

Legislative Analysis



TRADE PRACTICES & DISCLOSURE REQUIREMENT FOR VET BENEFIT MATTERS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4918 as introduced
Sponsor: Rep. Sue Allor
Committee: Financial Services
Complete to 10-17-17

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4918 would amend the Consumer Protection Act by adding Section 3k to prohibit certain practices in which an individual attempts to make money by assisting veterans in applying for veterans' benefits.

Prohibited Practices

The bill would amend the Act to prohibit an individual who is engaged in trade or commerce from any of the following acts or practices:

- Receiving compensation for advising or assisting another individual with a veterans' benefit matter except as permitted under federal law.
- Using financial or other personal information gathered in order to prepare documents for or represent the interest of another individual in a veterans' benefit matter.
- Receiving compensation for referring another individual to an individual accredited by the United States Department of Veterans affairs.
- Representing, either directly, by implication, either orally or in writing that the receipt of a certain level of veterans' benefits is guaranteed.

Disclosure Requirements

The bill would require that a person engaged in trade or commerce could not advertise or promote any event, presentation, seminar, workshop, or other public gathering regarding veterans' benefits or entitlements that does not include the following disclosure:

"This event is not sponsored by, or affiliated with, the United State Department of Veterans Affairs, the Michigan Department of Military and Veterans Affairs, the Michigan Veterans Affairs Agency, or any other congressionally chartered or recognized organization of honorably discharged members of the armed forces of the United States, or any of their auxiliaries. Products or services that may be discussed at this event are not necessarily endorsed by those organizations. You may qualify for benefits other than or in addition to the benefits discussed at this event."

The disclosure requirement would have to be in the same type size and font as the term "veteran" or as used in the event advertisement or promotional materials. It would also need to be disseminated, both orally and in writing, at the beginning of any event,

presentation, seminar, workshop, or other public gathering on veterans' benefits or entitlements.

However, the disclosure requirements would not apply if the United States Department of Veterans Affairs, the Department of Military and Veterans Affairs, the Michigan Veteran Affairs Agency, or any other congressionally chartered organization or any of their auxiliaries have granted written permission to the advertiser to use its name, symbol, or insignia to advertise events, presentations, seminars, workshops, or other public gatherings.

The bill would also exempt an event, presentation seminar workshop or gathering as part of an accredited continuing legal education course from the disclosure requirements.

General Provisions

The bill would not apply to officers, employees, or volunteers of this state, county, city or other political subdivision, a federal agency of the United States, acting in their official capacity.

The bill would define the term "veterans' benefit matter" to mean any preparation, presentation, or prosecution of a claim affecting an individual who has filed or expressed an intention to file an application for determination of payment, service, commodity, function, or status, entitlement to which is determined by the United States Department of Veterans Affairs or the Department of Military and Veterans Affairs pertaining to veterans, dependents and survivors.

The bill would take effect 90 days after being enacted into law.

MCL 445.903 and proposed 445.903k

FISCAL IMPACT:

The bill would have no fiscal impact on the Michigan Veterans Affairs Agency, congressionally chartered veterans service organizations, or local units of government.

There would be no direct or significant fiscal impact to the Office of the Attorney General associated with being permitted to promulgate rules pertaining to the bills' requirements.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.