**STATEMENT OF**
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**DEPARTMENT OF VETERANS AFFAIRS (VA)**
**BEFORE THE**
**COMMITTEE ON VETERANS' AFFAIRS**
**U.S. HOUSE OF REPRESENTATIVES**
**MARCH 18, 2026**

Chairman Bost, Ranking Member Takano, and Members of the Committee, thank you for the opportunity to testify today on 26 bills focused on various VA programs and benefits. Joining me today are Ms. Margarita Devlin, Principal Deputy Under Secretary for Benefits Performing the Delegable Duties of the Under Secretary for Benefits, Veterans Benefits Administration (VBA), and Dr. Thomas O'Toole, Acting Assistant Under Secretary for Health for Clinical Services, Veterans Health Administration (VHA).

Before discussing each of the bills specifically, I would like to address the underlying motivation for many of these bills. The Committee has expressed interest in "a broader reauthorization strategy to soundly reauthorize" specific VA programs. VA strongly supports oversight and engagement with Congress, but we urge caution before pursuing such a reauthorization strategy. If the intent here is to submit VA programs to an annual authorization process, similar to the National Defense Authorization Act process undertaken by the Armed Services Committees, we note that such an effort could prove disruptive to VA benefits and services and would likely require a significant obligation of resources by this Committee, the Senate Committee on Veterans' Affairs, and VA. We believe the interest in oversight and a clearer accounting of VA programs and services could be achieved through less disruptive and resource-intensive means.

Further, if Congress is interested in broader VA reforms, the Department would welcome the opportunity to work with Congress on reforming and simplifying a number of areas of existing law. For example, health care eligibility reform in VA was enacted by Congress more than 30 years ago; since then, the number of statutes, both in the United States Code (specifically, 38 U.S.C. Ch. 17) and in statutes at large, related to Veterans health care has increased significantly. This increase has expanded benefits and services for Veterans, but the specific enactments have not reflected a broader pattern or structure. Consequently, eligibility for health care benefits and services has become confusing for Veterans, VA staff, and the public. Some populations of Veterans may be eligible for the same or similar benefit under more than a dozen statutes; some populations of Veterans are eligible for more benefits than others; and sometimes these differences in benefits do not have a clear basis. Similarly, VA's personnel authorities, particularly in chapter 74, have also become difficult to manage. Other areas of title 38 are also unnecessarily complicated. Together, VA and Congress can conduct a comprehensive review, leading to a consolidation and simplification of existing laws. Such an effort would benefit Veterans and other beneficiaries today by streamlining decisions, and it would also provide a clear basis to identify gaps in VA's existing authority that should be addressed through subsequent legislation.

Finally, we note that several of the bills would amend the same or similar authorities in different ways. It is critically important that, if the Committee intends to move forward with a package including several of these bills, these inconsistencies (or, at times, conflicts) be resolved.

VA does not have views on three bills: H.R. 4876, the Reproductive Freedom for Veterans Act, H.R. 5203, a bill directing VA to update VA directives regarding the management of acute sexual assault, and the draft bill to provide for the modernization of the electronic health record system and other VA health

information technology (IT) systems. VA will provide these views to the Committee in a letter after the hearing.

**H.R. 210 Dental Care for Veterans Act**

Summary: Section 2(a) of this bill would amend several sections of title 38, United States Code. First, it would amend 38 U.S.C. § 1701(6), which defines the term “medical services” for purposes of chapter 17, to expand the reference to dental services and appliances by removing the limitations referenced in 38 U.S.C. §§ 1710 and 1712. Second, it would amend 38 U.S.C. § 1710(c), which authorizes VA to furnish medical services to correct or treat non-service connected disabilities while Veterans are receiving hospital care or nursing home care in a VA facility, in addition to treatment incident to the disability for which the Veteran is hospitalized, if the Veteran is willing and if VA finds such services to be reasonably necessary to protect the health of the Veteran. This amendment would remove the authority for VA to furnish dental services and treatment, and related dental appliances, under this subsection for a non-service connected condition or disability only if VA (1) determined that its dental facilities can furnish the services and are not needed to furnish care under section 1712(a) for a service-connected dental disability; or (2) the non-service-connected dental condition or disability is associated with or aggravating a disability for which the Veteran is receiving hospital care or a compelling medical reason or dental emergency requires furnishing dental services, treatment, or appliances during the period of hospitalization. Third, this subsection would amend section 1712 by striking subsections (a) and (b), which generally establish limitations on the receipt of dental care; it would authorize VA to furnish dentures, in addition to what is currently permitted by law (dental appliances, wheelchairs, artificial limbs, trusses, special clothing, and similar appliances). Finally, this subsection would strike 38 U.S.C. § 2062, which authorizes VA to furnish dental services and treatment to Veterans who are enrolled in VA care and, for a period of 60 consecutive days, are receiving treatment in a domiciliary, therapeutic

residence, community residential care setting, or a setting for which VA provides funds for a grant and per diem provider; dental benefits under section 2062 are generally limited to a one-time course of dental care provided in the same manner as dental benefits provided to a newly discharged Veteran.

Section 2(a) also would establish a phased schedule of eligibility. Veterans eligible for dental services and appliances on the date of enactment would remain eligible; Veterans enrolled in Priority Groups 1 or 2 but who are ineligible for dental services and appliances would become eligible 1 year after enactment, followed by Veterans enrolled in Priority Groups 3 and 4 beginning 2 years after enactment, Veterans enrolled in Priority Groups 5 and 6 beginning 3 years after enactment, and Veterans enrolled in Priority Groups 7 and 8 beginning 4 years after enactment.

Section 2(b) would make a conforming amendment to 38 U.S.C. § 1525, which generally protects health care eligibility for certain Veterans no longer receiving a VA pension.

Section 2(c) would make clerical amendments reflecting several of the amendments described above.

Position: **VA does not support this bill.**

Views: VA supports the intent of expanding access to dental care by requiring VA to furnish dental services in the same manner as other medical services. However, VA has significant concerns about the resources that would be needed to implement this bill, even on the phased schedule the bill would establish. VA anticipates that there would be a large initial surge in demand for dental care. Of the approximately 9 million currently enrolled Veterans, only approximately 2.4 million Veterans are eligible for dental care. VA anticipates that expanded eligibility would create a significant short-run spike in resource

demands to accommodate patient care needs. VA anticipates that there would be a continuing need for a substantial increase in resources over the long run due to the sheer number of eligible Veterans. VA's dental facilities are currently at or near full capacity, with some regional variation. Consequently, this expansion of dental eligibility would require significant utilization of community resources, likely in excess of what VA's current contracts and agreements would generally support (and it is unclear if there is a sufficient supply of dentists in the country who would enter into contracts or agreements to furnish this care in either the short- or long-term). Reliance on community providers would be particularly necessary to address the short-term surge but would also be needed over the long-term. Increased reliance on community care would require additional staffing and resources both now and in the long-term to account for more administrative work on VA's part, further increasing costs. Without sufficient resources, VA would be unable to scale its staffing, clinical capacity, and administrative support to meet the increase in demand, and VA's network of community providers would be unlikely to satisfy demand, either. Ultimately, this could jeopardize access for Veterans currently eligible for dental care (primarily service-connected Veterans).

VA also notes that the bill would leave, unaltered, VA's authority under 38 U.S.C. § 1712C to establish a dental insurance plan for any enrolled Veterans and any survivors and dependents of Veterans. It is unclear what impact this bill may have on this program.

VA has technical concerns with some of the amendments described above and would welcome the opportunity to discuss these with the Committee.

**H.R. 1391 Student Veteran Benefit Restoration Act of 2025**

Summary: This bill would add a new 38 U.S.C. § 3699C [sic] that would require VA to restore entitlement to VA educational assistance for individuals pursuing an approved course or program of education in certain circumstances. The new section would also prohibit VA, in those same circumstances, from counting payment of VA educational assistance towards the 48-month limit on the aggregate period for receiving assistance under two or more educational assistance programs. The circumstances under which these requirements would apply are for any period during which:

- an educational institution was not properly approved to receive VA benefits on behalf of students, including when an educational institution's approval was revoked;
- VA determines that an educational institution engaged in prohibited activities relating to advertising, sales, and enrollment practices;
- a court finds the educational institution guilty of, or liable for, fraud;
- the Department of Justice closed the educational institution on the basis of fraud or for a violation of Federal or state law; and
- the educational institution engaged in fraud, after which it closed.

In addition, new section 3699C would, as a condition of approval of a course or program, require that an educational institution agree that, if VA restores a portion of a student's entitlement to VA educational assistance, the educational institution will repay VA the portion of educational assistance it received for the student. Furthermore, if a court finds an educational institution guilty of or liable for fraud and orders the educational institution to pay financial relief to the Federal Government, VA may file a claim with the Department of the Treasury for recoupment of all amounts of VA educational assistance the institution obtained through fraud. Finally, new section 3699C would require VA to establish an appeal process for an educational institution to request review of a VA finding that the institution has to repay educational assistance.

Position: **VA supports this bill, subject to amendments and the availability of appropriations. VA is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete or CBO has provided a score.**

Views: This bill would protect the Nation's Veterans who are using their VA education benefits to attend educational institutions that engage in deceptive practices by restoring entitlement used for periods an institution engaged in such practices. The bill would also help to safeguard taxpayers' dollars when violations are found.

However, when an educational institution engages in deceptive practices, proposed section 3699C(c)(1) would hold it financially responsible for only the tuition and fee payments VA made directly to it, but not for payments of benefits that VA pays directly to a beneficiary, such as monthly housing payments and book and supply stipends under the Post-9/11 GI Bill, and monthly benefit payments under the Survivors and Dependents Educational Assistance Program (chapter 35 of title 38, U.S.C., DEA), the Montgomery GI Bill (chapter 30 of title 38, U.S.C., MGIB), and the Montgomery GI Bill – Selected Reserve (chapter 1606 of title 10, U.S.C., MGIB-SR), as well as Veterans Readiness and Employment benefits, including tuition, fees, supplies and monthly subsistence allowance. On the other hand, when an educational institution engages in deceptive practices, proposed section 3699C(a) and (e) would require VA to restore entitlement to all educational assistance, including entitlement to educational assistance paid to a beneficiary. We believe that proposed section 3699C(c)(1) should require an educational institution to be responsible for repayment of the total amount of taxpayer dollars paid (that is, payments made to both the educational institution and the beneficiary) as a result of the institution's engagement in deceptive practice.

VA notes that 38 U.S.C. §§ 3699C and 3699D are existing sections, and therefore, recommends adding a new section 3699E, instead of a new section 3699C.

Cost Estimate: VA does not have a cost estimate for this bill.

## H.R. 1732 Governing Unaccredited Representatives Defrauding (GUARD) VA Benefits Act

Summary: Section 2(a) would amend 38 U.S.C. § 5905, which generally establishes a penalty for certain acts, to include a new subsection (b). Proposed section 5905(b) would state that, except as provided in 38 U.S.C. §§ 1984 (regarding suits on insurance) and 5904 (regarding recognition of agents and attorneys generally), whoever solicits, contracts for, charges, or receives (or attempts to do these acts) any fee or compensation with respect to the preparation, presentation, or prosecution of any claim for benefits under the laws administered by VA would be fined as provided in title 18, United States Code.

Position: **Evaluation of the bill is ongoing; therefore, the Department is unable to provide comprehensive views at this time.**

Views: As relevant background, VA has been prioritizing the timely processing of accreditation applications for VSO representatives, attorneys, and claims agents. In FY 2025, VA accredited more than 2,800 individuals across all categories. Notably, VA accredited 132 claims agents—roughly a 300% increase from FY 2023. In total, more than 14,500 VSO representatives, attorneys, and agents are currently accredited with VA.

Moreover, VA is pursuing modernization of the accreditation regime within existing statutory authority. VA is evaluating policy, regulatory, and statutory

options to ensure Veterans maintain meaningful access to choices for claims assistance while preserving the integrity of the non-adversarial benefits system. VA's comprehensive, department-wide assessment will conclude in April 2026. This review is expansive in scope and evaluates the full accreditation lifecycle for attorneys, agents, and VSO representatives; assesses IT and data system modernization needs; analyzes suitability and oversight standards; identifies process and staffing gaps; and examines potential statutory, regulatory, and policy updates. It also reviews program integrity risks, the effectiveness of oversight and existing enforcement actions, the appropriateness of the current fee structure, and opportunities for improvement.

This effort stems from recommendations issued by the Government Accountability Office (GAO) in its March 2025 report, "Veterans Benefits: More Thorough Planning Needed to Help Better Protect Veterans Assisted by Representatives (GAO-25-107211)" (https://www.gao.gov/products/gao-25-107211) . In response, VA engaged MITRE to help develop a comprehensive plan for VA's accreditation regime. As part of this work, VA's Office of General Counsel and MITRE are evaluating structural changes across the accreditation and fee framework, leveraging automation, streamlining processes, and assessing whether certain functions could be performed more efficiently if realigned or supported by other VA offices or external partners.

Because this review is intentionally examining various statutory, regulatory, and administrative considerations, VA expects to have greater clarity on potential next steps and possible improvements after the review is complete and the GAO-directed comprehensive plan is fully developed. VA would welcome continued dialogue with the Committee once the review and the GAO-directed comprehensive plan are complete, to further discuss VA's modernization efforts concerning accreditation and possible future improvements.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 2303 Board of Veterans' Appeals Attorney Retention and Backlog Reduction Act**

Summary: Section 2 of this bill would amend 38 U.S.C. § 7101A to establish General Schedule (GS)-15 promotion (and pay) potential for all non-supervisory Board Staff Attorney Advisor positions to improve recruitment and retention. This bill would make no reference to an evaluation of the duties and responsibilities of the position, and it is unclear how this bill would lead to achieving the other stated goal of improvements in decision quality and claims processing speed. It would also require technical edits to meet apparent congressional intent. For example, it does not provide clear legal authority to establish classification and/or qualification standards for Board attorneys to overcome the statutory inconsistency with title 5 provisions.

Position: **VA does not support this bill.**

Views: This bill would not align with classification regulations and 5 U.S.C. § 5107, which states, “[e]xcept as otherwise provided by [5 U.S.C. chapter 51], each agency shall place each position under its jurisdiction in its appropriate class and grade in conformance with standards published by the Office of Personnel Management.” Consequently, amending section 7101A to allow all non-supervisory Board attorneys to be promoted to grade GS-15 would completely negate 5 U.S.C. § 5107.

The Board’s retention incentives for attorneys have proven to be very effective in the past few years. Retention rates have improved dramatically, with attrition rates dropping by nearly 50% from 13.4% in FY 2019 to 7.7% in FY 2024. Retention incentives offer the Board necessary flexibility and do not count as basic pay. As an aside, there is no current operational need at the Board for

any non-supervisory GS-15 attorneys. The Board has existing flexibility to establish GS-15 attorney positions, consistent with the Office of Personnel Management (OPM) classification requirements. There are currently 33 supervisory GS-15 attorney positions at the Board, appropriately classified based on the OPM standards. Even if the Board could somehow create non-supervisory GS-15 positions outside the OPM factors, the pool of applicants for these more difficult supervisory GS-15 positions would likely diminish and have a correspondingly negative impact on Board operations.

All attorney advisor positions are eligible for promotion to GS-14 and an ever-increasing number of the Board's roughly 1,040 attorneys are at that highest non-supervisory grade level. Nearly 65% of the Board's non-supervisory attorneys are currently GS-14s and that number is growing because of increasing retention rates and regular upcoming promotions expected for the higher number of new attorney hires during the past 2 years.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 2722 VA Funding and Workforce Protection Act**

Summary: Section 2(a) would state that, notwithstanding any other provision of law, including the Impoundment Control Act of 1974, discretionary appropriations made available for VA, including VHA, could not be impounded, transferred, or reprogrammed unless specific statutory authority was enacted into law after the date of enactment of this Act, with express reference to this Act, permitting such impoundment, transfer, or reprogramming. Section 2(b) would require VA to notify Congress if it determined that VA was within 30 days of having a shortfall of funding.

Position: **VA does not support this section.**

Views: VA does not support this section because it is duplicative and unnecessary. Congress already establishes limits on reprogramming and transfer in the annual appropriations Acts (including most recently the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2026 (P.L. 119-37)). In terms of the notification requirements, Congress has already enacted other laws requiring advance notice of potential shortfalls, such as the PRO Veterans Act of 2025 (P.L. 11933), which requires VA to brief Congress on any potential shortfall and present plans to mitigate a potential shortfall.

