

**HB-2225**

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Testimony for CMV on 2/7/2024 9:30:00 AM

| <b>Submitted By</b> | <b>Organization</b>                               | <b>Testifier Position</b> | <b>Testify</b>         |
|---------------------|---|---------------------------|------------------------|
| Carlos A. Santana   | Veterans Caucus of the Democratic Party of Hawaii | Oppose                    | Written Testimony Only |

Comments:

Veterans need legitimate assistance with the VA claims process. It can be a complex process. This complexity creates a barrier to access to earned benefits. While I would be in favor of limiting the compensation in some way, I cannot support a complete prohibition at this time. I know that Veterans Service Organizations (VSO) can offer this same assistance at little to no cost and the VA is required to provide a level of assistance. However, the VSOs do not have the resources to manage the number of claims. The Hawai'i Office of Veterans Services (HOVS) also provides assistance. I support the HOVS and encourage full and continued funding for the HOVS through the Hawai'i Department of Defense. This is a time where we need to increase avenues of assistance, not eliminate them. Veterans should be aware of all the options and if a veteran is unhappy with free assistance and wishes to pay for the assistance, I don't want to eliminate that option.

I personally know several veterans who hit a dead end when seeking free assistance. They have turned to paid assistance and all have stated they have no regrets in paying for assistance with claims.

We do need a balance between reasonable compensation and predatory practices. Education is the best way to allow the veteran to make an informed decision. In comparison, filing taxes with the IRS is free. However, some people pay someone to fill out their tax forms in order to avail themselves of the tax laws. There is no reason someone should be prohibited from seeking paid assistance to avail themselves of veterans benefits

**SUBMITTED TESTIMONY OF MARK CHRISTENSEN**  
**CHIEF OF STAFF,**  
**VETERANS GUARDIAN VA CLAIM CONSULTING, LLC**  
**BEFORE THE HAWAII STATE HOUSE**  
**HOUSE COMMITTEE ON CORRECTIONS, MILITARY, & VETERANS**  
**FEBRUARY 7, 2024**  
**OPENING STATEMENT**

***I. Introduction***

Thank you for the opportunity to provide testimony expressing Veterans Guardian's views on an important piece of legislation.

My name is Mark Christensen and I am the Chief of Staff at Veterans Guardian VA Claim Consulting, and a Veteran of the US Army. My career concluded in 2019 and included eight deployments to Afghanistan, Iraq, the Balkans, Haiti and the most contentious parts of East and West Africa. I've held positions from the platoon leader to Battalion Commander and several staff positions at the 3 and 4-star level commands. The vast majority of my 25 year career was spent in the Special Operations community and I was fortunate enough to spend several years in an Army Special Mission Unit. I am proud to be part of one of the largest Veteran owned and operated companies assisting my fellow Veterans with their disability claims.

When leaving military service, one of the questions that inevitably comes up is VA disability benefits. Most people know that they exist and have heard horror stories about how cumbersome and complicated the process is. Many people feel healthy and assume they probably did not qualify, which is wrong. Information about claiming VA disability benefits can be non-existent or difficult to find. Worse still, getting an appointment with a claims representative was even more difficult due to limited operating hours and limited capacity, even at the large installations. Unfortunately, the VA disability process is a bureaucratic and difficult system to navigate that presents challenges to most Veterans, often resulting in deserving Veterans not receiving the

benefits to which they are entitled. I am proud of the work my company has done to assist Veterans with this process.

Veterans Guardian is a private veteran disability claim consulting company owned and operated by veterans, spouses of veterans, and spouses of active-duty service members. We fully support the goal of ensuring veterans have access to a diverse set of options to help them secure the benefits they have earned. We proudly serve more than 25,000 veterans annually. We assist veterans with receiving the disability benefits they have earned through their honorable service, achieving a success rate of greater than 90%, in an average of 85 days. This is far below the Veterans Administration average processing time of 150 days.

