entitled "[p]rohibitions," at page 1, line 9, through page 3, line 2, which prohibits any person from receiving compensation for certain services, could be subject to challenge under the Contract Clause of the United States Constitution. The Contract Clause generally prohibits the substantial impairment of contractual relationships. Because the practices barred under the proposed section are contractual arrangements, the failure to exclude contracts that have been entered into prior to the effective date of the bill could be seen as an attempt to impair existing contracts.

To mitigate this issue, we recommend inserting a new section 7, after page 6, line 20, to read as follows:

SECTION 7. This Act shall not be applied so as to impair any contract existing as of the effective date of this Act in a manner violative of

either the Constitution of the State of Hawaii or article I, section 10, of the United States Constitution.

The current section 7 should then be renumbered as section 8.

Thank you for the opportunity to provide comments.

SB-603

Submitted on: 1/27/2025 9:39:05 AM

Testimony for PSM on 1/29/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carlos	Testifying for Veterans Caucus of the Democratic Party of Hawaii	Oppose	Written Testimony Only

Comments:

I write in strong opposition to SB603.

The members of the Veterans Caucus of the Democratic Party of Hawaii believe this is not the time to limit Veterans' options. This is nothing more than the Veterans Service Organizations (VSO) using the legislature to protect their product or service.

Many Veterans use the various VSOs to apply for benefits and are not satisfied with the service they receive. If a veteran makes an informed choice to pay for assistance, why should they be denied that opportunity?

Veterans have earned these benefits. Receiving them from the U.S. Department of Veterans Affairs is challenging and complex. The VSOs are not meeting the needs of many veterans. I acknowledge that some Veterans do receive excellent service from the VSOs. But, for those who do not, why restrict their options?

The proposed disclosure in this bill is the state government showing a preference for one service provider over another. If this disclosure is included, it should add this text:

"WHILE A VETERANS' SERVICE ORGANIZATION MAY BE ABLE TO PROVIDE YOU WITH THIS SERVICE FREE OF CHARGE, THERE ARE MORE OPTIONS AVAILABLE TO YOU. YOU MAY QUALIFY FOR OTHER VETERANS' BENEFITS BEYOND THE BENEFITS FOR WHICH YOU ARE RECEIVING SERVICES HERE."



January 29, 2025

Ashleigh Barry Testimony Supporting Hawaii Senate Bill 603

Thank you, Chair and members of the committee. My name is Ashleigh Barry, Senior Vice President of Communications for the National Association for Veteran Rights (NAVR), a national trade association dedicated to promoting ethical and transparent business practices among companies serving the service-disabled Veteran community, including organizations such as Veterans Guardian. At NAVR, we establish certification standards to ensure companies provide excellent services at reasonable fees—fees that Veterans are willing to pay.

Hawaii Senate Bill 603 is crucial for protecting Veterans from unethical practices in the claims assistance industry while preserving their freedom to navigate the complex disability claims process as they see fit. The bill aligns with NAVR's mission to uphold ethical standards and advocate for Veteran choice and Veteran-owned businesses. We commend its focus on prohibiting predatory practices such as excessive fees, misleading guarantees, and improper access to Veterans' sensitive information. The inclusion of clear disclosures and written agreements ensures Veterans are informed of their rights and aware of free service options.

I bring to this testimony a deep personal commitment. As a former senior executive overseeing communications at the U.S. Department of Veterans Affairs and an investigative journalist for two decades, I witnessed firsthand the systemic challenges faced by our nation's heroes. While reporting for CBS News, I was instrumental in exposing the Phoenix VA wait-time scandal, stories that revealed the systemic neglect and delay faced by Veterans and sparked years of national scrutiny. What I uncovered then continues to fuel my fight today through my work at NAVR and my time at the VA's national office.

The reality of wait times remains dire. In Hawaii, there are over 107,000 Veterans and only 30 VSO representatives—leaving more than 3,500 Veterans for every VSO representative. More than 43% of claims in this state are pending for more than four months. These delays are not just bureaucratic inconveniences; they can have devastating consequences, including the tragic loss of life. I've reported on suicides by Veterans whose claims were left on hold, forgotten, or denied.

This legislation strikes an important balance—encouraging Veterans to seek expert support while holding service providers to the highest ethical standards. Thank you for the opportunity to testify.

Sincerely,

Ashleigh Barry

SB-603

Submitted on: 1/28/2025 2:51:45 AM

Testimony for PSM on 1/29/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leslie Mckeague	Testifying for Democrat Veterans Caucus	Oppose	Written Testimony Only

Comments:

I strongly oppose SB603. Our veterans should be allowed options. The population of veterans increase each year. One organization will not be sufficient to assist this growing population. Should a veteran wait 12 months before being seen and another 3 years to be determined? The process is long and the population is growing.

I have heard of friends whose lives were majorly effected because the assistance and support in the process was not available or failed them, when they clearly needed the medical attention. It was the support services that they paid for or from friends who they knew that assisted them and helped them receive the medical and the financial support they needed to deserved.

Also, the bills verbiage may compromise Veterans who assist other Veterans out of good faith and are given a gift of some sort that could be perceived as payment.