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Section 3(a) would state that VA would be exempt from any hiring freeze issued by the President, the Secretary, or the Director of OPM during the period beginning on January 20, 2025, and ending on January 20, 2029. Section 3(b) would require VA, with respect to any Veteran (under 38 U.S.C. § 101) who was a career employee of VA and who was removed from employment by VA during the period beginning on January 20, 2025, and ending on the date of enactment, to reinstate the Veteran to the position (or equivalent position) the Veteran occupied on the date that was one day before removal and exempt such Veteran from separation under any reduction in force that occurred before January 20, 2029. Section 3(c) would require VA to submit written notice to Congress at least 15 days before the date that VA would remove any officer or employee under a reduction in force or an agency reorganization. Notwithstanding any other provision of law, no VA employee in probationary status could be removed from a position with VA without the enactment into law, after the date of enactment of this section and with express reference to this section, permitting such removal. VA would have to submit a report to Congress on the date VA removed a probationary employee for poor performance that included the reasons for the removal, the employee's most recent performance

appraisal, and the removal notice submitted to the employee. Not later than 30 days after enactment, and every 30 days thereafter, VA would have to submit to Congress a list of any probationary VA employees that received a removal notice during the period covered by the report.

Position: **VA does not support this section.**

Views: VA does not support this section because, as written, it would require the agency to reinstate all competitive service career employees who were removed since January 20, 2025, including those who were removed for cause (for example, performance, conduct, suitability). This is inconsistent with VA's efforts to maintain a high-performing workforce and may interfere with VA's authority to hold employees accountable for misconduct. Additionally, reinstatement of these employees would also result in the payment of backpay, even if they were appropriately separated from Federal service. The exemption of Veterans from reductions in force is inconsistent with regulatory requirements, as Veteran status is one of many criteria applied when determining retention priority for a reduction in force. As written, this section could also result in VA committing a prohibited personnel practice for engaging in discrimination by treating Veterans differently than non-Veterans. If VA reinstated former employees who had performance and conduct issues, this would place those we serve at risk of repeated improper behavior.

This section would also present unique implementation challenges. This section, as drafted, does not include permanent or part-time/intermittent excepted service employees under the reinstatement requirement. Including such individuals would ensure VA accounts for other title 5, United States Code (that is, Veterans Recruitment Appointments), hybrid title 38, United States Code, and title 38, United States Code, excepted service personnel. This section also does not address eligibility for service credit for the date Veteran was removed to the date of reinstatement as determined by VA. This bill should further address if

Veterans only receive appointment reinstatement or corrective action. If retroactive action, this section should clarify if there would be any back pay afforded to impacted Veterans. This section also should address the length of time for the reinstatement eligibility for Veterans. Finally, we note that these blanket reinstatement requirements could create issues with VA's completed and ongoing reorganization efforts. They also may have implications for VA's compliance with Administration priorities and directives to reform and optimize the federal workforce and restore accountability, including Executive Order 14210, Implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative, and Executive Order 14356, Ensuring Continued Accountability in Federal Hiring. Finally, this section presumes that former employees are both available and interested in reinstatement, which may not be the case, and the bill is unclear as to what VA is required to do in such situations.

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Section 4 would require VA, not later than 30 days after enactment and annually thereafter to certify, in writing, to Congress that VA is in compliance with the requirements of this Act.

Position: **VA does not support this section.**

Views: VA does not support this section because it is duplicative and unnecessary. VA already provides multiple reports to Congress on staffing and budget issues.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 3183 Supporting Access to Falls Education and Prevention and Strengthening Training Efforts and Promoting Safety Initiatives for Veterans Act of 2025 (SAFE STEPS for Veterans Act of 2025)**

Summary: Section 2(a) would establish a new 38 U.S.C. § 7310B regarding an Office of Falls Prevention. Proposed section 7310(B(a) would require the USH to establish and operate in the VHA an Office of Falls Prevention (the Office), which would be located in VA Central Office and would be headed by the Chief Officer of Falls Prevention, who would report to the USH. The USH would have to provide the Office with such staff and other support as may be necessary to effectively carry out its functions. The USH could reorganize existing offices within VHA as of the date of the enactment of this section to avoid duplication with the functions of the Office.

Proposed section 7310B(b) would define the functions of the Office as: (1) providing a central office for monitoring and encouraging VHA's activities with respect to the provision, evaluation, and improvement of health care services relating to falls prevention provided to Veterans by VA; (2) developing and implementing standards of care for the provision by VA of health care services relating to falls prevention; (3) monitoring and identifying deficiencies in standards of care for the provision of health care services relating to falls prevention, providing technical assistance to VA medical facilities and VA programs that support Veterans in their own homes, addressing and remedying deficiencies of such facilities and programs, and performing oversight of implementation of such standards of care; (4) monitoring and identifying deficiencies in standards of care for the provision of health care services relating to falls prevention through the community and providing recommendations to the appropriate office to address and remedy any deficiencies; (5) overseeing distribution of resources and information related to falls prevention for Veterans; (6) promoting the expansion and improvement of VHA clinical, research, and

educational activities with respect to health care services relating to falls prevention, including research activities on falls prevention conducted between VA's Office of Research and Development (ORD) and the National Institute on Aging; (7) promoting the development or expansion of rigorous quality assessment or improvement processes designed to prevent falls; (8) coordinating home modification and adaptation programs administered by the USB under 38 U.S.C. chapter 21 and 38 U.S.C. § 1717(a)(2); and (9) carrying out such other duties as the USH may require.

Proposed section 7310B(c) would require the Chief Officer to oversee and support a national education campaign directed principally to Veterans determined to be at risk for falls, their families, and their health care providers. The campaign would have to focus on reducing falls, falls with major injury, and repeat falls for Veterans receiving VA care and increasing awareness of available benefits, grants, devices, or services provided by VA that would aid Veterans in reducing falls and preventing repeat falls. The Chief Officer would also be responsible for awarding grants or contracts to qualified organizations for the purpose of supporting local education campaigns focusing on reducing falls, falls with major injury, and repeat falls for Veterans receiving VA care.

Proposed section 7310B(d) would require the Chief Officer work with ORD and the National Institute on Aging to develop research for evidence-based falls prevention programs that would benefit Veterans, including programs that overlap with VA priorities, programs that may focus on or be of particular benefit to Veterans, and programs that may include participants with multiple comorbidities. The bill would further set forth additional requirements associated with these efforts. VA and the National Institute on Aging would have to establish a joint subject matter expert panel to develop recommendations for falls prevention interventions for Veterans with service-connected disabilities, including home modification interventions. VA and the National Institute on Aging would have to establish this panel within 180 days of the date of enactment, with

responsibility for selecting its 8 members equally divided between the 2 agencies.

Section 2(b) of the bill would amend section 203(c) of the Older Americans Act of 1965 (42 U.S.C. § 3013(c)), which generally establishes requirements regarding Federal agency consultation, to include VA among the agencies that could be included in an Interagency Coordinating Committee on Healthy Aging and Age-Friendly Communities. It would also include the Veterans' Affairs Committees of the House of Representatives and the Senate among those receiving regular reports to Congress.

Section 2(c) would require VA, not later than 180 days after the date of enactment, to issue or update VHA Directives for facilities and providers relating to safe patient handling and mobility policies at the national, VISN, and health care system levels. These directives would have to require biennial training for providers, ensure that any medical facility where patients may need assistance with transfer or mobility have access to safe patient handling and mobility technology appropriate for the setting to enable safe transfer and mobilization for access to care and activities of daily living for Veterans who are paralyzed or who need assistance with mobility, and requiring all emergency settings have immediate access to safe patient handling and mobility technology to enable safe transfer, fall recovery, and repositioning.

Section 2(d) would require VA to determine the feasibility and advisability of carrying out a pilot program to provide home improvements and structural alterations to prevent falls for all Veterans eligible for those services from VA. Not later than 1 year after the date of enactment, VA would have to submit to Congress a report indicating its plans to carry out a pilot program to provide home improvements and structural alterations to prevent falls for all Veterans eligible for those services from VA and specifying why VA determined that it was not feasible or advisable to carry out such a pilot program. If VA carries out the

pilot program, not later than 180 days after termination of the pilot program, VA would have to submit to Congress a report on lessons learned from the pilot program and any recommendations on extending or expanding the pilot program.

Section 2(e) would require VA, not later than 2 years after the date of enactment, to submit to Congress a report on falls prevention initiatives within VA. This report would have to evaluate, for the 3-year period preceding the date of enactment, ten different elements regarding VA programs and services.

Section 3(a) would amend 38 U.S.C. § 1710A, which generally establishes conditions under which VA must provide nursing home care to service-connected Veterans, to require VA to ensure that a licensed physical therapist or licensed occupational therapist conducts a falls risk assessment for individuals determined by a physician to have fallen or to be at risk of falling during the previous 1-year period during the stay of the individual in the nursing home. Section 3(b) would amend 38 U.S.C. § 1710B, which generally requires VA to provide extended care services to eligible Veterans, to include among those services the conduct of an annual falls risk assessment and the provision of fall prevention services by a licensed physical therapist or licensed occupational therapist.

Position: **VA does not support the bill.**

Views: VA remains committed to the journey to high reliability and maintaining a culture of zero harm, Veteran safety, and whole health. Fall prevention and management is one component of safe mobility for Veterans as falls and resulting injuries are one of the most common adverse patient events in VA. Falls and their consequences can be devastating, especially for elderly Veterans, and represent a major public health problem around the world. However, VA does not support this bill because current efforts and authority are

sufficient to achieve the intended results of this bill and because technical issues with the bill would create unnecessary legal uncertainty.

In terms of current efforts, VA's National Center for Patient Safety established the Fall Prevention and Management program in FY 2025; this program advocates for coordinated, interdisciplinary fall risk screening, prevention, and management strategies. This program is targeted at reducing fall-related injuries, aligning procedures, and providing comprehensive standardized guidance for fall event reporting. Significant foundational work for this effort has already been accomplished, including initial work to draft a national directive, establishing a national steering committee, implementing a pilot project to expand fall event reporting, and creating a resource center for VA professionals. VA is concerned that enacting this legislation could disrupt these current efforts, which could actually delay efforts to reduce falls among Veterans.

VA also has technical concerns with the bill that create unnecessary legal uncertainty. For example, in proposed section 7310B(b)(4), the bill refers to monitoring and identifying deficiencies in standards of care for the provision of health care services relating to falls prevention "through the community pursuant to this title." It is unclear if this is intended to refer to the Veterans Community Care Program (VCCP) operated under 38 U.S.C. § 1703; if the VCCP was not the intended reference, we recommend the bill be revised for clarity. Additionally, proposed section 7310B(c)(2) would seemingly authorize the Chief Officer to award grants, but the legislation contains no further specific authority that would be needed to execute a grant program. In the absence of such authority, VA would rely on the contracting authority provided under this paragraph instead. Further, the proposed pilot program authority under subsection (d) is unclear, both as to whether VA is required to execute the program at all (it appears to be permissive in this respect) and how this pilot program would differ from VA's existing authority to furnish home improvements and structural alterations.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 3869 Every Veteran Housed Act**

Summary: This bill would amend 38 U.S.C. § 2002, which generally defines terms for purposes of chapter 20, title 38, U.S.C., regarding benefits for homeless Veterans. Specifically, the bill would remove subsection (b), which currently provides a broader definition of the term "veteran" for 38 U.S.C. §§ 2011, 2012, 2013, 2044, and 2061 than the definition in 38 U.S.C. § 101. Instead, it would define the term "veteran" in a new paragraph (3) to mean a person who was discharged or released from a period of service as a member of the uniformed services (A) under conditions other than dishonorable or by reason of the sentence of a general court martial, and (B) regardless of the length of such period of service; whether the member was a member of an active or reserve component of the uniformed services; whether such service was active duty; whether such person currently serves as a member of the uniformed services; and whether such person was discharged or released from another period of service under conditions described in (A), above. A new paragraph (4) would define the term "uniformed services" to have the meaning given that term in 10 U.S.C. § 101 (which defines the term to mean the Armed Forces, the Commissioned Corps of the National Oceanic and Atmospheric Administration, and the Commissioned Corps of the Public Health Service). These amendments would apply this expanded definition of "veteran" to all uses of that term in chapter 20, title 38, U.S.C., rather than the limited sections cited above (38 U.S.C. §§ 2011, 2012, 2013, 2044, and 2061). We note for awareness that this would include expanding the definition of "veteran" for the Homeless Veterans' Reintegration Program (HVRP), administered by the Department of Labor (DOL), Veterans' Employment and Training Service (VETS), which is authorized under chapter 20, title 38, sections 2021, 2021A, and 2023.

The bill would also amend 38 U.S.C. § 106, which defines certain instances in which service by a person is deemed to be active service, to state that any person, in three identified scenarios, who was injured or contracted a disease in the line of duty while en route to or from, or at a place for final acceptance of entry upon active duty, would be considered to have been on active duty and to have incurred such disability in the active military, naval, air, or space service. Currently, this law provides that such service will be considered as active duty for purposes of chapters 11, 13, 19, 21, 31, and 39 of title 38, U.S.C., and for purposes of determining service-connection of a disability under chapter 17 of such title. The amendment would add chapter 20 to this list.

Finally, this bill would amend 38 U.S.C. § 5303A, which generally establishes minimum active-duty service requirements necessary to be eligible for most VA benefits, to state that the requirement that a person served 24 months of continuous active duty or the full period for which the person was called or ordered to active duty would not apply to benefits under chapter 20 of title 38, U.S.C. (instead of only 38 U.S.C. §§ 2011, 2012, 2013, 2044, or 2061).

Position: **VA does not support this bill.**

Views: VA strongly agrees with the need to solve Veteran homelessness, and VA is exploring all options to address Veteran homelessness. VA has some concerns with the bill's provisions.

Chapter 20 of title 38, U.S.C., currently uses two different statutory definitions of Veteran for eligibility purposes. By adopting a single definition for all programs and authorities in chapter 20, the bill would alter current terms for more than a dozen different programs. VA believes further coordination and review is necessary before such a significant step is taken. This expansion would also require additional resources, and VA and other agencies have not had an opportunity to determine what these new resources would be.

We note for awareness this bill would not appear to expand eligibility to former members of the National Guard and reserve components based on the definition of uniformed services in 10 U.S.C. § 101 based purely on such service.

On a technical level, additional conforming language would be needed given the proposed rescission of subsection (b) in 38 U.S.C. § 2002 to update cross-references to this section of law.

We would welcome the opportunity to meet with the Committee to discuss how VA and Congress can work together to further reduce and eliminate Veteran homelessness.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 4114 Ensuring Veterans' Smooth Transition (EVEST) Act**

Summary: Section 2(a) would amend 38 U.S.C. § 1705, which generally establishes VA's health care enrollment system, to include a new subsection (d). Proposed section 1705(d)(1) would require VA to enroll each Veteran described in section 1705(a) not later than 60 days after receiving certain information regarding the Veteran. This information would be information regarding a Veteran that VA determines is necessary to enroll the Veteran and that is transmitted to VA under 10 U.S.C. § 1142(e), which refers to a joint service transcript of a member of the Armed Forces whose discharge or release from active duty is anticipated as of a specific date. Not later than 60 days after enrolling the Veteran, VA would have to provide to the Veteran notice of enrollment, information regarding how the Veteran can opt out of enrollment, and instructions on how to elect to enroll at a later date. VA would have to provide a notice of instructions in the form of a physical copy delivered by mail and, to the extent

practicable, electronically. VA would have to consider using, to the extent practicable, mass texting capabilities through mobile telephones.

Section 2(b) would provide that the proposed section 1705(d) would apply to Veterans discharged or separated from the Armed Forces on or after the date that is 90 days before enactment and with respect to whom VA received information from the joint service transcript on or after the date of enactment of this Act.

Section 2(c) would state that, not later than August 1, 2026, VA would have to ensure that any Veteran eligible for automatic enrollment under section 1705 is able to access an electronic version of the Veteran's certificate of eligibility for such enrollment and an electronic mechanism by which the Veteran can opt out of such enrollment.

Section 2(d) would require VA, not later than 1 year after the first Veteran was enrolled under proposed section 1705(d), to submit to Congress a report on the enrollment process. This report would have to include a discussion of any challenges that occurred in implementing this change, the strategies used to address them, and the effectiveness of such strategies, as well as any additional information VA determined appropriate. This report would have to be submitted in unclassified form, but it could include a classified annex.

Section 3 would require the Comptroller General, not later than 180 days after enactment, to submit to Congress a report containing the results of a study to determine the best methods for VA to provide notice under proposed section 1705(d)(3).

Position: **VA does not support this bill as written.**

Views: VA does not support this bill as written because its goals overlap with ongoing VA efforts to simplify and expedite the health care enrollment experience, and because several provisions could unintentionally disadvantage certain Veterans.

VA's current efforts may already provide a solution in terms of improving Veterans' experiences with enrolling in VA health care upon their separation or discharge from the Armed Forces. VA is working actively to streamline the transition from military to civilian life for the roughly 175,000 Service members who transition each year. VA's goal is to ensure that no transitioning Service member is overlooked, and that each has uninterrupted access to health care and benefits during what is, for many, a very stressful time. In May 2025, VA and the Department of War (DoW) entered into a joint memorandum of understanding (Strengthening Our Partnership in Service to Those Who Serve). VA is working to facilitate the automatic registration of Service members, not their enrollment; registration involves ensuring that all Service members are recognized by VA systems, allowing a faster and more accurate eligibility determination.