## **II. *Veterans Guardian's Mission and Work***

Our mission is to provide the best possible service to our Veteran clients to ensure that they receive all the benefits that they are entitled to based on injuries that occurred during their time of honorable service to our nation. I am incredibly proud of the work we do every day to offer a transparent, effective, and efficient option to help Veterans navigate a complex and oftentimes failing system. Our capabilities are complementary to the other services available to Veterans. My trained and expert staff inform every Veteran that there are free options and services available to them in the form of county and state Veteran Service Officers, the Veteran Service Organizations, and their local Congressional offices, and we connect them directly to these services if they choose. We are transparent that we are not accredited, and our clients acknowledge their understanding of our status as well as the free options available to them when they sign our consulting agreement and the "Your Claim, Your Choice" affidavit. Our Veterans are choosing to utilize our services from a position of knowledge. Our data and analysis of successful claims shows that more than 70% of the time, our Veteran clients come to us after having used some of the free services available to them; which tells us that Veterans are not unaware of the free services, and that they are looking for something different.

Given the difficulty that many Veterans face when trying to navigate the VA disability process, as well as the sheer volume of Veterans that need assistance, there continues to be a backlog of more than 240,000 veteran disability claims. Contrary to common belief and statements from the legacy Veteran Service Organizations, and the VA, the current systems alone do not provide enough representatives or caliber of services to meet the needs of Veterans seeking assistance. Veterans need more options for assistance, not less. To address Veterans' pressing and time sensitive needs, they should be able to pursue their claims in the manner that best serves them, with full knowledge of all available providers (including county and state employees, VSOs, lawyers, claims agents, and companies like Veterans Guardian) who can assist them at any step in the process.

Veterans make a fully informed choice to use our services for a multitude of reasons: easy access and responsiveness, our experience and knowledge developed and refined over tens of thousands of claims, our expertise utilizing a team method with team members becoming experts in all stages of the process, our ability to help develop medical and lay evidence with a network of independent external doctors, our understanding of the regulations, and our competence in developing claims for secondary conditions. Based on all of this, I am proud that we have assisted tens of thousands of Veterans with a success rate of more than 90%. The Veterans themselves have made clear that we are providing an important and necessary service, as we have thousands of positive reviews and many personal referrals from our clients. In fact, 50% of our new clients each month are referred from previous or current clients. The thousands of positive reviews and direct referrals that we receive are a direct testament to the importance we place on client care. We have also received extensive recognition for our work, including 11 awards from various organizations, including: AMVETS North Carolina, National AMVETS, Department of Labor HIREVETS – Gold and Platinum Medallion awards, the Better Business Bureau – Ethics Awards three years in a row, Military Friendly Employer, and Military Spouse Friendly Employer.

We are transparent about our process and fee structure, and up-front about who we are and who we are not. We do not aggressively solicit any Veteran, the Veteran comes to

us informed and ready to receive the benefits they have earned. We do not have doctors on our payroll doing medical exams, nor do we have automated or international call centers. Our fee structure reflects our mission and is clearly communicated to Veteran clients throughout each step in the process. We do not collect any fee unless the Veteran achieves an increase in their VA benefits, and we do not have access to a Veteran's financial or e-benefits accounts. Any fee that a Veteran pays us comes from new benefits we have helped them secure, and no Veteran is financially disadvantaged from where they were before they utilized our services. Our Veterans are paying a one-time fee for assistance while receiving a lifetime of benefits. Included in our written submission for the record is a detailed description of our fee structure.

### **III. *Legislative Proposals***

As our business model has shown, we are strong supporters of improving the process by which Veterans obtain their disability benefits. Our goal should be to expand good options for our Veterans, not restrict them; to improve oversight and ensure Veterans are receiving competent, timely assistance; and to provide our Veterans the freedom to make an informed decision regarding how they want to pursue their disability claims. We have continued to be strong supporters of accreditation reform on the federal level, including increasing knowledge requirements and scrutiny of applicants for accreditation.

We are Veterans helping Veterans. My clients tell all of us my services are needed, and one of the bills we are here to discuss today, HB 2225 would deny Veterans access to my much-needed services. This bill, if passed, would force my business to close our doors, lay off my Veteran employees, and leave Veterans with no other options than the VSOs or attorneys.

