

House File 2368 - Introduced

HOUSE FILE 2368
BY COMMITTEE ON VETERANS
AFFAIRS

(SUCCESSOR TO HSB 580)

(COMPANION TO SF 2200 BY
COMMITTEE ON VETERANS AFFAIRS)

A BILL FOR

1 An Act regulating veterans' benefit services and related
2 events, by requiring certain disclosures and making
3 penalties applicable.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 35A.5, subsection 18, Code 2018, is
2 amended by striking the subsection.

3 Sec. 2. NEW SECTION. **546B.1 Definitions.**

4 When used in this chapter, unless the context otherwise
5 requires:

6 1. "*Compensation*" means money, property, or anything else
7 of value, which includes but is not limited to exclusive
8 arrangements or agreements for the provision of services or the
9 purchase of products.

10 2. "*Person*" includes, where applicable, natural persons,
11 corporations, trusts, unincorporated associations, and
12 partnerships.

13 3. "*Trade or commerce*" includes the marketing or sale
14 of assets, goods, or services, or any commerce directly or
15 indirectly affecting the people of this state.

16 4. "*Veteran*" means as defined in section 35.1.

17 5. "*Veterans' benefit matter*" means any preparation,
18 presentation, or prosecution of a claim affecting a person who
19 has filed or has expressed an intention to file an application
20 for determination of payment, service, commodity, function,
21 or status, entitlement to which is determined under laws
22 administered by the United States department of veterans
23 affairs or the Iowa department of veterans affairs pertaining
24 to veterans and their dependents or survivors.

25 Sec. 3. NEW SECTION. **546B.2 Advertising or promotion**
26 **disclosures.**

27 1. A person who advertises or promotes any event,
28 presentation, seminar, workshop, or other public gathering
29 regarding veterans' benefits or entitlements shall include a
30 disclosure as provided in this section and must disseminate
31 the disclosure, both orally and in writing, at the beginning
32 of the event, presentation, seminar, workshop, or other public
33 gathering. The written disclosure must be in the same type
34 size and font as the term "veteran" or any variation of that
35 term as used in the advertisement or promotional materials

1 for the event, presentation, seminar, workshop, or public
2 gathering.

3 2. The disclosure required by this section shall be in the
4 following form:

5 This event is not sponsored by, or affiliated with, the
6 United States Department of Veterans Affairs, the Iowa
7 Department of Veterans Affairs, or any other congressionally
8 chartered or recognized organization of honorably discharged
9 members of the Armed Forces of the United States or any
10 of their auxiliaries. Products or services that may be
11 discussed at this event are not necessarily endorsed by those
12 organizations. You may qualify for benefits other than or in
13 addition to the benefits discussed at this event.

14 3. The requirement to provide a disclosure as provided
15 in this section shall not apply under any of the following
16 circumstances:

17 a. The United States department of veterans affairs,
18 the Iowa department of veterans affairs, or any other
19 congressionally chartered or recognized organization of
20 honorably discharged members of the armed forces of the
21 United States or any of their auxiliaries have granted written
22 permission to the person for the use of its name, symbol,
23 or insignia to advertise or promote any event, presentation,
24 seminar, workshop, or other public gathering regarding
25 veterans' benefits or entitlements.

26 b. The event, presentation, seminar, workshop, or public
27 gathering is part of an accredited continuing legal education
28 course.

29 Sec. 4. NEW SECTION. 546B.3 Prohibited acts or practices.

30 A person who commits any of the following acts or practices
31 commits a violation of this chapter:

32 1. Receives compensation for advising or assisting another
33 person with a veterans' benefit matter, except as permitted
34 under Title 38 of the United States Code.

35 2. Uses financial or other personal information gathered

1 in order to prepare documents for, or otherwise represent
2 the interests of, another in a veterans' benefit matter for
3 purposes of trade or commerce.

4 3. Receives compensation for referring another person to a
5 person accredited by the United States department of veterans
6 affairs.