VA believes registering Veterans to facilitate their enrollment is a more appropriate solution than automatically enrolling them and then requiring them to unenroll if they so choose. Automatic enrollment in VA health care could harm some Veterans. Enrollment in VA health care constitutes minimum essential coverage under the Affordable Care Act, meaning that enrolled Veterans are not eligible for tax credits for the health insurance marketplace (see 26 CFR 1.36B-2(c)(2)(iii)). If a Veteran was planning to utilize these tax credits or had already used these tax credits without realizing they had been enrolled in VA health care, this could adversely affect these Veterans and their families. VA is focused on putting Veterans at the center of everything we do, and VA is focusing relentlessly on customer service and convenience; we are also focused on providing Veterans with the health care choices they have earned. Deciding for

Veterans that we will enroll them unless they choose to opt out is contrary to these principles.

Additionally, the bill would not alter eligibility conditions or the Priority Groups set forth in 38 U.S.C. § 1705. For example, Veterans in Priority Groups 7 and 8 are only eligible for health care if they agree to pay copayments, and it is unclear how VA could obtain such agreement through automatic enrollment; VA may be unable to enroll these Veterans at all without this agreement, which could thwart part of the intent of this bill. Some former Service members may not qualify as a Veteran if they fail to meet certain threshold eligibility conditions under 38 U.S.C. §§ 101, 5303, or 5303A. Some Veterans who do meet these requirements may nevertheless be ineligible to enroll based on the facts and circumstances associated with their military service and their income levels. The bill could create a false impression that all separating service members will be eligible to receive VA health care, which could increase demands on VA in terms of appeals without an appreciable difference in Veterans' eligibility for or receipt of benefits. While many newly separated Veterans will be eligible for enrollment based on changes made to 38 U.S.C. § 1710(e) by the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act of 2022 (P.L. 117-168), not all may qualify, and even for those who are eligible, VA believes they should be able to choose how they receive health care.

Further, VA identifies some risk with automatically enrolling Veterans in VA health care who may not intend to use VA services. VA uses the enrollment system to inform its budget modeling and forecasting, and VA would have no accurate way of estimating the demand for health care among the population that did not choose to enroll in VA health care. This could produce greater uncertainty in terms of budget estimates, which could result in a shortfall of funding if VA underestimated actual demand for services. Veterans, but particularly those in Priority Groups 7 and 8, are required to provide information about other health

insurance from which VA may collect for certain care and services it provides. Automatic enrollment could make it more difficult to collect relevant information about other health insurance.

VA also has technical concerns with some of the provisions in this bill. For example, the bill would require VA to enroll Veterans within 60 days of receiving certain information, but the bill would expressly apply this to Veterans who were discharged or released up to 90 days before enactment. Consequently, for at least some Veterans, VA would fail to meet these requirements when compliance would have been literally impossible.

Cost Estimate: VA does not have a cost estimate for this bill.

## H.R. XXXX Establishing the Office of Toxic Exposure Implementation and Oversight

Summary: Section 2(a) would create a new 38 U.S.C. § 326 regarding the Office of Toxic Exposure Implementation and Oversight. Proposed section 326(a) would establish the Office of Toxic Exposure Coordination and Oversight, which would be headed by the Assistant Secretary for Toxic Exposure Coordination. Proposed section 326(b) would set forth the responsibilities of this office, which would generally include the coordination, within VA, of the strategies, workforce management, and oversight necessary for the implementation of the Honoring our PACT Act of 2022 (the PACT Act; P.L. 117-168) and the amendments made by that Act and "other laws administered by [VA] relating to toxic-exposure and toxic-exposed veterans."

Section 2(b) would make a clerical amendment relating to the new section.

Section 2(c) would amend 38 U.S.C. § 308, to increase the number of authorized Assistant Secretaries from seven to eight; it would also add a new

function for which an Assistant Secretary would be responsible, namely functions relating to toxic exposure and toxic-exposed Veterans.

Position: **VA does not support this bill.**

Views: VA does not support this bill because it is unnecessary, duplicative, and would be wasteful. Without an Office of Toxic Exposure Coordination and Oversight, VA approved nearly 2 million PACT Act-related claims, enrolled nearly 500,000 new Veterans, and conducted 6.4 million toxic exposure screenings since August 10, 2022.[1]

While establishing a standalone Office focused on toxic exposure seems like it could provide enhanced visibility, legitimacy, and governance for this mission area, it also risks fragmenting responsibilities and workload currently performed by elements within VHA, VBA, and elsewhere. Under the leadership of Secretary Collins, VA has worked to streamline operations and eliminate duplicative and unnecessary functions. With multi-billion dollar disbursements, millions of screenings, and robust training and outreach underway, the VA workforce would be more effective focusing on claim processing, care delivery, and oversight – not adding another office. Congress, through the PACT Act, already enforces implementation via clear statutory timelines and reporting requirements. VA reports and work by the VA Office of Inspector General demonstrate active monitoring and provide comprehensive oversight. The VA's Deputy Secretary, through the Office of Strategic Initiatives, possesses a comprehensive understanding of the organization's overarching strategic goals and operational objectives. The Deputy Secretary is focused on operational performance and ensuring that Veterans receive the care and benefits they have earned. There is no need for additional management offices at VA headquarters.

[1] VA PACT Act dashboard, third year in review. https://department.va.gov/pactdata/wp-content/uploads/sites/18/2025/08/VA_PACT-Act-Dashboard_Anniversary-Issue_081525_Final-508-v7.pdf

VA is also concerned about the language that would require the creation of a new Assistant Secretary. To the extent this would create another Presidentially appointed, Senate confirmed (PAS) Assistant Secretary position, if that is the intent, this poses legal risk in that if this position or its first-assistant position are ever vacant, the Federal Vacancies Reform Act (FVRA) and its strict timelines) would apply. Based on current case law, courts may have issues with delegating all delegable duties of a PAS position to the first assistant or other employee. VA historically has had issues filling PAS positions within the FVRA's timelines, and this bill, if passed, would potentially increase those vacancies, which may cause issues with implementation of certain policies overseen by this Assistant Secretary.

We have several technical comments on the bill. First, the bill is inconsistent in the name of the office and the Assistant Secretary. The heading for proposed section 326 refers to the "Office of Toxic Exposure Implementation and Oversight," but the proposed subsection (a) refers to the "Office of Toxic Exposure Coordination and Oversight", and the Assistant Secretary would be the "Assistant Secretary for Toxic Exposure Coordination". The bill should be consistent in its titles.

Additionally, the bill is unclear as to the exact scope of authorities for which this Office and Assistant Secretary would be responsible. The PACT Act, for example, included a number of provisions that had nothing to do with toxic exposure or toxic-exposed Veterans, including personnel authorities and leasing authorities in titles VII and IX of the PACT Act. It is unclear why this Office and Assistant Secretary would be responsible for such activities and authorities. VA's research program conducts extensive work on toxic exposure and toxic-exposed Veterans, including work required under title V of the PACT Act, but these efforts are well-positioned within the larger research program; the bill would seemingly shift oversight of such research away from trained researchers and research administrators, which could jeopardize the viability and utility of such research.

Further, the open reference to “other laws administered by [VA] relating to toxic-exposure and toxic-exposed veterans” is unclear as well. Many laws may affect toxic-exposed Veterans, but it is unclear if these are laws “relating to” toxic-exposed Veterans. For example, VBA performs an array of functions that could be considered to be relating to toxic exposure, such as regulation writing, amending policy, and creating sub-regulatory guidance; VBA Compensation Services created the Military Exposures Team as a hub to manage all compensation benefits workload related to toxic exposure. It is unclear if this new Office instead would now become responsible for such functions. The bill, as drafted, is likely overly broad and would produce confusion, inefficiency, and other unintended consequences.

VA has other technical edits and comments on the bill and would be happy to provide technical assistance to the Committee.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. XXXX Toxic Exposure Advisory Committee Establishment Act**

Summary: Section 2(a) would create a new 38 U.S.C. § 549 regarding an Advisory Committee on Toxic Exposure. Proposed section 549(a) would establish within VA the Advisory Committee on Toxic Exposure (ACTE), which would be composed of nine members, five of whom would be appointed by the Secretary, and one each by the Speaker of the House of Representatives, the minority leader of the House of Representatives, the Senate majority leader, and the Senate minority leader. It would also set forth certain limits and requirements for these members, including that not more than three members could be VBA or VHA officials or employees, at least one would have to be appointed from officials or employees of non-VA Federal departments or agencies (including the DoD and the Agency for Toxic Substances and Disease Registry of the Centers for Disease Control and Prevention), at least two would have to represent VSOs

recognized by VA under 38 U.S.C. § 5902, and at least one of whom would have to be appointed from among individuals in the private sector, state or local government, or academia who are experts in toxicology and epidemiology. VA would have to determine the pay and allowances of members of the Committee, including with respect to any additional pay and allowances for members who are officials or employees of the Federal Government. In general, each member of the Committee would be appointed for a 2-year term and could not serve more than three successive terms, but among the five members initially appointed by the Secretary, the Secretary would determine the term lengths of each member to ensure the expiration of the terms on a staggered basis. Vacancies in the Committee would be filled in the manner in which the original appointment was made.

Proposed section 549(b) would authorize VA to consult with and seek the advice of the ACTE with respect to cases in which Veterans who, during active military, naval, air, or space service, are suspected of having experienced toxic exposure or dependents of Veterans who may have experienced toxic exposure during service.

Proposed section 549(c) would require the ACTE to assess cases of toxic exposure of Veterans and their dependents that occurred during active military, naval, air, or space service, including by conducting ongoing surveillance and reviewing such exposure described in scientific literature, media reports, information from Veterans, and information from Congress. These assessments would have to cover suspected and known toxic exposures occurring during active military, naval, air, or space service, including by identifying and evaluating new and emerging toxic exposures that are not recognized under existing presumptions of service connection. The ACTE could conduct an assessment in response to comments by Veterans, the families of Veterans, VSOs, researchers, other members of the general public, and Federal departments and agencies; they could also conduct an assessment by a majority vote of the ACTE

members. The ACTE would have to assess the Individual Longitudinal Exposure Record (ILER), or a successor system, on a periodic basis to ensure the accuracy of data collected.

Proposed section 549(d) would authorize ACTE, following an assessment of a case of toxic exposure of Veterans or their dependents that occurred during active military, naval, air, or space service, to develop a recommendation for formal evaluation under 38 U.S.C. § 1173 (generally dealing with formal evaluations of recommendations made by VA's Working Group on toxic exposures) to conduct a review of the health effects related to the case of exposure if the ACTE determined that the research could change the current understanding of the relationship between an exposure to an environmental hazard and adverse health outcomes in humans. The ACTE could nominate evidence suggesting that previous findings regarding the periods and locations of exposure covered by an existing presumption of service connection are no longer supported to modify the periods and locations.

Proposed section 549(e) would require the ACTE, not less frequently than quarterly, to provide an opportunity for Veterans, the families of Veterans, VSOs, researchers, other members of the general public, and Federal departments and agencies to present written or oral comments to it.

Proposed section 549(f) would require the ACTE, not less frequently than annually, to submit to Congress and VA a report on recommendations for research and recommendations for legislative or administrative action as the ACTE considers necessary for it to be more effective in carrying out the requirements of this section.

Proposed section 549(g) would require VA to submit to Congress, and make publicly available, a report that includes a response to each report submitted by ACTE. Each report from VA would have to include VA's findings

and opinions with respect to ACTE's most recent report and whether VA will conduct any research recommended in the report and, if not, an explanation of why, including citations and sources.

Proposed section 549(h) would state that section 14 of the Federal Advisory Committee Act (FACA; 5 U.S.C. App.) [sic] would not apply to the ACTE.

Position: **VA does not support this bill.**

Views: VA strongly supports oversight, transparency, and interagency coordination on toxic exposures, but VA does not support this bill because it is unnecessary and unclear in critical respects.

Initially, this bill is unnecessary because VA can already solicit input and coordinate reviews of benefits and services available to toxic-exposed Veterans. As noted in VA's testimony on the prior draft bill, VA has worked to streamline its operations and eliminate duplicative and unnecessary functions. Creating a dedicated ACTE would not provide additional value or insight to VA that it is not able to obtain through other means. VA is already required to solicit public comment on formal evaluations to determine whether disabilities resulting from certain exposures should be established as service-connected under 38 U.S.C. § 1172. Indeed, the proposed bill would substantially overlap, in places word-for-word, with functions already assigned to the VA Working Group established under section 1172. Creating a parallel advisory body with identical responsibilities could duplicate analysis and reporting requirements, create confusion regarding which body has primary responsibility, result in inconsistent recommendations, and delay decision-making. This would likely create inefficiencies without providing additional substantive benefits, as the VA Working Group already gathers and analyzes information received from Veterans, Congress, and the public, in addition to coordinating with the DoW as

necessary about exposure concerns and presumptive service-connection benefits.

The bill is also unclear in several important respects, which would create ambiguity in terms of operations and scope.

First, the bill is unclear as to its intended focus. For example, in proposed section 549(c), the ACTE would have to “assess cases of toxic exposure,” but it is unclear if this is intended to be a more general assessment of an entire cohort or if this is intended to be an individual adjudication of a particular Veteran to a particular exposure. Similarly, the bill would require the ACTE to cover suspected and known toxic exposures occurring during active military, naval, air, or space service, including new and emerging toxic exposures “that are not recognized under existing presumptions of service connection.” However, toxic-exposed Veterans may qualify for VA health care based on exposures for which there is no presumption of service connection, and the definition of “toxic-exposed veteran” in 38 U.S.C. § 101(38) is exclusively focused on health care eligibility, not presumptions of service connection (by referring to Veterans described in section 1710(e)(1)). Further, the bill does not define to whom the ACTE would nominate evidence for formal evaluation; presumably this would be the Working Group required by 38 U.S.C. § 1172.

Second, VA also does not believe the ACTE would be able to “ensure the accuracy of data collected” in ILER, as the information in ILER is populated based on DoD records. VA would appreciate the opportunity to discuss how ILER is used to inform eligibility for VA benefits, particularly in light of recent statutory changes made by section 521 of the National Defense Authorization Act for FY 2026 (P.L. 119-60).

Finally, VA does not believe the annual report cadence would provide meaningful information, as it would be too frequent for the ACTE to be effective. Requiring one report every other year would be more appropriate.

If Congress seeks enhanced transparency or stakeholder engagement, VA recommends considering alternatives that strengthen the existing statutory framework to achieve the intended policy goals without duplicating infrastructure or requirements.

As a technical matter, we note that the reference to section 14 of the FACA is incorrect; we believe the correct citation would be to 5 U.S.C. § 1013. VA has other technical edits and comments on the bill and would be happy to provide technical assistance to the Committee.

We further note that if the bill is not amended to require only legislative recommendations, “if any”, this could raise constitutional issues under the Recommendations Clause in article II, section 3. Additionally, the hybrid composition of the ACTE – including individuals appointed by the Secretary and by Members of Congress – could create separation of powers issues. VA and the Department of Justice can discuss these further if needed.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. XXXX Health Oversight for Network Operators Rendering Veterans’ Essential Treatment and Services Act of 2025 (HONOR VETS Act of 2025)**

Summary: Section 2(a) would amend 38 U.S.C. § 1703, establishing the VCCP, to include a new subsection regarding training requirements for non-VA providers. Specifically, proposed section 1703(q)(1) would require VA to require each covered provider to complete training as a condition of providing care and

services under this section. The training would have to be completed, for providers through which VA currently furnishes care or services under the VCCP, within 180 days of enactment; for providers who first furnish care or services through the VCCP after enactment, they would have to complete the training within 180 days of first furnishing care or services. Proposed section 1703(q)(2) would require VA to establish a mechanism for monitoring whether covered providers have completed the required training. The Director of the Office of Veterans Integrated Care would have to ensure that information with respect to whether the covered provider has completed training was included in the Provider Profile Management System (PPMS, or successor system) and on the publicly accessible provider directory. If VA determined that a covered provider failed to complete the covered training by the applicable deadline, VA would have to furnish the provider a written warning and notice of a 60-day period in which to complete the training. In the case of a covered provider who received a warning and failed to complete the required training within 60 days, VA would have to suspend the provider from furnishing care or services through the VCCP for a period of 90 days. In the case of a covered provider who received a temporary suspension and failed to complete the required training during the 90-day suspension, VA would have to remove the provider from eligibility to furnish care or services through the VCCP and permanently remove the provider from the PPMS and the publicly accessible provider directory. Proposed section 1703(q)(3) would define the term “covered provider” to mean a non-VA provider who furnishes hospital care, medical services, or extended care services through the VCCP, other than a health care provider employed by a different Federal department or agency. The term “covered training” would mean four courses provided on VHA TRAIN (or any successor system): (1) opioid safety for Veterans with chronic pain; (2) preventing suicide through lethal means safety and safety planning; (3) skills training for evaluation and management of suicide; and (4) a perspective for Veteran care.

