

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

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 25-1035.01 Anna Petrini x5497

SENATE BILL 25-282

SENATE SPONSORSHIP

Ball and Pelton B.,

HOUSE SPONSORSHIP

Feret and Armagost,

Senate Committees

State, Veterans, & Military Affairs

House Committees

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".**

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.

SENATE
Amended 2nd Reading
April 14, 2025

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.

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.