It is a local custom to gift someone who helps a friend or family. Who is to say there may be a falling out between the two and this draft, if turned into a bill, will not compromise another veterans life and finances over an argument or misunderstanding.

The current organization is a great support to all veterans but as mentioned earlier they may not have the employee capacity to assist the growing population with the detailed care that is needed for each veteran.

Please allow our veterans options or research the current organization to determine whether they are capable to provide services to veterans within a reasonable turn around time while also measuring the success ratio per veteran.



TO: Chair Brandon J.C. Elefante
Vice Chair Glenn Wakai
Members of the Committee on Public Safety and Military Affairs

FR: Josh Smith, CEO and Co-Founder
Veteran Benefits Guide (VBG)

RE: SB 603 Relating to Veterans Rights and Benefits - **SUPPORT**

My name is Josh Smith and I am the CEO and Co-Founder of Veteran Benefits Guide ([VBG](#)) writing to you today to express my **support with SB 603**. VBG provides Veterans with a private, legal and federally compliant service that assists Veterans in navigating the Department of Veterans Affairs (VA) disability claims process to help ensure they receive the full benefits that they have earned.

VBG strongly appreciates Senator Wakai's commitment to protecting our Veterans and actually believes that SB 603 provides the right balance between establishing necessary guardrails to protect Veterans, including disclosure requirements and fee caps, an ensuring that honorable for-profit companies like VBG are allowed to continue serving Veterans.

The opponents of the bill may inaccurately insinuate that organizations such as ours choose not to be accredited. That is not accurate. VBG would welcome the opportunity to become accredited with the VA but cannot because current law prohibits accredited entities from charging a fee for representation of Veterans on the initial claim. VBG's personnel, medical service provider network and procedures already meet standards required of VA-accredited agents and would meet any reasonable threshold for accreditation set by the VA.

Opponents of the bill also claim that private services like VBG are violating the law. That is also false. Federal law states that "no individual may act as an agent or attorney in the preparation, presentation, or prosecution of any claim under laws administered by the Secretary" without first being accredited. I would like to state for the record that:

- We **DO NOT** practice law.
- We **DO NOT** act as the Veteran's agent of record.
- We **DO NOT** present before the VA.

SB 603 provides a path for honorable companies like VBG to continue serving Veterans while addressing concerns with predatory practices which proliferate within the industry.

In addition to being the CEO of VBG, I am also a U.S. Marine Corps Veteran and a former VA employee. At the VA, I served as a Rating Veteran Service Representative, where I reviewed disability compensation applications and assigned disability ratings, determining the amount of benefits Veterans would receive. In that role, I witnessed firsthand that the VA's disability

compensation benefits process is inefficient and often runs counter to the agency's mission of helping Veterans. While we were certainly helping some Veterans, far too many were being denied benefits they earned due to an absurdly complicated system. Through no fault of their own, Veterans were receiving lower disability ratings than they deserved or were simply waiting years to receive final determinations on their benefits.

That is why, in 2015, I left the VA and, with my wife, Lauren, created Veteran Benefits Guide to help guide Veterans through the process and ensure they receive the full benefits they earned from their service in a timely manner. Much like a tax service provider, we help Veterans navigate through a confusing bureaucracy to get what they are owed.

We are proud to have grown our company and now have more than 200 employees, with offices in Nevada and California. Eighty percent of our employees are Veterans themselves or immediate family members of Veterans. And we have employed former VA personnel, like myself, to keep up-to-date with VA regulations and practice of the VA disability compensation system.

In exchange for our service, we are paid a one-time success-based fee only after the Veteran is paid. Our fee represents a small percentage of the increase in benefits received and is typically around 1% of a Veteran's total lifetime benefits. And if the Veteran's benefit doesn't change, there is no fee.

At VBG, we are committed to putting the Veterans' interests first. All our clients sign a waiver upfront acknowledging that free services are available. We have never taken a Veteran to small claims court for non-payment and automatically write off 10% of our revenue due to unpaid fees. And we do not offer services around PACT Act claims, which do not require an expert guide.

To date, we have guided more than 35,000 Veterans through the claims process. These Veterans have received an average increase in monthly benefits of \$1,300 benefits they would not have received without our help. Despite their best efforts, Veteran Service Organizations (VSOs), which are intended to represent Veterans in the process, do not have enough resources to keep up with the demand. In fact, more than 70% of our clients first tried navigating the VA benefits process with the help of a VSO representative or on their own. They were either denied their full benefits or felt the process was taking too long.

Senate Bill 603 preserves freedom of choice, representation, and access to Veteran services, while making it harder for unscrupulous individuals to take advantage of Veterans and the benefits they have earned. As members of the Committee on Public Safety and Military Affairs, we urge you to support Senate Bill 603.

Very Respectfully,

A handwritten signature in dark ink, appearing to read "Josh Smith". The signature is fluid and cursive, with the first name "Josh" being more prominent than the last name "Smith".

Josh Smith

**SUBMITTED TESTIMONY OF JOHN H. BLOMSTROM, UNITED STATES MARINE CORPS
VETERAN**

MANAGER, GOVERNMENT RELATIONS AND PUBLIC AFFAIRS

VETERANS GUARDIAN VA CLAIM CONSULTING, LLC

BEFORE THE HAWAII STATE SENATE

SENATE VETERANS AFFAIRS PUBLIC HEARING

JANUARY 29, 2025

OPENING STATEMENT IN SUPPORT OF HI SB 603

I. Introduction

Mr. Chairman and Members of the Committee, Thank you for the opportunity to provide written testimony expressing Veterans Guardian's supportive views of Hawaii Senate Bill 603.

