

SB 150 A -A6 STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

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Meeting Dates: 5/1, 5/20

WHAT THE MEASURE DOES:

The measure prohibits, except as applicable, compensation for preparing or advising with applications for veterans' benefits or appealing decisions on such claims, and for referring veterans to those providing aforementioned services.

Detailed Summary

- Prohibits guarantees that receipt of benefits is certain and prohibits excessive or unreasonable fees for such services.
- Applies these prohibitions to services and functions an eligible claimant may receive at no charge from the Department of Veterans' Affairs (VA) or someone the VA has delegated authority to.
- Clarifies that someone who receives compensation for these services must specify terms and conditions in a written agreement signed by all parties.
- Directs the Oregon Department of Veterans' Affairs (ODVA) to conduct outreach, provide education, and disseminate information including county veterans' service officers and Tribal veterans' representatives, their facility locations, and the services they provide in order to encourage veterans to seek free advice and assistance with veteran's benefit claims.
- Declares violation of these provisions unlawful.
- Takes effect on the 91st day after sine die.

Fiscal impact: Minimal fiscal impact

Revenue impact: No revenue impact

Senate Vote: Ayes, 26; Excused, 4

ISSUES DISCUSSED:

- Definition of 'claim shark'
- Questions about the punishment for violating provisions in the measure
- Questions about the impact to certified service providers

EFFECT OF AMENDMENT:

-A6 Removes the word 'excessive' from the measure.

BACKGROUND:

Federal law prohibits companies not accredited by the Department of Veterans Affairs (VA) from charging fees for helping veterans file disability claims, though no penalties exist for violating that law. Companies not accredited by the VA sometimes guarantee specific benefits from the VA to clients, or charge fees for assistance and consulting for filing VA claims. These fees sometimes reach thousands of dollars, though the VA and VA-accredited organizations offer assistance for free in some circumstances.

These companies are sometimes referred to as "claim sharks," including by the VA, which put out a fraud alert about such operations in November 2023. These companies became more common after passage of the federal Promise to Address Comprehensive Toxics (PACT) Act of 2022, which expanded VA health care and benefits to veterans exposed to burn pits and other toxic substances in recent conflicts, such as in Iraq and Afghanistan.