

HOUSE BILL 977

P1, I3

6lr2403

By: **Delegate Allen**

Introduced and read first time: February 6, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Veterans Benefits Matters – Claim Servicers – Requirements**

3 FOR the purpose of requiring a person that is not V.A. accredited that is seeking
4 compensation for certain services related to veterans benefits matters to enter into
5 a certain written fee agreement with the recipient of the services that complies with
6 certain laws; requiring the fee agreement to contain a certain notice; requiring a
7 certain notice to be given orally and acknowledged in writing; prohibiting the
8 imposition or collection of a certain fee under certain circumstances; providing for
9 the enforcement of certain provisions of this Act; repealing certain advertising and
10 disclosure requirements for veterans benefits services and veterans benefits appeals
11 services; and generally relating to veterans benefits matters.

12 BY repealing and reenacting, with amendments,
13 Article – Commercial Law
14 Section 13–301(14)(xlvii)
15 Annotated Code of Maryland
16 (2025 Replacement Volume)

17 BY repealing and reenacting, without amendments,
18 Article – Commercial Law
19 Section 13–301(14)(xlviii) and (15)
20 Annotated Code of Maryland
21 (2025 Replacement Volume)

22 BY adding to
23 Article – Commercial Law
24 Section 13–301(14)(xlix)
25 Annotated Code of Maryland
26 (2025 Replacement Volume)

27 BY repealing

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Government
2 Section 9–905.1
3 Annotated Code of Maryland
4 (2021 Replacement Volume and 2025 Supplement)

5 BY adding to
6 Article – State Government
7 Section 9–905.1
8 Annotated Code of Maryland
9 (2021 Replacement Volume and 2025 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
11 That the Laws of Maryland read as follows:

12 **Article – Commercial Law**

13 13–301.

14 Unfair, abusive, or deceptive trade practices include any:

15 (14) Violation of a provision of:

16 (xlvii) Title 14, Subtitle 50 of this article; [or]

17 (xlviii) Section 13–411.1(c)(2) of the Transportation Article; or

18 **(XLIX) EXCEPT AS PROVIDED IN § 9–905.1(E) OF THE STATE**
19 **GOVERNMENT ARTICLE, § 9–905.1 OF THE STATE GOVERNMENT ARTICLE; OR**

20 (15) Act or omission that relates to a residential building and that is
21 chargeable as a misdemeanor under or otherwise violates a provision of the Energy
22 Conservation Building Standards Act, Title 7, Subtitle 4 of the Public Utilities Article.

23 **Article – State Government**

24 [9–905.1.

25 (a) (1) In this section the following words have the meanings indicated.

26 (2) “Advertisement” means:

27 (i) a written or printed communication made for the purpose of
28 soliciting business for veterans benefits appeals services;

29 (ii) a directory listing for a person that is offering veterans benefits
30 appeals services; or

1 (iii) a radio, television, computer network or airwave, or electronic
2 transmission that solicits business for or promotes a person offering veterans benefits
3 appeals services.

4 (3) "Veterans benefits appeals services" means any services that a veteran
5 might reasonably require in order to appeal a denial of federal, state, or local veterans
6 benefits, including denials of disability, limited income, home loan, insurance, education
7 and training, health care, burial and memorial, and dependent and survivor benefits.

8 (4) "Veterans benefits services" means any services a veteran or a family
9 member of a veteran might reasonably use in order to obtain federal, state, or local veterans
10 benefits.

11 (b) (1) Before entering into an agreement with an individual for the provision
12 of veterans benefits services or veterans benefits appeals services, a person who charges a
13 fee for those services shall:

14 (i) provide a written disclosure statement to each individual; and

15 (ii) obtain the individual's signature on the written disclosure
16 statement acknowledging that the individual understands the disclosure statement.

17 (2) The written disclosure statement shall:

18 (i) be on a form approved by the Secretary; and

19 (ii) state that veterans benefits services and veterans benefits
20 appeals services are offered at no cost by the Department and other veterans services
21 organizations accredited by the U.S. Department of Veterans Affairs.

22 (c) A person who charges a fee for providing veterans benefits appeals services
23 shall provide in any advertisement for appeals services notice that appeals services are also
24 offered at no cost by the Department and other veterans services organizations accredited
25 by the U.S. Department of Veterans Affairs.

26 (d) (1) A person who violates the provisions of this section is subject to a civil
27 penalty of not more than \$1,000 for each violation.

28 (2) Civil penalties shall be in an amount ordered by the District Court in
29 an action brought by the Attorney General.

30 (3) Each day a violation continues is a separate violation.

31 (4) Any civil penalty collected shall be deposited in the Maryland Veterans
32 Trust Fund.]

33 **9-905.1.**

1 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
2 **INDICATED.**

3 **(2) "COMPENSATION" MEANS PAYMENT OF MONEY, A THING OF**
4 **VALUE, OR AN ECONOMIC BENEFIT CONFERRED ON OR RECEIVED BY ANY PERSON**
5 **IN RETURN FOR SERVICES RENDERED OR TO BE RENDERED BY A PERSON.**

6 **(3) "V.A. ACCREDITED" MEANS AUTHORIZED BY THE U.S.**
7 **DEPARTMENT OF VETERANS AFFAIRS TO PROVIDE SERVICES IN ACCORDANCE WITH**
8 **38 C.F.R. § 14.629.**

