

REVISED MOTION BY SUPERVISOR JANICE HAHN

AGN. NO.
September 2, 2025

Protecting Veteran Benefits

Veterans with service-connected disabilities, meaning conditions or illnesses caused or aggravated by military service, may be eligible for disability compensation. Accessing and qualifying for this compensation often involves complex and challenging claims processes. In California, veterans can get assistance with these claims through a number of resources intended to help veterans and their families navigate these processes free of cost. In Los Angeles County, County Veterans Service Officers (CVSOs), along with other veteran service organizations, provide veterans access to accredited Veteran Service Officers (VSOs) who guide veterans through their claims.

With the passage of the PACT Act in 2020, aspects of the claims process were streamlined by expanding eligibility for veterans to claim service-connected disabilities. The law established presumptive conditions that reduce the burden of proof veterans have when filing claims for certain illnesses, disabilities, and other conditions based on potential exposures based on their military service history.

In recent years, unaccredited agents, commonly referred to as “claim sharks,” have emerged. These claim sharks are individuals or companies offering unsanctioned assistance with filing initial and subsequent claims, often while charging illegal or excessive fees. Federal law prohibits charging for initial benefit claims and requires that

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those representing veterans be VA-accredited, such as CVSOs or representatives from nationally chartered Veterans Service Organizations.

Given that claim sharks are unaccredited, they are not held to the ethical or professional standards that VA-accredited organizations and officers must follow. This lack of oversight puts veterans at significant risk of exploitation. Veterans who are already vulnerable, including those with limited financial resources, minority veterans, older veterans, and others facing barriers to access, are at even greater risk of being targeted by these predatory actors. Many of these agents attempt to avoid legal accountability by misrepresenting their services as “coaching” or “consulting,” which further threatens the integrity of the claims process and the well-being of veterans.

Since 2006, changes in federal law have enabled unaccredited groups to exploit our country’s veterans without consequence. By removing penalties for violations of federal veteran benefits laws, the lack of enforcement has allowed unaccredited entities to operate freely, including charging fees for initial claims, a practice that puts veterans, especially those already at risk, at heightened danger of financial exploitation. The California Attorney General has issued consumer alerts warning veterans of claim sharks charging for services that CVSOs and nationally chartered Veteran Service Organizations provide for free.

Concerns have been raised about claims processes being deliberately dragged out to allow for the maximum amount of back pay to accumulate. This increases the money unaccredited agents can charge for their services, which are often calculated based on the amount of financial benefit their victims receive.

Senate Bill 694, authored by State Senator Bob Archuleta, proposes creating

state-level consumer protections for veterans from unaccredited entities that charge veterans for services they should receive for free. This bill would introduce penalties and fines and provide options for enforcement and legal accountability to support the existing prohibition on illegally charging veterans for initial claims, ultimately bringing accountability back to these unlawful, unaccredited groups.

There is widespread support for this bill and its objectives, demonstrating strong and robust veteran support for the protection of veterans from the predatory practices of claim sharks. Veterans, particularly those in at risk and underserved communities, should not have to go into debt or face exploitation in order to access the benefits they earned through their service to our country.

I, THEREFORE, MOVE that the Board of Supervisors direct the Chief Executive Office's Legislative Affairs and Intergovernmental Relations (CEO-LAIR) to: support SB694.

I, FURTHER, MOVE that the Board of Supervisors direct CEO-LAIR to:

1. ~~Take a standing position in s~~ Support of all state and federal legislation that protects veterans' claims benefits from commercialization, prohibits the charging of fees for the preparation and submission of initial claims, strengthens consumer protections for veterans from unaccredited claims agents, ~~and~~ advances the expansion of eligibility and access to veterans' disability compensation, and includes penalty provisions to ensure accountability and deter predatory practices targeting veterans.
2. ~~Advocate for the inclusion and preservation of penalty provisions within such legislation to ensure accountability and deter predatory practices targeting veterans;~~
and

~~3. Support Senate Bill 694, which establishes consumer protections for veterans, ensures that veterans are not exploited, and adds state level penalties and enforcement mechanisms against unaccredited individuals and entities that illegally charge veterans for services related to initial claims.~~

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