We believe that HB 2225, raises Constitutional issues as it seeks to limit the First Amendment rights of the Veterans who wish to work with VA claim consultants, as well as the rights of the consultants themselves. Aside from threatening the way individuals exercise their fundamental rights to speak, associate, and petition the government, this proposed legislation also provides less options for Veterans, not more. It limits their

choices and means that, without the necessary accreditation reform, many Veterans will not receive the benefits to which they are entitled. Our Veterans deserve more.

The fact that Veterans are choosing to use our services from a position of knowledge is proof that other options are not meeting their needs. Veterans Guardian will continue to be strong supporters of accreditation reform and reasonable fee caps. We support an enhanced accreditation process to ensure quality private companies can become accredited and provide Veterans more options to navigate the system, not less.

Attempting to protect veterans is an honorable endeavor that we all share; unfortunately, HB 2225 misses the mark and would not only deny a veteran the right to choose how they pursue their own claim, but they also fail to address the full spectrum of the issues at hand. The bill as sold also fails to address critical issues including: providing additional oversight and protections for the veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring veterans have access to diverse options and effective solutions for decades to come.

**Additionally, nearly identical legislation is currently being challenged in the courts in other states on First Amendment grounds, including veterans' right to petition their government – a right they were willing to give their lives for.**

**Veterans Guardian has helped hundreds of veterans in Hawaii generating over \$3.5 million in additional benefits per year for veterans in Hawaii.**

Trapping veterans in a backlogged appeals system only benefiting a handful of attorneys is something Veterans Guardian aims to avoid by focusing on getting claims done correctly the first time. The current US Department of Veterans' Affairs (VA) disability benefits system is at best cumbersome and adversarial, and at worst broken to a point where it harms the veterans for the benefit of a small number of powerful boutique law firms. In fact, in recent US Congressional testimony, Kenneth Arnold, Acting Chairman of the Board of Veterans' Appeals testified under oath:

“The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. **This generates \$45 to \$50 million in attorney's fees each year, with the majority going to a small number of boutique law firms with relatively few veterans receiving any increase in their monthly compensation.**”

If passed, HB 2225 will only exacerbate the problems with the current system and will add to the ever-growing backlog of claims processed through VSOs and perversely

incentivized attorneys. HB 2225 would rob veterans of the opportunity to seek expert help with a wide variety of claims and would force them into the Veterans Administration appeals trap.

According to the VA's publicly available data on accredited service officers and agents, the entire state of **Hawaii has only 30 unique VSO representatives to aid the estimated 107,210 veterans** who currently reside in the state. This equates to **each representative being responsible for handling the affairs of 3,574 veterans**. Even the hardest working and most efficient volunteer would be pressed to give the best possible service to that many veterans. This further demonstrates how harmful HB 2225 will be by forcing Hawaii's veterans to rely on a system that is already overloaded and ineffective.

This is why over 70% of Veterans Guardian clients have turned to us for help after trying the other options available – they, not us, are telling you they prefer our expertly trained professional staff and the services we offer.

There is momentum building at the federal level in the United States Congress to reform the accreditation process for third party actors, like Veterans Guardian, that help veterans achieve the full disability benefits they have earned. There are more than 18 million veterans in America, but only 5 million have a disability rating. While actors such as VSOs and law firms also serve veterans, more options, not less, are needed to effectively meet the demand of American veterans.

Rather than purposely restricting a veteran's right to choose how they pursue their claim as HB 2225 does, a better approach is to implement necessary reforms that must take place to ensure the integrity of the systems and to protect veterans from potentially bad actors. Some of these reforms include, but are not limited to:

- Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase;
- Prohibiting any initial or non-refundable fees;
- Mandating that presumptive period veterans be referred to a VSO of their choice;



- Getting written confirmation from the veteran they have been informed of their free options;
- Prohibiting private companies from having doctors on the payroll performing secondary medical exams;
- Prohibiting the use of international call centers or data centers for processing veteran's personal information.
- Prohibiting aggressive and direct solicitation;
- Prohibiting advertising or guaranteeing a successful outcome.

These are true protections that will ensure the veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation and enhanced oversight. HB 2225 does the exact opposite, and we encourage you to oppose this legislation as it denies veteran's choice and keeps them trapped in the current broken system.

