



101 N. 14TH ST., 17TH FLOOR
RICHMOND VA 23219

COMMONWEALTH OF VIRGINIA JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS

*Air Force Association
Air Force Sergeants
Association
American Legion
AMVETS
Association of the United
States Army
Disabled American
Veterans
Fifth Baptist Church Veterans
Ministry
Fleet Reserve Association
Iraq and Afghanistan
Veterans of America
Legion of Valor of the
U.S., Inc.
Marine Corps League
Military Officers Association
of America
Military Order of the
Purple Heart
Military Order of the
World Wars
National Vet Court Alliance
Navy Mutual Aid Association
Paralyzed Veterans of
America
Reserve Organization of
America
Student Veterans of America
Veterans of Foreign Wars
Vietnam Veterans of America
Virginia Army/Air National
Guard Enlisted
Association
Virginia National Guard
Association
Women Marines Association
Wounded Warrior Project*

Adopted 09.19.2024

JLC Contact
Rick Raskin
703-887-0076
rraskin@vfwva.org

JLC Initiative 2025-02

Stop Unscrupulous Firms from Exploiting Veterans

OBJECTIVE: Prohibit ‘Claim Shark’ companies from preying on veterans seeking to obtain or modify their VA entitlements.

BACKGROUND:

- The Commonwealth of Virginia adopted an amended version of HB736 in the 2024 Legislation Session to study the impact of predatory practices by companies taking advantage of veterans seeking to obtain or improve their Department of Veterans Affairs (VA) benefits.
- These companies propose contracts beyond the scope of what the VA allows under federal law and do not file powers of attorney or fee agreements with the VA like is required for those accredited agencies who may charge allowed fees.
- Marketing practices of these companies are considered predatory by regulatory and consumer protection entities because promises of no-cost consultations or guarantees of increased benefits are hollow and do, in fact, come with fees attached – often in the form of a percentage of the veteran’s monthly disability compensation.
- Many of these companies often ask veterans for sensitive usernames and passwords for their eBenefits or VA.gov accounts. Such access allow these companies to circumvent VA policies and cybersecurity access controls, permit access to veterans’ sensitive and restricted information, expose personal identifying information (PII) and protected health information (PHI) to unauthorized users and criminal elements, and potentially violate numerous federal consumer protection statutes.

DISCUSSION:

Veterans who believe they have been scammed have little recourse. Many of these contracts include binding arbitration clauses designed to compel payment. Some contracts go so far as to include clauses that prohibit veterans from disclosing terms of the agreements or even speaking negatively about a company or their experiences without risking defamation litigation.

RECOMMENDATION: That the Governor and General Assembly propose and pass language banning the predatory practices used by these ‘Claim Shark’ companies preying on our veterans seeking to obtain or improve their VA benefits.