

2025-01-21 HB 267- Support.pdf

Uploaded by: Adam Spangler

Position: FAV

CAROLYN A. QUATTROCKI
Chief Deputy Attorney General

LEONARD J. HOWIE III
Deputy Attorney General

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Chief, Equity, Policy, and Engagement



STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL

ANTHONY G. BROWN
Attorney General

PETER V. BERNS
General Counsel

CHRISTIAN E. BARRERA
Chief Operating Officer

January 21, 2025

TO: The Honorable C.T. Wilson
Chair, Economic Matters Committee

FROM: Adam Spangler
Legislative Aide, Legislative Affairs, Office of the Attorney General

RE: House Bill 267 – Veterans Benefits Matters - Claim Servicers - Prohibitions and Requirements - **Favorable**

The Maryland Office of the Attorney General requests a favorable report on House Bill 267 - Veterans Benefits Matters - Claim Servicers - Prohibitions and Requirements. This legislation seeks to protect Maryland's Veterans from unscrupulous actors that take advantage of Veterans seeking assistance with benefits and benefits appeals services.

A Veteran Service Organization (VSO) is an organization that has been approved by the Veterans Administration (VA)¹ to provide assistance to Veterans and their families. Veterans who use VSOs or other accredited representatives cannot be charged for help in filing their initial claim. If the veteran subsequently wants to appeal the VA's decision, the VA limits how much the approved representatives can charge.

Unfortunately, there has been an influx of unapproved/unaccredited individuals and businesses that offer to help Veterans submit their initial claims to the VA for a fee. Sometimes calling themselves "medical consultants" or "coaches," unaccredited individuals and businesses advertise their fee-based services to Veterans, suggesting they can provide quick turnaround times on claims and higher benefit checks than a VSO or other authorized representative. Not only are these fees illegal, but the payment terms can leave Veterans with unaffordable bills for extended periods of time.

¹ 38 C.F.R. §14.628(d) describes the requirements that must be met for recognition.

Of the 280 complaints sent to the VA's Office of General Counsel from 2018 to 2022, 40% were related to unapproved/unaccredited individuals and organizations.² Additionally, according to the VA, there is no statistically significant difference in the average number of days it takes any type of filer to complete a rating-related claim. In the current fiscal year, time frames have ranged from 129.7 days to 139.4 days whether veterans make a claim unassisted (which would include those who use unaccredited representatives) or use VSOs, agents, or attorneys.³

If an unapproved/unaccredited individual or organization would like to provide these types of services to Veterans, they should have to seek accreditation with the VA before doing so. Regulation in this matter is a widely accepted method of protecting the public from unscrupulous actors.

For the foregoing reasons, the Office of the Attorney General requests a favorable report on House Bill 267.

cc: Delegate Nick Allen
Economic Matters Committee Members

² Michelle Andrews, *Some private companies charge hefty fees to help veterans with disability claims*, WWW.CBSNEWS.COM (2023), <https://www.cbsnews.com/news/veterans-disability-claims-companies-charge-fees/>.

MMC Testimony HB0267 Favorable Final for Submissio

Uploaded by: Jayson Spiegel

Position: FAV



MARYLAND MILITARY COALITION

Serving Veterans through Legislative Advocacy

January 21, 2025

The Honorable C.T. Wilson
The Honorable Brian Crosby
House Economic Matters Committee
230 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

Re: Subject: **Request for FAVORABLE Report-HB0267** – Veterans Benefits Matters – Claim Servicers – Prohibitions and Requirements

Dear Chair Wilson, Vice Chair Crosby and Members of the House Economic Matters Committee:

The Maryland Military Coalition recommends a FAVORABLE report by the Committee on HB0267 – *Veterans Benefits Matters – Claims Servicers – Prohibitions and Requirements* sponsored by Delegate Nick Allen.

This critical legislation would ban so-called "claims predators" from preying on veterans by charging veterans to process a claim or to appeal a denial of benefits. HB0267 incorporates federal law into Maryland law by providing that no one may charge fees for claims assistance who is not accredited by the U.S. Department of Veterans Affairs (VA). The bill creates fines for violations and any collected fines are tendered to the Maryland Veterans Trust Fund.

Federal law provides that claims assistance can only be provided by **accredited agents** who are trained, tested, overseen, and, when appropriate, disciplined and punished by the U.S. Department of Veterans Affairs Office of General Counsel. Traditionally, the U.S. Department of Veterans Affairs only accredits **three types of claims representatives**:

- Claims agents
- Attorneys
- Veterans Services Organizations (VSOs), e.g., the Veterans of Foreign Wars and the American Legion

Attorneys and claims agents may charge fees but on a tightly regulated scale set by the U.S. Government. VSOs provide their services for free, as does the Maryland Department of

Subject: **Request for FAVORABLE Report** - HB0257 - Veterans Benefits Matters – Claim Servicers – Prohibitions and Requirements

Veterans Affairs, which employs claims agents.¹ Attorneys are allowed to charge only for the appeal of a disability decision, and not for an original claim.

The number of disability claims being filed has increased significantly because of the passage of the Pact Act. With passage of the Act, the number of predator companies has increased astronomically as companies see filing claims as a way to make money.

Unaccredited claims representatives are explicitly banned from "preparing, presenting or prosecuting" claims, but all penalties for violating the law were repealed in 2006. As a result, unaccredited claims predators who illegally charge veterans for claims services entered the market. A bipartisan coalition of 44 state attorneys general, including Attorney General Anthony Brown, sent a letter to the U.S. Congress asking for reinstatement of penalties against those who illegally charge veterans for claims services.