My name is John Blomstrom, and I am the Manager of Government and Public Affairs for Veterans Guardian VA Claim Consulting. I am also a Marine Corps Veteran who proudly served in Operation Enduring Freedom and Operation Iraqi Freedom. My military career was dedicated to serving this great nation, and I am honored to continue serving my fellow Veterans in a new capacity by helping them navigate the often-complex VA disability benefits process.

In 2008, as I was transitioning out of the Marine Corps, I began looking into VA disability benefits. Like so many service members, I had heard how cumbersome and complicated the process was, but I assumed I probably didn't qualify since I felt relatively healthy. I now know how wrong I was. Information about VA disability benefits was practically non-existent, and getting an appointment with a claims representative was extremely difficult.

Despite being a seasoned Marine with access to helpful colleagues, it still required significant research and effort to successfully submit my claim. Unfortunately, this experience is far too common. If I, with my background and access to resources, struggled to navigate the process, something was clearly broken. This realization drove me to join Veterans Guardian, where I am proud to help other Veterans avoid similar struggles and ensure they receive the benefits they've earned through honorable service.

Veterans Guardian is a proud Veteran-owned and operated company. We employ a staff composed of more than 75% Veterans, spouses of Veterans, spouses of active-duty service members, or immediate family members of Veterans. Our company has received numerous accolades, including the Department of Labor HIRE Vets platinum or gold award for five consecutive years, the BBB Torch Award for Marketplace Ethics since 2020, and recognition as a Military Friendly Company of the Year. Additionally, we are the national presenting sponsor for Irreverent Warriors and actively support more than 60 national and local charities.

II. Veterans Guardian's Mission and Work

Our mission is to provide the best possible service to our Veteran clients to ensure that they receive all the benefits to which they are entitled based on injuries sustained during their honorable service to our nation. I am incredibly proud of the work we do every day to offer a transparent, effective, and efficient option to help Veterans navigate a complex and oftentimes failing system.

Our services complement other resources available to Veterans. Every client we assist is informed about the free options available to them through county and state Veteran Service Officers, Veteran Service Organizations, and local Congressional offices. If a Veteran chooses, we directly connect them to those resources.

Given the sheer volume of Veterans needing assistance and the challenges they face, there is still a backlog of more than 350,000 VA disability claims. Current systems alone do not have the capacity to meet these demands. Veterans need more options, not fewer, to receive timely assistance. Veterans Guardian addresses these needs by providing responsive, expert services that are tailored to their unique circumstances.

III. The Problem

The VA disability process is riddled with bureaucracy, making it adversarial and unnecessarily difficult for Veterans. This system has created opportunities for a small number of boutique law firms to profit, often at the expense of Veterans. As Kenneth Arnold, Acting Chairman of the Board of Veterans' Appeals, testified before Congress:

"The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. This generates \$45 to \$50 million in attorney's fees each year, with the majority going to a small number of boutique law firms with relatively few veterans receiving any increase in their monthly compensation."

In Hawaii alone, there are only 30 unique accredited Veteran Service Officers to support the estimated 107,210 Veterans in the state, meaning each representative is responsible for over 3,574 Veterans. This capacity is insufficient to meet the growing demand for services.

Over 70% of our clients turn to Veterans Guardian after trying other options and finding them insufficient. These Veterans are telling us, through their choice, that they value the expertise and professionalism we provide.

IV. The Solution: Hawaii Senate Bill 603

HI SB 603 is a critical step forward in addressing the challenges faced by Veterans in pursuing their VA disability claims. The bill provides enhanced oversight and protections for Veterans while preserving their right to choose the service provider that best meets their needs.

If enacted, HI SB 603 would alleviate the backlog of claims, provide Veterans with more options for expert assistance, and protect them from predatory practices. Key provisions of the bill include:

- Mandating that fees are purely contingent upon a successful outcome and not to exceed five times the monthly increase;
- Prohibiting initial or non-refundable fees;
- Requiring presumptive-period Veterans to be referred to a VSO of their choice;
- Obtaining written confirmation from Veterans that they have been informed of their free options;
- Prohibiting aggressive solicitation and guaranteeing outcomes; and
- Ensuring Veterans' personal information is handled securely with HIPAA-compliant servers.

These reforms will protect Veterans while expanding their options to seek expert claims assistance.

V. Conclusion

Veterans Guardian strongly supports HI SB 603. This legislation will improve the lives of countless Veterans and ensure they have access to the services they need. We join dozens of organizations in endorsing this important bill (see Attachment I).

I look forward to continuing this conversation and working with you to develop solutions that uphold the rights and dignity of our nation's Veterans. Thank you for the opportunity to submit this testimony.

