



**House Military and Veterans' Affairs Reported  
Substitute for SB206**

A BILL

TO BE ENTITLED

AN ACT

Relating to veterans; to establish certain parameters for the business practice of advising or assisting individuals wanting to file claims for veterans benefits; and to provide that violations are a deceptive trade practice.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. For purposes of this act, the following terms have the following meanings:

(1) COMPENSATION. Payment of any money, thing of value, or financial benefit.

(2) PERSON. An individual; corporation; business; estate; trust; partnership; limited liability company; association; joint venture; or public corporation; a state, county, or municipal governmental body or instrumentality thereof; or any other commercial entity.

(3) VETERANS BENEFITS MATTER. 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 entitlement as determined under the laws, rules, and regulations administered by the United States Department of



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Veterans Affairs or the Alabama Department of Veterans Affairs pertaining to veterans, their dependents, their survivors, and any other individuals eligible for such benefits.

Section 2. No person shall assist individuals in the preparation, presentation, and prosecution of claims for veterans benefits as an agent or attorney unless he or she has first been accredited by the United States Department of Veterans Affairs for such purpose.

Section 3. A person seeking to receive compensation for advising or assisting any individual with any veterans benefits matter, before rendering any services, shall do both of the following:

(1) Memorialize all terms regarding the individual's payment of fees for services rendered in a written agreement, signed by both parties.

(2)a. Provide the following disclosure, both orally and in writing:

"This business is not sponsored by, or affiliated with, the United States Department of Veterans Affairs or the Alabama Department of Veterans Affairs, or any other federally chartered veterans service organization. Other organizations, including, but not limited to, the Alabama Department of Veterans Affairs, your local county veterans service agency, and other federally chartered veterans service organizations, may be able to provide you with this service free of charge. Products or services offered by this business are not necessarily endorsed by any of these organizations. You may qualify for other veterans benefits beyond the benefits for



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which you are receiving services here."

b. The written disclosure shall appear in at least 12-point font and shall appear in a readily noticeable and identifiable place in the person's agreement with the individual seeking services.

c. The individual must verbally acknowledge understanding of the oral disclosure and must sign the document in which the written disclosure appears.

d. The person offering services shall retain a copy of the written disclosure while providing veterans benefits services for compensation to the individual and for at least one year after the date on which the service relationship terminates.

Section 4. (a) A person advising or assisting individuals pursuant to this act may not guarantee, either directly or by implication, that any individual is certain to receive specific veterans benefits or that any individual is certain to receive a specific level, percentage, or amount of veterans benefits.

(b) A person advising or assisting individuals pursuant to this act may not receive excessive or unreasonable fees as compensation.

Section 5. (a) A person may not advertise the person's services of advising or assisting in veterans benefits matters for compensation without including the following disclosure:

"This business is not sponsored by, or affiliated with, the United States Department of Veterans Affairs, the Alabama Department of Veterans Affairs, or any other federally



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85 chartered veterans service organization. Other organizations,  
86 including, but not limited to, the Alabama Department of  
87 Veterans Affairs, your local county veterans service agency,  
88 and other federally chartered veterans service organizations,  
89 may be able to provide you with these services free of charge.  
90 Products or services offered by this business are not  
91 necessarily endorsed by any of these organizations. You may  
92 qualify for other veterans benefits beyond the services that  
93 this business offers."

94 (b) If the advertisement is printed, including, but not  
95 limited to, advertisements visible to Internet users, the  
96 disclosure shall appear in a readily visible place on the  
97 advertisement. If the advertisement is verbal, the spoken  
98 statement of the disclosure shall be clear and intelligible.

99 Section 6. In no event may a person receive  
100 compensation for referring an individual to another person to  
101 advise or assist the individual with any veterans benefits  
102 matter.

103 Section 7. A violation of this act shall be considered  
104 a violation of the Deceptive Trade Practices Act under Chapter  
105 19 of Title 8, Code of Alabama 1975.

106 Section 8. The provisions of this act shall not apply  
107 to an attorney accredited by the federal government pursuant  
108 to 38 C.F.R. § 14.629.

109 Section 9. This act shall become effective on October  
110 1, 2025.