

**First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 25-1035.01 Anna Petrini x5497

**SENATE BILL 25-282**

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**SENATE SPONSORSHIP**

**Ball and Pelton B.,**

**HOUSE SPONSORSHIP**

**Feret,**

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**Senate Committees**

State, Veterans, & Military Affairs

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING PERSONS WHO PROVIDE SERVICES RELATED TO**  
102                **VETERANS' BENEFITS CLAIMS, AND, IN CONNECTION THEREWITH,**  
103                **ESTABLISHING THAT CERTAIN ACTIONS BY SUCH PERSONS ARE**  
104                **DECEPTIVE TRADE PRACTICES UNDER THE "COLORADO**  
105                **CONSUMER PROTECTION ACT".**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill makes it a deceptive trade practice under the "Colorado Consumer Protection Act" for a person who consults with, advises, or

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

assists a veteran, in connection with a claim for veterans' benefits (veterans' benefits matter), to:

- Receive compensation in excess of the lesser of \$9,000 or 20% of the amount of any past-due benefits the veteran actually receives after the person procures an increase in the veteran's monthly benefits;
- Receive compensation in connection with a claim filed within the one-year period following a veteran's release from active duty;
- Guarantee a successful outcome in a veterans' benefits matter;
- Fail to memorialize the payment terms and certain disclosures in a written, signed contract;
- Omit certain disclosures from advertising or make false representations about accreditation;
- Fail to take various security measures related to veterans' personal information; or
- Provide services in connection with an appeal or review of the veterans administration's initial decision in a veterans' benefits matter.

The bill requires the attorney general or district attorney to transmit any civil penalty collected for a violation of the veterans' benefits matter provisions to the state treasurer for deposit in the Colorado state veterans trust fund.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-112, **amend**  
3 (1)(a), (1)(b), and (1)(c); and **add** (4) as follows:

4 **6-1-112. Civil penalties - definition.** (1) The attorney general or  
5 a district attorney may bring a civil action on behalf of the state to seek  
6 the imposition of civil penalties as follows:

7 (a) Except as provided in ~~subsection (3)~~ SUBSECTIONS (3) AND (4)  
8 of this section, any person who violates or causes another to violate any  
9 provision of this article 1 shall forfeit and pay to the general fund of this  
10 state a civil penalty of not more than twenty thousand dollars for each  
11 ~~such~~ violation. For purposes of this subsection (1)(a), a violation of any

1 provision ~~shall constitute~~ CONSTITUTES a separate violation with respect  
2 to each consumer or transaction involved.

3 (b) Except as provided in ~~subsection (3)~~ SUBSECTIONS (3) AND (4)  
4 of this section, any person who violates or causes another to violate any  
5 court order or injunction issued pursuant to this article 1 shall forfeit and  
6 pay to the general fund of this state a civil penalty of not more than ten  
7 thousand dollars for each ~~such~~ violation. For the purposes of this section,  
8 the court issuing the order or injunction ~~shall retain~~ RETAINS jurisdiction,  
9 and the cause ~~shall be~~ IS continued. Upon violation, the attorney general  
10 or a district attorney may petition the court for the recovery of the civil  
11 penalty. ~~Such~~ THE civil penalty ~~shall be~~ IS in addition to any other penalty  
12 or remedy available for the enforcement of the provisions of this article  
13 1 and any court order or injunction.

14 (c) Except as provided in ~~subsection (3)~~ SUBSECTIONS (3) AND (4)  
15 of this section, any person who violates or causes another to violate any  
16 provision of this article 1, ~~where~~ IN WHICH ~~such~~ THE violation was  
17 committed against an elderly person, shall forfeit and pay to the general  
18 fund of the state a civil penalty of not more than fifty thousand dollars for  
19 each ~~such~~ violation. For purposes of this subsection (1)(c), a violation of  
20 any provision of this article 1 is a separate violation with respect to each  
21 elderly person involved.

22 (4) THE ATTORNEY GENERAL OR DISTRICT ATTORNEY SHALL  
23 TRANSMIT ANY CIVIL PENALTY COLLECTED IN ACCORDANCE WITH THIS  
24 SECTION FOR A VIOLATION DESCRIBED IN SECTION 6-1-105 (1)(iii) TO THE  
25 STATE TREASURER FOR DEPOSIT IN THE COLORADO STATE VETERANS  
26 TRUST FUND CREATED IN SECTION 28-5-709.

