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# A BILL FOR AN ACT

RELATING TO VETERANS RIGHTS AND BENEFITS.

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

1           SECTION 1. The legislature finds that there is a risk of  
2 misleading or unfair practices associated with the provision of  
3 certain services regarding veterans benefits and recognizes the  
4 necessity of establishing requirements and restrictions to  
5 protect veteran consumers from potential exploitation.

6           Accordingly, the purpose of this Act is to regulate persons  
7 receiving compensation for providing advice or assistance  
8 regarding veterans benefits, except as permitted under federal  
9 law.

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

13                           **"PART . VETERANS BENEFITS**

14           **§363- Prohibitions.** (a) No person shall receive  
15 compensation for:

- 16           (1) Preparing, presenting, or prosecuting; or  
17           (2) Advising, consulting, or assisting an individual with,



1 any veterans benefits matter, except as permitted under federal  
2 law.

3 (b) No person shall receive compensation for referring any  
4 individual to another person to:

5 (1) Prepare, present, or prosecute; or

6 (2) Advise, consult, or assist the individual with,  
7 any veterans benefits matter.

8 (c) No person shall guarantee, either directly or by  
9 implication, that any individual is certain to receive specific  
10 veterans benefits or that any individual is certain to receive a  
11 specific level, percentage, or amount of veterans benefits.

12 **§363- Written agreement required; compensation;**

13 **limitations.** (a) Any person seeking to receive compensation  
14 for advising, assisting, or consulting an individual in  
15 connection with any veterans benefits matter, before rendering  
16 any services, shall memorialize the specific terms of payment  
17 for services rendered in a written agreement signed by both  
18 parties.

19 (b) Any compensation due for services provided according  
20 to a written agreement pursuant to subsection (a) shall:



1 (1) Be contingent upon an increase in benefits awarded;  
2 and

3 (2) Not exceed five times the amount of the monthly  
4 increase in benefits, or \$12,500, whichever is less.

5 (c) No person advising, assisting, or consulting an  
6 individual on a veterans benefits matter shall charge an initial  
7 fee.

8 **§363- Penalty.** A violation of this part shall be a  
9 deceptive trade practice under chapter 481A and a violation of  
10 section 480-2.

11 **§363- Exceptions.** This part shall not apply to:

12 (1) An accredited representative of a recognized  
13 organization or an accredited agent or attorney under  
14 title 38 Code of Federal Regulations section 14.629;

15 (2) An employee of the department of defense operating  
16 within that employee's capacity as an employee of the  
17 department of defense; or

18 (3) A nonprofit organization exempt from taxation under  
19 section 501(c)(3) of the Internal Revenue Code,  
20 including a center for independent living, as defined  
21 under 29 United States Code section 796a, operating



1           within the scope of its mission to serve veterans with  
2           disabilities or other underserved populations."

3           SECTION 3. Chapter 363, Hawaii Revised Statutes, is  
4 amended by designating sections 363-1 to 363-13 as part I and  
5 inserting a title before section 363-1 to read as follows:

6                           "PART I. GENERAL PROVISIONS"

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

10           "Compensation" means payment of any money, thing of value,  
11 or financial benefit.

12           "Person" means an individual, corporation, business trust,  
13 estate, trust, partnership, limited liability company,  
14 association, joint venture, public corporation, government or  
15 governmental subdivision, agency, or instrumentality, or any  
16 other legal or commercial entity.

17           "Veterans benefits matter" means any claim affecting an  
18 individual who has filed or expressed an intent to file a claim  
19 for any benefit, program, service, commodity, function, or  
20 status, entitlement to which is determined under the laws and  
21 regulations administered by the United States Department of



1 Veterans Affairs or the United States Department of Defense,  
2 pertaining to veterans, their dependents, their survivors, and  
3 any other individual eligible for such benefits."

4 SECTION 5. If any provision of this Act, or the  
5 application thereof to any person or circumstance, is held  
6 invalid, the invalidity does not affect other provisions or  
7 applications of the Act that can be given effect without the  
8 invalid provision or application, and to this end the provisions  
9 of this Act are severable.

10 SECTION 6. This Act does not affect rights and duties that  
11 matured, penalties that were incurred, and proceedings that were  
12 begun before its effective date.

13 SECTION 7. This Act shall not be applied so as to impair  
14 any contract existing as of the effective date of this Act in a  
15 manner violative of either the Hawaii State Constitution or  
16 Article I, Section 10, of the United States Constitution.

17 SECTION 8. New statutory material is underscored.

18 SECTION 9. This Act shall take effect on July 1, 3000.



**Report Title:**

Veterans Rights and Benefits; Advice; Assistance; Regulation

**Description:**

Regulates persons receiving compensation for providing advice or assistance regarding veterans benefits. Effective 7/1/3000.  
(HD1)

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

