REFERENCE TITLE: veterans' benefits; claims; prohibition

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1803

Introduced by
Senators Gowan: Sears

AN ACT

AMENDING TITLE 41, CHAPTER 3, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-610.03; RELATING TO THE DEPARTMENT OF VETERANS' SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 41, chapter 3, article 7, Arizona Revised Statutes, is amended by adding section 41-610.03, to read:

41-610.03. Veterans' benefits; claims; prohibition; compensation; disclosure; enforcement; applicability; definitions

A. A PERSON MAY NOT ACT AS AN AGENT OR AN ATTORNEY IN PREPARING, PRESENTING OR PROSECUTING ANY VETERANS' BENEFITS MATTER UNLESS THE PERSON IS RECOGNIZED FOR SUCH PURPOSES BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS.

B. A PERSON THAT IS NOT ACTING AS AN AGENT OR ATTORNEY MAY ONLY RECEIVE COMPENSATION FOR ADVISING, CONSULTING, GUIDING, COACHING OR TRAINING AN INDIVIDUAL FOR AN INITIAL CLAIM, SUPPLEMENTAL CLAIM OR HIGHER LEVEL REVIEW. A PERSON THAT IS NOT ACCREDITED AND RECEIVES COMPENSATION PURSUANT TO THIS SECTION SHALL FILE A COPY OF ANY STANDARD FEE AGREEMENT OR SERVICE CONTRACT WITH THE ATTORNEY GENERAL'S OFFICE. ANY FEE AGREEMENT OR SERVICE CONTRACT THAT DEVIATES FROM THE STANDARD FEE AGREEMENT OR SERVICE CONTRACT PREVIOUSLY FILED WITH THE ATTORNEY GENERAL'S OFFICE MUST ALSO BE FILED WITH THE ATTORNEY GENERAL'S OFFICE.

C. A PERSON THAT IS NOT ACTING AS AN AGENT OR ATTORNEY MAY NOT RECEIVE COMPENSATION FOR REFERRING AN INDIVIDUAL TO ANOTHER PERSON TO ADVISE, CONSULT, ASSIST, GUIDE, COACH OR TRAIN THE INDIVIDUAL REGARDING A VETERANS' BENEFITS MATTER.

D. BEFORE RECEIVING COMPENSATION PURSUANT TO SUBSECTION B OF THIS SECTION, THE PERSON SHALL PREPARE A WRITTEN AGREEMENT THAT IS SIGNED BY ALL THE PARTIES INVOLVED AND THAT CONTAINS THE FOLLOWING:

1. THE TERMS OF THE AGREEMENT, INCLUDING THE FEE STRUCTURE FOR THE SERVICES BEING PROVIDED.

2. A PROVISION ALLOWING FOR A THREE-DAY PERIOD IN WHICH THE INDIVIDUAL RECEIVING THE SERVICES MAY CANCEL THE AGREEMENT WITHOUT A FINANCIAL PENALTY. THE THREE-DAY PERIOD EXPIRES ON THE THIRD DAY AT MIDNIGHT AFTER THE CONTRACT IS SIGNED BY ALL THE PARTIES.

3. THE FOLLOWING DISCLOSURE IN TWELVE-POINT FONT PLACED IN A READILY NOTICEABLE AND EASILY IDENTIFIABLE PLACE IN THE WRITTEN AGREEMENT:

> THIS BUSINESS IS NOT ACCREDITED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS AND CANNOT ASSIST WITH AN APPEAL TO THE BOARD OF VETERANS' APPEALS. THIS BUSINESS IS NOT SPONSORED BY, ENDORSED BY OR AFFILIATED WITH THE ARIZONA DEPARTMENT OF VETERANS' SERVICES OR THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR ANY OTHER FEDERALLY CHARTERED VETERANS' SERVICE ORGANIZATION. THE ARIZONA DEPARTMENT OF VETERANS' SERVICES, THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS, A LOCAL VETERANS' SERVICE ORGANIZATION OR A FEDERALLY CHARTERED VETERANS' SERVICE ORGANIZATION MAY BE ABLE TO PROVIDE YOU WITH THIS SERVICE FREE OF CHARGE.

E. A PERSON RECEIVING COMPENSATION PURSUANT TO SUBSECTION B OF THIS SECTION SHALL ALWAYS ACT IN THE INDIVIDUAL'S BEST INTEREST.