Position: **VA does not support this bill.**

Views: While VA supports the underlying goal of enhancing Veteran safety and promoting suicide prevention and culturally competent care, VA does not support this bill because VA already possesses the statutory authority to establish and require training for community care providers.

We note that the bill appears to misunderstand VA's community care network and VA's relationship with specific providers. VA generally furnishes care through the VCCP through third-party administrators (TPA), which manage networks of providers who furnish care. Consequently, the bill's requirements regarding training would need to be mediated through VA's contracts with its TPAs. The TPAs have existing requirements related to network adequacy, and additional requirements imposed on providers could jeopardize their ability to meet these network adequacy requirements. This could reduce access to care for Veterans, particularly those in rural and highly rural areas, where providers are often over-worked. Requiring additional training (particularly without a clear requirement to renew training, which could become even more burdensome) could mean that some Veterans would have no available providers in their area. While VA agrees with the need to ensure trained and competent staff are able to furnish appropriate care to Veterans, VA does not agree that depriving Veterans of providers for failure to complete certain training would be a better outcome for them.

Further, the bill takes an all-or-nothing approach to a problem that naturally yields any number of alternative solutions. Rather than simply suspending, and then banning for life, providers who do not complete certain training, VA could instead take other actions – such as reducing the number of referrals to certain providers, offering different payment rates, creating a class of preferred providers who have conducted training – that would have the intended effect without depriving Veterans of otherwise qualified and competent medical providers. VA does not support adopting such a draconian posture toward the

more than 1 million community providers who furnish health care and services to Veterans.

The requirements in the bill would create redundancy and reduce flexibility that allows VA to manage provider training programs based on clinical role, risk level, and evolving program needs. Prescriptive statutory requirements could also limit VA's ability to adapt training content and delivery approaches to emerging best practices. Furthermore, codifying these specific training mandates could create unnecessary administrative burdens and complicate enforcement procedures. Enactment of this bill now would also require VA to amend or recompete the Community Care Network (CCN) and CCN Next Generation contracts, while also preparing detailed policy guidance and educating hundreds of thousands of community providers. This would present a significant risk to payment timeliness and network stability. Amending and recompeting the CCN and CCN Next Generation contracts would involve significant delays in the procurement timeline and would likely result in significant additional costs.

VA remains committed to ensuring community providers receive appropriate training to deliver safe, Veteran-centered care; existing authority provides sufficient means to achieve these outcomes.

VA would welcome the opportunity to meet with the Committee to discuss various authorities and requirements Congress has enacted, both as part of the VA Maintaining Internal Systems and Strengthening Integrated Outside Networks (MISSION) Act of 2018 and subsequently, regarding qualifications and requirements for non-VA providers furnishing care through the VCCP. Greater clarity in this area could benefit Veterans, non-VA providers, and VA. VA would also appreciate the opportunity to discuss how other outcome-focused mechanisms could achieve the underlying goal of ensuring safe, Veteran-centered care (such as community care quality metrics, utilization management, value-based care, and payment policies.

VA has other technical edits and comments on the bill and would be happy to provide technical assistance to the Committee.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. XXXX Get Justice-Involved Veterans Behavioral Assistance and Care for Key Health Outcomes to Maintain Empowerment Act (Get Justice-Involved Veterans BACK HOME Act)**

Summary: Section 2(a) of the bill would require VA to carry out a pilot program to furnish mental health care to incarcerated Veterans, with a priority given to Veterans with a service-connected disability relating to posttraumatic stress disorder, traumatic brain injury, or military sexual trauma (MST). Section 2(b) would require VA to carry out the pilot program at not fewer than five facilities, which would have to represent large and small facilities and urban and rural settings; they also would have to have already established separate housing units for Veterans. Section 2(c) would require VA to develop the pilot program in coordination with relevant state or Federal agencies responsible for the incarceration of Veterans. Section 2(d) would require VA, in carrying out the pilot program, to provide incarcerated Veterans telemental health services, if the facility at which the Veteran is incarcerated has necessary infrastructure for the provision of such services. If the provision of telemental health services was not feasible, VA would have to provide incarcerated Veterans under the pilot program mental health services through the use of mobile mental health units close to the facility at which the Veteran is incarcerated or mental health services through other means. VA could not charge a copayment for the receipt of services under the pilot program. Section 2(e) would require VA to furnish mental health care under the pilot program through the use of VA health care providers; VA could not use non-VA health care providers. A health care provider furnishing mental health care under the pilot program would have to provide treatment and assessment of

medical conditions. A health provider could not provide an assessment or evaluation of current or future disability claims. VA would have to create a hub of health care providers that only provide care to incarcerated Veterans and operate separately from any medical facility or VISN. Section 2(f) would state that VA would carry out the pilot program notwithstanding 38 U.S.C. § 1710(h). Section 2(g) would define the terms incarcerated Veteran, MST, service-connected, Veteran, and Vet Center.

Position: **VA does not support this section.**

Views: VA has concerns with the current version of the bill. Initially, the bill, in section 2(d)(3), would require VA to not charge copayments for the receipt of services under the pilot program. This appears intended to apply notwithstanding any other provision of law, such as 38 U.S.C. § 1710 (regarding copayments for medical services) or section 1722A (regarding copayments for medications), but this should be clear. Further, even if clarified, VA has concerns with this in terms of its fairness. Veterans who are incarcerated would be able to access mental health services from VA without a copayment. This could produce unfairness on two levels: first, not all Veterans can access mental health services from VA (if, for example, they are not enrolled and are ineligible to enroll), and second, enrolled Veterans may owe copayments as a condition for the receipt of mental health services. Consequently, incarcerated Veterans would have access to more services than some non-incarcerated but unenrolled Veterans and would access these services without owing a copayment that enrolled but non-incarcerated Veterans would owe.

Additionally, the bill would require VA to furnish care to incarcerated Veteran, but access to incarcerated persons is subject to the jurisdiction of the correctional facility itself, so if the facility refused to provide access, VA would fail in its obligation here through no fault of its own. Further, even within correctional facilities, there may be varying levels of security that could interfere with VA's

capacity to furnish care (and could present a risk to VA employees providing care in person, if that were authorized) and an available option.

VA has other technical comments and concerns with this section, including concerns over how tort claims would be handled and liability assigned. The bill is also unclear, in section 2(b), as to whether the correctional facilities would need to have already established separate housing units for Veterans or if VA facilities would have to do so; we presume the correctional facilities were intended, but we recommend clarifying this.

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Summary: Section 3(a) would establish a new 18 U.S.C. § 4015 regarding housing for incarcerated Veterans. Proposed section 4015(a) would require the Director of the Bureau of Prisons (BOP) to, wherever feasible, establish dedicated wards or housing units for incarcerated Veterans in Federal correctional institutions to provide an environment conducive to the discipline, structure, and order familiar to Veterans to facilitate more effective mental health treatment, peer support, and rehabilitation efforts. Proposed section 4015(b) would require the head of each institution with a Veteran housing unit to collaborate with local VA facilities to ensure that, with respect to the Veteran housing unit, correctional staff are trained regarding the needs of Veterans, resources are allocated for their needs, and rehabilitation programming is tailored to their needs. Proposed section 4015(c) would require the Director of the BOP to, at a minimum, create structured Veteran-focused programs if the Federal correctional institution lacks the capacity or resources for a Veteran housing unit. Section 3(b) would make a clerical amendment to reflect the amendment made by subsection (a).

Position: **VA defers to BOP on this section.**

Views: VA defers to the BOP on this section, as it would establish new requirements for the Director of the BOP.

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Summary: Section 4(a) of the bill would amend 38 U.S.C. § 5313(a), which generally establishes limits on payment of compensation and dependency and indemnity compensation to persons incarcerated for conviction of a felony, by adding a new paragraph (3). Proposed section 5313(a)(3) would require VA to ensure that, for any individual whose receipt of compensation or dependency and indemnity compensation is interrupted pursuant to section 5313(a)(1) for a period of incarceration, resumption of such payments resume automatically after the end of such period of incarceration. Section 4(b) would state that the amendments made by subsection (a) would take effect on the date that 180 days after the date of enactment.

Position: **VA cites concerns with this section.**

Views: VA notes that it currently has provisions in place for the resumption of benefit payments following a Veteran's release from incarceration. Pursuant to 38 CFR §§ 3.665(i) and 3.666(c), VA must resume payment of the released Veteran's award from the date of release from incarceration if VA receives notice of release within 1 year following release; otherwise, VA must resume the award from the date of receipt of notice of release.

Also, VA presumes the term "automatically" used in section 4 means that benefits will resume on the calendar date of release from incarceration without the claimant being required to submit documentation of his or her release. VA identifies that the proposed language for 38 U.S.C. § 5313(a)(3) would require system updates and enhancements to applicable computer matching agreements (CMA). The current CMAs with the BOP and the Social Security

Administration do not result in VA being notified upon a beneficiary's release from incarceration.

While the bill would include an effective date of 180 days after enactment, necessary system and form updates may impact implementation timelines if the proposed bill is enacted. If enacted, VA estimates these updates would take approximately 24 months to be completed.

Additionally, VA identifies that an automatic resumption of benefits upon release from incarceration would not allow VA an opportunity to verify a claimant's continued eligibility for benefits. Automatic resumption as proposed may invite an increase in improper payments under the Payment Integrity Information Act of 2019, as a beneficiary's eligibility would be subject to financial, dependency, or disability status changes that may have occurred during incarceration.

VA notes that the bill as drafted would create disparate treatment for beneficiaries who are incarcerated while in receipt of Veterans' or survivors' pension, as the bill is silent on this issue. If the proposed language of the bill is expanded to include the pension program, then an amendment to 38 U.S.C. § 1505 would be required. VA notes that 38 U.S.C. § 5313 applies only to disability compensation and dependency and indemnity compensation.

Lastly, VA reiterates that benefits are currently restored back to an effective date congruent with the date of a beneficiary's release from incarceration, as long as VA is notified of the release within 1 year of the event, per 38 CFR §§ 3.665(i) and 3.666(c).

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Summary: Section 5 of the bill would make technical changes to section 302 of part C of title I of the Omnibus Crime Control and Safe Streets Act (34 U.S.C. § 10132). In addition to making technical changes, proposed section 10132(c) would add a new paragraph (15) that would authorize BOP to collect and analyze comprehensive information concerning incarceration of Veterans. Proposed section 10132(g) would add a paragraph requiring, not later than 180 days after enactment of subsection (g)(2), and annually thereafter, the Director of the BOP to submit to Congress a report describing the data collected and analyzed under section 10132 related to Veterans who are incarcerated in state and Federal prisons.

Position: **VA defers to the Department of Justice on this section.**

Views: VA defers to the Department of Justice on this section because it would affect responsibilities for the BOP.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6549 VA Contracting and Procurement Act**

Summary: Section 2(a) of this bill would amend 38 U.S.C. § 513, which generally authorizes VA, for purposes of all laws administered by VA, to accept uncompensated services and enter into contracts or agreements for such necessary services (including personal services) as VA considers practicable. Specifically, the bill would add a new subsection that would prohibit VA from obligating or expending more than $50 million for any contract or agreement under this section unless funds for that agreement had been specifically authorized by law. This limitation would not apply during a war declared by Congress; a case described in section 4(a)(1) of the War Powers Resolution (P.L. 93-148; and 50 U.S.C. § 1543(a)(1)); a national emergency declared by the President under the National Emergencies Act (P.L. 94412; and 50 U.S.C.

§ 1601 et seq.); a major disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5170) if such agreement is to be carried out in a state affected by such major disaster and a VA medical facility is affected by such major disaster; or a public health emergency declared by the Secretary of Health and Human Services (HHS) under section 319 of the Public Health Service Act (42 U.S.C. § 247d).

Section 2(b) would amend 38 U.S.C. § 1703, which generally establishes the Veterans Community Care Program, to add a new subsection (q) that would prohibit VA from obligating or expending more than $50 million for any agreement under this section unless funds for that agreement had been specifically authorized by law. This limitation would not apply under the same exceptions described under section 2(a) above.

Section 2(c) would amend 38 U.S.C. § 1721, which generally requires that VA rules and regulations must include rules and regulations to promote good conduct on the part of persons receiving health care benefits in VA facilities and which authorizes VA to prescribe rules and regulations in connection with the furnishing of such care and services during a period of national emergency, to include a new subsection authorizing VA to enter into agreements to administer the furnishing of care otherwise described in this section. VA could not obligate or expend more than $50 million for any agreement under this section unless funds for that agreement had been specifically authorized by law. This limitation would not apply under the same exceptions described under section 2(a) above.

Section 2(d) would add a new section 3698B to title 38, United States Code. Proposed section 3698B(a) would prohibit VA from obligating or expending more than $50 million for any agreement under chapter 36, which generally governs the administration of educational benefits, unless funds for that agreement had been specifically authorized by law or VA provided notice to Congress regarding such an agreement, 30 legislative days had lapsed after

submitting such notice, and Congress had not enacted a joint resolution of disapproval regarding such agreement. Proposed section 3698B(b) would require that the notice describe the proposed agreement and include the purpose, scope, estimated total cost, and anticipated period of performance of the agreement. Proposed section 3698B(c) would describe the conditions and requirements of a joint resolution of disapproval.

Section 2(e) would add a new section 5322 that would prohibit VA from obligating or expending more than $50 million for any agreement under chapter 53, which generally sets forth special provisions relating to benefits, unless funds for such agreement had been specifically authorized by law. This limitation would not apply under the same exceptions described under section 2(a) above.

Section 2(f) would amend 38 U.S.C. § 8127, which generally addresses small business concerns owned and controlled by Veterans and sets forth contracting goals and preferences, to require VA to procure a health-care item for an All-Hazards Emergency Cache of the Department in compliance with the domestic preference statutes (which would have the meaning given that term in section 70923(f) of the Infrastructure Investment and Jobs Act (P.L. 117-58; and 41 U.S.C. § 8301, note). This requirement would not apply if, during an emergency, VA determined that procurement in compliance with the domestic preference statutes would threaten the health or safety of Veterans. Not later than 30 days after procuring a health-care item under this exception, VA would have to submit to Congress a written notice that identified the emergency, the health-care item procured, an estimate of the cost of such procurement, and an explanation why VA could not procure the health-care item in compliance with the domestic preference statutes. VA would have to submit annual reports to Congress on its compliance with this limitation each fiscal year.

Section 2(g) would further amend 38 U.S.C. § 8127 to prohibit VA from obligating or expending more than $50 million for any agreement under this section unless funds for that agreement had been specifically authorized by law. This limitation would not apply under the same exceptions described under section 2(a) above.

Section 2(h) would amend 38 U.S.C. § 8153, which generally authorizes VA to share and procure health-care resources, to prohibit VA from obligating or expending more than $50 million for any agreement under this section unless funds for that agreement had been specifically authorized by law. This limitation would not apply under the same exceptions described under section 2(a) above.

Position: **VA supports the intent of this section with further refinement between Congress and VA.**

Views: While VA concurs with the intent to enhance oversight, VA is concerned that the thresholds, as drafted, will impede VA's ability to meet its core mission when contract requirements exceed those limits. For example, mission critical contracts that are estimated below the threshold could be delayed when their value increases in the ordinary course of an acquisition, and such delays could adversely impact the agency when prompt action is required or when proposed pricing is firm only for brief periods. In addition, modifications to existing contracts, particularly those that include economic adjustments or are based on emerging mission requirements, may be delayed if they exceed the threshold after adjustment.

Accordingly, VA recommends the following revisions: 1) Raise the $50 million thresholds to $200 million, which is a statistically determined amount that is less likely to inhibit care for Veterans, rather than what appears to be an arbitrary amount; 2) Revise the $50 million threshold from "specifically authorized by law" to "specifically authorized by Congress," to enable a more agile

response; 3) To prevent excessive procurement delays that could result in significant harm to Veterans or the Department, add a relief valve such as, “Actions not specifically rejected by Congress within 30 days of VA’s request are considered approved”; and 4) Include carveouts that do not require separate authorization or approval.

In addition, Section 2(f) of the Act intends to add a section to 38 USC 8127 that requires the procurement of all healthcare items to be given the same domestic preference as Personal Protective Equipment outlined in the Make PPE in America Act Section of the Infrastructure Innovation and Jobs Act. VA recommends not putting this requirement into 38 USC 8127 but rather for Congress to amend the Make PPE in America Act instead, under Subtitle C of title IX of Division G, sec. 70951 of the Infrastructure Investment and Jobs Act (IIJA) - Pub. L. 117-58. Doing so will ensure both domestic preferences are found in the same legislation.

VA would welcome the opportunity to work with the Committee to address these and other technical concerns.

