

AMENDMENT TO H.R. 3455
OFFERED BY Mr. Takano

Page 2, line 15, after “shall” insert “seek to enter into an agreement with a federally funded research and development center (in this section referred to as ‘the Center’) to”.

Page 2, line 20, strike subsection (b) and insert the following:

1 (b) MATTERS FOR EXAMINATION.—An agreement
2 entered into pursuant to subsection (a) shall provide that
3 as part of the study under subsection (a), the Center shall
4 assess—

5 (1) how the use of distributed ledger technology
6 by the Department—

7 (A) could improve the clarity, traceability,
8 and reliability of claims for veterans benefits by
9 securely recording key steps in the adjudication
10 process;

11 (B) could reduce the risk of fraudulent and
12 inaccurate claims by verification processes and
13 could improve accountability in claims handling;

1 (C) could aid in identifying irregularities in
2 benefits delivery;

3 (D) could create vulnerabilities in the sys-
4 tem of the Department, which could affect cy-
5 bersecurity and the data privacy of veterans
6 and could have other negative consequences;
7 and

8 (E) would integrate with other information
9 technology systems of the Department, includ-
10 ing how the implementation of distributed ledg-
11 er technology could affect the ongoing mod-
12 ernization efforts of the Department.

13 (2) the effect that implementing and maintain-
14 ing distributed ledger technology would have on the
15 staffing of the Department;

16 (3) the cost of implementing and maintaining
17 distributed ledger technology at the Department;

18 (4) gaps in existing regulations of the Depart-
19 ment regarding the use of distributed ledger tech-
20 nology; and

21 (5) alternative solutions, including database or
22 cloud solutions, and the efficiency and feasibility of
23 using such solutions at the Department compared to
24 distributed ledger technology.

Page 3, line 7, strike “In conducting the study under subsection (a), the Secretary” and insert “An agreement entered into pursuant to subsection (a) shall provide that as part of the study under subsection (a), the Center”.

Page 4, line 13, strike “(e)” and insert “(f)”.

Page 4, after line 12, insert the following new subsection (e):

1 (e) LIMITATION ON IMPLEMENTATION.—The Sec-
2 retary of Veterans Affairs may not implement distributed
3 ledger technology within the Department of Veterans Af-
4 fairs until each of the following has been finalized, cir-
5 culated with stakeholders and relevant employees of the
6 Department, and provided to the Committees on Veterans’
7 Affairs of the Senate and House of Representatives:

8 (1) Internal regulations that provide guidance
9 for the use of distributed ledger technology, includ-
10 ing how such technology will interact with related in-
11 formation technology systems and data of the De-
12 partment and protections against illicit activities.

13 (2) Governance structures for such technology.

14 (3) A comprehensive blockchain strategy to be
15 used to guide the implementation of such technology,
16 including training, transition, and staffing models.

Page 4, line 13, strike subsection (d) and insert the following:

1 (d) DEFINITIONS.—In this Act, the terms “distrib-
2 uted ledger” and “distributed ledger technology” have the
3 meanings given such terms in section 5913(a) of the
4 James M. Inhofe National Defense Authorization Act for
5 Fiscal Year 2023 (42 U.S.C. 19222(a)).

