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

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

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

21 and



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

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

6 **§363- Penalty.** A violation of this part shall be an
7 unfair or deceptive act or practice under chapter 481A and a
8 violation of section 480-2.

9 **§363- Exceptions.** This part does not apply to:

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

14 (2) An employee of the department of defense operating
15 within that employee's capacity as an employee of the
16 department of defense."

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

20 **"PART I. GENERAL PROVISIONS"**



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

4 "Compensation" means payment of any money, thing of value,
5 or financial benefit.

6 "Person" means an individual, corporation, business trust,
7 estate, trust, partnership, limited liability company,
8 association, joint venture, public corporation, government or
9 governmental subdivision, agency, or instrumentality, or any
10 other legal or commercial entity.

11 "Veterans benefits matter" means any claim affecting an
12 individual who has filed or expressed an intent to file a claim
13 for any benefit, program, service, commodity, function, or
14 status, entitlement to which is determined under the laws and
15 regulations administered by the United States Department of
16 Veterans Affairs or the United States Department of Defense,
17 pertaining to veterans, their dependents, their survivors, and
18 any other individual eligible for such benefits."

19 SECTION 5. If any provision of this Act, or the
20 application thereof to any person or circumstance, is held
21 invalid, the invalidity does not affect other provisions or



1 applications of the Act that can be given effect without the
2 invalid provision or application, and to this end the provisions
3 of this Act are severable.

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

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

11 SECTION 8. New statutory material is underscored.

12 SECTION 9. This Act shall take effect on July 1, 2077.



S.B. NO. 608
S.D. 2

Report Title:

Veterans Rights and Benefits; Advising; Regulation

Description:

Regulates persons receiving compensation for providing advice or assistance regarding veterans benefits. Effective 7/1/2077.
(SD2)

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