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Summary: Section 3(a) would amend 38 U.S.C. § 8123, which generally authorizes VA to procure prosthetic appliances and necessary services without regard to any other provision of law. Proposed section 8123(a) would authorize VA to procure prosthetic appliances and surgical implants by purchase, manufacture, contract, or in such other manner as VA determines to be proper. Proposed section 8123(b) would require VA maintain a catalog of prosthetic appliances and surgical implants that VA procures by purchase or contract. VA would have to coordinate with the Department of War (DoW) to ensure that such catalog requires the same data regarding a prosthetic appliance or surgical implant that is required by the Defense Health Agency. VA would have to

implement a process by which a manufacturer of a prosthetic appliance or surgical implant could propose to VA a revision to the catalog. Proposed section 8123(c) would require VA to procure all surgical implants used in a medical procedure through a firm-fixed price single purchase order submitted and processed through VA's Prosthetic and Sensory Aids Service, in accordance with the Federal Acquisition Regulation (FAR), and a process that eliminates duplicate billing and allows VA to correct errors in real time. Proposed section 8123(d) would define the terms FAR, "firm-fixed price", "prosthetic appliance", and "surgical implant".

Section 3(b) seemingly would require VA to implement proposed section 8123(c) by not later than 1 year after the date of enactment and proposed section 8123(b) by not later than 3 years after the date of enactment. Until VA implemented such subsection, VA would have to accept a proposed revision during at least two periods, prescribed by VA, per year.

Position: **VA does not support this section.**

Views: VA does not support this section because these requirements would eliminate VA's flexibility to negotiate and determine the most appropriate contract types and vehicles for specific needs. Requiring compliance with FAR and prescribing a particular contract vehicle or contract type, such as requiring firm-fixed-price purchase orders, would be overly restrictive and provide no added value. In some cases, alternative approaches, such as indefinite delivery/indefinite quantity (IDIQ) contracts or other procurement vehicles, may better serve the interests of Veterans, taxpayers, and VA.

Contract type selections and approaches are decisions made by the contracting officers to not only manage risks but also leverage VA's buying power. This section appears to be intended to reduce performance risks, but it may also drive the price VA pays for prosthetic appliances or surgical implants

higher, as it does not permit VA to leverage bulk buys, cost/non-cost sharing initiatives, and regional or local area considerations. A statutory requirement to use single award purchase orders would remove VA's ability to leverage other contractual transaction methodologies such as Government-wide Purchase Cards or IDIQ contract orders that may reduce delivery time.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6580 VA National Formulary Act of 2025**

Summary: Section 2 of this bill would add a new subchapter VI in 38 U.S.C. Ch. 73 regarding a national formulary.

Proposed section 7385(a) would require VA to maintain a national formulary that consisted of a list of all drugs and supplies that must be available by prescription through VA medical facilities. VA's Pharmacy Benefits Management Service (PBM) would be responsible for managing the national formulary. Proposed section 7385(b) would require the national formulary to be implemented uniformly across all VA medical facilities, and no Veterans Integrated Service Network (VISN) or individual medical center could maintain a local formulary that includes a drug or medication not listed on the national formulary. Drugs that are not on the national formulary could be provided to a Veteran if the drug is provided under the non-formulary medication request process governed under proposed section 7387 or the Under Secretary for Health (USH) explicitly approved a waiver allowing a VISN or medical facility to carry the drug for a defined patient population or clinical program. VISN or medical facility directors could request such a waiver through PBM. VA would have to establish a centralized review process for considering such waiver requests, which would have to include an assessment of clinical need, safety, and cost-effectiveness. Waivers would be time-limited and reviewed periodically for continuing necessity. Nothing in this section could be construed to limit the

ability of a clinician to prescribe a non-formulary drug for a Veteran when medically necessary in accordance with proposed section 7387. Proposed section 7385(c) would require VA to communicate regularly with the general public regarding the management of the national formulary. Such communication could include public briefings or online announcements to explain formulary decisions. In the case of any change to the national formulary that VA determined could significantly affect Veteran care or access, VA would have to publish a summary of the rationale for the change and, when feasible, hold a public briefing or stakeholder call to discuss the change and address questions. Proposed section 7385(d) would require VA to submit to Congress an annual appeals report that included a detailed description of non-formulary decisions and appeals made during the previous year. For 5 years following the enactment of this section, VA would have to submit to Congress, and make publicly available, a report that included a summary of any changes made to the national formulary during the preceding year. Each such report would have to include a list of all drugs added to or removed from the formulary, and any modifications to usage criteria or prior authorization requirements, during the year covered by the report.

Proposed section 7836(a) would establish within VHA a Pharmacy and Therapeutics Committee to support PBM in managing the national formulary. Proposed section 7386(b) would require that the members of the Committee be selected by the Secretary and be VA physicians from major clinical specialties, VA clinical pharmacists, and VA pharmaco-economists. In selecting members, the Secretary would have to ensure the inclusion of individuals with expertise in geriatric care and mental health care for Veterans. Proposed section 7386(c) would require VA to ensure that each member of the Committee is free of any conflict of interest with the pharmaceutical industry. VA would have to require each member of the Committee to disclose financial interests annually and prohibit the participation by any member in formulary decisions for which the member has a financial conflict of interest. Proposed section 7386(d) would

require the Committee to meet not less often than monthly or bi-monthly to review newly approved drugs by the Food and Drug Administration. The goal of the Committee would be to make a decision whether to include or exclude each newly approved drug by not later than 120 days after the date on which the drug is approved, to the extent practicable. Proposed section 7386(e) would require the Committee to make decisions with respect to the national formulary based on evidence-based drug monographs, clinical data, and pharmaco-economic analyses of cost-effectiveness. In making decisions, the Committee would have to consider the applicable VA-DoW clinical practice guidelines to ensure alignment with best practices in Veterans' care. Proposed section 7386(f) would require VA to make publicly available on an appropriate VA website a summary of the clinical rationale for the additional or removal of any significant addition or removal from the national formulary. VA would have to include a description of the evidence and guidelines considered for the decision, but such summaries could not include proprietary pricing information or trade secrets.

Proposed section 7387(a) would require VA to acquire or develop and implement a standardized electronic system for handling requests by VA clinicians for drugs not included in the national formulary. The system would have to be integrated with VA's electronic health record (EHR) to allow treating clinicians to submit non-formulary drug requests. Proposed section 7387(b) would require VA to establish a process to ensure that any request by a VA clinician for a non-formulary drug was decided promptly. Under this process, an initial decision on a non-formulary request would have to be communicated to the requesting clinician within 96 hours after the request was submitted. In any case where a request was denied, the Veteran (and the requesting clinician) would have to be informed of the denial and of the right to appeal under proposed subsection (e). If an appeal was filed, a decision with respect to that appeal would have to be rendered within 7 days of the date on which the appeal was submitted. Proposed section 7387(c) would require VA to establish uniform criteria for evaluating non-formulary drug requests, which would be applied

across all VISNs and VA medical facilities to ensure consistency. Such criteria would have to be evidence-based and made available to VA clinicians. Proposed section 7387(d) would provide that an approval for a non-formulary drug to be valid throughout VHA. If a Veteran for whom a non-formulary drug had been approved chose to receive care or services at a different VA medical center or VISN, the non-formulary approval would remain in effect at the new location. Proposed section 7387(e) would require VA establish a tiered appeals process for non-formulary drug decisions. At a minimum, the process would have to provide an opportunity for review of an initial denial by a secondary clinical reviewer or pharmacy committee at the regional or VISN level and a further opportunity to appeal to a national-level authority within PBM, whose decision would be final within VA. VA would have to ensure that all VA clinicians were informed of the appeals process and that appeals are resolved within the seven day timeline described above.

Proposed section 7388(a) would require VA to require regular reviews of groups of drugs by therapeutic class to maintain a clinically appropriate and up-to-date formulary. Proposed section 7388(b) would require VA to provide drug therapy management for Veterans, with a particular focus on polypharmacy and high-risk medications. As part of such drug therapy management, clinical pharmacy specialists would have to provide comprehensive drug reviews for Veterans who are on complex regimes of drugs or at increased risk of adverse drug events. VA would have to conduct regular reviews of drug use to identify trends, including inappropriate prescribing, drug duplication, or need for dose optimization; VA also would have to provide interventions, including provider education or patient outreach, based on the results of such reviews to improve therapeutic outcomes and promote drug safety and adherence.

Position: **VA does not support this section.**

Views: While VA fully supports the need for a pharmaceutical formulary to ensure Veterans receive cost-effective and high-quality care, VA does not support this section as it is unnecessary and could result in worse care outcomes for Veterans.

Overall, this section is unnecessary, as VA has operated a formulary for more than 70 years; approximately 30 years ago, VA began consolidating local formularies into a single VA national formulary (VANF). VANF has allowed VA to rely uniformly on evidence-based drug evaluations. The VANF process supports VA's goals of improved patient safety, appropriate drug use, improved access to pharmaceuticals, consistency in access and care across the country, and reduced drug acquisition costs. The apparent intent of this section is already being met, and VA does not require new authority to operate, maintain, or update the VANF. VA objects to establishing in law specific requirements regarding the composition of membership for the VANF Committee (in this section, referred to as the Pharmacy and Therapeutics Committee); the VANF Committee currently consists of physicians, pharmacists, and pharmaco-economists, as well as subject matter experts in the areas of mental health and geriatrics, and Committee members are already vetted and subject to disclosures of conflicts of interest. Further, the bill, in proposed section 7385(c), would require VA to make formulary decisions public, but VA already does this under current law. VANF decisions are available online, today, at https://www.pbm.va.gov/PBM/NationalFormulary.asp. The requirement to conduct regular reviews under proposed section 7388 is unnecessary as well, as VA already reviews such decisions through VA's Center for Medication Safety.

While the VANF provides safe and effective care for many Veterans, there are situations when Veterans require medications that are not on the VANF. In those situations, VA already has a process in place for requesting, approving, and furnishing such medications, making the proposed section 7387 unnecessary. Under current policy, any request for a non-formulary drug must be

adjudicated within 96 hours of request. Non-formulary drugs are only approved when there is a clinical indication that their use would be appropriate; criteria for use are developed nationally by VA to describe the patient populations that would most likely benefit from the use of the drug, and the criteria for use are available online at https://pbm.va.gov.

Additionally, establishing specific requirements in statute would reduce VA's discretion to adjust to new and emerging situations, which could harm Veterans' access to timely and high-quality care. The bill's appeals process, under proposed section 7387 would likely result in additional administrative costs and requirements that could delay care delivery for Veterans (and would at least result in additional expenses without improved patient outcomes). The bill's proposed goal to make decisions on including or excluding newly approved drugs within 120 days of the date on which the drug is approved is also concerning. Although this language makes clear this is only a goal, and that these decisions should be made "to the extent practicable," there are many situations where delay would be unavoidable, so establishing this even as a goal would likely create unrealistic expectations. For example, drugs are often not marketed immediately after FDA approval, and there is no requirement by FDA for a timeframe in which they need to be marketed following approval. Additionally, if VA is going to make cost-effective decisions for which drugs to include in the VANF, a Federal Supply Schedule would be needed, but manufacturers have 75 days from the time of market launch (which, again, can take place months after FDA approval) to be added to the Federal Supply Schedule.

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Summary: Section 3(a) of this bill would add a new section 8130 regarding pharmaceutical purchasing agreements and value-based initiatives. Proposed section 8130(a) would authorize VA, in addition to the limitations on the prices of drugs in effect under 38 U.S.C. § 8126, to negotiate additional discounts or price

concessions with manufacturers of drugs procured by VA. In conducting negotiations, VA could take into consideration the placement or tiered status of a drug on the national formulary and enter into an agreement with a manufacturer under which the manufacturer offered a discounted price or rebate for a drug in exchange for placement on the national formulary, if VA determined the agreement would provide clinically appropriate outcomes for Veterans and net costs savings or value to VA. Nothing in this subsection could be construed to supersede the price limitations set forth in 38 U.S.C. § 8126. VA would have to ensure that any agreement entered into under this subsection with respect to a drug that is a covered drug resulted in prices that were lower than the maximum price allowed under such section for such drug. Proposed section 8130(b) would require VA, to the extent practicable, to use industry best practices in the procurement of drugs and medical supplies, including the use of blanket purchase agreements, ordering agreements, and other volume-leveraging contracts to achieve favorable pricing. VA could pursue value-based purchasing agreements with manufacturers of drugs and biological products to be included on the national formulary. Such agreements could include contracts under which the manufacturer agreed to provide the drugs or biological products to VA in exchange for payment in an amount determined based on the effectiveness of the drug or biological product for Veterans to whom the drug or biological product was prescribed. If VA entered into such a contract, VA would have to ensure the contract included a mechanism to monitor the effectiveness of the drug or biological product to adjust payments or rebates accordingly. Proposed section 8130(c) would require VA to conduct periodic review of the outcomes and budgetary effects associated with major changes to VA's national formulary or pharmaceutical initiatives. Not later than 180 days after concluding a periodic review, VA would have to submit to Congress the results of the review. Not later than 1 year after implementing any significant action affecting the national formulary, VA would have to evaluate the effects of that action on Veteran health outcomes, drug use patterns, and overall costs to VA. VA would have to make the findings from such evaluations available to Congress and use the findings to

inform future formulary decisions and purchasing agreements. Proposed section 8130(d) would define the term “biological product” to have the meaning given that term in section 351(i) of the Public Health Service Act (42 U.S.C.§ 262(i)(1)).

Section 3(b) of this bill would amend 38 U.S.C. § 1722A, to require VA to establish a tiered schedule for the amount of the copayments charged to Veterans for drugs furnished under this chapter for the purpose of encouraging the use of clinically appropriate, cost-effective drugs by Veterans while maintaining access to non-formulary drugs that are medically necessary. Under the tiered schedule, the amount of a copayment for a 30-day supply of a generic drug or a drug listed on the national formulary would have to be lower than the amount of a copayment for a 30-day supply of a brand-name drug or a drug not included on the national formulary. Section 3(b) would also make a technical edit to a cross-reference in section 1722A(a)(3)(D).

Position: **VA does not support this section.**

Views: VA does not support this section because it is unnecessary and would reduce VA’s discretion in critical ways.

Initially, concerning the proposed section 8130, VA already has broad authority to negotiate drug prices and has done so with remarkable success. VA’s size has allowed it to use economies of scale to purchase medications through a pharmaceutical prime vendor contract at significant discounts, which has allowed VA to provide high-quality and cost-efficient care that leaves more VA resources available for patient care (and saves taxpayers money as well). VA Contracting Officers can select the best acquisition strategy (e.g., requirements-based national contracts and other strategies) to provide favorable volume-based procurement of pharmaceuticals. VA is concerned that statutory language setting forth conditions or requirements associated with these negotiations could actually

compromise VA's current model, which may result in higher costs to VA and taxpayers. The requirement to review VANF decisions, under proposed section 8130(c), is unnecessary as well; similar to VA's earlier discussion of section 7388, VA already reviews medication decisions through VA's Center for Medication Safety.

Regarding the proposed tiered copayment system in section 3(b), VA has already established, through regulation, a tiered copayment system at 38 C.F.R. § 17.110. VA published this regulation in 2017, but VA did not operate a tiered system for years before then. The bill's language would bar VA from adjusting its medication copayments to a different model, which could result in worse outcomes for Veterans. Further, the specific language in the bill could result in irrational outcomes. For example, the bill would require that the amount of a copayment for a 30-day supply of a generic drug, or a drug listed on the national formulary, would have to be lower than the amount of a copayment for a 30-day supply of a brand-name drug or a drug not included on the national formulary. However, VA maintains many brand name drugs on the VANF, which leads to confusion as to which copayment rule would apply. Further, the bill's requirement that drugs not on the VANF have a higher copayment than generic drugs or drugs listed on the VANF is problematic. This could result either in Veteran's owing higher copayments for cheaper medications (that may be brand-name drugs or simply drugs not on the VANF), or it could force VA to depress the copayment amounts for generic drugs and all drugs listed on the VANF to account for the low costs of certain brand-name drugs or drugs not included on the VANF. VA's current approach provides appropriate flexibility so that it can establish copayments based on specific medications, and this bill would remove that discretion.

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Summary: Section 4 of this bill would require VA to establish an advisory committee known as the Veterans Formulary Advisory Committee. This Advisory Committee would have to provide Veterans and clinician input on VA's national formulary. The Advisory Committee would have to consist of not more than 10 members and would have to include VA front-line clinical providers or pharmacists who are not involved in the national formulary decision-making process and other stakeholder representatives as VA considered appropriate. The Advisory Committee would have to meet at regular intervals (at least semi-annually) and review proposed formulary changes. The Advisory Committee could provide to VA and the Pharmacy and Therapeutics Committee independent feedback regarding proposed additions, removals, and restrictions pertaining to the national formulary. The Advisory Committee would terminate on the date that is 2 years after the date of its establishment.

Position: **VA does not support this section.**

Views: VA does not support this section because it is unnecessary and because of ambiguity in the language.