#### **IV. Conclusion**

I look forward to remaining engaged and working with you and your staff as we continue to develop solutions for this and other important issues facing our nation's Veterans.

Thank you for the opportunity to submit this testimony.



## VETERANS GUARDIAN VA CLAIM CONSULTING

### VOTE NO ON HAWAII HB 2225 & SB 2095

On behalf of Veterans Guardian VA Claim Consulting LLC (Veterans Guardian), the largest veteran-owned and operated veteran disability benefits company in the country, we **OPPOSE** Hawaii HB 2225 & SB 2095, “Veterans Rights and Benefits; Advising; Prohibitions”

- Attempting to protect veterans is an honorable endeavor that we all share; unfortunately, HB 2225 & SB 2095 misses the mark and would not only deny a veteran the right to choose how they pursue their own claim, but they also fail to address the full spectrum of the issues at hand.
- The bill as sold also fails to address critical issues including: providing additional oversight and protections for the veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring veterans have access to diverse options and effective solutions for decades to come.

**Additionally, nearly identical legislation is currently being challenged in other states on First Amendment grounds, including veterans’ right to petition their government – a right they were willing to give their lives for.**

#### Who We Are

- Veterans Guardian is a private veteran disability claim consulting company **owned and operated by veterans**, spouses of veterans, and spouses of active-duty service members.
- We fully support the goal of ensuring veterans have access to a diverse set of options to help them secure the benefits they have earned.
- We proudly serve more than 25,000 veterans annually.
- We assist veterans with receiving the disability benefits they have earned through their honorable service, achieving a success rate of greater than 90%, in an average of 85 days. This is far below the Veterans Administration average processing time of 150 days.

**Veterans Guardian has helped approximately 2,249 veterans in Hawaii generating over \$2 million in additional benefits per year for veterans in Hawaii.**

#### The System is Broken and HB 2225 & SB 2095 Make it Worse!

- Trapping veterans in a backlogged appeals system only benefiting a handful of attorneys is something Veterans Guardian aims to avoid by focusing on getting claims done correctly the first time.
- The current US Department of Veterans’ Affairs (VA) disability benefits system is at best cumbersome and adversarial, and worse broken to a point where it harms the veterans for the benefit of a small number of powerful boutique law firms. In fact, in recent US Congressional testimony, Kenneth Arnold, Acting Chairman of the Board of Veterans’ Appeals testified under oath:

“The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. **This generates \$45 to \$50 million in attorney’s fees each year, with the majority going to a small number of boutique law firms with relatively few veterans receiving any increase in their monthly compensation.**”

- If passed, HB 2225 & SB 2095 will only exacerbate the problems with the current system and will add to the ever-growing backlog of claims processed through VSOs and perversely incentivized attorneys.

- HB 2225 & SB 2095 would rob veterans of the opportunity to seek expert help with a wide variety of claims and would force them into the Veterans Administration appeals trap.

### **VSOs Can't Handle the Capacity**

- According to the VA's publicly available data on accredited service officers and agents, the entire state of **Hawaii has only 30 VSO representatives to provide assistance to the nearly 107,210 veterans** who currently reside in the state.
- This equates to **one representative being responsible for handling the affairs of 3,574 veterans**.
- Even the hardest working and most efficient volunteer would be pressed to give the best possible service to that many veterans.
- This further demonstrates how harmful HB 2225 & SB 2095 will be by forcing Hawaii veterans to rely on a system that is already overloaded and ineffective.

**This is why over 70% of Veterans Guardian clients have turned to us for help after trying the other options available – they, not us, are telling you they prefer our expertly trained staff and the services we offer.**

### **A Better Path Forward**

- Rather than purposely restricting a veteran's right to choose how they pursue their claim as HB 2225 & SB 2095 do, a better approach is to implement necessary reforms that must take place to ensure the integrity of the systems and to protect veterans from potentially bad actors.
- Some of these reforms include, but are not limited to:
  - Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase;
  - Prohibiting any initial or non-refundable fees;
  - Mandating that presumptive period veterans be referred to a VSO of their choice;
  - Getting written confirmation from the veteran they have been informed of their free options;
  - Prohibiting private companies from having doctors on the payroll performing secondary medical exams;
  - Prohibiting the use of international call centers or data centers for processing veteran's personal information.
  - Prohibiting aggressive and direct solicitation;
  - Prohibiting advertising or guaranteeing a successful outcome.
- These are true protections that will ensure the veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

**The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation and enhanced oversight. HB 2225 & SB 2095 do the exact opposite, and we encourage you to oppose this legislation as it denies veteran's choice and keeps them trapped in the current broken system.**

This bill is opposed by: Veterans Guardian, Veterans Benefits Guide, the National Association for Veteran Rights (NAVR), the Special Operations Association of America, and more.