Unscrupulous unaccredited claims predators have engaged in a multitude of improprieties that exploit vulnerable veterans. These abuses include:

- Offering claims assistance without being accredited, in violation of federal law.
- Failing to disclose that they are not accredited by the VA.
- Charging fees beyond those permitted to be charged by accredited agents.
- Misleadingly stating that they are only offering "consulting" services when they are in fact preparing and processing the claim.
- Requiring the veterans to disclose their VA user ID and password so the claims shark can track the progress of the claim.
- Requiring the veteran to disclose their online banking user ID and password so they can withdraw their fees from the veteran's account as soon as the claim is paid.

These improprieties facilitate the commission of fraud against our veterans. **Veterans reported \$350 million in total fraud losses to the Federal Trade Commission in 2023.**² Maryland ranked fifth nationally in reported fraud and other reports per 100,000 of population and ranked 11th in identity theft reports. In Maryland, identity fraud was tied with credit bureaus, information furnishers and report users for the most prevalent form of fraud in 2023³.

We note that banning unaccredited claims predators from providing services to veterans

¹ <https://www.benefits.va.gov/vso/>

² [https://www.moaa.org/content/publications-and-media/news-articles/2024-news-articles/finance/scams-cost-veterans,-military-retirees-\\$350-million-in-2023/](https://www.moaa.org/content/publications-and-media/news-articles/2024-news-articles/finance/scams-cost-veterans,-military-retirees-$350-million-in-2023/)

³ https://www.ftc.gov/system/files/ftc_gov/pdf/CSN-Annual-Data-Book-2023.pdf

Subject: **Request for FAVORABLE Report** - HB0257 - Veterans Benefits Matters – Claim Servicers – Prohibitions and Requirements

does not violate the First Amendment rights of claims predators. The United States Supreme Court has repeatedly held that states may reasonably regulate commercial speech, and the Government may regulate the provision of legal advice to ensure that those who provide it meet minimum levels of competency and are sworn to uphold the system of fair administration of justice. Regulation of professional speech is subject to a lower level of scrutiny and should be struck down only when it is "unjustified or unduly burdensome." *Zauderer v. Office of Disciplinary Counsel of Supreme Court*, 471 U.S. 626,657 (1985).

States may regulate professional conduct, even though that conduct incidentally involves speech. "[I]t has never been deemed an abridgment of freedom of speech or press to make a course of conduct illegal merely because the conduct was in part initiated, evidenced, or carried out by means of language, either spoken, written, or printed." *Giboney v. Empire Storage & Ice Co.*, 336 U.S. 490, 502 (1949).

Banning claims predators does not limit the options that veterans have to obtain claims assistance. The simple solution would be for those currently providing services in violation of federal law to become accredited. Doing so is not a complicated or onerous process. The objection to obtaining accreditation is that federal law limits the fees that can be charged and claims predators want to charge whatever they can get away with. Second, state law already regulates many professions and limits entry to those who demonstrate qualifications and agree to abide by ethical and other professional practices. Although regulating professions may limit consumer "choice," regulation is universally accepted to protect the public from unscrupulous or unqualified actors.

The New Jersey legislature passed claim predator legislation similar to HB0257. The United States District Court for the District of New Jersey upheld the law, finding that it regulated commercial speech. Oral argument on an appeal to the United States Court of Appeals for the Third Circuit was held in November 2024 and a decision is pending.

The MMC **strongly supports HB0875** and asks the Health and Government Operations Committee for a **FAVORABLE report**. It is time for our state to take steps to protect our veterans and reign in the perpetrators of the unscrupulous practices outlined above.

The Maryland Military Coalition is a registered non-profit, non-partisan advocacy organization comprised of prominent Maryland-based veteran and military groups, representing over 150,000 service-connected individuals, including those currently serving, veterans, retirees and their families, caregivers, and survivors.

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January 21, 2025

Subject: **Request for FAVORABLE Report** - HB0257 - Veterans Benefits Matters – Claim Servicers – Prohibitions and Requirements

We want to thank Delegate Nick Allen for his commitment to our veterans and the uniformed services community in Maryland.

Respectfully,

A handwritten signature in black ink, appearing to read "JL Spiegel". The signature is written in a cursive, somewhat stylized font.

Jayson L. Spiegel
LTC, Army Reserve (Ret.)
President

1 Attachment – Member Organizations of the Maryland Military Coalition

Member Organizations of the Maryland Military Coalition

Air Force Sergeants Association

American Military Society

American Minority Veterans Research Project

Association of the United States Navy

Commissioned Officers Association of the U.S. Public Health Service

Disabled American Veterans

Fleet Reserve Association of Annapolis

Jewish War Veterans of the U.S.A

Maryland Air National Guard Retirees' Association

Maryland National Association of Retired Federal Employees Veterans Committee

Maryland Veterans Chamber of Commerce

Military Officers Association of America

Military Order of the Purple Heart

Military Order of the World Wars

Montford Point Marines of America

National Association of Black Veterans

Naval Enlisted Reserve Association

NOAA Association of Commissioned Officers

Platoon 22

Reserve Organization of America

Society of Military Widows

Veterans of Foreign Wars

2025B_NABVETSBill_267_LAN.pdf

Uploaded by: Lawrence Moses

Position: FAV

**National Association for Black Veterans, Inc.
Southern Maryland**

STATEMENT IN SUPPORT OF HOUSE BILL 267

Veteran Benefits Matters -Claim Services – Prohibitions and Requirements

Good afternoon, Chairman Delegate C.T. Wilson and Honorable members of the Economics Matters Committee.

