

JAN 17 2025

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# A BILL FOR AN ACT

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RELATING TO VETERANS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The purpose of this Act is to establish  
2 provisions governing any person who receives compensation for  
3 advising, assisting, or consulting any individual with veterans  
4 benefits who is not otherwise regulated under federal law.

5       SECTION 2. Chapter 363, Hawaii Revised Statutes, is  
6 amended by adding a new part to be appropriately designated and  
7 to read as follows:

8                   **"PART       .   VETERANS BENEFITS**

9       **§363-       Prohibitions.** (a) No person shall receive  
10 compensation for referring any individual to another person for  
11 the purpose of receiving advice, assistance, or consultation  
12 with regard to any veterans benefits matter.

13       (b) Before rendering any services, a person seeking to  
14 receive compensation for advising, assisting, or consulting with  
15 any individual in connection with a veterans benefits matter  
16 shall memorialize, in a written agreement signed by both  
17 parties, the specific terms under which the amount to be paid



1 will be determined. Compensation shall be purely contingent  
2 upon an increase in benefits awarded, and if successful,  
3 compensation shall not exceed five times the amount of the  
4 monthly increase in benefits awarded based on the claim. No  
5 initial or nonrefundable fee shall be charged by the person  
6 advising, assisting, or consulting an individual on a veterans  
7 benefits matter.

8 (c) No person shall receive compensation for any services  
9 rendered in connection with any claim filed within the one-year  
10 presumptive period of active-duty release, unless the veteran  
11 acknowledges by signing a waiver that the veteran is within the  
12 one-year presumptive period and chooses to deny free services  
13 available to the veteran.

14 (d) No person shall guarantee, either directly or by  
15 implication, a successful outcome or that any individual is  
16 certain to receive specific veterans benefits or that any  
17 individual is certain to receive a specific level, percentage,  
18 or amount of veterans benefits.

19 (e) No person shall receive excessive or unreasonable fees  
20 as compensation for advising, assisting, or consulting any  
21 individual with any veterans benefits matter.



(f) Nothing in this section shall be construed as prohibiting a division of fees between attorneys that is otherwise proper under the Hawaii rules of professional conduct.

**§363- Disclosure.** (a) Any person advising, assisting, or consulting on veterans benefits matters for compensation shall provide the following disclosure at the outset of the business relationship:

"THIS BUSINESS IS NOT SPONSORED BY, OR AFFILIATED WITH, THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR THE HAWAII DEPARTMENT OF DEFENSE, HAWAII OFFICE OF VETERANS' SERVICES, OR ANY OTHER FEDERALLY CHARTERED VETERANS SERVICE ORGANIZATION. OTHER ORGANIZATIONS, INCLUDING BUT NOT LIMITED TO THE HAWAII DEPARTMENT OF DEFENSE, HAWAII OFFICE OF VETERANS' SERVICES, YOUR LOCAL COUNTY VETERANS SERVICE AGENCY, AND OTHER FEDERALLY CHARTERED VETERANS SERVICE ORGANIZATIONS, MAY BE ABLE TO PROVIDE YOU WITH THIS SERVICE FREE OF CHARGE. PRODUCTS OR SERVICES OFFERED BY THIS BUSINESS ARE NOT NECESSARILY ENDORSED BY ANY OF THESE ORGANIZATIONS. YOU MAY QUALIFY FOR OTHER VETERANS BENEFITS BEYOND THE BENEFITS FOR WHICH YOU ARE RECEIVING SERVICES HERE."



(b) The written disclosure required by subsection (a) shall appear in at least twelve-point font and shall appear in an easily identifiable place in the person's agreement with the individual seeking services. The individual shall sign the document where the written disclosure appears to represent understanding of the provisions. The person offering services shall retain a copy of the written disclosure while providing veterans benefits services for compensation to the individual and for at least one year after the date on which the services terminate.

**§363- Advertising.** Businesses advising, assisting, or consulting on veterans benefits matters for a fee shall adhere to the following:

(1) Businesses shall not utilize international call centers or data centers for processing a veteran's personal information;

(2) Businesses shall not use a veteran's personal log-in, username, or password information to access that veteran's medical, financial, or government benefits information; and



(3) Businesses shall ensure that any individual who has access to a veteran's medical, financial, or government benefits information undergoes a background check before having access to the information; provided that the background check shall be conducted by a reputable source and include identity verification and a criminal records check.

**§363- Penalty.** A violation of this part shall be an unfair or deceptive act or practice under chapter 481A and a violation of section 480-2."

SECTION 3. Chapter 363, Hawaii Revised Statutes, is amended by designating sections 363-1 to 363-13 as part I, entitled "General Provisions".

SECTION 4. Section 363-1, Hawaii Revised Statutes, is amended by adding three new definitions to be appropriately inserted and to read as follows:

"Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by the person or another.



1       "Person" means any natural person, corporation, trust,  
2 partnership, incorporated or unincorporated association, or any  
3 other legal entity.

4       "Veterans benefits matter" means the preparation,  
5 presentation, or prosecution of any claim affecting any person  
6 who has filed or expressed an intent to file a claim for any  
7 benefit, program, service, commodity, function, status, or  
8 entitlement where the veteran, their dependents, their  
9 survivors, or any other individual are eligible under the laws  
10 and regulations administered by the United States Department of  
11 Veterans Affairs or the office of veterans' services."

12       SECTION 5. If any provision of this Act, or the  
13 application thereof to any person or circumstance, is held  
14 invalid, the invalidity does not affect other provisions or  
15 applications of the Act that can be given effect without the  
16 invalid provision or application, and to this end the provisions  
17 of this Act are severable.

18       SECTION 6. This Act does not affect rights and duties that  
19 matured, penalties that were incurred, and proceedings that were  
20 begun before its effective date.



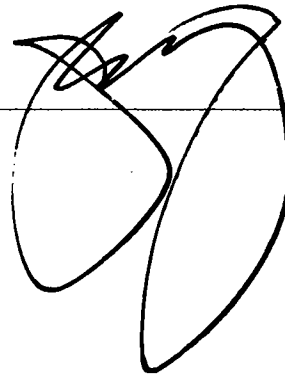
1       SECTION 7. Nothing in this Act shall be construed to apply  
2 to, limit, or expand the requirements imposed on an agent,  
3 attorney, or other representative accredited and regulated by  
4 the United States Department of Veterans Affairs.

5       SECTION 8. New statutory material is underscored.

6       SECTION 9. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_

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**Report Title:**

Veterans Rights and Benefits; Advisors; Compensation;  
Disclosures; Penalties

**Description:**

Establishes provisions governing any person who receives compensation for advising, assisting, or consulting another person with veterans benefits.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