Sincerely,

John Blomstrom

Manager of Government and Public Affairs

Veterans Guardian VA Claim Consulting

Marine Corps Veteran

SB-603

Submitted on: 1/28/2025 10:52:56 AM

Testimony for PSM on 1/29/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Benjamin Tipton	Testifying for Veterans Guardian VA Claim Consulting	Support	Written Testimony Only

Comments:

SUBMITTED TESTIMONY OF BENJAMIN L. TIPTON, UNITED STATES ARMY
VETERAN

ACCOUNTS ADMINISTRATOR
VETERANS GUARDIAN VA CLAIM CONSULTING, LLC
BEFORE THE HAWAII STATE SENATE
SENATE VETERANS AFFAIRS PUBLIC HEARING

JANUARY 29, 2025

OPENING STATEMENT IN SUPPORT OF HI SB 603

I. Introduction

Mr. Chairman and Members of the Committee, Thank you for the opportunity to provide written testimony expressing Veterans Guardian's supportive views of Hawai'i Senate Bill 603.

My name is Benjamin Tipton, and I am the Accounts Administrator for Veterans Guardian VA Claim Consulting. I am also a United States Army Veteran who proudly served in Operation Enduring Freedom and Operation Iraqi Freedom. My military career was dedicated to serving this great nation, and I am honored to continue serving my fellow Veterans in a new capacity by helping them navigate the often-complex VA disability benefits process. In 2012, as I was transitioning out of the United States Army, I began looking into VA disability benefits. Like so many service members, I had heard how cumbersome and complicated the process was, but I assumed I probably didn't qualify since I felt relatively healthy. I now know how wrong I was. Information about VA disability benefits was practically non-existent, and getting an appointment with a claims representative was extremely difficult.

Despite being a career Army officer with access to helpful colleagues, it still required significant research and effort to successfully submit my claim. Unfortunately, this experience is far too common. If I, with my background and access to resources, struggled to navigate the process, something was clearly broken. This realization drove me to join Veterans Guardian, where I am proud to help other Veterans avoid similar struggles and ensure they receive the benefits they've earned through honorable service.

Veterans Guardian is a proud Veteran-owned and operated company. We employ a staff composed of more than 75% Veterans, spouses of Veterans, spouses of active-duty service members, or immediate family members of Veterans. Our company has received numerous

accolades, including the Department of Labor HIRE Vets platinum or gold award for five consecutive years, the BBB Torch Award for Marketplace Ethics since 2020, and recognition as a Military Friendly Company of the Year. Additionally, we actively support more than 60 national and local charities.

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Our services complement other resources available to Veterans. Every client we assist is informed about the free options available to them through county and state Veteran Service Officers, Veteran Service Organizations, and local Congressional offices. If a Veteran chooses, we directly connect them to those resources.

Given the sheer volume of Veterans needing assistance and the challenges they face, there is still a backlog of more than 350,000 VA disability claims. Current systems alone do not have the capacity to meet these demands. Veterans need more options, not fewer, to receive timely assistance. Veterans Guardian addresses these needs by providing responsive, expert services that are tailored to their unique circumstances.

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"The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. This generates \$45 to \$50 million in attorney's fees each year, with the majority going to a small number of boutique law firms with relatively few veterans receiving any increase in their monthly compensation."

In Hawai'i alone, there are only 30 unique accredited Veteran Service Officers to support the estimated 107,210 Veterans in the state, meaning each representative is responsible for over 3,574 Veterans. This capacity is insufficient to meet the growing demand for services.

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IV. The Solution: Hawai'i Senate Bill 603

HI SB 603 is a critical step forward in addressing the challenges faced by Veterans in pursuing their VA disability claims. The bill provides enhanced oversight and protections for Veterans while preserving their right to choose the service provider that best meets their needs.

If enacted, HI SB 603 would alleviate the backlog of claims, provide Veterans with more options for expert assistance, and protect them from predatory practices. Key provisions of the bill include:

- Mandating that fees are purely contingent upon a successful outcome and not to exceed five times the monthly increase;
- Prohibiting initial or non-refundable fees;
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- Obtaining written confirmation from Veterans that they have been informed of their free options;
- Prohibiting aggressive solicitation and guaranteeing outcomes; and
- Ensuring Veterans' personal information is handled securely with HIPAA-compliant servers.

These reforms will protect Veterans while expanding their options to seek expert claims assistance.

V. Conclusion

Veterans Guardian strongly supports HI SB 603. This legislation will improve the lives of countless Veterans and ensure they have access to the services they need. We join dozens of organizations in endorsing this important bill (see Attachment I).

I look forward to continuing this conversation and working with you to develop solutions that uphold the rights and dignity of our nation's Veterans. Thank you for the opportunity to submit this testimony.

Sincerely,
Benjamin Tipton
Accounts Administrator
Veterans Guardian VA Claim Consulting
United States Army Veteran



BLACK VETERANS EMPOWERMENT COUNCIL INC.

909 Rose Ave. Suite 400 North Bethesda, Maryland 20852

www.bvecinc.org

Chairman Elefante and Members of the Public Safety and Military Affairs Committee
Hawaii State Senate
415 S Beretania St
Honolulu, Hawaii 96813

January 27, 2025

Dear Chairman Elefante and Members of the Committee,

On behalf of Black Veterans Empowerment Council (BVEC), one of the Nation's largest Black Veterans groups, I am writing to express our strong support for Hawaii Senate Bill 603. This bill aims to establish critical protections for Hawaii's Veterans and their families, ensuring they receive high-quality, transparent assistance when seeking Veterans' benefits.

