SENATE MILITARY AND VETERANS' AFFAIRS COMMITTEE

STATEMENT TO

**SENATE, No. 2818**

# STATE OF NEW JERSEY

DATED: AUGUST 20, 2020

The Senate Military and Veterans Affairs Committee reports favorably Senate Bill No. 2818.

The bill makes it a violation of the consumer fraud act for persons to receive compensation for advising or assisting, or referring any individual to another person to advise or assist, with any veterans benefits matter, except as is permitted under federal law.

Under the bill, a "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, or status, entitlement to which is determined under the laws and regulations administered by the United States Department of Veterans Affairs or the New Jersey Department of Military and Veterans Affairs pertaining to veterans, their dependents, their survivors, and any other individual eligible for such benefits.

Under the bill, no person may receive any fees for any services rendered before the date on which a notice of disagreement is filed with respect to the individual's case, guarantee, either directly or by implication, 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 benefits, or receive excessive or unreasonable fees as compensation for advising or assisting any individual with any veterans benefits matter.

The bill also requires that a person seeking to receive compensation for advising or assisting any individual with any veterans benefits matter shall, before rendering any services, memorialize all terms regarding the individual's payment of fees for services rendered in a written agreement, signed by both parties, that adheres to all criteria specified within 38 C.F.R. s.14.636.

Under the bill, no person may advise or assist for compensation or advertise for-compensation services to advise or assist in a veterans benefits matter without making an oral and a written disclosure.

An unlawful practice under the consumer fraud act is punishable by a monetary penalty of not more than $10,000 for a first offense and not more than $20,000 for any subsequent offense. Violations can also result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.