My name is Lawrence (Mike) Moses. I am a Vietnam veteran, the former Maryland State Commander of the National Association for Black Veterans, and an Accredited Veteran Service Officer (VSO) authorized by the Department of Veterans Affairs. I obtained my accreditation after completing the online course Responsibility, Involvement, and Preparation of Claims (alias T.R.I.P.), HIPAA, and the Rules of Behavior assessment.

Since 2012, I have processed hundreds of veteran claims and organized frequent claims clinics to support veterans and caregivers of all races and genders, particularly Black veterans from across Maryland. However, I have observed an increase in non-accredited veteran claims assistance since COVID-19 and the enactment of the PACT Act, which expands VA health care and benefits. This has cost veterans thousands of dollars for a process that should be free and has led to future reductions in their benefits.

I recently received a mail envelope from an out-of-town law firm in Chicago. The firm informed me that it was aware of my disability records and could assist me in increasing my benefits and compensation. We had an uncomfortable Q&A for fifteen minutes. However, for the record, the law firm **did invade my privacy** by stating that they knew about my disability without my consent. How they got my information was never revealed.

In closing, I asked those listing in Chicago if they knew what "Presumptive, Secondary Direct Service connections" were or what the difference was between PTSD and Acquired Psychiatric Disorder.

The phone went silent.

They would have known the answer to tell me and the next Veteran if they were VA-accredited.

This House Bill will help provide generations of Veterans—and their survivors—with the care and benefits they've earned and deserve.

This is why I'm asking you to support HB 267.

Written Statement for HB267.pdf

Uploaded by: Michael Figlioli

Position: FAV

STATEMENT OF

KURT SURBER
REPRESENTING

VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

MARYLAND ECONOMIC MATTERS COMMITTEE

WITH RESPECT TO

HB267 Veterans Benefits Matters - Claim Servicers - Prohibitions and Requirements

Annapolis, Maryland

January 21, 2025

Chair Wilson and members of the committee, thank you for the opportunity to provide remarks on this legislation. I have the honor to speak on behalf of VFW members from the state of Maryland in support of HB267 as written without amendments.

With the passage of the PACT Act, the VFW has observed an increase in online advertisements from predatory claims consultants we call “Claim Sharks” that target veterans’ earned VA benefits. These groups promise to increase veterans’ VA disability ratings. They argue that the high fees they charge in some way make them more effective in assisting veterans than the free services offered by VA-accredited Veterans Service Organizations (VSOs). Under VA regulations, fees charged for claims assistance are capped and usually apply only to a percentage of retroactive benefits. However, many of these unaccredited consultants use contracts that include a commitment by the veteran to pay the Claim Shark all or a significant portion of their increased benefits. If a veteran receives a disability percentage increase years later through working with a VSO, many of these companies often return seeking more money.

Several of these predatory companies have made statements that there is no avenue for them to seek VA accreditation, but this is completely untrue. There are no restrictions for these consultants to be accredited by VA, but they refuse to do so because they would no longer be able to charge exorbitant fees. They would also be subject to oversight by VA’s Office of General Counsel (OGC). Currently, these predatory companies have no accountability, no oversight, and no penalties.

Many of these companies enter into contracts well beyond the scope of what VA allows under the law – which is clearly why these companies do not file powers of attorney, consulting agreements, or fee agreements with VA’s OGC. Under VA regulations, fees are capped and

usually only include a percentage of retroactive benefits. In November, VA OGC sent a response to a bipartisan group of US Senators stating contracts may not obligate veterans to pay fees from their payments of Veteran benefits received from VA. And that this is a violation of the prohibition on the assignment of VA benefits under 38 USC 5301. Claim shark companies typically charge veterans 5 to 6 months of their future awarded benefits in their contracts. This is a violation of “assignment of benefits” thus making their contracts illegal.

In this letter, VA also stated, “The statute allowing for the payment of fees to VA-accredited attorneys and agents for the preparation, presentation or prosecution of VA benefit claims from past-due benefits, 38 U.S.C. § 5904, is considered an exception to the prohibition on assignments set forth in section 5301(a)(1). But, under current law, even this exception does not go as far as to allow for an attorney or agent to contract for the payment of fees from a claimant’s future benefits.”

Many claim sharks, such as Veteran Guardian, Veteran Benefits Guide, and Patriot Angels have received Cease and Desist letters from VA for providing claims assistance and illegally charging fees for those services. Criminal penalties were removed for violating this section of the law in 2006 which has allowed the claim sharks to operate in a legal loophole, where they are violating the law, but unable to be charged for doing so. HB267 will allow the State of Maryland to protect Maryland veterans from criminals and provide the enforcement authorities to the state Attorney General to enforce the law.

The VFW would like to thank Delegates Allen and Rogers, for their dedication to their fellow brothers and sisters in arms. We look forward to working with them and other members of this committee to get this bill to the Governor’s desk. And I stand ready to answer any questions you may have.