BVEC recognizes the importance of clear regulatory standards for organizations and individuals offering Veterans' benefits services. This bill, which reinforces accredited representation and provides Veterans with essential information about service providers, aligns with our commitment to ethical and professional service. In particular, the requirement that Veterans' benefit service providers disclose their affiliations and compensation terms will significantly enhance transparency.

These provisions are fundamental to preserving the integrity of Veterans' services across the state. Furthermore, we applaud the inclusion of privacy safeguards in the bill, such as prohibiting the use of international call centers for processing Veterans' personal information and requiring background checks for individuals handling sensitive data. BVEC believes these measures are essential to protecting Veterans' personal and financial information.

We appreciate your consideration of this important legislation and urge the Hawaii Senate to support its passage. BVEC stands ready to assist in any way possible to ensure that Hawaii's Veterans have access to the highest standard of benefits services. Thank you for your commitment to Hawaii's Veterans.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shawn L. Deadwiler', with a long, sweeping horizontal line extending to the right.

Shawn L. Deadwiler
Chairman of the Board and President



Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters

Tony D. Cardwell
President

Dale E. Bogart, Jr.
Secretary-Treasurer

January 27, 2025

Chairman Elefante and Members of the Public Safety and Military Affairs Committee
Hawaii State Senate
415 S Beretania St
Honolulu, Hawaii 96813

Dear Chairman Elefante and Members of the Committee

On behalf of The Teamsters Rail Conference, the Brotherhood of Maintenance of Way Employes (BMWED-IBT), and our Veteran members in Hawaii, I write today to **SUPPORT Hawaii SB 603.**

The BMWED-IBT is proud to offer and encourage private expert support to our Veteran members. Our members are armed with all the information available to them and appreciate the ability to make the best choice for them and their families. We have been working closely with Veterans Guardian to educate our members on the full range of options available free of charge and for a fee. We are proud to ensure that our Hawaii Veteran members and brothers and sisters nationwide are well-informed and choose the best options for them.

As a Veteran myself and the Director of Government Affairs for the BMWED-IBT, I used Veterans Guardian to help me achieve an increase in my rating. Unfortunately, years of navigating the complicated Veterans Affairs process frustrated me. I tried the free services offered by Veteran Service Organizations, but while well-intentioned, they failed to meet my needs. Free doesn't always mean better, and I have the choice to decide who helps me with my claim.

Hawaii SB 603 is a commonsense consumer protection bill to ensure our member Veterans are not taken advantage of by bad actors and nefarious practices.

Hawaii Veterans deserve a choice, and the BMWED members in Hawaii deserve the option to use companies like Veterans Guardian – while being safeguarded from true claim sharks.

This bill is trying to accomplish a noble effort and preserves the options for the hard-working, dedicated brothers and sisters of the BMWED-IBT. I strongly urge you to vote in support of Hawaii SB 603.

Sincerely,

Jeff Joines
Director of Government Affairs



January 27, 2025

Chairman Elefante and Members of the Public Safety and Military Affairs Committee
Hawaii State Senate
415 S Beretania St
Honolulu, Hawaii 96813

Dear Chairman Elefante and Members of the Committee,

On behalf of Purple Heart Homes (PHH), a North Carolina-based 501(c)(3) nonprofit dedicated to serving Veterans across the nation, we are writing to express our strong support for Hawaii Senate Bill 603. This bill is crucial in safeguarding Hawaii's Veterans and their families, ensuring they have access to high-quality, transparent assistance when navigating the often-complex process of securing Veterans' benefits.

Purple Heart Homes was founded in 2008 by Veterans John Gallina and the late Dale Beatty, both of whom served together in Iraq and returned with life-altering injuries. Inspired by the unwavering support of their community, they established PHH to honor fellow Veterans. Today, PHH provides housing solutions to service-connected, disabled, and aging Veterans of all eras across the United States, reflecting our core commitment to supporting Veterans and their rights.

We wholeheartedly endorse the requirements outlined in this bill, which mandate that Veterans' benefit service providers disclose affiliations, compensation terms, and provide transparency regarding their operations. These provisions will protect Hawaii's Veterans from unqualified or predatory actors and ensure that only accredited and authorized representatives offer support to Veterans.

In addition, we commend the privacy protections within this bill, particularly those that prevent the use of international call centers for Veterans' personal information processing and enforce background checks for individuals handling sensitive data. These safeguards are essential for preserving the integrity and security of Veterans' personal information.

PHH also supports Veterans' rights to choose reliable and expert assistance, whether through private entities or traditional Veterans Service Organizations. Veterans deserve the freedom to access the support they need without undue restriction or compromise, and these amendments serve as an important step in that direction.

We strongly urge the Hawaii Senate to pass this bill and remain available to assist in any way necessary to ensure New Hampshire's Veterans receive the highest standard of care and service.

Thank you for your dedication to Hawaii's Veterans.