Alternative legislation we are proposing in Hawaii, is supported on the federal level by: Americans for Tax Reform, Small Business & Entrepreneurship Council, Americans for Limited Government, Frontiers of Freedom, Taxpayers Protection Alliance, Taxpayers Protection Alliance, 60 Plus, Tea Party Nation, The Leadership Institute, and dozens more.

Contact [Brian.M.Johnson@VetsGuardian.com](mailto:Brian.M.Johnson@VetsGuardian.com) for more information.



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**SUBMITTED TESTIMONY OF WILLIAM C. TAYLOR, LTC (RET) US ARMY**

**CO-FOUNDER AND CHIEF OPERATING OFFICER,**

**VETERANS GUARDIAN VA CLAIM CONSULTING, LLC**

**BEFORE THE HAWAII STATE HOUSE**

**CORRECTIONS, MILITARY & VETERANS COMMITTEE**

**FEBRUARY 7, 2024**

**OPENING STATEMENT**

***I. Introduction***

Thank you for the opportunity to provide testimony expressing Veterans Guardian's views on an important piece of legislation, HB 2225, which I think has great intentions, but if executed, would ultimately harm veterans by decreasing their options by limiting their professional free market choices.

My name is William Taylor and I am a co-founder of Veterans Guardian VA Claim Consulting, and a Veteran of the US Army. I am a proud graduate of the United States Military Academy at West Point and retired in 2018 as a Lieutenant Colonel after a 23-year career that included six deployments to Afghanistan, Iraq, and the Balkans, and positions from the platoon to 4-star level staff positions. I am proud to have founded one of the largest Veteran owned and operated companies assisting my fellow Veterans with their disability claims.

In 2015, as I was considering retiring from the Army, one of the questions that came up was VA disability benefits. I knew little more than that they existed and, like so many in the military, I had heard horror stories about how cumbersome and complicated the process was, but I felt healthy and assumed I probably did not qualify, which I now know was wrong. Information about claiming VA disability benefits was practically non-existent and difficult to find. Worse still, getting an appointment with a claims representative was even more difficult due to limited operating hours and limited capacity for the large military population in and around Fort Bragg, North Carolina. Despite being a senior officer, and having knowledgeable friends and colleagues, it took a significant amount of their support, advice, and my own research for me to successfully navigate the system and submit my own claim. Unfortunately, I am the exception and not the norm. That is why we founded Veterans Guardian. If I, as a senior officer, had this much trouble navigating the system, something surely was not right. Unfortunately, the VA disability process is a bureaucratic and difficult system to navigate that presents challenges to most Veterans, often resulting in deserving Veterans not receiving the benefits to which they are entitled. I am proud of the work my company has done to assist Veterans with this process.

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support the goal of ensuring veterans have access to a diverse set of options to help them secure the benefits they have earned. We proudly serve more than 25,000 veterans annually. We assist veterans with receiving the disability benefits they have earned through their honorable service, achieving a success rate of greater than 90%, in an average of 85 days. This is far below the Veterans Administration average processing time of 150 days.

## **II. *Veterans Guardian's Mission and Work***

Our mission is to provide the best possible service to our Veteran clients to ensure that they receive all the benefits that they are entitled to based on injuries that occurred during their time of honorable service to our nation. I am incredibly proud of the work we do every day to offer a transparent, effective, and efficient option to help Veterans navigate a complex and oftentimes failing system. Our capabilities are complementary to the other services available to Veterans. My trained and expert staff inform every Veteran that there are free options and services available to them in the form of county and state Veteran Service Officers, the Veteran Service Organizations, and their local Congressional offices, and we connect them directly to these services if they choose. We are transparent that we are not accredited, and our clients acknowledge their understanding of our status as well as the free options available to them when they sign our consulting agreement and the "Your Claim, Your Choice" affidavit. Our Veterans are choosing to utilize our services from a position of knowledge. Our data and analysis of successful claims shows that more than 70% of the time, our Veteran clients come to us after having used some of the free services available to them; which tells us that Veterans are not unaware of the free services, and that they are looking for something different.

