STATE OF NEW YORK

9917

IN SENATE

September 20, 2024

Introduced by Sen. MATTERA -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the general business law, in relation to prohibiting persons from receiving compensation for advising or assisting with veterans' benefits

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general business law is amended by adding a new section 399-ppp to read as follows:

§ 399-ppp. Veterans' benefits consumer fraud and abuse prevention. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Veterans' benefits matter" shall mean the preparation, presentation, or prosecution of any claim affecting any individual who has filed or expressed an intent to file a claim for any benefit, program, service, commodity, function, or status pertaining to veterans, such veterans' dependents, such dependents' survivors, and any other individual eligible for such benefits pursuant to federal laws and regulations administered by the United States department of veterans affairs or the veterans' services law.

(b) "Compensation" shall mean payment of any money, thing of value, or financial benefit.

(c) "Person" shall mean an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

2. (a) No person shall receive compensation for advising or assisting an individual with regard to any veterans' benefits matter, except as permitted under federal law.

(b) No person shall receive compensation for referring an individual to another person to advise or assist such individual with any veterans' benefits matter.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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(c) A person seeking to receive compensation for advising or assisting an individual with any veterans' benefits matter shall, before rendering any services, prepare a written agreement, signed by both parties, that:

(i) contains all terms regarding such individual's payment of fees for services rendered relating to any veterans' benefits matter; and

(ii) adheres to all criteria specified within 38 C.F.R. § 14.636.

(d) No person shall receive any compensation for any services rendered before the date on which a federal notice of disagreement is filed with respect to the individual's case.

(e) No person shall guarantee, either directly or by implication, that an individual shall receive specific veterans' benefits, or a specific level, percentage, or amount of veterans' benefits.

(f) No person shall receive excessive or unreasonable fees, as determined pursuant to 28 C.F.R. § 14.636, as compensation for advising or assisting an individual with a veterans' benefits matter.

3. (a) (i) A person seeking to receive compensation for advising or assisting an individual with any veterans' benefits matter shall, before rendering any services, clearly provide, orally and in writing, the following disclosure:

"This business is not sponsored by, or affiliated with, the United States department of veterans affairs or the New York department of veterans' services, or any other federally chartered veterans' services organization. Other organizations, including but not limited to the New York department of veterans' services, your local county veterans' services agencies, and other federally chartered veterans' services 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."

(ii) The written disclosure required pursuant to subparagraph (i) of this paragraph shall appear in at least twelve-point font and shall appear in a readily noticeable and identifiable place in the written agreement required pursuant to paragraph (c) of subdivision two of this section. The individual shall verbally acknowledge understanding of the oral disclosure and shall sign the document in which the written disclosure appears to affirm such individual's understanding of these provisions. The person advising or assisting such individual with a veterans' benefits matter shall retain a copy of such written disclosure for the duration of such service and for at least one year after the date on which such service relationship terminates.

(b) (i) A person advertising for compensation services to an individual in regard to a veterans' benefits matter shall include the following disclosure:

"This business is not sponsored by, or affiliated with, the United States department of veterans affairs or the New York department of veterans' services, or any other federally chartered veterans' services organization. Other organizations, including but not limited to the New York department of veterans' services, your local county veterans' services agencies, and other federally chartered veterans' services 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 services that this business offers."

(ii) If such advertisement is printed, including but not limited to advertisements visible to internet users, the disclosure required pursu-

ant to subparagraph (i) of this paragraph shall appear in a readily visible place on such advertisement. If such advertisement is verbal, the spoken statement of the disclosure shall be clear and intelligible.

4. Any violation of the provisions of this section shall be a class A misdemeanor, and upon conviction thereof, shall be punishable by a fine of not more than one thousand dollars, or by imprisonment for not more than one year, or by both such fine and imprisonment; provided, however, that a second or subsequent offense shall be punishable by a fine of not more than three thousand dollars, or by imprisonment for not more than one year, or by both such fine and imprisonment. In addition, the court may order as part of the sentence imposed restitution or reparation to the victim of the crime pursuant to section 60.27 of the penal law. The attorney general shall have the power to prosecute any violation of this section.

§ 2. This act shall take effect immediately.