MGAVC25_HB0267.pdf

Uploaded by: Mike Delegate Rogers

Position: FAV



MARYLAND GENERAL ASSEMBLY
VETERANS CAUCUS

TO: Chair C. T. Wilson
Economic Matters Committee
FROM: Maryland Veterans Caucus, House Membership
DATE: January 21, 2025
RE: HB0267 – Veterans Benefits Matters - Claim Servicers - Prohibitions and Requirements

The Maryland Veterans Caucus, House Membership respectfully requests a favorable report on HB 0267 - Veterans Benefits Matters - Claim Servicers - Prohibitions and Requirements

This bill was sponsored by **Delegate Nick Allen and Delegate Mike Rogers to establish** prohibitions and requirements regarding compensation for certain services related to veterans benefits matters; prohibiting a person that is not V.A. accredited from making certain guarantees. This provides enforcement of the Act under the Maryland Consumer Protection Act to aid constituents and state officials means.

The intent of this legislation aims to ban so-called "claims predators" from preying on veterans by charging veterans to process a claim or to appeal a denial of benefits. HB0267 incorporates federal law into Maryland law by providing that no one may charge fees for claims assistance who is not accredited by the U.S. Department of Veterans Affairs (VA). The bill creates fines for violations and any collected fines are tendered to the Maryland Veterans Trust Fund.

Many veterans at times overwhelmed when faced with the difficulty of searching for critically needed resources and the intent of this is to ensure that they are not taken advantage of. This will help to ensure that we can have oversight of those providing services and to give constituents a means of protection and safety when accessing these services.

The Veterans Caucus mission it to study, develop, and promote legislation designed to improve the quality of life for veterans and families in the State of Maryland in the areas of employment, education, economics, training, and health. And to assist the Department of Veterans and Military Families in achieving its mission and goals, on behalf of the veterans and their families in the State.

The Veterans Caucus House Legislative Review Board offers and **recommends support and a favorable report of HB 0267.**

Thank you,

Mike Rogers

Delegate Mike Rogers
House Chair, Veterans Caucus

OUR MISSION STATEMENT

To study, develop, and promote legislation designed to improve the quality of life for veterans in the State of Maryland in the areas of benefits, employment, education, economics, training, and health, and to assist the Maryland Department of Veterans Affairs in achieving its mission and goals, on behalf of all veterans in the State.

NAVR Supports MD House Bill 267.pdf

Uploaded by: Ashleigh Barry

Position: FWA



January 21, 2025

Ashleigh Barry Testimony Supporting MD House Bill 267 with Proposed Amendments

Thank you, Chair and members of the committee. My name is Ashleigh Barry, Senior Vice President of Communications for the National Association for Veteran Rights (NAVR), a national trade association dedicated to promoting ethical and transparent business practices among companies serving the service-disabled Veteran community, including organizations such as Veterans Guardian. At NAVR, we establish certification standards to ensure companies provide excellent services at reasonable fees—fees that Veterans are willing to pay.

House Bill 267, with the proposed amendments, is crucial for protecting Veterans from unethical practices in the claims assistance industry while preserving their freedom to navigate the complex disability claims process as they see fit. The bill, as amended, aligns with NAVR's mission to uphold ethical standards and advocate for Veteran choice and Veteran-owned businesses. We commend its focus on prohibiting predatory practices such as excessive fees, misleading guarantees, and improper access to Veterans' sensitive information. The inclusion of clear disclosures and written agreements ensures Veterans are informed of their rights and aware of free service options.

I bring to this testimony a deep personal commitment. As a former senior executive overseeing communications at the U.S. Department of Veterans Affairs and an investigative journalist for two decades, I witnessed firsthand the systemic challenges faced by our nation's heroes. While reporting for CBS News, I was instrumental in exposing the Phoenix VA wait-time scandal, stories that revealed the systemic neglect and delay faced by Veterans and sparked years of national scrutiny. What I uncovered then continues to fuel my fight today through my work at NAVR and my time at the VA's national office.

The reality of wait times remains dire. In Maryland, there are over 63,000 Veterans and only 70 VSO representatives—leaving more than 900 Veterans for every VSO representative. Nearly 40% of claims in this state are pending for more than four months. These delays are not just bureaucratic inconveniences; they can have devastating consequences, including the tragic loss of life. I've reported on suicides by Veterans whose claims were left on hold, forgotten, or denied.

This legislation strikes an important balance—encouraging Veterans to seek expert support while holding service providers to the highest ethical standards. Thank you for the opportunity to testify.

Sincerely,

Ashleigh Barry

NAVR Supports MD House Bill 267.pdf

Uploaded by: Ashleigh Barry

Position: FWA



January 21, 2025

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Sincerely,

Ashleigh Barry

MD 267 Support with Amendments Veterans Guardian.p

Uploaded by: Bernie Marczyk

Position: FWA



VETERANS GUARDIAN
VA CLAIM CONSULTING

January 17, 2025

The Honorable C.T. Wilson
Chairman, House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

The Honorable Brian M. Crosby
Vice-Chairman House Economic Matters
231 Taylor House Office Building
Annapolis, Maryland 21401

Dear Chairman Wilson and Vice-Chairman Crosby,

On behalf of Veterans Guardian VA Claim Consulting LLC (Veterans Guardian), the largest Veteran-owned and operated Veteran disability benefits company in the country, we write respectfully in **favor, with amendments, of Maryland HB 267.**

Attempting to protect Veterans is an honorable endeavor that we all share; unfortunately, the current version of HB 267 misses the mark and would not only deny a Veteran the right to choose how they pursue their own claim, but they also fail to address the full spectrum of the issues at hand. The current HB 267 also fails to address critical issues including: providing additional oversight and protections for the Veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring Veterans have access to diverse options and effective solutions for decades to come.

