

By: Lopez of Cameron

H.B. No. 4693

A BILL TO BE ENTITLED

AN ACT

relating to assistance with veterans benefits claims; authorizing a civil penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 434.017(a), Government Code, is amended to read as follows:

(a) The fund for veterans' assistance is a special fund in the state treasury outside the general revenue fund. The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund;

(3) the earnings of the fund;

(4) money transferred to the fund from proceeds of the lottery game operated under Section 466.027 or transferred to the fund under Section 466.408(b);

(5) money deposited to the credit of the fund under Section 502.1746, Transportation Code;

(6) money deposited to the credit of the fund under Sections 521.008 and 522.0295, Transportation Code;

(7) money deposited to the credit of the fund under Section 12.007, Parks and Wildlife Code; ~~and~~

(8) money deposited to the credit of the fund under Section 411.1741; and

1 (9) money deposited to the credit of the fund under
2 Section 434.456.

3 SECTION 2. Chapter 434, Government Code, is amended by
4 adding Subchapter J to read as follows:

5 SUBCHAPTER J. ASSISTANCE WITH VETERANS BENEFITS CLAIMS

6 Sec. 434.451. DEFINITIONS. In this subchapter:

7 (1) "Compensation" means the payment of money, a
8 financial benefit, or another thing of value.

9 (2) "Veterans benefit matter" means a claim by a
10 veteran, a veteran's dependent or survivor, or any other person for
11 a benefit, program, service, commodity, function, or status, the
12 entitlement to which is determined under laws and regulations
13 administered by the United States Department of Veterans Affairs or
14 the Texas Veterans Commission.

15 Sec. 434.452. CONSTRUCTION OF SUBCHAPTER. This subchapter
16 may not be construed to apply to or limit or expand the requirements
17 imposed on an agent, attorney, or other representative accredited
18 by the United States Department of Veterans Affairs and regulated
19 by that agency.

20 Sec. 434.453. ASSISTANCE WITH VETERANS BENEFIT MATTER. A
21 person:

22 (1) may, as permitted by federal law and subject to
23 this subchapter, receive compensation for:

24 (A) preparing, presenting, or prosecuting a
25 veterans benefit matter; or

26 (B) advising a person on, consulting with a
27 person about, or assisting a person with a veterans benefit matter;

1 (2) may not receive compensation for referring a
2 person to another person to provide a service described by
3 Subdivision (1)(A) or (B); and

4 (3) may not guarantee, either directly or by
5 implication, a successful outcome or that a person is certain to
6 receive specific veterans benefits or a specific level, percentage,
7 or amount of veterans benefits.

8 Sec. 434.454. REQUIREMENTS AND LIMITATIONS RELATING TO
9 COMPENSATION. (a) A person may not receive compensation for a
10 service described by Section 434.453(1)(A) or (B) that is related
11 to a claim filed during the one-year period immediately following
12 the date of the veteran's release from active duty, unless the
13 veteran signs a statement acknowledging that the veteran is within
14 that period and chooses to waive free services available to the
15 veteran.

16 (b) A person may not charge an initial or nonrefundable fee
17 for providing a service described by Section 434.453(1)(A) or (B).

18 (c) Compensation for providing a service described by
19 Section 434.453(1)(A) or (B) must be contingent on the amount of
20 benefits awarded to a veteran being increased. Compensation may not
21 exceed five times the amount of the increase in monthly benefits
22 awarded based on the claim.

23 (d) A person seeking to receive compensation for providing a
24 service described by Section 434.453(1)(A) or (B) shall, before
25 providing the service, memorialize in a written agreement signed by
26 both parties all terms regarding the payment of fees for services
27 provided, including the following disclosure in a size equal to at

1 least 12-point type in a conspicuous place:

2 "This business is not sponsored by, or affiliated with, the
3 United States Department of Veterans Affairs or the Texas Veterans
4 Commission, or any other federally chartered veterans service
5 organization. Other organizations including but not limited to the
6 Texas Veterans Commission, a local veterans service organization,
7 and other federally chartered veterans service organizations may be
8 able to provide you with this service free of charge. Products or
9 services offered by this business are not necessarily endorsed by
10 any of these organizations. You may qualify for other veterans
11 benefits in addition to the benefits for which you are receiving
12 services here."

13 (e) A person who provides a service described by Section
14 434.453(1)(A) or (B) shall retain a copy of the written agreement
15 described by Subsection (d) while providing the service and until
16 the first anniversary of the date on which the service relationship
17 is terminated.

18 (f) A person seeking to receive compensation for a service
19 described by Section 434.453(1)(A) or (B):

20 (1) may not use an international call center or data
21 center to process a veteran's personal information;

22 (2) may not use a veteran's log-in, username, or
23 password information to access the veteran's medical, financial, or
24 government benefits information; and

25 (3) shall ensure that:

26 (A) the identity of an individual with access to
27 a veteran's information under Subdivision (1) or (2) is verified

1 before accessing the information; and

2 (B) before accessing the information, a criminal
3 history background check is completed for an individual with access
4 to a veteran's information under Subdivision (1) or (2) from:

5 (i) any law enforcement or criminal justice
6 agency; or

7 (ii) a private entity that is a consumer
8 reporting agency governed by the Fair Credit Reporting Act (15
9 U.S.C. Section 1681 et seq.).

10 Sec. 434.455. DECEPTIVE TRADE PRACTICE. A violation of
11 this subchapter is a deceptive trade practice actionable under
12 Subchapter E, Chapter 17, Business & Commerce Code.

13 Sec. 434.456. CIVIL PENALTY. (a) A person who violates
14 this subchapter is liable to the state for a civil penalty not to
15 exceed \$500 for each violation. Each day a violation continues or
16 occurs is a separate violation.

17 (b) The attorney general shall file suit to collect the
18 civil penalty.

19 (c) A civil penalty collected under this section shall be
20 deposited to the credit of the fund for veterans' assistance
21 established by Section 434.017.

22 SECTION 3. This Act takes effect September 1, 2025.