

## TRADE PRACTICES & DISCLOSURE REQUIREMENT FOR VET BENEFIT SERVICES

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**House Bill 4918 (Substitute H-1)**  
**Sponsor: Rep. Sue Allor**  
**Committee: Financial Services**  
**Complete to 10-24-17**

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. Specifically, 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 providing a veterans' benefit service to a veteran or family member unless the individual is permitted to receive compensation for it and, before offering to provide that service, he or she discloses the following:
  - The individual is not affiliated with a veterans' agency or organization.
  - The veterans' benefit service is available free of charge from any veterans' agency or organization.
  - The veteran could qualify for benefits other than or in addition to benefits obtained if the individual is engaged to provide the veterans' benefit service.
  - The receipt of a certain level of benefits is not guaranteed if the individual is engaged to provide the veterans' benefit service.
- Using financial or other personal information gathered to prepare documents for or represent the interests of another individual in providing or offering to provide a veterans' benefit service.
- Receiving compensation for referring another individual to an individual accredited by the United States Department of Veterans Affairs.
- Representing that the receipt of a certain level of veterans' benefits is guaranteed.

### Disclosure Requirements

The bill would prohibit a person engaged in trade or commerce from advertising or promoting 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 bill would require the disclosure to be in the same type size and font as the term "veteran" when used in event advertisement or promotional materials. The disclosure statement would 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.

#### Exclusions

The proposed 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 veterans 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 from the disclosure requirements an event, presentation, seminar, workshop, or gathering that is part of an accredited continuing legal education course.

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

#### General Provisions

The bill would define the term "veterans' benefit service" to mean either of the following:

- The preparation, presentation, or prosecution of a claim affecting an individual who has filed or has expressed an intention to file an application for veteran, dependent, or survivor pension or medical benefits under laws administered by the United States Department of Veterans Affairs or the Department of Military and Veterans Affairs pertaining to veterans, dependents, and survivors.
- Advice or representation concerning the preparation, presentation, or prosecution of such a claim.

The bill would make a violation of the proposed section 3k an unfair trade practice under section 3.

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.