Additionally, nearly identical legislation is currently being challenged in other states on First Amendment grounds, including Veterans' right to petition their government – a right they were willing to give their lives for.

Veterans Guardian is a private Veteran disability claim consulting company owned and operated by Veterans, spouses of Veterans, and spouses of active-duty service members. We fully support the goal of ensuring Veterans have access to a diverse set of options to help them secure the benefits they have earned. We proudly serve more than 30,000 Veterans annually. We assist Veterans with receiving the disability benefits they have earned through their honorable service, achieving a success rate of greater than 90%, in an average of 85 days. This is far below the Veterans Administration average processing time of 150 days.

Veterans Guardian has helped almost 2,600 Veterans in Maryland generating almost \$26 million in additional benefits per year for Veterans in Maryland.

Trapping Veterans in a backlogged appeals system only benefiting a handful of attorneys is something Veterans Guardian aims to avoid by focusing on getting claims done correctly the first time. The current US Department of Veterans' Affairs (VA) disability benefits system is at best cumbersome and adversarial, and at worst broken to a point

where it harms the Veterans for the benefit of a small number of powerful boutique law firms. In fact, in recent US Congressional testimony, Kenneth Arnold, Acting Chairman of the Board of Veterans' Appeals testified under oath:

“The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. This generates \$45 to \$50 million in attorney’s fees each year, with the majority going to a small number of boutique law firms with relatively few Veterans receiving any increase in their monthly compensation.”

If passed as it is currently written, HB 267 will only exacerbate the problems with the current system and will add to the ever growing backlog of claims processed through VSOs and perversely incentivized attorneys. The current version of HB 267 would rob Veterans of the opportunity to seek expert help with a wide variety of claims and would force them into the Veterans Administration appeals trap.

According to the VA's publicly available data on accredited service officers and agents, the entire state of **Maryland has only 90 VSO representatives to provide assistance to the over 348,459 Veterans** who currently reside in the state. This equates to **each representative being responsible for handling the affairs of 3,871 Veterans**. Even the hardest working and most efficient volunteer would be pressed to give the best possible service to that many Veterans. This further demonstrates how harmful HB 267 will be by forcing Maryland's Veterans to rely on a system that is already overloaded and ineffective.

This is why over 70% of Veterans Guardian clients have turned to us for help after trying the other options available – they, not us, are telling you they prefer our expertly trained professional staff and the services we offer.

There is momentum building at the federal level in the United States Congress to reform the accreditation process for third party actors, like Veterans Guardian, that help Veterans achieve the full disability benefits they have earned. There are more than 18 million Veterans in America, but only 5 million have a disability rating. While actors such as VSOs and law firms also serve Veterans, more options, not less, are needed to effectively meet the demand of American Veterans.

Rather than purposely restrict a Veteran's right to choose how they pursue their claim as the current HB 267 does, a better approach is to implement necessary amendments and reforms that must take place to ensure the integrity of the systems and to protect Veterans from potentially bad actors. Some of these reforms include, but are not limited to:

- o Prohibiting anyone for receiving compensation for referring anyone to another person to assist with a veterans' benefits matter
- o Prohibiting anyone for receiving compensation for services rendered to a Veteran within one year presumptive period of active-duty release unless the Veteran specifically acknowledges in writing at the initiation of the services agreement that the Veteran is within the 1-year presumptive period, and has also been referred to a VSO of their choice
- o Mandating that anyone receiving compensation for assisting with Veterans' benefits must specify the terms under which the amount to be paid will be determined in a written agreement signed by both parties
- o Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase
- o Prohibiting any initial or non-refundable fees
- o Getting written confirmation from the Veteran they have been informed of their free options
- o Prohibiting private companies from having doctors on the payroll performing secondary medical exams
- o Prohibiting the use of international call centers or data centers for processing Veteran's personal information
- o Prohibiting aggressive and direct solicitation
- o Prohibiting advertising or guaranteeing a successful outcome
- o Prohibiting businesses from gaining access to personal medical, financial, or governmental benefits log-in, username, or password information

These amendments will provide HB 267 with true protections that will ensure the Veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation and enhanced oversight. With these amendments, HB 267 can achieve this and we encourage you to support HB 267 with amendments to empower Veterans a choice on how they receive their benefits. Attached at the end of this document is a proposed revision to HB 267 to include these amendments which are critical to Veterans' needs.

I would encourage you or your staff to contact me at Brian.Johnson@vetsguardian.com to set up a meeting to discuss this matter further.

Sincerely,



Brian M. Johnson
Vice President, Government & Public Affairs
Washington, DC Office

(a) ~~(1) In this section the following words have the meanings indicated~~ For the purpose of this section:

~~(2) “Advertisement” means:~~

~~—— (i) a written or printed communication made for the purpose of soliciting business for veterans benefits appeals services;~~

~~—— (ii) a directory listing for a person that is offering veterans benefits appeals services; or~~

~~—— (iii) a radio, television, computer network or airwave, or electronic transmission that solicits business for or promotes a person offering veterans benefits appeals services.~~

~~(13) (I) “Compensation means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or herself or another”~~ **COMPENSATION” MEANS THE PAYMENT OF MONEY OR ANYTHING OF VALUE OR FINANCIAL BENEFIT RECEIVED BY A VETERAN OR INTERESTED PARTY IN CONNECTION WITH THE PROVISIONS OF VETERANS BENEFITS SERVICES OR VETERANS BENEFITS APPEALS SERVICES.**