27 **SECTION 2.** In Colorado Revised Statutes, **add** 6-1-737 as

1 follows:

2 **6-1-737. Veterans' benefits matters - compensation for**  
3 **services - written agreements - advertising - disclosures - deceptive**  
4 **trade practice - definitions.** (1) AS USED IN THIS SECTION, UNLESS THE  
5 CONTEXT OTHERWISE REQUIRES:

6 (a) "COMPENSATION" MEANS ANY MONEY, THING OF VALUE, OR  
7 ECONOMIC BENEFIT CONFERRED ON OR RECEIVED BY A PERSON IN RETURN  
8 FOR SERVICES RENDERED OR TO BE RENDERED BY THE PERSON OR  
9 ANOTHER.

10 (b) "PERSON" HAS THE SAME MEANING AS SET FORTH IN SECTION  
11 6-1-102.

12 (c) "VETERAN" MEANS A PERSON WHO SERVED ON ACTIVE DUTY IN  
13 THE ARMED FORCES OF THE UNITED STATES AND WHO WAS DISCHARGED  
14 OR RELEASED UNDER CONDITIONS OTHER THAN DISHONORABLE, IN  
15 ACCORDANCE WITH U.S.C. TITLE 38. "VETERAN" INCLUDES AN ELIGIBLE  
16 MEMBER OF THE RESERVES OR NATIONAL GUARD, A VETERAN'S  
17 DEPENDENT, A VETERAN'S SURVIVOR, OR ANOTHER INDIVIDUAL ELIGIBLE  
18 FOR A BENEFIT PURSUANT TO THE LAWS AND REGULATIONS ADMINISTERED  
19 BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR THE  
20 COLORADO DEPARTMENT OF MILITARY AND VETERANS AFFAIRS.

21 (d) "VETERANS' BENEFITS MATTER" MEANS THE PREPARATION,  
22 PRESENTATION, OR PROSECUTION OF A CLAIM AFFECTING A VETERAN WHO  
23 HAS FILED OR EXPRESSED AN INTENT TO FILE A CLAIM FOR A BENEFIT,  
24 PROGRAM, SERVICE, COMMODITY, FUNCTION, STATUS, OR ENTITLEMENT  
25 FOR WHICH THE VETERAN MAY BE ELIGIBLE PURSUANT TO THE LAWS AND  
26 REGULATIONS ADMINISTERED BY THE UNITED STATES DEPARTMENT OF  
27 VETERANS AFFAIRS OR THE COLORADO DEPARTMENT OF MILITARY AND

1 VETERANS AFFAIRS.

2 (2) (a) A PERSON MAY ONLY BE COMPENSATED FOR CONSULTING  
3 WITH, ADVISING, OR ASSISTING A VETERAN ON A VETERANS' BENEFITS  
4 MATTER IF THE PERSON SECURES AN INCREASE IN THE BENEFITS AWARDED.  
5 COMPENSATION FOR CONSULTING WITH, ADVISING, OR ASSISTING A  
6 VETERAN ON A VETERANS' BENEFITS MATTER MUST NOT EXCEED THE  
7 LESSER OF NINE THOUSAND TWO HUNDRED DOLLARS OR TWENTY FIVE  
8 PERCENT OF ANY PAST-DUE BENEFITS A VETERAN ACTUALLY RECEIVES  
9 AFTER AN INCREASE IN MONTHLY BENEFITS IS AWARDED AS A RESULT OF  
10 THE PERSON'S CONSULTATION, ADVICE, OR ASSISTANCE.

11 (b) A PERSON SHALL NOT RECEIVE ANY COMPENSATION FOR  
12 CONSULTING WITH, ADVISING, OR ASSISTING A VETERAN ON A VETERANS'  
13 BENEFITS MATTER BEYOND THE COMPENSATION CALCULATED PURSUANT  
14 TO SUBSECTION (2)(a) OF THIS SECTION. THE PROHIBITION ON ADDITIONAL  
15 COMPENSATION EXTENDS TO, BUT IS NOT LIMITED TO, AN INITIAL OR  
16 NONREFUNDABLE FEE.