Initially, it is not clear that a new Advisory Committee would be needed or provide value to VANF decisions. VA already has mechanisms in place to integrate the input of front-line clinicians and pharmacists (who are already included in the VANF Committee) and to seek additional input from non-voting members. Creating a new Advisory Committee would create additional layers that would reduce efficiency of timely formulary decisions. It is also unclear if the Advisory Committee's recommendations would be made before or after VANF decisions are finalized; if the Advisory Committee would have to review all VANF decisions, and if it only met once per 6 months, this could delay VA's approval of VANF decisions, which could reduce Veterans' access to high quality and timely care. Further, we note that this section is ambiguous concerning the committee's

membership and its operations. We would welcome the opportunity to provide technical assistance or discuss these concerns in more detail.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6583 VA Research Reform Act of 2025**

Summary: This bill would add 7 new sections of law to 38 U.S.C. Ch. 73.

Proposed section 7383(a) would require VA to establish and maintain a centralized research data system known as the VA Centralized Research Data System (the System) to collect and manage information on all VA research activities. The System would have to include data with respect to all medical research programs conducted under 38 U.S.C. § 7303, including biomedical research, clinical research, mental health research, health services and policy research, and any other category of research supported by VA. Proposed section 7383(b) would require the System to include, for each research project conducted by or supported by VA, six pieces of information: (1) a summary of the objectives, scope, and study design of the project; (2) an identification of VA funding, and any non-VA funding, supporting the project, including amounts and funding mechanisms; (3) the name and affiliation of the principal investigator and key staff or collaborators involved in the research; (4) the status and dates of all required approvals, including institutional review board (IRB) approvals or exemptions, other regulatory approvals (including safety or ethical reviews), and associated assurances of compliance; (5) periodic updates on the progress of the project, including the initiation date, the completion of key milestones or phases, and the anticipated and actual completion dates of the research; and (6) the results and products of the research, including any findings, publications in peer-reviewed journals, presentations, patents or inventions, and noted impacts on clinical care or policy arising from the project. Proposed section 7383(c) would require VA to ensure the System is used to facilitate

oversight and coordination of VA research, is compatible with VA's EHR, and is designed to allow authorized VA personnel to track research progress and outcomes, avoid unnecessary duplication of research efforts, and identify opportunities for translating research findings into clinical practice; the System must also be designed to protect personally identifiable information in accordance with applicable laws and regulations. Proposed section 7303(d) would require VA, not later than 180 days after enactment, to prescribe such regulations or guidance as VA determines necessary to implement this section.

Proposed section 7384(a) would require VA to develop and implement a tiered system for the ethical and scientific review and approval of research proposals conducted by VA or using VA facilities, data, or resources. Under this tiered system, the level of review and applicable requirements would have to be commensurate with the projected risk to human subjects and the expected effect or significance of the research. Proposed section 7384(b) would require VA, under the tiered system, to ensure that research proposals VA determines pose a minimal risk to subjects or are of a small scope or short duration are eligible for an expedited or abbreviated review process that is consistent with the protection of human subjects and sound research practice; for proposals that VA determines pose a greater than minimal risk to subjects involve invasive procedures or have broad potential impact undergo a full review process. VA could establish intermediate levels of review for categories of research VA determines fall between minimal risk and high-risk or projects deemed of high scientific importance to ensure appropriate scrutiny without unnecessary delay. Proposed section 7384(c) would require VA to establish, for each tier of research review, standardized, VA-wide target timelines for completion of the review and approval or disapproval of research proposals. VA would have to design the timelines to expedite the initiation of valuable research while maintaining standards for safety and ethics. VA would have to ensure that these review processes and timelines are applied uniformly across all VHA facilities, notwithstanding any local policies. Proposed section 7384(d) would require the

Under Secretary for Health (USH), acting through the Chief Research and Development Officer (CRADO), to monitor the research proposal review process Nationwide to identify any undue delays or barriers to timely approval. If a research proposal subject to VA review is not approved, conditionally approved, or disapproved within the applicable timeline, the USH, through the CRADO, could intervene to ensure a timely decision with respect to the proposal. In exercising this authority, the USH could assume responsibility for or reassign the review of the proposal to an alternative duly constituted IRB or other research review board that meets applicable standards or issue an approval or disapproval of the proposal after such additional expedited review process as the USH determined necessary. The USH would have to notify the chief research officer of the affected facility and the Office of Research Oversight of any intervention and the rationale for such intervention; any action by the USH under this section would have to ensure that all requisite ethical and safety reviews are completed. Nothing in this subsection could be construed to waive or override any law or regulation protecting human subjects, animal welfare, or research integrity. Proposed section 7384(e) would require VA to: (1) issue policies or guidance to implement the tiered review system; (2) oversee adherence to these processes through the CRADO; and (3) provide training to members of IRBs and other research review committees on the new requirements to ensure consistent application. Proposed section 7384(f) would require VA to track the performance of VA's research approval processes and include in the annual report under proposed section 7388 an analysis of the timeliness of research proposal reviews, identifying any systemic bottlenecks and steps taken to improve the efficiency of research approvals.

Proposed section 7385(a) would require VA to ensure that, of the amounts appropriated or otherwise made available to VA each fiscal year for the medical and prosthetic research program, all funds are allocated for activities to implement the findings of such research program to improve the delivery of care and services to Veterans. Proposed section 7385(b) would require VA, acting

through the CRADO, to identify completed or ongoing research projects that have produced, or are likely to produce, evidence or innovations with high potential to improve Veterans' health care or quality of life. VA would have to utilize funds allocated under subsection (a) to accelerate the transfer of such high-impact research findings into clinical practice, systems of care, or programmatic improvements. Activities funded with such amounts could include implementation and dissemination studies, the development or updating of clinical practice guidelines, training of health care providers in new evidence-based practices, modification of health information technology (IT) or equipment to accommodate new treatments or diagnostic [sic], patient outreach and education regarding new standards of care, and other actions necessary to integrate research discoveries into routine Veterans care. Proposed section 7385(c) would require VA to ensure that the allocation and use of funds for implementation activities are coordinated with other VA initiatives in implementation science and quality improvement, including the Quality Enhancement Research Initiative and other translational research programs in VA to leverage existing expertise and avoid duplication. The CRADO would have to consult regularly with VHA program offices responsible for clinical operations to identify priority areas where research findings are ready to be adopted on a wider scale within VA. VA would have to include in the annual report required by proposed section 7388 the amount of research funding devoted to implementation activities and the outcomes of such investments, as well as an analysis of compliance with the funding allocation in subsection (a) and a description of major implementation projects undertaken, the status of such projects, and the effect of such projects on Veterans' health care.

Proposed section 7386(a) would require VA to ensure that any major VA research project includes, as part of the research protocol and application for funding, a Veteran impact forecast and a translation plan. Proposed section 7386(b) would define a Veteran impact as a written assessment, prepared by the investigators or sponsors, that describes the anticipated benefits

and outcomes of the research for Veterans and the VA health care system; this forecast would have to, to the maximum extent practicable, quantify or describe how the findings or results of successful research are expected to improve Veterans' health outcomes on several measures, the ways in which the research results could be integrated into VA clinical practice or lead to changes in health care policy or programs for Veterans (and an estimate of the magnitude of the Veteran population likely to be affected by such changes), and an explanation of the urgency of the research question for Veterans and an estimate of the time frame within which positive findings could be implemented into clinical practice. Proposed section 7386(c) would define a translation plan as a proactive plan for how positive findings from the research would be disseminated and implemented in VA to benefit Veterans; the plan would have to include an identification of steps and resources needed to move any successful outcomes of the research into general VA use, a description of how and to whom the research results will be communicated upon completion, specific actions to be taken if the study yields positive results, an identification of potential obstacles to implementation (including resource needs, training gaps, or interoperability issues), a description of how VA investigators or VA might address such obstacles, and plans for engaging relevant stakeholder in the implementation process (as appropriate and to ensure the translation of findings is feasible and sustainable within VA). Proposed section 7386(d) would require VA to ensure that no major research project is approved or funded by VA unless the proposal included a Veteran impact forecast and translation plan. The CRADO would have to review the adequacy of the Veteran impact forecast and translation plan during the scientific reviews or funding decision process and could provide feedback or requirement modifications as necessary. Proposed section 7386(e) would require VA, through the CRADO, to issue guidance defining the classes of research projects subject to the requirements of this section and detailing the format and content expectations for Veteran impact forecasts and translation plans. VA could exempt a particular project or class of projects from one or both of these requirements only if VA determined that such project is of a nature for which

these planning documents would not be practicable or meaningful. Any exemption would have to be documented in writing with a justification and submitted to Congress as part of the annual report under proposed section 7388. Proposed section 7386(f) would require VA to establish a mechanism to revisit and update the translation plan as necessary during the course of the research project and immediately following its completion in light of the actual findings. Investigators conducting a covered project would have to, at the conclusion of the project, report on how the findings compare to the Veteran impact forecast and propose any adjustments to the translation plan. The CRADO, in conjunction with relevant clinical operations officials, would have to evaluate these post-study reports to determine what implementation steps would be taken by VA and track the outcomes of major research projects in terms of uptake into clinical practice or policy. Proposed section 7386(g) would define the term “major research project” to mean a research study or program (including a clinical trial or multi-site study) that meets criteria indicating substantial size, scope, or significance, as defined by VA; it would also include research projects with projected VA funding above a threshold set by VA and any other research initiatives designated by the CRADO as having high potential impact on Veterans’ health or VA health care systems.

Proposed section 7387(a) would require VA to establish a system of regional research hubs within VHA to support and coordinate VA research activities across multiple medical centers and clinics. The number and locations of such hubs would have to be determined by VA to ensure that all VA medical facilities with active research programs could access the services of a hub. In establishing research hubs, VA could consider VISNs or other appropriate regional groupings of facilities. Each research hub would be organizationally established under the Office of Research and Development and would operate under the direction of a Regional Research Hub Director appointed by the USH. The director of each hub would have to be an individual with experience in managing biomedical or health services research and knowledge of regulatory

compliance; these directors would report to the CRADO with respect to the activities of the hub. Each hub would have to, in coordination with the CRADO, carry out various functions in support of VA research within the applicable area of geographic responsibility, including (1) facilitating the efficient and timely review of research proposals by coordinating IRB approvals for multi-site studies; (2) providing technical assistance and support to investigators and research staff at facilities in the region; (3) coordinating research efforts among VA facilities in the region and with academic affiliates or other partners; (4) assisting investigators in developing strategies for recruitment and enrollment of Veteran participants in research studies; (5) offering centralized administrative support for research projects; and (6) performing such other research-supporting functions consistent with the goal of enhancing the productivity, efficiency, and effects of VA's research enterprise in service of Veterans. Proposed section 7387(c) would require the CRADO to oversee the performance of the research hubs and ensure such hubs are meeting the needs of the respective regions in which they are located. The USH would have to establish metrics and goals for the hubs and require each research hub to submit periodic reports to the USH with respect to its activities and the outcomes of such activities; the USH would also have to include such periodic reports in the annual report required by proposed section 7388. Proposed section 7387(d) would authorize VA, in establishing and operating the research hubs, to collaborate with Federal partners and academic affiliates to co-locate or jointly support resources that benefit both VA and non-VA research endeavors. VA could also seek input from investigators, Veterans, and other stakeholders in each region in which a hub is located with respect to the research priorities and support needs the research hubs should address.

Proposed section 7388(a) would require VA to develop and implement a standardized program of metrics to assess the performance, productivity, and impact of research activities at VHA facility that conducts research; these metrics would have to be used to benchmark VHA facilities against each other and against VA goals to identify best practices and areas for improvement. At a

minimum, the metrics would have to include measures of (1) the volume of research projects undertaken and completed, and the efficiency of research processes at the facility; (2) the extent of Veteran engagement in research at the facility; (3) the degree to which research findings are implemented into clinical care or inform improvements to health care delivery at the facility; (4) if determined relevant by VA, the level of collaboration and external support, the amount of non-VA research funding managed through the facility, and the extent of participation in multi-site or Nationwide studies; and (5) any other quantifiable measures that VA considers appropriate to evaluate research program effectiveness. Proposed section 7388(b) would require VA, not later than 180 days after the end of each fiscal year, to submit to Congress annual reports on the performance of its research program, with specific emphasis on the facility-level metrics described in subsection (a). The reports would have to include: (1) a table or summary displaying each VA medical center (and any other major research site) and values of such research site for each of the performance metrics in subsection (a); (2) an analysis by VA identifying which facilities represent the highest performers in various categories and which factors contribute to strong performance; (3) a description of VA's efforts to improve research performance and address any identified deficiencies; and (4) highlights of significant research accomplishments from the year. The first annual report would be due not later than 18 months after the date of enactment. Proposed section 7388(c) would require VA to make each annual report publicly available on a VA website, in a format this readily accessible to Veterans, researchers, and other stakeholders. VA could aggregate or anonymize data as necessary to protect personal privacy and to safeguard confidential research project details. Proposed section 7388(d) would require VA to continuously evaluate the relevance and effectiveness of the performance metrics established under subsection (a), and VA could modify these metrics or benchmarking methods, as appropriate, to better measure impact and efficiency. Any such modifications would have to be described in the annual report.

Proposed section 7389(a) would authorize VA, in the plan required by section 108(a)(1) of the Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act (P.L. 118-210; and 38 U.S.C. note prec. 5701), such actions as may be necessary to facilitate the secure integration and sharing of data for research purposes between VA and key research partners. VA would have to ensure that any data in the custody, possession, or control of VA could be shared to the extent permitted under applicable privacy, security, and ethical standards. VA could include a description of any actions taken under this subsection in the reports required under subsection (c)(2) of such section. In carrying out this subsection, VA would have to seek to improve interoperability of data systems and case of collaboration with DoD, HHS (including the National Institutes of Health (NIH)), affiliated universities and other academic research institutions that partner with VA or receive research funding from VA, and other public or private research entities as appropriate. Proposed section 7389(c) would require that all activities under this section be carried out in compliance with applicable Federal privacy laws and with regulations governing human subjects research confidentiality. In carrying out this section, VA would have to ensure that robust safeguards were in place to protect personally identifiable information and personal health information of Veterans. These safeguards would have to include user authentication, role-based access controls, encryption of data in transit and at rest, continuous monitoring for unauthorized access or anomalies, and regular cybersecurity audits. When sharing data with DoD or other agencies, VA would have to, to the maximum extent practicable, use secure Federal health data exchange frameworks and reciprocal data access agreements that uphold the same or higher standards of privacy and security as those used in VA. Proposed section 7389(d) would require VA, in carrying out the provisions of this section, to consult with relevant Federal officials and outside experts, including the Chief Information Officer at DoD, the NIH Director, and representatives of academic institutions with expertise in health information tools and data sharing.

Position: **VA does not support this bill as currently drafted.**

Views: VA supports the overarching intent of this bill to strengthen research governance and accelerate the impact of research on Veteran care. However, VA does not require new authority to conduct or oversee research, and several provisions would either not align or would conflict with existing authorities, appropriations law, and operational requirements. Others would simply impose new requirements on VA without a clear benefit to Veterans or the public, which would increase administrative demands and detract from conducting the type of ground-breaking research for which VA is well-known.

VA has a number of technical concerns with certain aspects of the bill. For example, the scope of the proposed centralized data system is unclear and could yield confusion with scientific data repositories; interoperability requirements also do not account for privacy and security standards. VA conducts research consistent with existing FDA and Common Rule regulations to prevent conflicting requirements. VA also has concerns about directing research appropriations toward clinical implementation activities, which could conflict with appropriations law and displace future research funding. Other sections, such as those establishing regional research hubs, may limit VA's flexibility during ongoing organizational realignment.

While VA supports the intent of this bill, it cannot support the bill as written. We are willing to work with the Committee to provide technical assistance to refine the bill so that it achieves its intended purpose without unintended consequences; however, we again emphasize that any bill regarding the conduct or oversight of research would only constrain VA's discretion in ways that could adversely impact Veterans.

Cost Estimate: VA is working on a cost estimate for this bill.

**H.R. 6599 Leasing and Infrastructure Act of 2025**

Summary: Section 2(a) of this bill would amend 38 U.S.C. § 8103, which generally provides VA authority to construct and alter, and to acquire sites for, VA medical facilities, to include 5 new subsections.