Given the difficulty that many Veterans face when trying to navigate the VA disability process, as well as the sheer volume of Veterans that need assistance, there continues to be a backlog of more than 240,000 veteran disability claims. Contrary to common belief and statements from the legacy Veteran Service Organizations, and the VA, the current systems alone do not provide enough representatives or caliber of services to meet the needs of Veterans seeking assistance. Veterans need more options for assistance, not less. To address Veterans' pressing and time sensitive needs, they should be able to pursue their claims in the manner that best serves them, with full knowledge of all available providers (including county and state employees, VSOs, lawyers, claims agents, and companies like Veterans Guardian) who can assist them at any step in the process.

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thousands of positive reviews and direct referrals that we receive are a direct testament to the importance we place on client care. We have also received extensive recognition for our work, including 11 awards from various organizations, including: AMVETS North Carolina, National AMVETS, Department of Labor HIREVETS – Gold and Platinum Medallion awards, the Better Business Bureau – Ethics Awards three years in a row, Military Friendly Employer, and Military Spouse Friendly Employer.

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### **III. *Legislative Proposals***

As our business model has shown, we are strong supporters of improving the process by which Veterans obtain their disability benefits. Our goal should be to expand good options for our Veterans, not restrict them; to improve oversight and ensure Veterans are receiving competent, timely assistance; and to provide our Veterans the freedom to make an informed decision regarding how they want to pursue their disability claims. We have continued to be strong supporters of accreditation reform on the federal level, including increasing knowledge requirements and scrutiny of applicants for accreditation.

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We believe that HB 2225, raises Constitutional issues as it seeks to limit the First Amendment rights of the Veterans who wish to work with VA claim consultants, as well as the rights of the consultants themselves. Aside from threatening the way individuals exercise their fundamental rights to speak, associate, and petition the government, this proposed legislation also provides less options for Veterans, not more. It limits their choices and means that, without the necessary accreditation reform, many Veterans will not receive the benefits to which they are entitled. Our Veterans deserve more.

The fact that Veterans are choosing to use our services from a position of knowledge is proof that other options are not meeting their needs. Veterans Guardian will continue to be strong supporters of accreditation reform and reasonable fee caps. We support an enhanced

accreditation process to ensure quality private companies can become accredited and provide Veterans more options to navigate the system, not less.

Therefore, we write in opposition to Hawaii House Bill 2225.

Attempting to protect veterans is an honorable endeavor that we all share; unfortunately, HB 2225 misses the mark and would not only deny a veteran the right to choose how they pursue their own claim, but they also fail to address the full spectrum of the issues at hand. The bill as sold also fails to address critical issues including: providing additional oversight and protections for the veteran while preserving their Constitutional rights to petition their government in a manner they see fit, and ensuring veterans have access to diverse options and effective solutions for decades to come.

**Additionally, nearly identical legislation is currently being challenged in the courts in other states on First Amendment grounds, including veterans' right to petition their government – a right they were willing to give their lives for.**

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Trapping veterans in a backlogged appeals system only benefiting a handful of attorneys is something Veterans Guardian aims to avoid by focusing on getting claims done correctly the first time. The current US Department of Veterans' Affairs (VA) disability benefits system is at best cumbersome and adversarial, and at worst broken to a point where it harms the veterans for the benefit of a small number of powerful boutique law firms. In fact, in recent US Congressional testimony, Kenneth Arnold, Acting Chairman of the Board of Veterans' Appeals testified under oath:

**"The [VA] courts clerk annually approved 6,500 to 7,300 attorney fee requests each year, almost all for remanded cases. This generates \$45 to \$50 million in attorney's fees each year, with the majority going to a small number of boutique law firms with relatively few veterans receiving any increase in their monthly compensation."**

If passed, will only exacerbate the problems with the current system and will add to the ever-growing backlog of claims processed through VSOs and perversely incentivized attorneys. HB 2225 would rob veterans of the opportunity to seek expert help with a wide variety of claims and would force them into the Veterans Administration appeals trap.

