

119TH CONGRESS
2D SESSION

S. _____

To reinstate criminal penalties for persons charging veterans unauthorized fees relating to claims for benefits under the laws administered by the Secretary of Veterans Affairs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. BLUMENTHAL (for himself, Mr. KING, Ms. KLOBUCHAR, Ms. BALDWIN, Mr. LUJÁN, Mr. BENNET, Mr. WHITEHOUSE, Mr. SANDERS, Mr. GALLEG0, Ms. ROSEN, Mr. KELLY, Mrs. SHAHEEN, and Mr. WELCH) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To reinstate criminal penalties for persons charging veterans unauthorized fees relating to claims for benefits under the laws administered by the Secretary of Veterans Affairs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stopping Abuse,
5 Fraud, and Exploitation by Governing Unaccredited Rep-
6 resentatives Defrauding Veterans Act of 2026” or the
7 “SAFEGUARD Veterans Act of 2026”.

1 **SEC. 2. REINSTATEMENT OF PENALTIES FOR CHARGING**
2 **VETERANS UNAUTHORIZED FEES RELATING**
3 **TO CLAIMS FOR BENEFITS UNDER LAWS AD-**
4 **MINISTERED BY THE SECRETARY OF VET-**
5 **ERANS AFFAIRS.**

6 (a) IN GENERAL.—Section 5905 of title 38, United
7 States Code, is amended—

8 (1) in the section heading, by striking “**Pen-**
9 **alty**” and inserting “**Penalties**”;

10 (2) by striking “Whoever” and inserting the fol-
11 lowing:

12 “(a) WITHHOLDING OF BENEFITS.—Whoever”; and

13 (3) by adding at the end the following new sub-
14 sections:

15 “(b) CHARGING OF UNAUTHORIZED FEES.—Except
16 as provided in sections 5904 and 1984 of this title, who-
17 ever solicits, contracts for, charges, or receives, or at-
18 tempts to contract for, charge, or receive, any fee or com-
19 pensation with respect to the preparation, presentation, or
20 prosecution of any claim for a benefit under laws adminis-
21 tered by the Secretary shall be—

22 “(1) fined as provided in title 18, or imprisoned
23 not more than one year, or both; and

24 “(2) barred from recognition under this chapter
25 by the Secretary as an agent or attorney for the

1 preparation, presentation, or prosecution of a claim
2 under laws administered by the Secretary—

3 “(A) for a period of one year beginning on
4 the date of the first violation; and

5 “(B) for a period of 10 years beginning on
6 the date of each subsequent violation.

7 “(c) RECOGNITION REQUIRED.—No person may as-
8 sist a claimant in the preparation, presentation, or pros-
9 ecution of a claim under a law administered by the Sec-
10 retary, unless—

11 “(1) recognized by the Secretary under this
12 chapter as an agent or attorney for such purposes;
13 or

14 “(2) acting under direct supervision of an agent
15 or attorney described in paragraph (1).

16 “(d) DEFINITION OF PREPARATION, PRESENTATION,
17 OR PROSECUTION.—In this section, the term ‘preparation,
18 presentation, or prosecution’—

19 “(1) except as provided in paragraph (2),
20 means any act associated with filing a claim or ap-
21 peal for a benefit under a law administrated by the
22 Secretary; and

23 “(2) does not include—

1 “(A) the provision of a medical opinion or
2 completion of a disability benefits questionnaire
3 by a private sector medical professional; or

4 “(B) the preparation of an expert opinion
5 in support of a claim or appeal.”.

6 (b) PROPOSED RULE.—Not later than 90 days after
7 the date of the enactment of this Act, the General Counsel
8 of the Department of Veterans Affairs shall initiate a rule-
9 making process for purposes of administering section
10 5905 of such title and defining “preparation, presentation,
11 or prosecution”, as amended by subsection (a).

12 (c) EFFECT ON STATE LAW.—The provisions of sec-
13 tion 5905, as amended by subsection (a), shall supersede
14 any provisions of the law of any State or Freely Associated
15 State relating to the recognition of an individual as an
16 agent or attorney for the preparation, presentation, or
17 prosecution of a claim under a law administered by the
18 Secretary of Veterans Affairs, including with respect to
19 provisions of law regarding fee agreements or authority
20 to charge for such services.

21 (d) SUBMISSION TO CONGRESS.—The Secretary shall
22 include in documents submitted to Congress in support of
23 the President’s budget submitted pursuant to section 1105
24 of title 31, United States Code, detailed estimates of the

1 sums and staffing necessary to administer chapter 59 of
2 title 38, United States Code.

3 (e) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of chapter 59 of such title is amended
5 by striking the item relating to section 5905 and insert
6 the following new item:

“5905. Penalties for certain acts.”.

7 **SEC. 3. PROMOTION OF ASSISTANCE FROM PERSONS REC-**
8 **OGNIZED BY THE SECRETARY OF VETERANS**
9 **AFFAIRS FOR INDIVIDUALS WHO FILE CER-**
10 **TAIN CLAIMS UNDER LAWS ADMINISTERED**
11 **BY THE SECRETARY.**

12 (a) NOTICE TO CLAIMANTS OF AVAILABLE ASSIST-
13 ANCE FROM RECOGNIZED PERSONS.—Section 5103A of
14 title 38, United States Code, is amended—

15 (1) by redesignating subsections (g) through (i)
16 as subsections (i) through (k), respectively;

17 (2) by inserting after subsection (f) the fol-
18 lowing new subsections:

19 “(g) NOTICE REGARDING AVAILABILITY OF REP-
20 RESENTATION.—Upon receipt of an initial claim by a
21 claimant not represented by an accredited person, the Sec-
22 retary shall provide notice to the claimant that—

23 “(1) provides the website address of the online
24 tool maintained under subsection (h); and

1 “(2) provides the website address of an appro-
2 priate and publicly accessible website of the Depart-
3 ment through which a claimant may report—

4 “(A) a person, who is not an accredited
5 person, who represented the claimant; and

6 “(B) any fee charged by such person for
7 such representation.