17 (3) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
18 VETERANS' BENEFITS MATTER SHALL NOT RECEIVE COMPENSATION IN  
19 CONNECTION WITH A CLAIM FILED PRIOR TO A VETERAN'S RELEASE FROM  
20 ACTIVE DUTY OR WITHIN THE ONE-YEAR PERIOD FOLLOWING A VETERAN'S  
21 RELEASE FROM ACTIVE DUTY DURING WHICH THE UNITED STATES  
22 DEPARTMENT OF VETERANS AFFAIRS PRESUMES CERTAIN DISABLING  
23 CONDITIONS ARE SERVICE-CONNECTED.

24 (4) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
25 VETERANS' BENEFITS MATTER SHALL NOT GUARANTEE, EITHER DIRECTLY  
26 OR BY IMPLICATION, A SUCCESSFUL OR SPECIFIC OUTCOME IN A VETERANS'  
27 BENEFITS MATTER, INCLUDING THAT A VETERAN IS CERTAIN TO RECEIVE

1 SPECIFIC VETERANS' BENEFITS OR THAT A VETERAN IS CERTAIN TO RECEIVE  
2 A SPECIFIC LEVEL, PERCENTAGE, OR AMOUNT OF VETERANS' BENEFITS.

3 (5) A PERSON SEEKING COMPENSATION FOR CONSULTING,  
4 ADVISING, OR ASSISTING ON A VETERANS' BENEFITS MATTER SHALL,  
5 BEFORE RENDERING ANY SERVICES, MEMORIALIZE IN READABLE, CLEAR,  
6 AND UNAMBIGUOUS LANGUAGE IN A WRITTEN CONTRACT SIGNED BY BOTH  
7 PARTIES THE TERMS AND CONDITIONS OF THE AGREEMENT FOR SERVICES,  
8 INCLUDING A DESCRIPTION OF THE SERVICES; THE DISCLOSURES REQUIRED  
9 PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION; AND HOW THE AMOUNT  
10 OF COMPENSATION IS DETERMINED AND PAID.

11 (6) (a) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
12 VETERANS' BENEFITS MATTER FOR COMPENSATION SHALL PROVIDE THE  
13 FOLLOWING DISCLOSURE IN THE CONTRACT REQUIRED PURSUANT TO  
14 SUBSECTION (5) OF THIS SECTION AND IN ALL ADVERTISING:

15 THIS BUSINESS IS NOT SPONSORED BY OR AFFILIATED WITH  
16 THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS  
17 OR THE COLORADO DEPARTMENT OF MILITARY AND  
18 VETERANS AFFAIRS, OR ANY OTHER FEDERALLY CHARTERED  
19 VETERANS' SERVICE ORGANIZATION. OTHER  
20 ORGANIZATIONS, INCLUDING, BUT NOT LIMITED TO, THE  
21 COLORADO DEPARTMENT OF MILITARY AND VETERANS  
22 AFFAIRS, A LOCAL VETERANS' SERVICE ORGANIZATION AND  
23 OTHER FEDERALLY CHARTERED VETERANS' SERVICE  
24 ORGANIZATIONS, \_\_\_\_\_ PROVIDE THIS SERVICE FREE OF  
25 CHARGE. YOU MAY QUALIFY FOR OTHER VETERANS'  
26 BENEFITS SERVICES OUTSIDE THE SCOPE OF WHAT THIS  
27 BUSINESS OFFERS. ALL DISABILITY CLAIMS FOR INCREASED

1 RATINGS ARE PROCESSED BY THE UNITED STATES  
2 DEPARTMENT OF VETERANS AFFAIRS. THIS BUSINESS  
3 CANNOT EXPEDITE THE PROCESSING OF YOUR CLAIM BY THE  
4 UNITED STATES DEPARTMENT OF VETERANS AFFAIRS.

5 (b) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
6 VETERANS' BENEFITS MATTER FOR COMPENSATION SHALL ENSURE THAT  
7 THE DISCLOSURE REQUIRED PURSUANT TO SUBSECTION (6)(a) OF THIS  
8 SECTION IS CLEARLY AND CONSPICUOUSLY DISPLAYED IN ANY PRINT OR  
9 VISUAL ADVERTISING MEDIUM, COMMUNICATED AT A VOLUME AND  
10 CADENCE SUFFICIENT TO BE READILY AUDIBLE AND UNDERSTANDABLE IN  
11 ANY AUDIO ADVERTISING MEDIUM, OR OTHERWISE INTELLIGIBLE AS  
12 APPROPRIATE TO THE ADVERTISING MEDIUM.