Paul Cockerham
Chief Development Officer
Purple Heart Homes



VETERANS GUARDIAN
VA CLAIM CONSULTING

Chairman Elefante and Members of the Public Safety and Military Affairs Committee
Hawaii State Senate
415 S Beretania St
Honolulu, Hawaii 96813

January 27, 2025

Dear Chairman Elefante and Members of the Committee,

On behalf of Veterans Guardian VA Claim Consulting LLC (Veterans Guardian), the largest Veteran-owned and operated Veteran disability benefits company in the country, we write in support of Hawaii's Senate Bill 603.

Hawaii SB 603 would preserve the rights of a Veteran to choose how they pursue their own US Department of Veterans' Affairs disability claim and address the full spectrum of the issues at hand. This bill provides additional oversight and protections for the Veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring Veterans have access to diverse options and effective solutions for decades to come.

Veterans Guardian is a private Veteran disability claim consulting company owned and operated by Veterans, spouses of veterans, and spouses of active-duty service members. We fully support the goal of ensuring Veterans have access to a diverse set of options to help them secure the benefits they have earned. We proudly serve more than 45,000 Veterans annually. We assist Veterans with receiving the disability benefits they have earned through their honorable service, achieving a success rate of greater than 90%, in an average of 85 days. This is far below the Veterans Administration average processing time of 150 days.

Trapping Veterans in a backlogged appeals system only benefiting a handful of attorneys is something Veterans Guardian aims to avoid by focusing on getting claims done correctly the first time. The current US Department of Veterans' Affairs (VA) disability benefits system is at best cumbersome and adversarial, and at worst broken to a point where it harms the Veterans for the benefit of a small number of powerful boutique law firms. In fact, in recent US Congressional testimony, Kenneth Arnold, Acting Chairman of the Board of Veterans' Appeals testified under oath:

"The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. This generates \$45 to \$50 million in attorney's fees each year, with the majority going to a small number of boutique law firms with relatively few Veterans receiving any increase in their monthly compensation."

If passed, Hawaii Senate Bill 603 will help alleviate the problems with the current system and could help decrease the ever-growing backlog of claims processed through VSOs and perversely incentivized attorneys. Hawaii SB 603 secures the opportunity of Veterans to seek expert help with a wide variety of claims and could help them avoid the Veterans Administration appeals trap.

There is momentum building at the federal level in the United States Congress to reform the accreditation process for third party actors, like Veterans Guardian, that help Veterans achieve the full disability benefits they have earned. There are more than 18 million veterans in America, but only 5 million have a disability rating. While actors such as VSOs and law firms also serve veterans, more options, not less, are needed to effectively meet the demand of American Veterans.

Hawaii SB 603 preserves a Veteran's right to choose how they pursue their claim and implements necessary reforms that must take place to ensure the integrity of the systems and to protect Veterans from potentially bad actors. Some of these reforms include, but are not limited to:

- o Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase;
- o Prohibiting any initial or non-refundable fees;
- o Mandating that presumptive period Veterans be referred to a VSO of their choice;
- o Getting written confirmation from the veteran they have been informed of their free options;
- o Prohibiting the use of international call centers or data centers for processing Veteran's personal information;
- o Prohibiting aggressive and direct solicitation;
- o Prohibiting advertising or guaranteeing a successful outcome;
- o Mandating the use of HIPAA compliant servers; and other protections.

These are true protections that will ensure the Veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation at the federal level and enhanced oversight against bad practices at the state level – Hawaii SB 603 does just that!

I would encourage your staff to contact me at Brian.Johnson@vetsguardian.com to set up a meeting to discuss this matter further.

Sincerely,



Brian M. Johnson
Executive Vice President, Government & Public Affairs
Washington, DC Office





555 Marshall Drive
Saint Robert, MO 65584
Support@United-Veteran.com
www.United-Veteran.com
(573) 412-5100

Chairman Elefante and Members of the Public Safety and Military Affairs Committee
Hawaii State Senate
415 S Beretania St
Honolulu, Hawaii 96813

January 27, 2025

Dear Chairman Elefante and Members of the Committee,

As one of the founding members of United Veteran Benefits Agency, LLC a majority-Veteran owned and operated organization, I am writing in support of Hawaii SB 603.

Hawaii SB 603 as we see it provides Veterans the opportunity to choose who they receive support from when pursuing their US Department of Veterans' Affairs disability claims. It encompasses all aspects of the Veterans right to choose, keeping in-tact their first amendment rights, while also including oversight and protection, important for Veterans and civilians alike.

United Veteran Benefits Agency LLC, as I mentioned above, is a Veteran owned and operated organization. Our staff is comprised 100% of Veterans, Veteran spouses and family, and spouses and family members of active-duty service members who understand the medical and mental health difficulties Veterans live with and the complexities of the VA disability process. We have a success rate of 90%, which means fewer appeals bogging down the system. Our goal is to do it right the first time, keeping the process moving through the VA system efficiently, preventing appeals and providing the Veteran with the benefits they have earned in a timely fashion. Passing Hawaii SB 603 will help alleviate some of the backlog that occurs within the VA system and as stated before, continue to allow Veterans a choice in how they pursue their VA disability claims.