Proposed section 8103(i) would authorize VA, notwithstanding 40 U.S.C. § 3307, to enter into a lease for any major medical facility (as defined in 38 U.S.C. § 8104) without delegation from the General Services Administration (GSA), if the prospectus for the lease had been approved by the House and Senate Committees on Veterans' Affairs and transmitted concurrently to the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works. The firm term of a lease under this subsection could not exceed 20 years. No lease under this subsection could be extended beyond the firm term unless such an extension was authorized in the prospectus or Congress approved such extension. The term "firm term" would mean the initial, non-cancellable lease period approved in the prospectus. Leases under this subsection could be executed only to the extent and in the amount provided in advance in the Veterans Leasing Fund (established under proposed section 8103(j) and would have to be scored and funded in accordance with Office of Management and Budget (OMB) Circular A-11. In exercising the authority under this subsection, VA would have to, for each purpose-built medical facility constructed pursuant to a lease awarded under this subsection in each locality, submit to Congress accurate, market-based cost estimates. These cost estimates would have to account for construction costs, material costs, and land acquisition costs, while also being informed by qualified sources. VA could also request technical assistance from GSA with respect to market surveys, cost estimate, or lease scoring. If, at any point in the procurement process, projected costs exceeded approved estimates by more than 10% or exceeded any Congressional budget authority, VA would have to, not later than 30 days after the date on which it is notified of such projected costs, submit to Congress a

notification that such projected costs exceed approved estimates or Congressional budget authority, as the case may be.

Proposed section 8103(j) would establish in the Treasury a revolving fund known as the Veterans Leasing Fund (the Fund). There would have to be deposited in the Fund amounts appropriated for the purpose of carrying out the independent leasing authority under proposed section 8103(i) and amounts transferred, on a reimbursable or non-reimbursable basis, from VA's medical facilities account for the payment of annual rent, taxes, or operating costs for leases executed under proposed section 8103(i). Amounts in the Fund would be made available as contract authority to enter into obligations to carry out proposed section 8103(i). VA could obligate amounts in the Fund for rental payments, tenant improvements, real estate taxes, operating expenses, and pre-award due diligence costs, including design, environmental, and professional service fees associated with leases entered into pursuant to proposed section 8103(i). VA would have to include, in the annual budget justification materials submitted to Congress, the projected unobligated balance of the Fund, new obligations, and collections for the year covered by the budget justification materials and the 4 fiscal years succeeding such year.

Proposed section 8103(k) would require VA, to the maximum extent practicable, to award a lease for a major medical facility not later than the end of the 1-year period beginning on the date on which VA issued a solicitation for the lease agreement. VA would have to revise internal guidance, milestone reviews, and approval workflows to support this requirement and eliminate duplicative or sequential reviews that delay procurement. Contracting officers could not issue a solicitation just described unless, before the date of issuance, the officer had placed in the official contract file a written certification that sufficient funds were obligated to cover all due diligence and pre-award professional services reasonably anticipated for the project and that each service was available for task order within 30 days under an existing IDIQ contract or other competitively-

awarded vehicle. Such obligations could be made from the Fund or other appropriations for medical facilities available for the applicable fiscal year. As part of the public notice during the expression of interest phase of the acquisition process, VA would have to require each prospective developer to provide price estimates, including the cost of land, to enable VA to evaluate whether projected costs are at or below the un-serviced shell rent authorized in the approved prospectus. If the estimates exceeded such authorized amount, VA would have to, not later than 14 days after the date on which VA completes such evaluation, submit to Congress a notification that such estimates exceed such authorized amount. Not later than 45 days after the date on which VA submitted this notification, VA would have to finalize a plan to address the discrepancy between such estimates and such authorized amount. To the maximum extent practicable, VA would have to, not later than 60 days after the date on which it submitted such notification to Congress, notify prospective offerors of the potential effect to procurement timelines, including the estimated release date of the request for lease proposals. VA would have to include, in any request for a lease proposal made pursuant to the leasing authority under proposed section 8103(i), a summary of the procurement milestones applicable to such request and a statement that a reimbursement, as described immediately below, would become effective on the date that is 1 year after the date on which VA issued the request. If VA did not award a lease pursuant to a request for a lease proposal before the date that was 1 year after the date on which VA issued such request, VA would be required to reimburse each prospective lessor in the competitive range for costs directly associated with the delay in awarding the lease. Any reimbursement would be calculated based on 1% annually (paid in equal monthly installments of one-twelfth of 1%) of the average land acquisition cost, as proposed by all offerors remaining the competitive range under the request.

Payment of reimbursement would cease immediately upon the award of the lease or the date on which the project was cancelled, if applicable. VA would have to issue guidance establishing documentation requirements and procedures

for administering reimbursements under this paragraph. Not later than March 1 of each year, VA would have to submit to Congress a report that includes a list of each major medical facility lease for which a request was issued during the preceding calendar year, a statement of whether the lease was awarded within the 1-year period, and an explanation of the reasons the lease was not awarded during such period (for any lease not awarded within such period). Not later than 90 days after the date of enactment, VA would have to issue internal guidance that established the policies and thresholds necessary to administer the requirements of this subsection.

Proposed section 8103(l) would require VA, not later than 180 days after the date of enactment and annually for 5 years thereafter, to revise its design guides applicable to outpatient clinics and other leased medical facilities. In carrying out this requirement, VA could consult with subject matter experts, including health care professionals and representatives of the private health care industry. Any revision to design guides conducted pursuant to this section could not be over-engineered or unnecessarily prescriptive specifications unless required for clinical safety, functional performance, or applicable building codes.

Proposed section 8103(m) would authorize VA to include in a lease agreement under this chapter terms that mitigated VA's risk premiums. Not later than 180 days after enactment, VA would have to issue guidance with respect to the use of such terms in lease agreements under chapter 81. VA would have to ensure, in such guidance, heating, ventilation, and air conditioning (HVAC) system capacity is included in the definition of "shell work", and HVAC distribution and controls required to meet tenant-specific needs are included in the definition of "tenant improvements", unless otherwise negotiated. For purposes of this subsection, the term "triple-net lease" would mean a lease under which the lessee is responsible for payment of real estate taxes, insurance, utilities, janitorial services, and routine operating costs.

Proposed section 8103(n) would require VA to consolidate internal documentation, required to support lease decisions under chapter 81, into a single decision memorandum, to the maximum extent practicable. Such memorandum would have to include project justification, site selection rationale, estimated costs, design summary, and other information needed for internal approval and submission to Congress.

Section 2(b) would make a conforming amendment to 38 U.S.C. § 8104(a)(3)(B)(i) to strike the reference to GSA.

Section 2(c) would authorize to be appropriated to the Veterans Leasing Fund such amounts as may be specifically authorized for lease obligations under proposed section 8103(i); any amounts appropriated for lease obligations for a fiscal year would have to be deposited in the Veterans Leasing Fund.

Position: **VA supports the intent of this section, however, is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete or CBO has provided a score.**

Views: VA supports the intent to establish independent leasing authority and a leasing fund if the legislation also addresses circular A-11 to avoid capital lease treatment. An independent leasing authority for VA could reduce the lease procurement timeline by months by eliminating the need to obtain GSA's delegation, and it could reduce that timeline by up to a year by obviating the need to obtain GSA's Committees' Resolutions for prospectus-level leases. A central fund for all leasing activities would provide significant efficiencies in identifying and obligating funds because all funds would be in a single line item, rather than distributed to the VISNs and VA medical centers as lease line items. The fund would need additional authority that is not outlined properly in this legislation. As

drafted, it's unclear that VA would be able to obligate funds annually, which is the primary reason for GSA delegation.

While VA supports these goals, amendments would be needed to ensure these authorities operate as intended. For example, VA would experience challenges that could produce operational confusion with different authorities and funding for major and minor leases. Additionally, the proposed changes would not alleviate the need to comply with OMB Circular A-11, which has requirements tied to GSA's Public Building Fund; this would present a problem under the proposed independent leasing authority.

VA welcomes the opportunity to work with the Committee to include necessary amendments to this section to achieve its intended result.

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Summary: Section 3 of this bill would amend 38 U.S.C. § 8104, which generally sets forth requirements for congressional approval of certain medical facility acquisitions, to require, whenever the President or VA Secretary submits to Congress a request for funding of a major medical facility lease, to submit to Congress a prospectus that includes a market-based cost estimate for the facility to be leased. It would further require VA to adopt and apply a standardized methodology for estimating the full life-cycle cost of major medical facility leases and prospectus-level leases; this methodology would have to include, at a minimum, six defined estimates or costs. VA would have to annually adjust each cost estimate for a lease submitted to Congress for authorization or prospectus approval between the date VA submits the first cost estimate for the lease and the projected award date for the lease. VA would have to use such medical construction or real estate indices as appropriate in adjusting such a cost estimate. If VA did not award a lease during the 1-year period beginning on the date on which VA completed a cost estimate for the lease, VA would have to

update and revalidate the cost estimate prior to obligating any funds for the lease or submitting such cost estimate to Congress.

Position: **VA supports the intent of this section, however, is unable to assess the impact to budgetary resources and therefore will follow up with the Committee once this evaluation is complete or CBO has provided a score.**

Views: VA is concerned that the language, as written, would cause confusion. There are concerns regarding OMB Circular A-11 and these leases being capital leases. VA does not support duplicative reporting requirements and onerous notifications of cost increases at points in the process that do not make sense. As written, VA could be made financially liable for delays beyond the agency's control.

VA welcomes the opportunity to work with the Committee to include necessary amendments to this section to achieve its intended result.

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Summary: Section 4 of this bill would require VA, not later than 180 days after enactment, in consultation with the Comptroller General, the OMB Director, and private sector stakeholders, to develop a revised process for the procurement of major medical facility leases under chapter 81 and submit to Congress a report that includes a description of the revised process.

Position: **VA supports the intent of this section. however, is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete or CBO has provided a score. VA does not support this section as written.**

Views: VA supports the intent of this section and is continuing to make adjustments to its current leasing process to reduce costs and timelines. However, because of changes that would result from other parts of this bill, VA would be working with an entirely new process, so engagement with private stakeholders or the Comptroller General at such an early stage would likely be premature and could hinder VA's development of a new process. The bill as written would not meet the intent as proposed and so would need revision in order to clarify processes and requirements related to authority, A-11, VA/GSA relationships/requirements/authorities, and reporting requirements.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6733 VISN Reform Act of 2025**

Summary: Section 2 of this bill would establish a new section 7305A in title 38, United States Code.

Proposed section 7305A(a) would require VA to organize VHA in 8 geographically defined VISNs.

Proposed section 7305A(b) would require VA to ensure that the employees, services, and programs of each VISN are aligned with VA's mission and the specific health care requirements of each population of Veterans in each VISN.

Proposed section 7305A(c) would require VA to maintain a regional integrated health care system within the geographic area served by each VISN by (1) entering into agreement with other governmental, public, and private health care organizations and practitioners as appropriate to meet the needs of Veterans who reside in the geographic area served by the VISN; (2) providing oversight and management of a regional budget for the activities of each VISN

that is aligned with VA budget guidelines and balanced at the end of each fiscal year; and (3) using national metrics to develop systems to provide effective, efficient, and safe delivery of health care that is rated as highly satisfactory by patients and their families.

Proposed section 7305A(d) would require VA to identify functions that are duplicated across the clinical, administrative, and operational processes and practices of VHA and operate the system of VISNs in a manner designed to reduce such duplication.

Proposed section 7305A(e) would require VA to operate the VISN system by working to achieve maximum effectiveness with respect to the provision of hospital care, medical services, and nursing home care, graduate medical education, and research. VA would be required to assess, on an ongoing basis, the consolidation or realignment of institutional functions in collaboration and cooperation with other VISNs and both VA and non-VA entities or offices, including VBA and the National Cemetery Administration (NCA), offices of state and local agencies that have a mission to provide assistance to Veterans, medical schools, and other affiliates, Federal, state, and local emergency preparedness organizations, and such other Federal offices, as appropriate. Each VISN director would be responsible for oversight and for the enforcement of VA policies and authorities [sic] applicable to VA medical facilities with respect to the medical facilities in the VISN's geographic area.

Proposed section 7305A(f) would provide that there could only be one headquarters office for each VISN, and that VA would have to choose the location of each such office and ensure each such office is co-located with a VA medical center. Each headquarters office could not have more than 50 full-time employees, and of these, not more than 10 could be contractor employees. VA could waive the limitation with respect to a VISN headquarters if VA determined the waiver was necessary to maintain essential operations of the VISN

headquarters during the implementation of a plan to reorganize and right-size the workforce of each VISN and if VA submitted to Congress a written certification of such determination before the date on which the waiver became effective. The term of a waiver could not exceed 1 year. At least once per fiscal year, VA would have to submit to Congress a report on employment at the VISN headquarters offices. As noted earlier, VA would have to develop and submit to Congress a plan to reorganize and right-size the workforce of each VISN headquarters to achieve compliance with the limitation of 50 full-time employees. In developing and implementing the plan, VA would have to ensure that each VISN headquarters was in compliance with the limitation of 50 full-time employees not later than the date that is 3 years after the date of enactment and, to the maximum extent practicable, offer each employee of a VISN headquarters who is a licensed physician, nurse, psychologist, or other health care professional the opportunity to transfer, without loss of pay or benefits, to a position appointed under chapter 74 to furnish direct patient care or clinical support at a VA medical facility.

Proposed section 7305A(g) would require the head of each VISN to be a director, who would be appointed by the President by and with the advice and consent of the Senate. VISN directors would be non-career appointee positions and would be responsible for the functions of the VISN and have the authority and responsibility to enforce VA policies and standards with respect to all VA personnel employed within the VISN. Each employee employed at a VHA facility located in the geographic area served by the VISN would report directly to the VISN director, visit routinely with service line chiefs at VA medical centers, and, in the case of an employee who is licensed to practice in a hospital, work at least 1 day each week in a VA medical center located in such geographic area.

Proposed section 7305A(h) would require VA, not later than 3 years after enactment and triennially thereafter, to conduct a review and assessment of the structure and operations of the VISNs. Not later than 180 days after conducting

such a review and assessment, VA would have to provide Congress with a report that included recommendations for legislative or regulatory action as appropriate to improve the VISNs.

**Position: VA supports the intent of this section, subject to amendments.**

Views: VA supports the intent of section 2 of the bill but would seek amendments prior to enactment. We share the Committee's goals of strengthening oversight, reducing redundancy, and improving efficiency within VHA. These goals support VA in delivering high-quality, timely care to Veterans through a structure that promotes accountability and effective resource management.

However, as currently drafted, section 2 of the bill includes provisions that are overly prescriptive and could limit VA's ability to adapt its structure and operations to meet the evolving needs of Veterans. The bill would impose rigid workforce requirements, some of which would likely overwhelm any opportunity for effective management and oversight; for example, proposed § 7305A(g)(2)(A) would require each employee employed at a VHA facility in the geographic service are served by the VISN to "report directly to the Director of the VISN". As written, this would mean a single VISN Director would have literally thousands – in some cases tens of thousands – of employees reporting directly to him or her. Fundamentally, the bill would constrain VA's discretion, introduce operational and governance challenges, and risk unintended disruptions in care delivery. Some of the requirements in section 2 would conflict with VA's current efforts to restructure VHA.

VA recommends revising section 2 of the bill to preserve its objectives while preserving operational flexibility. We would be happy to work with the Committee to address these concerns and draft language that would achieve our

shared goal of modernizing VHA's structure and reducing redundancy while safeguarding VA's ability to deliver timely, high-quality care to Veterans.

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Summary: Section 3 of the bill would require VA to comply with proposed section 7305A, to geographically realign and combine the VISNs in effect on the day before enactment; VA would have 1 year to complete this effort. Specifically, VA would have to combine VISNs 1, 2, and 4 into a single VISN; VISNs 5, 6, and 9 into a single VISN; VISNs 10, 12, and 23 into a single VISN; VISNs 7, 8, and 16 into a single VISN; VISNs 15 and 19 into a single VISN; and VISNs 17 and 22 into a single VISN. VISN 20 and VISN 21 would remain independent VISNs.

**Position: VA does not support this section.**

Views: As noted above, VA supports the Committee's goals of strengthening oversight, reducing redundancy, and improving efficiency within VHA. However, VA does not support establishing in statute a fixed number of VISNs and their geographic distribution, which will negatively affect VA's flexibility to deliver timely and high-quality care to Veterans.

Cost Estimate: VA does not have a cost estimate for this bill.

## H.R. 6740 Veterans Affairs Transparency and Reform of the Upper Senior Tenure Act (the VA TRUST Act)

Summary: Section 2(a) would amend 38 U.S.C. § 726(b), which generally requires an annual report on performance awards and bonuses awarded to certain high-level employees, to include as a required element the appropriations accounts from which amounts were used to pay an award or bonus and the annual basic rate of pay for each individual awarded the award or bonus.

Section 2(b) would add a new section 729 in title 38, United States Code. Proposed section 729(a) would provide that any individual appointed to a senior executive position within VA would receive the annual rate of basic pay applicable to such a position, as determined by VA, in accordance with the pay ranges, structure, and aggregate limitations established for the Senior Executive Service (SES) under subchapter VIII of chapter 53 of title 5, United States Code, including section 5382. Proposed section 729(b) would state that any career appointee who transferred from another agency to a senior executive position within VA would receive the annual rate of basic pay applicable to such position, as determined by VA under proposed subsection (a), and such rate would be consistent with the individual's performance and pay level under 5 U.S.C. §§ 5383 and 5384. Proposed section 729(c) would provide that if an individual occupying a senior executive position at VA transferred or otherwise moved to another senior executive position within VA, the individual would, effective on the first day of the first pay period beginning after the date the individual first occupied such a position, receive the rate of basic pay established by VA for that position under proposed subsection (a). VA could adjust such rate only to the extent authorized by 5 U.S.C. §§ 5382 or 5383. Proposed section 729(d) would state the terms "career appointee" and "senior executive position" would have the meanings given those terms in 5 U.S.C. § 3132(a).