13 (7) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
14 VETERANS' BENEFITS MATTER FOR COMPENSATION SHALL NOT MAKE A  
15 FALSE REPRESENTATION THAT THE PERSON IS A REPRESENTATIVE OF A  
16 VETERANS' SERVICE ORGANIZATION, A CLAIMS AGENT, OR AN ATTORNEY,  
17 WHO IS ACCREDITED BY THE UNITED STATES VETERANS ADMINISTRATION  
18 TO ASSIST VETERANS IN THE PREPARATION, PRESENTATION, OR  
19 PROSECUTION OF BENEFIT CLAIMS.

20 (8) (a) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
21 VETERANS' BENEFITS MATTER FOR COMPENSATION SHALL NOT:

22 (I) USE A VETERAN'S PERSONAL LOG-IN CREDENTIALS TO ACCESS  
23 THE VETERAN'S MEDICAL, FINANCIAL, OR GOVERNMENT BENEFITS  
24 INFORMATION; OR

25 (II) DISCLOSE PERSONAL DATA OBTAINED IN CONNECTION WITH A  
26 VETERANS' BENEFITS MATTER TO A THIRD PERSON, UNLESS THE  
27 DISCLOSURE IS MADE PURSUANT TO A COURT ORDER.

1 (b) A PERSON CONSULTING, ADVISING, OR ASSISTING ON A  
2 VETERANS' BENEFITS MATTER FOR COMPENSATION SHALL SAFEGUARD A  
3 VETERAN'S PERSONAL, FINANCIAL, AND MEDICAL INFORMATION IN  
4 COMPLIANCE WITH FEDERAL AND STATE PRIVACY LAWS, INCLUDING THE  
5 FEDERAL "HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT  
6 OF 1996", 42 U.S.C. SEC. 1320d TO 1320d-9.

7 (9) IF A VETERAN DIES BEFORE A CLAIM IS PROCESSED BY THE  
8 UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR THE COLORADO  
9 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, A PERSON  
10 CONSULTING, ADVISING, OR ASSISTING ON THE VETERANS' BENEFITS  
11 MATTER SHALL NOT COLLECT COMPENSATION IN CONNECTION WITH THE  
12 VETERANS' BENEFITS MATTER. THE DEATH OF THE VETERAN IMMEDIATELY  
13 TERMINATES A CONTRACT OR PAYMENT PLAN FOR SERVICES THE PERSON  
14 PERFORMS IN CONNECTION WITH THE VETERANS' BENEFITS MATTER.

15 (10) FOLLOWING AN INITIAL DECISION BY THE UNITED STATES  
16 DEPARTMENT OF VETERANS AFFAIRS IN A VETERANS' BENEFITS MATTER, A  
17 PERSON WHO IS NOT ACCREDITED BY THE UNITED STATES DEPARTMENT OF  
18 VETERANS AFFAIRS SHALL NOT CONSULT, ADVISE, ASSIST, OR OFFER OTHER  
19 SERVICES IN CONNECTION WITH AN APPEAL OR REVIEW OF THE DECISION.

20 (11) A PERSON WHO VIOLATES A PROVISION OF THIS SECTION  
21 ENGAGES IN A DECEPTIVE TRADE PRACTICE.

22 (12) THIS SECTION DOES NOT APPLY TO AGENTS, ATTORNEYS, OR  
23 OTHER REPRESENTATIVES ACCREDITED BY THE UNITED STATES  
24 DEPARTMENT OF VETERANS AFFAIRS AND REGULATED BY THAT AGENCY.

25 **SECTION 3.** In Colorado Revised Statutes, 6-1-105, **add** (1)(iii)  
26 as follows:

27 **6-1-105. Unfair or deceptive trade practices - definitions.** (1) A



1 person engages in a deceptive trade practice when, in the course of the  
2 person's business, vocation, or occupation, the person:

3 (iii) VIOLATES A PROVISION OF SECTION 6-1-737.

4 **SECTION 4. Act subject to petition - effective date.** This act  
5 takes effect at 12:01 a.m. on the day following the expiration of the  
6 ninety-day period after final adjournment of the general assembly; except  
7 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
8 of the state constitution against this act or an item, section, or part of this  
9 act within such period, then the act, item, section, or part will not take  
10 effect unless approved by the people at the general election to be held in  
11 November 2026 and, in such case, will take effect on the date of the  
12 official declaration of the vote thereon by the governor.