According to the VA's publicly available data on accredited service officers and agents, the entire state of **Hawaii has only 30 VSO representatives to provide assistance to the nearly 107,210 veterans** who currently reside in the state. This equates to **one representative being responsible for handling the affairs of 3,574 veterans**. Even the hardest working and most efficient volunteer would be pressed to give the best possible service to that many veterans. This further demonstrates how harmful HB 2225 will be by forcing Hawaii veterans to rely on a system that is already overloaded and ineffective.

There is momentum building at the federal level in the United States Congress to reform the accreditation process for third party actors, like Veterans Guardian, that help veterans achieve the full disability benefits they have earned.

Rather than purposely restricting a veteran's right to choose how they pursue their claim as HB 2225 does, a better approach is to implement necessary reforms that must take place to ensure the integrity of the systems and to protect veterans from potentially bad actors. Some of these reforms include, but are not limited to:

- o Mandating any fees are purely contingent upon a successful outcome and are not to exceed 5x the monthly increase;
- o Prohibiting any initial or non-refundable fees;
- o Mandating that presumptive period veterans be referred to a VSO of their choice;
- o Getting written confirmation from the veteran they have been informed of their free options;
- o Prohibiting private companies from having doctors on the payroll performing secondary medical exams;
- o Prohibiting the use of international call centers or data centers for processing veteran's personal information.
- o Prohibiting aggressive and direct solicitation;
- o Prohibiting advertising or guaranteeing a successful outcome.

These are true protections that will ensure the veteran is not taken advantage of, while still preserving their rights to seek expert claims support.

The demand for current services in this space is far too vast for the government and VSOs to handle on their own. This highlights the need for an enhanced system that provides an expanded pathway for accreditation and enhanced oversight. HB 2225 does the exact opposite, and we encourage you to oppose this legislation as it denies veteran's choice and keeps them trapped in the current broken system.

#### **IV. Conclusion**

I look forward to remaining engaged and working with you and your staff as we continue to develop solutions for this and other important issues facing our nation's Veterans. Thank you for the opportunity to submit this testimony.





Rep. Mark J. Hashem, Chair  
Rep. Cory M. Chun, Vice Chair  
Committee on Corrections, Military, & Veterans

Testimony of **VFW Department of Hawai‘i**

Wednesday, February 7, 2024

**Support** for House Bill No. 2225, Proposed HD1 – Relating to Veterans Rights and Benefits

Aloha Chair Hashem, Vice Chair Chun and Members:

Thank you for the opportunity to offer testimony in **support** for the Proposed HD1 to House Bill No. 2225. This bill proposes to protect our state’s veterans from unscrupulous “claim sharks” that charge for their services. However, there are veterans service organizations, like the Veterans of Foreign Wars (VFW), that provide accredited services free of charge. Accredited Veterans Service Officers are required to comply with federal law and regulations.

Unaccredited claims representatives, or “claim sharks,” are not subject to federal Department of Veterans Affairs (VA) standards. They strategically advertise their services to avoid regulatory oversight and as a result, engage in predatory and unethical practices that target veterans and rob them of their VA benefits. These “claim sharks” need to be stopped.

Until Congress makes some progress on the GUARD VA Act, seeing the matter addressed at the state level is essential. I implore your committee to pass the Proposed HD1, un-amended, with a recommendation for passage on Second Reading.

Respectfully,

Jame K. Schaedel  
Member, National Legislative Committee  
VFW Department of Hawai‘i

**HB-2225**

Submitted on: 2/5/2024 11:49:17 AM

Testimony for CMV on 2/7/2024 9:30:00 AM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>            |
|---------------------|---------------------|---------------------------|---------------------------|
| Alex Wilson         | Individual          | Oppose                    | Written Testimony<br>Only |

Comments:

Support your vets. You will be remembered by how you vote on this. It's never a good choice to make things harder for those that fought for your freedom.