7 4. Represents, either directly or by implication, and
8 either orally or in writing, that the receipt of a certain
9 level of veterans' benefits is guaranteed.

10 5. Fails to provide a disclosure required to be provided
11 pursuant to section 546B.2.

12 Sec. 5. NEW SECTION. **546B.4 Inapplicability of chapter.**

13 This chapter does not apply to officers, employees, or
14 volunteers of the state, or of any county, city, or other
15 political subdivision, or of a federal agency of the United
16 States, who are acting in their official capacity.

17 Sec. 6. NEW SECTION. **546B.5 Unfair practice — penalties.**

18 A violation of this chapter is a violation of section 714.16,
19 subsection 2, paragraph "a". Any civil penalty recovered for a
20 violation of this chapter shall be deposited in the veterans
21 trust fund created in section 35A.13.

22 Sec. 7. **REPEAL.** Chapter 546B, Code 2018, is repealed.

23 **EXPLANATION**

24 The inclusion of this explanation does not constitute agreement with
25 the explanation's substance by the members of the general assembly.

26 This bill concerns the providing of certain veterans'
27 benefits services and the conducting of events related to
28 veterans' benefits.

29 The bill repeals current Code chapter 546B regarding
30 veterans' benefits assistance and disclosures and provides for
31 new provisions governing the providing of certain veterans'
32 benefits. Current law requires the provision of certain
33 disclosures if a person advertises or provides veterans'
34 benefit services and requires the department of veterans
35 affairs to develop a written disclosure statement for purposes

1 of the current Code chapter. In addition, current law provides
2 a maximum \$1,000 civil penalty per violation and further
3 provides that any penalties recovered would be deposited in the
4 veterans trust fund.

5 New Code section 546B.1 provides definitions governing the
6 new Code chapter. Terms defined include compensation, person,
7 trade or commerce, veteran, and veterans' benefit matter.
8 Specifically, the bill defines a veterans' benefit matter as
9 any activity related to a claim affecting a person regarding
10 any application for certain veterans' benefits for veterans and
11 their dependents and survivors.

12 New Code section 546B.2 provides for the disclosures
13 required for any person advertising or promoting any event,
14 presentation, seminar, workshop, or other public gathering
15 regarding veterans' benefits or entitlements. The new Code
16 section specifies the form of the disclosure which generally
17 provides that the event is not sponsored by a governmental
18 agency for veterans or by any officially recognized
19 organization of veterans. The new Code section requires the
20 disclosure be disseminated, both orally and in writing, at
21 the beginning of an event related to veterans' benefits and
22 entitlements. The new Code section also specifies certain
23 face and font requirements for a written disclosure. The new
24 Code section also provides that the disclosure is not required
25 if permission from a governmental agency for veterans or by
26 any officially recognized organization of veterans to use the
27 agency's or organization's name for the event has been provided
28 or if the event is part of an accredited continuing legal
29 education course.

30 New Code section 546B.3 describes those acts that would
31 constitute a violation of the new Code chapter. Specifically,
32 a violation occurs if a person receives compensation for
33 advising or assisting another person with a veterans' benefit
34 matter or for referring a person to a person accredited by the
35 United States department of veterans affairs, uses financial

1 or other personal information gathered in order to prepare
2 documents for, or represent the interests of, another in
3 a veterans' benefit matter, guarantees a certain level of
4 benefits, or fails to provide the disclosures required by the
5 new Code chapter.

6 New Code section 546B.4 provides that the new Code chapter
7 does not apply to government employees or volunteers acting in
8 their official capacity.

9 New Code section 546B.5 provides that a violation of this new
10 Code chapter is a violation of Code section 714.16, subsection
11 2, paragraph "a", an unfair practice related to consumer
12 frauds. Code section 714.16 provides for the ability of the
13 attorney general to obtain injunctive relief related to the
14 unfair practice and the ability to recover a civil penalty
15 of up to \$40,000 per violation. The new Code section also
16 provides that any civil penalty recovered for a violation of
17 the new Code chapter shall be deposited in the veterans trust
18 fund.