

STATE OF NEW YORK

1176

2025-2026 Regular Sessions

IN SENATE

January 8, 2025

Introduced by Sen. MATTERA -- read twice and ordered printed, and when printed to be committed to the Committee on Veterans, Homeland Security and Military Affairs

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:

1 Section 1. The general business law is amended by adding a new section
2 399-ppp to read as follows:

3 § 399-ppp. Veterans' benefits consumer fraud and abuse prevention. 1.
4 For the purposes of this section, the following terms shall have the
5 following meanings:

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

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

16 (c) "Person" shall mean an individual, corporation, business trust,
17 estate, trust, partnership, limited liability company, association,
18 joint venture, public corporation, government or governmental subdivi-
19 sion, agency, or instrumentality, or any other legal or commercial enti-
20 ty.

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

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

LBD03717-01-5

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

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

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

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

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

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

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

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

23 "This business is not sponsored by, or affiliated with, the United
24 States department of veterans affairs or the New York department of
25 veterans' services, or any other federally chartered veterans' services
26 organization. Other organizations, including but not limited to the New
27 York department of veterans' services, your local county veterans'
28 services agencies, and other federally chartered veterans' services
29 organizations, may be able to provide you with this service free of
30 charge. Products or services offered by this business are not necessar-
31 ily endorsed by any of these organizations. You may qualify for other
32 veterans' benefits beyond the benefits for which you are receiving
33 services here."

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

45 (b) (i) A person advertising for compensation services to an individ-
46 ual in regard to a veterans' benefits matter shall include the following
47 disclosure:

48 "This business is not sponsored by, or affiliated with, the United
49 States department of veterans affairs or the New York department of
50 veterans' services, or any other federally chartered veterans' services
51 organization. Other organizations, including but not limited to the New
52 York department of veterans' services, your local county veterans'
53 services agencies, and other federally chartered veterans' services
54 organizations, may be able to provide you with this service free of
55 charge. Products or services offered by this business are not necessar-

1 ily endorsed by any of these organizations. You may qualify for other
2 veterans' benefits beyond the services that this business offers."

3 (ii) If such advertisement is printed, including but not limited to
4 advertisements visible to internet users, the disclosure required pursu-
5 ant to subparagraph (i) of this paragraph shall appear in a readily
6 visible place on such advertisement. If such advertisement is verbal,
7 the spoken statement of the disclosure shall be clear and intelligible.

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

19 § 2. This act shall take effect immediately.