**HB-2225**

Submitted on: 2/6/2024 7:30:57 AM

Testimony for CMV on 2/7/2024 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify                |
|--------------|--------------|--------------------|------------------------|
| david kucic  | Individual   | Oppose             | Written Testimony Only |

Comments:

When I retired from active duty, I tried to navigate the VA disability claims process myself and got nowhere. Then I joined Disabled American Veterans in Mililani to seek help. Their well-intentioned volunteers weren't up to the task of guiding me through the slog of paperwork and process. Despite having eight service connected ailments, I received zero percent disability ratings for each. I ultimately reconnected with my old commander, who founded Veterans Guardian, a VA claims consultancy and offered his company's help. With their help, I now have a 90 percent disability rating. It was worth every penny.

I appreciated my experience with Veterans Guardian because our interests were completely aligned. If I don't get a higher disability rating, they don't get paid. And they were clear and direct on the front end of the engagement: They'll take five months of the increase, and I'll keep everything thereafter for the rest of my life. If I was uncomfortable paying them for their help, they presented me a bunch of free options (mostly VSOs like American Legion and Veterans of Foreign Wars) that I could try instead.

It was nice to be treated like an adult for once. I am a veteran who has served this country alongside some of the most impressive people I have ever met. Instead of having an honest debate, we have a bunch of trial lawyers and other special interests trying to trick us into thinking they know what is best for us. For me, I needed the best help I could get after trying and failing for years to get the benefits I deserve. That was Veterans Guardian. For others, it may be different.

Veterans know better than they think we do. We deserve to be treated like adults, rather than pawns in a political fight in Hawaii and in Washington, DC.

*I am a US Army (retired) First Sergeant and a disabled veteran who served on active duty for 22 years as a Field Artilleryman. I deployed to SW Asia for Operation Desert Storm and Operation Iraqi Freedom.*

**LATE**

**HB-2225**

Submitted on: 2/7/2024 12:56:36 AM

Testimony for CMV on 2/7/2024 9:30:00 AM

| <b>Submitted By</b> | <b>Organization</b>                     | <b>Testifier Position</b> | <b>Testify</b>    |
|---------------------|---|---------------------------|-------------------|
| Ashleigh Barry      | National Association for Veteran Rights | Oppose                    | Remotely Via Zoom |

Comments:

My name is Ashleigh Barry, Senior Vice President of Communications for the National Association for Veteran Rights, Thank you for the opportunity. As a former senior executive serving veterans in the U.S. Department of Veterans Affairs as well as an investigative journalist for multiple television news networks, I can tell you firsthand that what you may have been led to believe is not true. For instance, you may have been told from certain Veteran Service Organizations that there is NOT a capacity issue. But here are the facts in Hawaii, currently the estimated number of veterans is nearly 110,000 but the actual number of VSO representatives is just 30, so that means there are more than 3,500 veterans per 1 VSO representative in this state. Pending claims - NEARLY 7 THOUSAND which means the average number of days for the VA to make a claims decision is 152 BUT our members including Veterans Guardian, an honest Veteran owned organization is just 85 days. But this is what is most disturbing to me, Nearly 45% of claims have been pending over 125 days and when you're talking about our nations heroes having to wait that long it can have deadly consequences. Substandard should not be accepted as the norm. Our veterans deserve better, and they deserve a choice. Thank you again.

**LATE**

**LATE**

**HB-2225**

Submitted on: 2/7/2024 9:26:14 AM

Testimony for CMV on 2/7/2024 9:30:00 AM

| <b>Submitted By</b> | <b>Organization</b>                     | <b>Testifier Position</b> | <b>Testify</b>         |
|---------------------|---|---------------------------|------------------------|
| Peter O'Rourke      | National Association for Veteran Rights | Oppose                    | Written Testimony Only |

Comments:

I am a veteran, former acting Secretary of the Department of Veterans Affairs, and the President for the National Association for Veteran Rights. I oppose HB2225. Veterans should not have their right to choose who can help them secure their compensation for military service connected disabilities. Accreditation reform is needed to ensure all forms of support are available to veterans.