

SESSION OF 2024

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2761

As Recommended by House Committee on
Veterans and Military

Brief*

HB 2761 would prohibit certain conduct and the improper collection of fees related to veterans benefits.

The bill would be in effect upon publication in the *Kansas Register*.

Definition (Section 1)

The bill would define “veterans benefits matter” as 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 to which entitlement is determined under the laws and regulations administered by the U.S. Department of Veterans Affairs (VA), the U.S. Department of Defense, or the Kansas Commission on Veterans Affairs Office (KCVAO). Such entitlements would pertain to veterans, their dependents or survivors, or any other individual eligible for such benefit, program, service, commodity, function, or status.

Prohibition of Compensation (Section 2)

The bill would prohibit any person from receiving compensation for preparing, presenting, prosecuting, advising, consulting, or assisting an individual on any

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

veterans benefit matter, except as permitted under federal law. Additionally, the bill would prohibit receiving compensation for referring individuals for services on veteran benefits matters before the listed agencies.

The bill would state these prohibitions would not be construed to prohibit a division of fees between attorneys that is otherwise proper under Kansas law and the Kansas Rules of Professional Conduct.

Violation of these prohibitions would be a violation of the Kansas Consumer Protection Act.

Professional Conduct (Section 3)

The bill would state that if any person who receives compensation for such services shall be held to the same ethical standards as an attorney under the Kansas rules of professional conduct in the following practices:

- Advertising;
- Solicitation of new clients;
- Confidentiality;
- Duty of care;
- Duty of honesty; and
- Duty to zealously pursue what is in the best interests of the client.

Background

The bill was introduced by the House Committee on Veterans and Military at the request of a representative of the Veterans of Foreign Wars (VFW) .

House Committee on Veterans and Military

In the House Committee hearing on February 13, 2024, Representative Poskin and representatives of VFW and the Military Officers Association of America provided **proponent** testimony. The proponents generally stated that the bill would protect Kansas veterans from “claim sharks,” defined as individuals and companies that are not accredited by the VA to assist a veteran with filing benefit claims but charge excessive fees to do so.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the KCVAO states that enactment of the bill would have no fiscal effect.

Veterans and military; veterans benefits matter; fees; professional conduct