

HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 245

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

AN ACT

RELATING TO VETERANS' AFFAIRS; PROHIBITING RECEIVING  
COMPENSATION FOR ASSISTING A PERSON TO OBTAIN VETERANS'  
BENEFITS EXCEPT AS PERMITTED UNDER STATE AND FEDERAL LAW;  
AMENDING THE UNFAIR PRACTICES ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of Chapter 20 NMSA 1978 is  
enacted to read:

"[NEW MATERIAL] COMPENSATION FOR SERVICES RELATED TO  
VETERANS' BENEFITS MATTERS.--

A. As used in this section:

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

(2) "veterans' benefits matter" means the  
preparation, presentation or prosecution of a claim affecting a

1 person who has filed or expressed an intent to file a claim for  
2 a benefit, program, service, commodity, function or status,  
3 entitlement to which is determined under the laws and  
4 regulations administered by the United States department of  
5 veterans affairs or the United States department of defense  
6 pertaining to veterans, their dependents, their survivors and  
7 any other individual eligible for such benefits.

8 B. Pursuant to this section, a person shall not:

9 (1) receive compensation for preparation,  
10 presentation or prosecution of, or advising, consulting or  
11 assisting another person with, a veterans' benefits matter,  
12 except as permitted under state and federal law;

13 (2) receive compensation for referring an  
14 individual to another person to prepare, present or prosecute,  
15 or advise, consult or assist that person with, a veterans'  
16 benefits matter;

17 (3) receive, with respect to a person's  
18 veterans' benefits matter, compensation for services rendered  
19 before the date on which a notice of disagreement, decision  
20 review or appeal is filed, whichever occurs first;

21 (4) guarantee, either directly or by  
22 implication, that any person is certain to receive specific  
23 veterans' benefits or that any person is certain to receive a  
24 specific level, percentage or amount of veterans' benefits;  
25 provided that no person shall receive compensation for

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1 assisting a veteran with an initial claim for veterans'  
2 benefits; or

3 (5) receive excessive or unreasonable fees, as  
4 determined pursuant to 38 C.F.R. Part 14.636, as compensation  
5 for preparation, presentation or prosecution of, or advising,  
6 consulting or assisting a person with, a veterans' benefits  
7 matter.

8 C. A person seeking to receive compensation for the  
9 provision of services to a veteran relating to veterans'  
10 benefits, including the preparation, presentation or  
11 prosecution of or advising, consulting or assisting another  
12 person with a veterans' benefits matter, shall, before  
13 rendering any services, memorialize in a written agreement  
14 signed by both parties.

15 D. A person seeking to receive compensation for the  
16 provision of services to a veteran relating to veterans'  
17 benefits shall provide the following disclosure prior to  
18 providing veterans' services: "Under federal and state law, no  
19 one may charge a fee for advising or assisting another person  
20 with VA benefits claims unless authorized under Title 38 of the  
21 U.S. Code. Free veteran benefits services are available  
22 through federally chartered Veteran Service Organizations and  
23 accredited Veteran Service Officers. It is not necessary to  
24 pay a private consulting company to file a VA claim, and  
25 veterans can achieve successful outcomes through these free

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1 accredited resources.".

2 E. The written disclosure provided pursuant to  
3 Subsection D of this section shall appear in at least twelve-  
4 point font in an easily identifiable location in the agreement  
5 with the person seeking to receive compensation for the  
6 provision of services to a veteran relating to veterans'  
7 benefits and with the veteran.

8 F. The provisions of this section do not apply to  
9 an accredited representative of a recognized organization or an  
10 accredited agent or attorney as provided pursuant to 38 C.F.R.  
11 Part 14.629."

12 SECTION 2. Section 57-12-2 NMSA 1978 (being Laws 1967,  
13 Chapter 268, Section 2, as amended) is amended to read:

14 "57-12-2. DEFINITIONS.--As used in the Unfair Practices  
15 Act:

16 A. "person" means, where applicable, natural  
17 persons, corporations, trusts, partnerships, associations,  
18 cooperative associations, clubs, companies, firms, joint  
19 ventures or syndicates;

20 B. "seller-initiated telephone sale" means a sale,  
21 lease or rental of goods or services in which the seller or the  
22 seller's representative solicits the sale by telephoning the  
23 prospective purchaser and in which the sale is consummated  
24 entirely by telephone or mail, but does not include a  
25 transaction:

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1 (1) in which a person solicits a sale from a  
2 prospective purchaser who has previously made an authorized  
3 purchase from the seller's business; or

4 (2) in which the purchaser is accorded the  
5 right of rescission by the provisions of the federal Consumer  
6 Credit Protection Act, 15 U.S.C. 1635, or regulations issued  
7 pursuant thereto;

8 C. "trade" or "commerce" includes the advertising,  
9 offering for sale or distribution of any services and any  
10 property and any other article, commodity or thing of value,  
11 including any trade or commerce directly or indirectly  
12 affecting the people of this state;

13 D. "unfair or deceptive trade practice" means an  
14 act specifically declared unlawful pursuant to the Unfair  
15 Practices Act, a false or misleading oral or written statement,  
16 visual description or other representation of any kind  
17 knowingly made in connection with the sale, lease, rental or  
18 loan of goods or services or in the extension of credit or in  
19 the collection of debts by a person in the regular course of  
20 the person's trade or commerce, that may, tends to or does  
21 deceive or mislead any person and includes:

22 (1) representing goods or services as those of  
23 another when the goods or services are not the goods or  
24 services of another;

25 (2) causing confusion or misunderstanding as

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1 to the source, sponsorship, approval or certification of goods  
2 or services;

3 (3) causing confusion or misunderstanding as  
4 to affiliation, connection or association with or certification  
5 by another;

6 (4) using deceptive representations or  
7 designations of geographic origin in connection with goods or  
8 services;

9 (5) representing that goods or services have  
10 sponsorship, approval, characteristics, ingredients, uses,  
11 benefits or quantities that they do not have or that a person  
12 has a sponsorship, approval, status, affiliation or connection  
13 that the person does not have;

14 (6) representing that goods are original or  
15 new if they are deteriorated, altered, reconditioned,  
16 reclaimed, used or secondhand;

17 (7) representing that goods or services are of  
18 a particular standard, quality or grade or that goods are of a  
19 particular style or model if they are of another;

20 (8) disparaging the goods, services or  
21 business of another by false or misleading representations;

22 (9) offering goods or services with intent not  
23 to supply them in the quantity requested by the prospective  
24 buyer to the extent of the stock available, unless the  
25 purchaser is purchasing for resale;

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1 (10) offering goods or services with intent  
2 not to supply reasonable expectable public demand;

3 (11) making false or misleading statements of  
4 fact concerning the price of goods or services, the prices of  
5 competitors or one's own price at a past or future time or the  
6 reasons for, existence of or amounts of price reduction;

7 (12) making false or misleading statements of  
8 fact for the purpose of obtaining appointments for the  
9 demonstration, exhibition or other sales presentation of goods  
10 or services;

11 (13) packaging goods for sale in a container  
12 that bears a trademark or trade name identified with goods  
13 formerly packaged in the container, without authorization,  
14 unless the container is labeled or marked to disclaim a  
15 connection between the contents and the trademark or trade  
16 name;

17 (14) using exaggeration, innuendo or ambiguity  
18 as to a material fact or failing to state a material fact if  
19 doing so deceives or tends to deceive;

20 (15) stating that a transaction involves  
21 rights, remedies or obligations that it does not involve;

22 (16) stating that services, replacements or  
23 repairs are needed if they are not needed;

24 (17) failing to deliver the quality or  
25 quantity of goods or services contracted for;

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1 (18) violating the Tobacco Escrow Fund Act;  
2 (19) violating Section 1 of this 2025 act; or  
3 [~~(19)~~] (20) offering or providing unposted or  
4 unadvertised pricing or service based on the buyer's gender or  
5 perceived gender identity; provided, however, that this  
6 provision does not apply to persons regulated by the office of  
7 superintendent of insurance pursuant to the New Mexico  
8 Insurance Code; and

9 E. "unconscionable trade practice" means an act or  
10 practice in connection with the sale, lease, rental or loan, or  
11 in connection with the offering for sale, lease, rental or  
12 loan, of any goods or services, including services provided by  
13 licensed professionals, or in the extension of credit or in the  
14 collection of debts that to a person's detriment:

15 (1) takes advantage of the lack of knowledge,  
16 ability, experience or capacity of a person to a grossly unfair  
17 degree; or

18 (2) results in a gross disparity between the  
19 value received by a person and the price paid."