9 **(4) "VETERANS BENEFITS MATTER" MEANS A CLAIM OR AN APPEAL**
10 **AFFECTING AN INDIVIDUAL WHO HAS FILED OR EXPRESSED AN INTENT TO FILE A**
11 **CLAIM FOR ANY BENEFIT, PROGRAM, SERVICE, COMMODITY, FUNCTION, OR STATUS**
12 **TO WHICH ENTITLEMENT IS DETERMINED UNDER THE LAWS AND REGULATIONS**
13 **ADMINISTERED BY THE U.S. DEPARTMENT OF VETERANS AFFAIRS, THE U.S.**
14 **DEPARTMENT OF DEFENSE, OR THE MARYLAND DEPARTMENT OF VETERANS AND**
15 **MILITARY FAMILIES PERTAINING TO VETERANS, THEIR DEPENDENTS, THEIR**
16 **SURVIVORS, AND ANY OTHER INDIVIDUAL ELIGIBLE FOR SUCH BENEFITS.**

17 **(B) (1) A PERSON THAT IS NOT V.A. ACCREDITED THAT IS SEEKING TO**
18 **RECEIVE COMPENSATION FOR PREPARING, PRESENTING, OR PROSECUTING A**
19 **VETERANS BENEFITS MATTER OR ADVISING, CONSULTING, OR ASSISTING AN**
20 **INDIVIDUAL WITH A VETERANS BENEFITS MATTER SHALL, BEFORE RENDERING ANY**
21 **SERVICES, ENTER INTO A WRITTEN FEE AGREEMENT, SIGNED BY BOTH PARTIES,**
22 **THAT ADHERES TO ALL CRITERIA SPECIFIED IN 38 C.F.R. § 14.636.**

23 **(2) THE FEE AGREEMENT SHALL PROVIDE THE FOLLOWING NOTICE**
24 **IN CONSPICUOUS, BOLD, AND UNDERSCORED TYPE:**

25 **"THIS BUSINESS IS NOT SPONSORED BY, OR AFFILIATED WITH, THE UNITED**
26 **STATES DEPARTMENT OF VETERANS AFFAIRS OR THE MARYLAND DEPARTMENT**
27 **OF VETERANS AND MILITARY FAMILIES, OR ANY OTHER FEDERALLY CHARTERED**
28 **VETERANS' SERVICE ORGANIZATION. OTHER ORGANIZATIONS, INCLUDING BUT NOT**
29 **LIMITED TO THE MARYLAND DEPARTMENT OF VETERANS AND MILITARY FAMILIES,**
30 **A LOCAL VETERANS' SERVICE ORGANIZATION, AND OTHER FEDERALLY CHARTERED**
31 **VETERANS' SERVICE ORGANIZATIONS, MAY BE ABLE TO PROVIDE YOU WITH THIS**
32 **SERVICE FREE OF CHARGE. PRODUCTS OR SERVICES OFFERED BY THIS BUSINESS**
33 **ARE NOT NECESSARILY ENDORSED BY ANY OF THESE ORGANIZATIONS. YOU MAY**
34 **QUALIFY FOR OTHER VETERANS' BENEFITS BEYOND THE BENEFITS FOR WHICH YOU**
35 **ARE RECEIVING SERVICES HERE.**

1 THE NEAREST VETERANS SERVICE OFFICE TO YOUR HOME OF RECORD IS
2 LOCATED AT: (ADDRESS, PHONE NUMBER, AND CONTACT INFORMATION).”.

3 (3) THE NOTICE IN PARAGRAPH (2) OF THIS SUBSECTION SHALL ALSO
4 BE DELIVERED ORALLY TO THE INDIVIDUAL AT THE TIME THE FEE AGREEMENT IS
5 ENTERED INTO AND THE INDIVIDUAL SHALL SIGN AN ACKNOWLEDGMENT THAT THE
6 INDIVIDUAL UNDERSTANDS THE NOTICE.

7 (C) IF AN INDIVIDUAL WHO HAS ENTERED INTO A WRITTEN AGREEMENT IN
8 ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION DIES BEFORE A CLAIM IS
9 PROCESSED FOR WHICH THE AGREEMENT WAS ENTERED INTO, THE PERSON
10 PROVIDING THE SERVICE FOR COMPENSATION MAY NOT CHARGE OR COLLECT ANY
11 FEE OR DEBT OWED IN CONNECTION WITH THAT SERVICE.

12 (D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A
13 VIOLATION OF THIS SECTION:

14 (1) IS AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN
15 THE MEANING OF TITLE 13 OF THE COMMERCIAL LAW ARTICLE; AND

16 (2) IS SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS
17 CONTAINED IN TITLE 13 OF THE COMMERCIAL LAW ARTICLE.

18 (E) (1) A PERSON WHO VIOLATES THE DISCLOSURE REQUIREMENT IN
19 SUBSECTION (B)(2) AND (3) OF THIS SECTION IS SUBJECT TO:

20 (I) A CIVIL PENALTY OF NOT MORE THAN \$10,000 FOR EACH
21 VIOLATION; AND

22 (II) A 1-YEAR BAN FROM OFFERING SERVICES RELATING TO
23 VETERANS BENEFITS MATTERS IN THE STATE.

24 (2) CIVIL PENALTIES SHALL BE IN AN AMOUNT ORDERED BY THE
25 DISTRICT COURT IN AN ACTION BROUGHT BY THE ATTORNEY GENERAL.

26 (3) EACH DAY A VIOLATION CONTINUES IS A SEPARATE VIOLATION.

27 (F) ANY CIVIL OR ADMINISTRATIVE PENALTY COLLECTED BY THE
28 ATTORNEY GENERAL IN AN ACTION UNDER THIS SECTION SHALL BE DEPOSITED IN
29 THE MARYLAND VETERANS TRUST FUND.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 2026.