As a consulting firm, our goal is to assist every Veteran who comes to us requesting help in a manner that is tailored to them and their family. We ensure the Veterans we work with understand their options including free services. And, if they choose to go in that direction, but aren't sure where to go, we help provide them with the service that is nearest to them. Since the inception of our business, we have served over 3500 Veterans. Many of them have called us crying from joy and relief after receiving their new VA disability rating stating they've been trying to navigate the system for months with no success. Others have written to us stating we "changed their lives".

As we see it, Hawaii's SB 603 provides protection for Veterans as listed below, while still allowing them the choice of who they want to work with to obtain their VA disability claims.

Our support of Protection for Veterans as we understand and agree with it in Hawaii SB 603.

- Prohibiting any initial or non-refundable fees, mandating fees to successful outcomes not to exceed the 5x the monthly increase.
- Organizations cannot receive compensation for services rendered in connection with any claim filed within the 1-year presumptive period of active-duty release unless the Veteran signs a waiver stating they deny the free services offered and available to them.
- International call centers and data centers are prohibited.
- Veteran's personal log-in, username, or password may not be used to access their government information.
- Background checks for anyone working with the Veteran are required by a reputable source and include identity verification and a criminal records check.
- Direct and aggressive solicitation are prohibited.
- Guaranteeing a successful outcome is not permitted.
- Requiring the use of HIPPA compliant servers and other protections.

At United Veteran Benefits Agency LLC, we appreciate that SB 603 was put together in a manner that views the needs of a Veteran from all angles. It is comprehensive and well written, and we would like to thank you for your time and effort and the opportunity to share our thoughts with you.

Sincerely,

A handwritten signature in cursive script that reads "Connie Jones".

Connie Jones
A Founding and Managing Member

LATE

SUBMITTED TESTIMONY OF MARK CHRISTENSEN

CHIEF OF STAFF,

VETERANS GUARDIAN VA CLAIM CONSULTING, LLC

BEFORE THE HAWAII STATE SENATE

JANUARY 29, 2025

OPENING STATEMENT

I. Introduction

Thank you for the opportunity to provide testimony expressing Veterans Guardian's views on an important piece of legislation.

My name is Mark Christensen and I am the Chief of Staff at Veterans Guardian VA Claim Consulting, and a Veteran of the US Army. My career concluded in 2019 and included eight deployments to Afghanistan, Iraq, the Balkans, Haiti and the most contentious parts of East and West Africa. I've held positions from the platoon leader to Battalion Commander and several staff positions at the 3 and 4-star level commands. The vast majority of my 25 year career was spent in the Special Operations community and I was fortunate enough to spend several years in an Army Special Mission Unit. I am proud to be part of one of the largest Veteran owned and operated companies assisting my fellow Veterans with their disability claims.

When leaving military service, one of the questions that inevitably comes up is VA disability benefits. Most people know that they exist and have heard horror stories about how cumbersome and complicated the process is. Many people feel healthy and assume they probably did not qualify, which is wrong. Information about claiming VA disability benefits can be non-existent or difficult to find. Worse still, getting an appointment with a claims representative was even more difficult due to limited operating hours and limited capacity, even at the large installations. Unfortunately, the VA disability process is a bureaucratic and difficult system to navigate that presents challenges to most Veterans, often resulting in deserving Veterans not receiving the

benefits to which they are entitled. I am proud of the work my company has done to assist Veterans with this process.

Veterans Guardian is a private veteran disability claim consulting company owned and operated by veterans, spouses of veterans, and spouses of active-duty service members. We fully support the goal of ensuring veterans have access to a diverse set of options to help them secure the benefits they have earned. We proudly serve more than 35,000 veterans annually. We assist veterans with receiving the disability benefits they have earned through their honorable service, achieving a success rate of greater than 90%, in an average of 85 days. This is far below the Veterans Administration average processing time of 150 days.

II. *Veterans Guardian's Mission and Work*

Our mission is to provide the best possible service to our Veteran clients to ensure that they receive all the benefits that they are entitled to based on injuries that occurred during their time of honorable service to our nation. I am incredibly proud of the work we do every day to offer a transparent, effective, and efficient option to help Veterans navigate a complex and oftentimes failing system. Our capabilities are complementary to the other services available to Veterans. My trained and expert staff inform every Veteran that there are free options and services available to them in the form of county and state Veteran Service Officers, the Veteran Service Organizations, and their local Congressional offices, and we connect them directly to these services if they choose. We are transparent that we are not accredited, and our clients acknowledge their understanding of our status as well as the free options available to them when they sign our consulting agreement and the "Your Claim, Your Choice" affidavit. Our Veterans are choosing to utilize our services from a position of knowledge. Our data and analysis of successful claims shows that more than 70% of the time, our Veteran clients come to us after having used some of the free services available to them; which tells us that Veterans are not unaware of the free services, and that they are looking for something different.

Given the difficulty that many Veterans face when trying to navigate the VA disability process, as well as the sheer volume of Veterans that need assistance, there continues to be a backlog of more than 257,000 veteran disability claims. Contrary to common belief and statements from the legacy Veteran Service Organizations, and the VA, the current systems alone do not provide enough representatives or caliber of services to meet the needs of Veterans seeking assistance. Veterans need more options for assistance, not less. To address Veterans' pressing and time sensitive needs, they should be able to pursue their claims in the manner that best serves them, with full knowledge of all available providers (including county and state employees, VSOs, lawyers, claims agents, and companies like Veterans Guardian) who can assist them at any step in the process.