F. A PERSON RECEIVING COMPENSATION PURSUANT TO SUBSECTION B OF THIS SECTION MAY NOT DO ANY OF THE FOLLOWING:

1. GUARANTEE, TO AN INDIVIDUAL THE PERSON IS ADVISING, CONSULTING, ASSISTING, GUIDING, COACHING OR TRAINING REGARDING A VETERANS' BENEFITS MATTER, THAT THE INDIVIDUAL WILL RECEIVE A SPECIFIC VETERANS' BENEFIT OR A SPECIFIC LEVEL, PERCENTAGE OR AMOUNT OF VETERANS' BENEFITS.

2. USE PREDATORY ADVERTISING PRACTICES, INCLUDING GUARANTEEING A SUCCESSFUL OUTCOME OR AN INCREASE IN VETERANS' BENEFITS.

3. EMPLOY A MEDICAL PROVIDER TO CONDUCT A MEDICAL EXAMINATION.

4. USE AN INTERNATIONAL CALL CENTER OR DATA CENTER FOR PROCESSING A VETERAN'S PERSONAL INFORMATION.

5. GAIN DIRECT ACCESS TO ANY VETERAN'S PERSONAL MEDICAL, FINANCIAL OR GOVERNMENT BENEFITS INFORMATION.

6. CHARGE AN UP-FRONT FEE OR A NONREFUNDABLE FEE FOR ADVISING, CONSULTING, ASSISTING, GUIDING, COACHING OR TRAINING AN INDIVIDUAL REGARDING A VETERANS' BENEFITS MATTER. ANY COMPENSATION RECEIVED PURSUANT TO THIS SECTION SHALL BE CONTINGENT ON THE VETERAN'S BENEFITS BEING INCREASED. COMPENSATION IS CAPPED AT A ONETIME FEE THAT IS NOT MORE THAN FIVE TIMES THE MONTHLY AMOUNT OF THE VETERAN'S INCREASE IN BENEFITS.

7. CONTACT THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS DIRECTLY TO OBTAIN ANY VETERANS' BENEFITS INFORMATION OR PAYMENT INFORMATION REGARDING THE INDIVIDUAL WITHOUT THE PRIOR AUTHORIZATION OF THE INDIVIDUAL.

G. A VIOLATION OF THIS SECTION CONSTITUTES AN UNLAWFUL PRACTICE UNDER SECTION 44-1522. THE ATTORNEY GENERAL MAY INVESTIGATE AND TAKE ANY APPROPRIATE ACTION PURSUANT TO TITLE 44, CHAPTER 10, ARTICLE 7.

H. AN INDIVIDUAL WHO HAS CONTRACTED WITH A PERSON THAT OPERATES PURSUANT TO THIS SECTION HAS A CAUSE OF ACTION AGAINST THE PERSON IF THE PERSON FAILS TO COMPLY WITH THIS SECTION.

I. THIS SECTION DOES NOT APPLY TO, LIMIT OR EXPAND THE REQUIREMENTS IMPOSED ON AGENTS, ATTORNEYS OR OTHER REPRESENTATIVES WHO ARE ACCREDITED AND REGULATED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS.

J. FOR THE PURPOSES OF THIS SECTION:

1. "COMPENSATION" MEANS ANY MONEY, ITEM OF VALUE OR ECONOMIC BENEFIT CONFERRED ON OR RECEIVED BY AN INDIVIDUAL IN RETURN FOR SERVICES PROVIDED BY A PERSON.

2. "HIGHER LEVEL REVIEW" MEANS THE DE NOVO REVIEW OF A CLAIM THAT IS REEXAMINED BY A HIGHER LEVEL REVIEWER.

3. "INITIAL CLAIM" HAS THE SAME MEANING PRESCRIBED IN 38 CODE OF FEDERAL REGULATIONS SECTION 3.1.

4. "PERSON" INCLUDES ANY CORPORATION, TRUST, PARTNERSHIP, INCORPORATED OR UNINCORPORATED ASSOCIATION OR OTHER LEGAL ENTITY.

5. "SUPPLEMENTAL CLAIM" HAS THE SAME MEANING PRESCRIBED IN 38 CODE OF FEDERAL REGULATIONS SECTION 3.1.

6. "VETERANS' BENEFITS MATTER" MEANS ANY BENEFIT, PROGRAM, SERVICE, COMMODITY, FUNCTION OR STATUS THE ENTITLEMENT TO WHICH IS DETERMINED BY THE DEPARTMENT OF VETERANS' SERVICES OR THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS PERTAINING TO VETERANS, THEIR DEPENDENTS, THEIR SURVIVORS AND ANY OTHER INDIVIDUAL ELIGIBLE FOR SUCH BENEFITS.