8 “(h) ONLINE LIST OF ACCREDITED, SUSPENDED, OR
9 EXCLUDED PERSONS.—(1) The Secretary shall maintain
10 an online tool that allows a claimant to search a list of
11 accredited persons and persons who are suspended or ex-
12 cluded.

13 “(2) The Secretary shall ensure that the list required
14 by paragraph (1) is current at least once each calendar
15 quarter.

16 “(3) The Secretary shall ensure that the online tool
17 required by paragraph (1) is easily accessible to a claim-
18 ant.”; and

19 (3) by adding at the end the following new sub-
20 section:

21 “(l) DEFINITIONS.—In this section:

22 “(1) The term ‘accredited person’ means—

23 “(A) a veterans service organization recog-
24 nized under section 5902 of this title; or

1 (B) A link to the website of the Depart-
2 ment described in subsection (g)(2) of such sec-
3 tion, as amended by subsection (a).

4 (c) REPORT.—Not later than 180 days after the date
5 of the enactment of this Act, the Secretary shall—

6 (1) complete a review of the regulations, proc-
7 esses, and procedures of the Department of Veterans
8 Affairs that pertain to recognition under section
9 5904 of title 38, United States Code;

10 (2) develop recommendations for legislative or
11 administrative action to improve such regulations,
12 processes, and procedures; and

13 (3) submit to the Committee on Veterans' Af-
14 fairs of the Senate and the Committee on Veterans'
15 Affairs of the House of Representatives a report
16 containing the findings of the Secretary with respect
17 to the review completed under paragraph (1) and
18 the recommendations developed under paragraph
19 (2).

20 **SEC. 4. IMPROVE WARNINGS ABOUT POTENTIAL PREDA-**
21 **TORY PRACTICES REGARDING AGENTS AND**
22 **ATTORNEYS FOR VETERANS CLAIMS.**

23 (a) IN GENERAL.—Section 5901(b) of title 38,
24 United States Code, is amended—

25 (1) in paragraph (1)—

1 (A) in the matter before subparagraph (A)
2 by striking “, each time a claimant under a law
3 administered by the Secretary logs in to a
4 website or online tool of the Department, such
5 website or online tool issues to the claimant”
6 and inserting “each public-facing website and
7 online tool of the Department issues”;

8 (B) in subparagraph (A), by inserting “,
9 including individuals lacking recognition by the
10 Secretary as described in subsection (a)” after
11 “chapter”;

12 (C) in subparagraph (C), by striking “;
13 and” and inserting a semicolon;

14 (D) in subparagraph (D), by striking the
15 period at the end and inserting “; and”; and

16 (E) by adding at the end the following new
17 subparagraph:

18 “(E) a message discouraging veterans from
19 sharing their Department account log-in credentials
20 or bank account log-in credentials, such as
21 usernames or passwords, with anyone.”; and

22 (2) by adding at the end the following new
23 paragraph:

24 “(3) The Secretary shall carry out this subsection by
25 acting through the Chief Veterans Experience Officer.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall take effect on the date that is 180
3 days after the date of the enactment of this Act.

4 **SEC. 5. GATHERING INFORMATION ABOUT PERSONS**
5 **CHARGING FOR ASSISTANCE OR COACHING**
6 **WITH FILING CLAIMS.**

7 The Secretary of Veterans Affairs shall take such ac-
8 tions as may be necessary to ensure that on any form that
9 is used by the Department of Veterans Affairs to accept
10 a claim for a benefit under a law administered by the Sec-
11 retary includes—

12 (1) a question regarding whether the claimant
13 was charged for assistance or coaching by any per-
14 son when gathering information or filing the claim;
15 and

16 (2) an option to name the person who provided
17 such assistance or coaching.

18 **SEC. 6. DEPARTMENT OF VETERANS AFFAIRS ACCREDITA-**
19 **TION SYSTEM.**

20 The Secretary of Veterans Affairs shall establish a
21 system for the purposes of recognition of persons under
22 chapter 59 of title 38, United States Code, that—

23 (1) has 99.9 percent uptime, responsive, and
24 accessible;

1 (2) enables agents and attorneys to certify that
2 they have met the requirements for recognition
3 under such chapter;

4 (3) enables clients of agents and attorneys rec-
5 ognized under such chapter to file complaints re-
6 garding such agents and attorneys and to report vio-
7 lations described in paragraphs (1) through (9) of
8 section 5904(b) and section 5905(b) of such title;
9 and

10 (4) is integrated with systems used to admin-
11 ister section 3 of this Act and the amendments made
12 by that section.

13 **SEC. 7. RESTRICTIONS ON THE USE OF AUTOMATED TELE-**
14 **PHONE EQUIPMENT.**

15 Section 227(b)(1) of the Communications Act of
16 1934 (47 U.S.C. 227(b)(1)) is amended—

17 (1) in subparagraph (C), by striking “or” at
18 the end;

19 (2) in subparagraph (D), by striking the period
20 at the end and inserting “; or”; and

21 (3) by adding at the end the following:

22 “(E) to make any call to a telephone num-
23 ber assigned to a Federal department or agency
24 if such call is made by means of equipment
25 that—

1 “(i) has the capacity, without further
2 human intervention after initial activa-
3 tion—
4 “(I) to make a series of repeated
5 calls to such number; and
6 “(II) to provide and receive infor-
7 mation by means of such calls; and
8 “(ii) is operated by any individual or
9 entity other than the individual or entity to
10 whom the information provided or received
11 during such call relates.”.