

HOUSE BILL NO. 1169

Introduced by

Representatives J. Olson, Grindberg, Klemin, Lefor, Marschall, Pyle, M. Ruby, Schauer

Senators Axtman, Bekkedahl, Cory, Roers

1 A BILL for an Act to create and enact a new section to chapter 37-14 of the North Dakota
2 Century Code, relating to compensation for veterans' benefits; and to provide a penalty.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new section to chapter 37-14 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Compensation for advising on veterans' benefits prohibited - Limitations - Penalty.**

7 1. As used in this section:

8 a. "Compensation" means payment of any money, thing of value, or financial
9 benefit.

10 b. "Veterans' benefits matter" means the preparation, presentation, or prosecution
11 of any claim or appeal affecting an individual who has filed or expressed an intent
12 to file a claim for a benefit, program, service, commodity, function, status, or an
13 entitlement which is determined under the laws and regulations administered by
14 the United States department of veterans affairs or the United States department
15 of defense pertaining to a veteran, a veteran's dependent or survivor, or any
16 other individual eligible for such benefit.

17 2. A person may not:

18 a. Receive compensation for referring an individual to another person to advise or
19 assist the individual with any veterans' benefits matter.

20 b. Guarantee to an individual a specific veterans' benefit, including any level,
21 percentage, or amount of veterans' benefit, either directly or by implication.

22 c. Receive excessive or unreasonable fees as compensation for advising or
23 assisting an individual with a veterans' benefits matter.

1 3. A person seeking to receive compensation for advising or assisting an individual with a
2 veterans' benefits matter shall memorialize all terms regarding the individual's
3 payment of fees for services rendered in a written agreement.

4 4. A person seeking to receive compensation for advising or assisting an individual with a
5 veterans' benefits matter shall provide the following disclosure at the outset of the
6 business relationship:

7 This business is not sponsored by, or affiliated with, the United States department
8 of veterans' affairs or the state department of veterans' affairs, or any other
9 federally chartered veterans' service organization. Other organizations including
10 the state department of veterans' affairs, a local veterans' service organization,
11 and other federally chartered veterans' service organizations may be able to
12 provide you with this service free of charge. Products or services offered by this
13 business are not necessarily endorsed by any of these organizations. You may
14 qualify for other veterans' benefits beyond the benefits for which you are
15 receiving services here.

16 5. The written disclosure under subsection 4 must appear in at least twelve-point font in
17 an easily identifiable location in the person's agreement with the individual seeking
18 services. The individual shall sign the document in which the written disclosure
19 appears to represent an understanding of these provisions. The person offering
20 services shall retain a copy of the written disclosure while providing veterans' benefits
21 services for compensation to the individual and for at least one year after the date on
22 which the service relationship terminates.

23 6. A person seeking to receive compensation for advising or assisting a veteran in
24 connection with an initial claim for benefits may not:
25 a. Receive any compensation for any services rendered in connection with any
26 claim filed within a one-year presumptive period of active-duty release, unless the
27 veteran acknowledges by signing a waiver that the veteran is within this period
28 and chooses to deny free services available to the veteran.
29 b. Receive compensation that is not purely contingent on an increase in benefits
30 awarded or which exceeds five times the amount of the monthly benefits
31 awarded.

- 1 c. Receive initial or nonrefundable fees.
- 2 d. Use international call centers or data centers for processing veterans' personal
- 3 information.
- 4 e. Use a veteran's personal login, username, or password information to access a
- 5 veteran's medical, financial, or government benefits information.
- 6 f. Allow an individual access to a veteran's medical or financial information until the
- 7 individual successfully completes a background check. The background check
- 8 must be conducted by a reputable source and include identity verification and a
- 9 criminal records check.
- 10 7. A violation of this section is an unlawful practice in violation of section 51-15-02 and
- 11 subject to a civil penalty under section 51-15-11.