~~(II) “COMPENSATION” DOES NOT INCLUDE ORDINARY WAGES OR SALARY PAID BY A DISINTERESTED THIRD PARTY OR OTHER PERSON OTHERWISE ACTING IN ACCORDANCE WITH 38 C.F.R. § 14.636.~~

~~(4) “Veterans benefits appeals services” means any services that a veteran might reasonably require in order to appeal a denial of federal, state, or local veterans benefits, including denials of disability, limited income, home loan, insurance, education and training, health care, burial and memorial, and dependent and survivor benefits.~~

~~{(4)}~~ **(25) “Veterans’ benefits matter” means the preparation, presentation, or prosecution of any claim affecting any person who has filed or expressed an intent to file a claim for any benefit, program, service, commodity, function, status, or entitlement to which is determined to pertain to veterans, their dependents, their survivors, or any other individual eligible for such benefits under the laws and regulations administered by the United States Department of Veterans’ Affairs or the [State] Department of Veterans’ Affairs** ~~“Veterans benefits services” means any services a veteran or a family member of a veteran might reasonably use in order to obtain federal, state, or local veterans benefits.~~

~~(3) “Person” means any natural person, corporation, trust, partnership, incorporated or unincorporated association, or any other legal entity.~~

~~(b) (1) No person shall receive compensation for referring any individual to another person to advise or assist the individual with any veterans’ benefits matter. EXCEPT AS AUTHORIZED UNDER FEDERAL LAW, A PERSON MAY NOT CHARGE A FEE OR RECEIVE COMPENSATION FOR:~~

~~(I) PROVIDING VETERANS BENEFITS SERVICES OR VETERANS BENEFITS APPEALS SERVICES; OR~~

~~(II) REFERRING AN INDIVIDUAL TO ANOTHER PERSON TO PROVIDE VETERANS BENEFITS SERVICES OR VETERANS BENEFITS APPEALS SERVICES.~~

(2) No person shall receive any compensation for any services rendered in connection with any claim filed within the one (1) year presumptive period of active-duty release unless the veteran specifically acknowledges in writing at the initiation of the services agreement that the veteran is within the 1-year presumptive period. ~~TO THE EXTENT AUTHORIZED UNDER FEDERAL LAW, AN ATTORNEY PROVIDING, OR REFERRING AN INDIVIDUAL TO ANOTHER PERSON TO PROVIDE, VETERANS BENEFITS SERVICES OR VETERANS BENEFITS APPEALS SERVICES MAY ENTER INTO AN ARRANGEMENT FOR A DIVISION OF FEES IN ACCORDANCE WITH RULE 19-301.5 OF THE MARYLAND RULES.~~

~~(3) A PERSON WHO CHARGES A FEE OR RECEIVES COMPENSATION FOR PROVIDING VETERANS BENEFITS SERVICES OR VETERANS BENEFITS APPEALS SERVICES SHALL COMPLY WITH THE SAME ETHICAL STANDARDS AS THOSE SET FOR ATTORNEYS UNDER THE MARYLAND RULES IN REGARD TO:~~

~~(I) ADVERTISING;~~

~~(II) SOLICITATION OF CLIENTS;~~

~~(III) CONFIDENTIALITY;~~

~~(IV) THE DUTY OF CARE;~~

~~(V) THE DUTY OF HONESTY; AND~~

~~(VI) THE DUTY TO ZEALOUSLY PURSUE THE BEST INTEREST OF THE PERSON'S CLIENT.~~

~~(C)-(1)(3) A person seeking to receive compensation for advising, assisting, or consulting with any individual in connection with any veterans' benefits matter shall, before rendering any services, memorialize the specific terms under which the amount to be paid will be determined in a written agreement signed by both parties. Compensation must be purely contingent upon an increase in benefits awarded, and if successful, compensation shall not exceed five (5) times the amount of the monthly increase in benefits awarded based on the claim. No initial or nonrefundable fee shall be charged by a person advising, assisting, or consulting an individual on a veterans benefit matter. Before entering into an agreement with an individual for the provision of veterans benefits services or veterans benefits appeals services, a person who charges a fee OR RECEIVES COMPENSATION for those services shall:~~

~~(i) provide a written disclosure statement to each individual; and~~

~~(ii) obtain the individual's signature on the written disclosure statement acknowledging that the individual understands the disclosure statement.~~

~~(2) The written disclosure statement shall:~~

~~(i) be on a form approved by the Secretary; and~~

~~(ii) state that veterans benefits services and veterans benefits appeals services are offered at no cost by the Department and other veterans services organizations accredited by the U.S.~~

~~Department of Veterans Affairs.~~

(4) A person seeking to receive compensation for advising, assisting, or consulting with any individual with any veterans' benefits matter shall not utilize a medical professional with whom it has an employment relationship for a secondary medical exam. ~~[(c)] (D) A person who charges a fee OR RECEIVES COMPENSATION for providing veterans benefits appeals services shall provide in any advertisement for appeals services notice that appeals services are also offered at no cost by the Department and other veterans services organizations accredited by the U.S. Department of Veterans Affairs.~~

(5) No person shall guarantee, either directly or by implication, a successful outcome or that any individual is certain to receive specific veterans' benefits or that any individual is certain to receive a specific level, percentage, or amount of veterans' benefit.

