



SAFEGUARDING VETERANS' BENEFITS

SUMMARY

- Unaccredited predatory claims companies are not bound by VA regulations and cannot be penalized by the Office of General Counsel. Veterans are charged exorbitant fees by these "claim sharks" for services that are provided free of charge by The American Legion and other veterans service organizations.
- Retirement benefits and disability compensation are two separate benefits, provided for two different reasons, and therefore should never be conflated. Veterans with service-connected disability ratings less than 50% have their VA disability compensation deducted from their DOD retirement pay.

ISSUE #1 – Predatory Claims Companies

American veterans face exploitation by unaccredited entities charging exorbitant fees, violating U.S. Code. Predatory practices include claims firms charging up to 600% of future VA benefit increases. These entities operate outside VA oversight, leaving veterans vulnerable.

ISSUE #2 – Military Retirees Not Receiving Full Military Retirement Pay

The American Legion highlights a concern for 42,000 military retirees with combat-related injuries facing concurrent receipt disparities. The Major Richard Star Act, supported by the American Legion, aims to repeal the offset, allowing disabled veterans to receive both DoD retirement pay and disability compensation concurrently, addressing an average offset of \$1900 per month in 2022, according to the Congressional Budget Office.

CURRENT LEGISLATION

- ***H.R. 1139 / S. 740 Governing Unaccredited Representatives Defrauding (GUARD) VA Benefits Act of 2023***
 - seeks to restore criminal penalties and/or fines on individuals for directly or indirectly soliciting, contracting for, charging, or receiving any unauthorized fee or compensation with respect to the preparation, presentation, or prosecution of any claim for VA benefits.
- ***H.R. 303 Retired Pay Restoration Act***
 - seeks to eliminate the 1:1 offset for veterans with less than a 50% disability, enabling them to receive full retirement and disability payments.
- ***H.R. 1283/S. 344 Major Richard Star Act***
 - aims to remove restrictions, allowing those medically retired with less than 20 years due to combat-related disabilities to collect full retirement pay and disability benefits concurrently.

SUPPORTING RESOLUTIONS

- Resolution No. 1: Oppose Claims Filing by Unaccredited Parties
- Resolution No. 4: The Disabled Veterans Tax
- Resolution No. 224: Support for Concurrent Receipt of Military Retirement Pay & VA Compensation

WHAT CONGRESS CAN DO

The American Legion urgently asks Congress to enact GUARD VA Benefits Act (H.R. 1139 / S. 740) and protect our veterans from unaccredited predatory claims companies who are exploiting veterans by charging exorbitant fees, violating federal laws and regulations.

Additionally, Congress must take action to allow combat-related disabled military retirees to receive full retirement pay and disability benefits concurrently by passing the Retired Pay Restoration Act (H.R. 303) and The Major Richard Star Act (H.R. 1283/S. 344)