Veterans make a fully informed choice to use our services for a multitude of reasons: easy access and responsiveness, our experience and knowledge developed and refined over tens of thousands of claims, our expertise utilizing a team method with team members becoming experts in all stages of the process, our ability to help develop medical and lay evidence with a network of independent external doctors, our understanding of the regulations, and our competence in developing claims for secondary conditions. Based on all of this, I am proud that we have assisted tens of thousands of Veterans with a success rate of more than 90%. The Veterans themselves have made clear that we are providing an important and necessary service, as we have thousands of positive reviews and many personal referrals from our clients. In fact, 50% of our new clients each month are referred from previous or current clients. The thousands of positive reviews and direct referrals that we receive are a direct testament to the importance we place on client care. We have also received extensive recognition for our work, including 11 awards from various organizations, including: AMVETS North Carolina, National AMVETS, Department of Labor HIREVETS – Gold and Platinum Medallion awards, the Better Business Bureau – Ethics Awards three years in a row, Military Friendly Employer, and Military Spouse Friendly Employer.

We are transparent about our process and fee structure, and up-front about who we are and who we are not. We do not aggressively solicit any Veteran, the Veteran comes to

us informed and ready to receive the benefits they have earned. We do not have doctors on our payroll doing medical exams, nor do we have automated or international call centers. Our fee structure reflects our mission and is clearly communicated to Veteran clients throughout each step in the process. We do not collect any fee unless the Veteran achieves an increase in their VA benefits, and we do not have access to a Veteran's financial or e-benefits accounts. Any fee that a Veteran pays us comes from new benefits we have helped them secure, and no Veteran is financially disadvantaged from where they were before they utilized our services. Our Veterans are paying a one-time fee for assistance while receiving a lifetime of benefits. Included in our written submission for the record is a detailed description of our fee structure.

III. *Legislative Proposals*

As our business model has shown, we are strong supporters of improving the process by which Veterans obtain their disability benefits. Our goal should be to expand good options for our Veterans, not restrict them; to improve oversight and ensure Veterans are receiving competent, timely assistance; and to provide our Veterans the freedom to make an informed decision regarding how they want to pursue their disability claims. We have continued to be strong supporters of accreditation reform on the federal level, including increasing knowledge requirements and scrutiny of applicants for accreditation.

According to the VA's publicly available data on accredited service officers and agents, the entire state of **Hawaii has only 30 unique VSO representatives to aid the estimated 107,210 veterans** who currently reside in the state. This equates to **each representative being responsible for handling the affairs of 3,574 veterans**. Even the hardest working and most efficient volunteer would be pressed to give the best possible service to that many veterans. This further demonstrates how harmful SB 608 will be by forcing Hawaii's veterans to rely on a system that is already overloaded and ineffective.

This is why over 70% of Veterans Guardian clients have turned to us for help after trying the other options available – they, not us, are telling you they prefer our expertly trained professional staff and the services we offer.

There is momentum building at the federal level in the United States Congress to reform the accreditation process for third party actors, like Veterans Guardian, that help veterans achieve the full disability benefits they have earned. There are more than 18 million veterans in America, but only 5 million have a disability rating. While actors such as VSOs and law firms also serve veterans, more options, not less, are needed to effectively meet the demand of American veterans.

SB 603 is a critical step forward in addressing the challenges faced by Veterans in pursuing their VA disability claims. The bill provides enhanced oversight and protections for Veterans while preserving their right to choose the service provider that best meets their needs.

If enacted, HI SB 603 would alleviate the backlog of claims, provide Veterans with more options for expert assistance, and protect them from predatory practices. Key provisions of the bill include:

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- Mandating that fees are purely contingent upon a successful outcome and not to exceed five times the monthly increase;
- Prohibiting initial or non-refundable fees;
- Requiring presumptive-period Veterans to be referred to a VSO of their choice;
- Obtaining written confirmation from Veterans that they have been informed of their free options;
- Prohibiting aggressive solicitation and guaranteeing outcomes; and
- Ensuring Veterans' personal information is handled securely with HIPAA-compliant servers.

These reforms will protect Veterans while expanding their options to seek expert claims assistance.

IV. *Conclusion*

I look forward to remaining engaged and working with you and your staff as we continue to develop solutions for this and other important issues facing our nation's Veterans.

Thank you for the opportunity to submit this testimony.

SB-603

Submitted on: 1/25/2025 7:15:45 AM

Testimony for PSM on 1/29/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Golojuch, Sr.	Individual	Support	Written Testimony Only

Comments:

I support SB603.

LATE

SB-603

Submitted on: 1/28/2025 5:28:00 PM

Testimony for PSM on 1/29/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teri Heede	Individual	Oppose	Written Testimony Only

Comments:

Why would you oppose veterans helping themselves?

Are YOU a veteran that relies on services provided by the VA? If you are, you would already know the obstacles and procedural issues that disabled vets face. If you aren't a vet using these services, I can assure you that I required assistance to be able to access my benefits as a 70% disabled Viet Nam era vet.

Please DO NOT limit any veteran's access to any assistance they can receive.

Mahalo!