(6) No person shall advise, assist, or consult for compensation with any individual concerning any veterans'; benefits matter without clearly providing at the outset of the business relationship the following disclosure both orally and in writing:

“This business is not sponsored by, or affiliated with, the United States Department of Veterans' Affairs or the [State] Department of Veterans' Affairs, or any other federally chartered veterans' service organization. Other organizations including but not limited to the [State] Department of Veterans' Affairs, a local veterans' service organization, and other federally chartered veterans' service 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.”

The written disclosure shall appear in at least twelve (12) point font and shall appear in a readily noticeable and identifiable place in the person's agreement with the individual seeking services. The individual shall verbally acknowledge understanding of the oral disclosure and sign the document in which the written disclosure appears to represent understanding of these provisions. The person offering services shall retain a copy of the written disclosure while providing veterans' benefits services for compensation to the individual and for at least one (1) year after the date on which the service relations terminate.

(7) Businesses engaging in the preparation of an initial claim for a fee shall abide by the following:

- Shall not utilize international call center or data centers for processing veterans personal information;
- Shall not gain direct access to any personal medical, financial, or government benefits log-in, username, or password information.

~~[(d)] (cE) (1) A violation of the provisions of this section shall constitute an unfair, false, misleading, or deceptive act or practice in the conduct of trade or commerce under [State Consumer Protection Law Reference]. person who violates the provisions of this section is subject to a civil penalty of not more than \$1,000 for each violation~~

(2) Civil penalties shall be in an amount ordered by the District Court in an action brought by the Attorney General.

(3) Each day a violation continues is a separate violation.

(4) Any civil penalty collected shall be deposited in the Maryland Veterans Trust Fund.

MD 267 Support with Amendments Purple Heart Homes.

Uploaded by: Henry Boatright

Position: FWA



January 10, 2025

The Honorable C.T. Wilson
Chairman, House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

The Honorable Brian M. Crosby
Vice-Chairman House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

Dear Chairman Wilson and Vice-Chairman Crosby:

On behalf of Purple Heart Homes (PHH), a North Carolina-based 501(c)(3) nonprofit dedicated to serving Veterans across the nation, we are writing to express our support to **Maryland House Bill 267 with amendments**.

Purple Heart Homes was founded in 2008 by Veterans John Gallina and the late Dale Beatty, both of whom served together in Iraq and returned with life-altering injuries. Inspired by the unwavering support of their community, they established PHH to honor fellow Veterans. Today, PHH provides housing solutions to service-connected, disabled, and aging Veterans of all eras across the United States, reflecting our core commitment to supporting Veterans and their rights.

Attempting to protect Veterans is an honorable endeavor that we all share; unfortunately, the current form of HB 267 misses the mark and would not only deny a Veteran the right to choose how they pursue their own claim, but they also fail to address the full spectrum of the issues at hand. The current bill also fails to address critical issues including: providing additional oversight and protections for the Veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring Veterans have access to diverse options and effective solutions for decades to come.

Rather than purposely restricting a Veteran's right to choose how they pursue their claim as the current version of HB 267 does, a better approach is to implement necessary amendments and reforms that must take place to ensure the integrity of the systems and to protect Veterans from potentially bad actors. Some of these amendments include, but are not limited to:

- o Prohibiting anyone for receiving compensation for referring anyone to another person to assist with a veterans' benefits matter
- o Prohibiting anyone for receiving compensation for services rendered to a Veteran within one year presumptive period of active-duty release unless the Veteran specifically acknowledges in writing at the initiation of the services agreement that the Veteran is within the 1-year presumptive period, and has also been referred to a VSO of their choice
- o Mandating that anyone receiving compensation for assisting with Veterans' benefits must specify the terms under which the amount to be paid will be determined in a written agreement signed by both parties
- o Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase

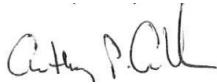
- o Prohibiting any initial or non-refundable fees
- o Getting written confirmation from the Veteran they have been informed of their free options
- o Prohibiting private companies from having doctors on the payroll performing secondary medical exams
- o Prohibiting the use of international call centers or data centers for processing Veteran's personal information
- o Prohibiting aggressive and direct solicitation
- o Prohibiting advertising or guaranteeing a successful outcome
- o Prohibiting businesses from gaining access to personal medical, financial, or governmental benefits log-in, username, or password information

These amendments will offer the true protections that will ensure the Veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

PHH also supports Veterans' rights to choose reliable and expert assistance, whether through private entities or traditional Veterans Service Organizations. Veterans deserve the freedom to access the support they need without undue restriction or compromise, and these amendments serve as an important step in that direction.

The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation and enhanced oversight. With these amendments, HB 267 can accomplish this, and we encourage you to support this amended legislation to empower Veterans a choice in how they receive their benefits.

Thank you for your dedication to Maryland's Veterans.



Paul Cockerham
Chief Development Officer
Purple Heart Homes

MD 267 Support with Amendments United Veteran Bene

Uploaded by: Henry Boatright

Position: FWA



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The Honorable C.T. Wilson
Chairman, House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

The Honorable Brian M. Crosby
Vice-Chairman House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

January 10, 2025

Dear Chairman Wilson and Members of the House Economic Matters Committee:

As one of the founding members of United Veteran Benefits Agency, LLC a majority-Veteran owned and operated organization, I am writing in **support, with amendments, of Maryland HB 267.**

Attempting to protect Veterans is an honorable endeavor that we all share; unfortunately, in the way it is currently written, HB 267 misses the mark and would not only deny a Veteran the right to choose how they pursue their own claim, but they also fail to address the full spectrum of the issues at hand. MD HB 267 also fails to address critical issues including: providing additional oversight and protections for the Veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring Veterans have access to diverse options and effective solutions for decades to come.

