

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
95th General Assembly
Regular Session, 2025

A Bill

HOUSE BILL 1423

By: Representatives Cozart, S. Berry, Breaux, Joey Carr, Hollowell, Milligan, Painter, Richmond, Rye, Torres, Unger, D. Whitaker

By: Senator D. Wallace

For An Act To Be Entitled

AN ACT TO PROHIBIT A PERSON FROM RECEIVING
COMPENSATION FOR THE PREPARATION, PRESENTATION, OR
PROSECUTION OF A CLAIM WITH REGARD TO A VETERANS'
BENEFITS MATTER EXCEPT AS AUTHORIZED BY FEDERAL LAW;
AND FOR OTHER PURPOSES.

Subtitle

TO PROHIBIT A PERSON FROM RECEIVING
COMPENSATION FOR THE PREPARATION,
PRESENTATION, OR PROSECUTION OF A CLAIM
WITH REGARD TO A VETERANS' BENEFITS
MATTER EXCEPT AS AUTHORIZED BY FEDERAL
LAW.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 4, Chapter 88, is amended to add an additional subchapter to read as follows:

Subchapter 15 – Governing Unaccredited Representatives Defrauding (GUARD) VA Benefits Act

4-88-1501. Title.

This subchapter shall be known and may be cited as the "Governing Unaccredited Representatives Defrauding (GUARD) VA Benefits Act".

4-88-1502. Purpose.



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The purpose of this subchapter is to provide a cause of action under the laws of this state to prevent unethical conduct and the improper collection of fees by persons advising or assisting an individual with the filing of a claim for disability benefits before the Department of Veterans Affairs or the United States Department of Veterans Affairs.

4-88-1503. Definitions.

As used in this subchapter:

(1) "Compensation" means payment of money, a thing of value, or a financial benefit;

(2) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, joint venture, public corporation, or any other legal or for profit commercial entity; and

(3) "Veterans' benefits matter" means the preparation, presentation, or prosecution of a claim affecting a person who has filed or expressed an intent to file a claim for a benefit, program, service, commodity, function, or status, the entitlement to which is determined under the laws and regulations administered by the Department of Veterans Affairs or the United States Department of Veterans Affairs pertaining to veterans, their dependents, their survivors, and any other individual eligible for such benefits.

4-88-1504. Advising or assisting in veterans' benefits matters – Receipt of compensation.

(a)(1) A person may not receive compensation for the preparation, presentation, or prosecution of a claim or for advising, consulting, or assisting an individual with regard to a veterans' benefits matter before the Department of Veterans Affairs or the United States Department of Veterans Affairs, except as permitted under Title 38 U.S.C. § 5904, and 38 C.F.R. § 14.629.

(2) A person may not receive compensation for referring an individual to another person to prepare, present, or prosecute a claim or advise, consult, or assist the individual with a veterans' benefits matter before the Department of Veterans Affairs or the United States Department of Veterans Affairs.

(3) Except as provided under subdivision (a)(1) of this section,

this subsection does not prohibit a division of fees between attorneys that is otherwise proper under the American Bar Association's Model Rules of Professional Conduct, Rule 1.5(e).

(b) A person who receives compensation for the preparation, presentation, or prosecution of a claim or for advising, consulting, or assisting an individual with regard to a veterans' benefits matter before the Department of Veterans Affairs or the United States Department of Veterans Affairs shall be held to the same ethical standards to which an attorney is held under the Arkansas Rules of Professional Conduct, including without limitation the rules on:

- (1) Advertising;
- (2) Solicitation of new clients; and
- (3) Confidentiality.

(c) A violation of this section is a deceptive and unfair trade practice and constitutes a Class A misdemeanor as a violation of the Deceptive Trade Practices Act, § 4-88-101 et seq.