

HB 1169

My name is Mamie Havelka, I am the Commander of The North Dakota American Legion and my address is Bismarck ND. I am here to represent ALL ND veterans. They are my concern.

I am asking you to Protect Veterans from Predatory Actors. Oppose HB 1169 in form as of 13 March 2025.

Background

America's veterans are being targeted by predatory claims companies that charge exorbitant fees for services provided free of charge by veteran service organizations (VSOs) and Department Service Officers by veteran organization. These companies use aggressive marketing tactics, misleading statements, and complicated contracts to profit from veterans receiving Department of Veterans Affairs (VA) benefit payments. They do not adhere to VA regulations.

These companies charge veterans at a rate of 500 or 600 percent of whatever future increase in monthly benefits they receive – a violation of the U.S. Code, which prohibits the payment of fees based on future benefits compensation (38 USC 5301(a)(3)(A)). In return for such large payments, these companies offer so-called "consulting services" and make it clear to the clients that they, themselves are responsible for filing the actual claim with the VA. These profiteers are not accredited by VA: thus, their activities cannot be monitored by VA's Office of General Counsel.

(Example for oral testimony. Our DSO, Department of North Dakota experience with these Predatory claims. Once the claims are received they have to almost start from scratch to get them in compliance. And the outside companies' client could easily be now called a victim. (My words) Because the outside company still charges the client).

(Another example: Camp Lejeune claims)

Getting accredited in the claims process is accessible to agents and attorneys through 38 US Code Chapter 59 Sub section 5904. They would have to contact the VA's Office of General Counsel. (I have the requirements if needed.)

Key Points

- Unaccredited predatory claims companies are not bound by VA regulations and cannot be penalized by the Office of General Counsel.
- Veterans are charged exorbitant fees by the "claim sharks" for services that are provided free of charge by the American Legion and other Veterans Service Organizations.
- Through aggressive ad campaigns, some unethical law firms and so-called consultants are convincing veterans to pay them for services for which the veteran is responsible to submit and for which VSOs already provide free of service in accordance with the law.

Respectfully,

Mamie Havelka

Commander, NDAL

"Proud to Belong, Forever Strong"