United Veteran Benefits Agency LLC, as I mentioned above, is a Veteran owned and operated organization. Our staff is comprised 100% of Veterans, Veteran spouses and family, and spouses and family members of active-duty service members who understand the medical and mental health difficulties Veterans live with and the complexities of the VA disability process. We have a success rate of 90%, which means fewer appeals bogging down the system. Our goal is to do it right the first time, keeping the process moving through the VA system efficiently, preventing appeals and providing the Veteran with the benefits they have earned in a timely fashion. Passing the current form of MD HB 267 will only inflate the backlog that occurs within the VA system and as stated before, strip away a Veteran's choice in how they pursue their VA disability claims.

As a consulting firm, our goal is to assist every Veteran who comes to us requesting help in a manner that is tailored to them and their family. We ensure the Veterans we work with understand their options including free services. And, if they choose to go in that direction, but aren't sure where to go, we help provide them with the service that is nearest to them. Since the inception of our business, we have served over 3500 Veterans. Many of them have called us crying from joy and relief after receiving their new VA disability rating stating they've been trying to navigate the system for months with no success. Others have written to us stating we "changed their lives".

Rather than purposely restricting a Veteran's right to choose how they pursue their claim as the current form of HB 267 does, a better approach is to implement necessary amendments and reforms to HB 267 that must take place to ensure the integrity of the systems and to protect Veterans from potentially bad actors. Some of these reforms include, but are not limited to:

- o Prohibiting anyone for receiving compensation for referring anyone to another person to assist with a veterans' benefits matter
- o Prohibiting anyone for receiving compensation for services rendered to a Veteran within one year presumptive period of active-duty release unless the Veteran specifically acknowledges in writing at the initiation of the services agreement that the Veteran is within the 1-year presumptive period, and has also been referred to a VSO of their choice
- o Mandating that anyone receiving compensation for assisting with Veterans' benefits must specify the terms under which the amount to be paid will be determined in a written agreement signed by both parties
- o Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase
- o Prohibiting any initial or non-refundable fees
- o Getting written confirmation from the Veteran they have been informed of their free options
- o Prohibiting private companies from having doctors on the payroll performing secondary medical exams
- o Prohibiting the use of international call centers or data centers for processing Veteran's personal information
- o Prohibiting aggressive and direct solicitation
- o Prohibiting advertising or guaranteeing a successful outcome
- o Prohibiting businesses from gaining access to personal medical, financial, or governmental benefits log-in, username, or password information

These are true protections that will ensure the Veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

UVBA also supports Veterans' rights to choose reliable and expert assistance, whether through private entities or traditional Veterans Service Organizations. Veterans deserve the freedom to access the support they need without undue restriction or compromise, and these amendments serve as an important step in that direction.

The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation and enhanced oversight. An amended HB 267 can accomplish this, and we encourage you to support this legislation and amendments to empower Veterans a choice in how they receive their benefits.

Thank you for your dedication to Maryland's Veterans.

Sincerely,

A handwritten signature in cursive script that reads "Connie Jones".

Connie Jones
A Founding and Managing Member

MD 267 Opposition Teamsters.docx (1).pdf

Uploaded by: James Thomas

Position: UNF



Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters

Tony D. Cardwell
President

Dale E. Bogart, Jr.
Secretary-Treasurer

January 10, 2025

The Honorable C.T. Wilson
Chairman, House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

The Honorable Brian M. Crosby
Vice-Chairman House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

Dear Chairman Wilson and Vice-Chairman Crosby:

On behalf of The Teamsters Rail Conference, the Brotherhood of Maintenance of Way Employees (BMWED-IBT), and our Veteran members in Maryland, I write today to **oppose Maryland HB 267.**

The BMWED-IBT is proud to offer and encourage private expert support to our Veteran members. Our members are armed with all the information available to them and appreciate the ability to make the best choice for them and their families. We have been working closely with Veterans Guardian to educate our members on the full range of options available free of charge and for a fee. We are proud to ensure that our Maryland Veteran members and brothers and sisters nationwide are well-informed and choose the best options for them.

The Brotherhood of Maintenance of Way Employees strongly supports Delegate Allen's commitment to protecting our Veterans and actually believes that the bill does not go far enough in some areas, as it is absent necessary guardrails which include disclosure requirements and a fee cap. However, and most unfortunate, House Bill 267 as currently written, prohibits the services of honorable for-profit companies like Veterans Guardian, from serving Veterans.

As a Veteran myself and the Director of Government Affairs for the BMWED-IBT, I used Veterans Guardian to help me achieve an increase in my rating. Unfortunately, years of navigating the complicated Veterans Affairs process frustrated me. I tried the free services offered by Veteran Service Organizations, but while well-intentioned, they failed to meet my needs. Free doesn't always mean better, and I have the choice to decide who helps me with my claim.

Maryland HB 267 might be well-intentioned, but this issue has nuances and complications that require far more understanding.

Maryland Veterans deserve a choice, and the BMWED members in Maryland deserve the option to use companies like Veterans Guardian.

This bill is trying to accomplish a noble effort. Unfortunately, it takes away important options for the hard-working, dedicated brothers and sisters of the BMWED-IBT. I strongly urge you to vote against Maryland HB 267.

Sincerely,

A handwritten signature in black ink that reads "Jeff Jones". The signature is written in a cursive, flowing style.

Jeff Jones
Director of Government Affairs