

# SENATE BILL REPORT

## SB 6208

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As of February 2, 2014

**Title:** An act relating to preserving the integrity of veterans' benefit-related services.

**Brief Description:** Preserving the integrity of veterans' benefit-related services.

**Sponsors:** Senators Hill, Conway, Braun, Hobbs, Kohl-Welles, Chase and Benton; by request of Attorney General.

**Brief History:**

**Committee Activity:** Commerce & Labor: 1/31/14.

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Staff:** Jessica Stevenson (786-7465)

**Background:** The federal government provides military veterans with a variety of federal benefits, including disability compensation, education and training, employment services, health care, home loans, life insurance, and pensions. The federal Department of Veterans Affairs (VA) administers many of these benefit programs, and provides resources for veterans to access and obtain these benefits.

Federal law prohibits anyone from representing a veteran in preparing, presenting, or prosecuting a claim for veteran benefits unless the person is accredited by the VA. Accreditation may not be used for marketing financial services. A person or organization cannot charge a fee for assisting a veteran in preparing applications or presenting claims to the VA. Only accredited attorneys or agents may charge fees for assisting a veteran prosecuting a claim after a decision has been made on the claim. Any fee agreement must be filed with the VA.

The Washington State Department of Veterans Affairs (WVA) administers veterans' benefits provided by the state. Some of these benefit programs include the veterans assistance program, veterans innovations program, the state veterans homes, homeless veterans services and transitional housing, home loans, and home ownership.

The Consumer Protection Act (CPA) prohibits unfair methods of competition and unfair or deceptive acts or practices in the conduct of trade or commerce in Washington. The CPA allows a person injured by a violation of the act to bring a private cause of action for

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damages. The Attorney General may investigate and prosecute claims under the CPA on behalf of the state or individuals in the state.

**Summary of Bill:** Veterans benefit matter is defined as any preparation, presentation, or prosecution of a claim affecting a person who files or intends to file an application for a determination of entitlement to payment, service, commodity, function, or status which is determined under the laws of the VA or WVA.

Under the Pension Poacher Prevention Act, a person may not:

1. use financial or other personal information gathered to prepare documents for or while representing the interests of another in a veterans' benefit matter for the purposes of trade or commerce;
2. represent that the receipt of a certain level of veterans' benefits is guaranteed; or
3. receive compensation for:
  - a. advising or assisting another person with a veterans' benefit matter, except when permitted under federal law; or
  - b. referring another person to a person accredited by the VA.

A person must not advertise or promote an event, presentation, seminar, workshop, or other public gathering relating to veterans' benefits or entitlements without disseminating in writing and orally the following disclosure:

"This event is not sponsored by, or affiliated with, the United States Department of Veterans Affairs, the Washington State Department of Veterans Affairs, or any other congressionally chartered or recognized organization of honorably discharged members of the Armed Forces of the United States or any of their auxiliaries. Products or services that may be discussed at this event are not necessarily endorsed by those organizations. You may qualify for benefits other than or in addition to the benefits discussed at this event."

The disclosure is not required when the VA, WVA, or any other congressionally chartered or recognized organization of honorably discharged members of the armed forces of the United States or any of their auxiliaries have granted written permission to the advertiser or promoter for the use of its name, symbol, or insignia.

The Act does not apply to officers, employees, or volunteers of the state, county, city, any other political subdivision, or a federal agency of the United States who are acting within their official capacity.

A violation of this Act is an unfair or deceptive act in trade or commerce and an unfair method of competition under the CPA.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The scams of elderly individuals is on the rise. The American Association of Retired Persons (AARP) and the Federal Trade Commission have both issued warnings on veterans benefits scams. People offer to help veterans under business names that sound patriotic or legitimate, but convince the veterans into engaging in transactions that can result in criminal charges or a loss of veteran benefits or Medicare. People use federal benefits as a hook for selling a product. Many of the services individuals charge veterans for are available for free by various service providers. The bill will prevent people taking advantage of veterans and their surviving spouses.

**Persons Testifying:** PRO: Joyce LaValle, AARP, Executive Committee, state of Washington; Heidi Audette, WVA; Travis Alley, Assistant Attorney General, Veteran Outreach Specialist; Thom Stoddert, citizen.