**Position: VA does not support this bill as written.**

Views: VA supports efforts to enhance transparency of senior executive pay, but it is not clear to VA as to the intent and scope of the bill as written. The bill ties the definition of senior executives to the SES under 5 U.S.C. § 3132. However, this conflicts with other sections in title 38, United States Code, which define senior executives more broadly than SES employees.

For example, VA already provides Congress with reports on performance awards and bonuses to certain high-level employees on an annual basis (under 38 U.S.C. § 726(b)). These reports include a description of all performance awards or bonuses awarded to each of the following: (1) Regional Office Director of the Department; (2) Director of a Medical Center of the Department; (3) Director of a VISN; and (4) Senior executive of the Department. These groups include employees who are not SES under title 5, United States Code, but who are defined as “high-level employees.” For example, some Regional Office Directors are General Schedule (GS)-15 employees and are not bound by the performance appraisal and pay system for SES employees. Additionally, the reports include title 38 SES Equivalents in administrative or executive positions appointed under 38 USC §§ 7306(a) or 7401(1).

Additionally, regarding section 2(b), this section would define career appointee and senior executive position through reference to 5 U.S.C. § 3132(a). However, the proposed new section 729 would be in the same chapter as § 713, which defines senior executives more broadly to include career appointees (as defined in 5 U.S.C. § 3132(a), an SES position, and a covered individual appointed under 38 U.S.C. §§ 7306(a) or 7401(4) (an administrative or executive position). Conflicting definitions would cause inconsistent implementation of pay rates and could result in litigation.

If the intent of the bill is to go beyond the definition of SES in title 5, United States Code, to include other “high-level employees,” this would require extensive amendments to title 38, United States Code. If the intent is to only apply to SES under title 5, United States Code, VA is not clear how the bill would enhance current laws and regulations governing pay. The draft bill omits any reference to 38 U.S.C. § 706, which provides additional authority to VA relating to the recruitment and retention of personnel. Additionally, section 706 includes authorities for Critical Position Pay (in subsection (h)), Special Pay (in subsection (i)), and waivers on limitations of certain payments (in subsection (j)).

VA would like to work with the Committee to clarify the intent and scope of this bill before further consideration of it occurs.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6755 Accountable Leadership for Veterans Act of 2025**

Summary: Section 2 would amend 38 U.S.C. § 709(a)(1), which generally sets forth employment restrictions concerning the number of SES positions in VA that are filled by non-career appointees in a fiscal year, to increase the limit from 5% of the average number of senior executives employed in the SES in VA to 10% of such average number.

Section 3 would amend 38 U.S.C. § 305, which defines the appointment, responsibilities, and selection process for the USH, to state that the USH would be appointed by the President, by and with the advice and consent of the Senate.

Section 4 would similarly amend 38 U.S.C. § 306, which defines the appointment, responsibilities, and selection process for the Under Secretary for Benefits (USB), to state that the USB would be appointed by the President, by and with the advice and consent of the Senate.

**Position: VA supports the intent of this bill, but cites concerns with it as written and is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete or CBO has provided a score.**

Views: VA supports efforts to improve the process for filling vacant positions with effective and accountable leadership, but VA has concerns around how this bill would be implemented as written.

Specifically, the bill would amend section 709(a)(1), which sets restrictions on the number of SES positions filled by non-career appointees in a fiscal year; however, the bill does not amend section 709(a)(2) to clarify how the average number is calculated. Moreover, the bill does not mention any corresponding changes to section 709(c)(2)(A), which prescribes the number of non-career appointees filling Assistant Secretary positions.

Additionally, the bill's proposed amendments to sections 305 and 306 would also remove any description of the responsibilities or functions of the USH and USB. As written, it is unclear whether the intent here is to remove the direct responsibility of the USH and USB to the Secretary and have the USH and USB report to a lesser official. Removing who these positions report to may cause issues with accountability and disciplinary action decisions. We recommend revising the bill language to include at least a short description of the roles of the USH and USB, similar to the description for the Under Secretary for Memorial Affairs in section 307.

VA would like to work with the Committee to clarify provisions of this bill and identify additional ways to enhance the process for filling vacant positions. VA continues to leverage the expertise of non-career senior executives to provide accountable and effective leadership in VA. However, as written, the bill could cause issues with implementation of certain policies and operations overseen by the USH and USB.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6764 Veterans Affairs Advisory Committee Oversight Act of 2025**

Summary: Section 2(a) would create new sections 549-552 of title 38, United States Code, regarding various advisory committees.

Proposed section 549(a) would establish a Veterans Health Advisory Committee (the VHA Committee). Proposed section 549(b) would require the Secretary to appoint the members of the VHA Committee, including certain individuals or representatives. Members of the VHA Committee would be appointed for staggered terms of 2 years and could be reappointed, and the Secretary would designate one member to serve as Chair. Proposed section 549(c) would establish five functions of the VHA Committee, including advising the USH on VA policies and programs related to Veterans' specialized health care needs, assessing the efficacy of VA health care for Veterans readjusting to civilian life, evaluating VA programs related to environmental or toxic exposures, reviewing the coordination of prosthetic and rehabilitative research and development initiatives, and identifying gaps in health care furnished by VA to disabled, ill, or aging Veterans. Proposed section 549(d) would require the VHA Committee to submit to the USH a report summarizing its activities, findings, and recommendations. Not later than 90 days after receiving the report, the USH would have to submit this report, with the USH's comments and recommendations, to the Secretary, who would have to submit all such documents to Congress. Proposed section 549(e) would require VA to provide such staff, information, and administrative services as necessary for the VHA Committee to carry out its functions. Members of the VHA Committee would serve without compensation, but could be entitled to travel expenses, including per diem, when engaged in the performance of committee duties. The VHA Committee would meet at the call of the Chair or the USH, but not less frequently than quarterly each fiscal year. The VHA Committee, unless renewed pursuant to section 14 of the Federal Advisory Committee Act (5 United States Code App.), would terminate not later than September 30, 2028, but the Secretary could terminate the committee at any time before such date.

Proposed Section 550(a) would establish the Veterans Economic Opportunity and Transition Advisory Committee (the VEOTAC). Proposed

section 550(b) would require the Secretary to appoint the members of the VEOTAC, including certain individuals or representatives. Members of the VEOTAC would be appointed for staggered terms of 2 years and could be reappointed, and the Secretary would designate one member to serve as Chair. Proposed section 550(c) would establish five functions of the VEOTAC, including advising the USB on the effectiveness of the educational benefits, vocational rehabilitation, employment assistance, and transition services furnished by VA; assembling and reviewing information on the needs of Veterans in readjusting to civilian employment, higher education, and job training; assessing the effectiveness of the educational benefits, vocational training, job placement, and entrepreneurship training furnished by VA; advising the USB regarding means to improve interagency coordination and partnership between VA and other Federal, state, and local entities; and identifying and recommending strategies to assist Veterans at risk of homelessness or unemployment. Proposed section 550(d) would require the VEOTAC to submit to the USB a report on VA's programs and activities that relate to the issues of transition, education, employment and economic opportunity for Veterans. Not later than 90 days after receiving the report, the USB would have to submit this report, with the USB's comments and recommendations, to the Secretary, who would have to submit all such documents to Congress. Proposed section 550(e) would require VA to provide such staff, information, and administrative services as necessary for the VEOTAC to carry out its functions. Members of the VEOTAC would serve without compensation, but could be reimbursed for travel expenses, including per diem, when engaged in the performance of committee duties. The VEOTAC would meet at the call of the Chair or the USB, but not less frequently than twice each year. The VEOTAC, unless renewed pursuant to section 14 of the Federal Advisory Committee Act (5 United States Code App.), would terminate not later than September 30, 2028, but the Secretary could terminate the committee at any time before such date.

Proposed section 551(a) would establish the Advisory Committee on Veterans Special Populations (ACVSP). Proposed section 551(b) would require the Secretary to appoint the members of the ACVSP, including certain individuals or representatives. Members of the ACVSP would be appointed for staggered terms of 2 years and could be reappointed, and the Secretary would designate one member to serve as Chair. Proposed section 550(c) would establish six functions of the ACVSP, including advising the Secretary on the administration of benefits and services for Veterans who are members of populations that have been historically underserved, under-represented, or faced unique barriers to access; assessing the needs of such Veterans with respect to compensation, health care, mental health, rehabilitation, outreach, and other VA benefits and programs; evaluating the extent to which VA programs meet the needs for such benefits and services; reviewing and making recommendations regarding reports, studies, and program data pertaining to the experience of such Veterans; examining and making recommendations to VA outreach activities and strategies for engaging with Veterans in such communities; and advising on the effectiveness of VA offices and programs specifically charged with assisting such Veterans. Proposed section 551(d) would require the ACVSP to submit to the Secretary a report on VA's programs and activities. Not later than 90 days after receiving the report, the USH [sic] would have to submit this report, with the USH's comments and recommendations, to the Secretary, who would have to submit all such documents to Congress. Proposed § 551(e) would require VA to provide such staff, information, and administrative services as necessary for the ACVSP to carry out its functions. Members of the ACVSP would serve without compensation but would receive travel expenses and per diem for any travel performed in the course of service on the committee. The ACVSP would meet at the call of the Chair or the Secretary, but not less frequently than twice each year; meetings could be conducted in person or through electronic means. The ACVSP, unless renewed pursuant to section 14 of the Federal Advisory Committee Act (5 United States Code App.), would terminate not later than

September 30, 2028, but the Secretary could terminate the committee at any time before such date.

Proposed section 552(a) would establish the Advisory Committee on Former Prisoners of War, Compensation, and Memorial Affairs (ACFPOWCMA). Proposed section 552(b) would require the Secretary to appoint the members of the ACVSP, including certain individuals or representatives. Members of the ACFPOWCMA would be appointed for staggered terms of 2 years and could be reappointed, and the Secretary would designate one member to serve as Chair. Proposed section 552(c) would establish six functions of the ACFPOWCMA, including advising the Secretary on the administration and adequacy of benefits for disabled Veterans; assessing the needs of Veterans who are former POWs and evaluating VA programs and policies meant to address such needs; advising the Secretary on the administration of burial benefits and memorial programs for Veterans and their eligible family members; reviewing and making recommendations regarding NCA services and plans to address the needs of Veterans and survivors; assessing and making recommendations regarding the effectiveness of VA programs that commemorate and honor the service and sacrifices of Veterans and their families; and identifying and making recommendations regarding legislative or administrative barriers that hinder VA's ability to promptly and fairly compensate Veterans for service-connected disabilities or to provide appropriate memorial benefits. Proposed section 552(d) would require the ACFPOWCMA to submit to the Secretary a report on VA's programs and activities. Not later than 90 days after receiving the report, the USH [sic] would have to submit this report, with the USH's comments and recommendations, to the Secretary, who would have to submit all such documents to Congress. Proposed section 552(e) would require VA to provide such staff, information, and administrative services as necessary for the ACFPOWCMA to carry out its functions. Members of the ACFPOWCMA would serve without compensation but would receive travel expenses and per diem for any travel performed in the course of service on the committee. The

ACFPOWCMA would meet at the call of the Chair or the Secretary, but not less frequently than twice each year; meetings could be conducted in person or through electronic means. The ACFPOWCMA, unless renewed pursuant to section 14 of the Federal Advisory Committee Act (5 United States Code App.), would terminate not later than September 30, 2028, but the Secretary could terminate the committee at any time before such date.

**Position: VA does not support this section.**

Views: VA does not support this section. Broadly, this section, and amendments made by section 3 of this bill, would propose to merge more than a dozen established advisory committees into four new committees. This would unnecessarily restrict the Secretary's authority to receive focused advice and recommendations on Veterans and other beneficiaries. The four new committees would contain far too many objectives and tasks to be able to manage. It would be unreasonable to expect a newly established membership to provide sound advice and recommendations on such a wide spectrum of issues while also adequately representing multiple constituency groups' concerns. Additionally, these new committees' members would be composed of individuals with less subject matter expertise, making timely research, deliberation, and reporting tasks not feasible. The reporting deadlines for the new committees would also be unrealistic, as it historically takes about 1 year for a new committee to be established from the date of enactment to the first meeting, so the first annual reports would likely contain no meaningful information, if they could be completed at all. The short time period in which these committees would be authorized – ending September 30, 2028 – would also likely minimize the effect these committees could produce.

In terms of some of the specific provisions, proposed section 550(a) would establish the VEOTAC, and proposed section 550(b) would require members with specific areas of expertise to serve on the VEOTAC, but proposed

section 550 would not require a committee member with expertise in vocational rehabilitation programs for disabled Veterans. However, this section would require the committee to advise the USB regarding the effectiveness of educational benefits, vocational rehabilitation, employment assistance, and transition services furnished by VA in enabling Veterans to successfully readjust to civilian life and achieve economic stability. VA recommends adding a member to the committee with expertise in vocational rehabilitation to reflect the needs of participants in chapter 31 Veteran Readiness and Employment program.

Regarding proposed section 551 and the ACVSP, VA recommends clarifying in proposed section 551 who would be considered “marginalized” to ensure appropriate representation and scope for the Committee.

VA cites concerns with proposed section 552, which would establish the ACFPOWCMA. The committee’s responsibilities may partially duplicate those of existing committees from the date of enactment of this bill through September 30, 2026. Specifically, to the extent the ACFPOWCMA would assess the needs of former POWs and evaluate VA programs and policies meant to address such needs, the ACFPOWCMA’s responsibilities may be partially duplicative of the responsibilities of the current Advisory Committee on Former Prisoners of War established under 38 U.S.C. § 541. Similarly, to the extent the ACFPOWCMA would advise on the administration and adequacy of Veteran disability benefits, including compensation and the schedule for rating disabilities, the committee’s responsibilities may be partially duplicative of the responsibilities of the Advisory Committee on Disability Compensation established under 38 U.S.C. § 546. Although section 3 of the bill would amend 38 U.S.C. §§ 541 and 546 to terminate the respective existing committees on September 30, 2026, the bill would not include an effective date for proposed section 552. Therefore, the ACFPOWCMA could engage in duplicative efforts with these existing committees from the date of enactment of proposed section 552 until September 30, 2026, at least to the extent the new committee can be established in time

(which, as noted above, may not be possible given the average 1 year timeline to establish a new committee).

VA also cites concerns that the bill would not require the ACFPOWCMA to take into special account the needs of combat Veterans. Currently, the Advisory Committee on Disability Compensation must take into special account the needs of combat Veterans in carrying out its duties as required by 38 U.S.C. § 546(b)(2)(B). However, with the proposed termination of the existing Advisory Committee on Disability Compensation, VA is concerned this bill may overlook the special needs of combat Veterans.

VA also cites concerns with proposed sections 551(d) and 552(d), which contain potentially conflicting reporting requirements. According to proposed sections 551(d)(1) and 552(d)(1), the ACVSP and ACFPOWCMA would be required to submit a report to the Secretary not later than July 1st of each year. However, proposed sections 551(d)(2) and 552(d)(2) would require that, not later than 90 days after receiving such report, the USH shall submit the report, together with the Under Secretary's comments and recommendations to the Secretary. It is unclear whether the ACVSP and the ACFPOWCMA would be required to submit a report to the USH or submit a report directly to the Secretary.

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Summary: Section 3(a) would amend 38 U.S.C. §§ 541, 542, 543, 545, 546, 547, 548, 2401, 3121, 3692, 4110, 7313, 7315, 7809, and 8105 (governing, respectively, the Advisory Committees on Former POWs; Women Veterans; Prosthetics and Special-Disabilities Programs; Readjustment of Veterans; Disability Compensation; Tribal and Indian Affairs; Outlying Areas and Freely Associated States; Cemeteries and Memorial Affairs; Rehabilitation; Education; Veterans Employment, Training, and Employer Outreach; Academic Affiliates;

Geriatrics and Gerontology; Child Care Centers; and Structural Safety of Department Facilities) to add a sunset date of September 30, 2026, for each of these authorities. It would also amend section 6 of the Veterans' Dioxin and Radiation Exposure Compensation Standards Act (P.L. 98542; and 38 U.S.C. § 1154, note) to establish the same sunset date.

**Position: VA does not support this section.**

Views: VA does not support this section because, as noted above, VA does not believe the four new committees could effectively manage the portfolios and requirements of the committees that would be eliminated by this section. We fully appreciate the Committee's interest in improving the efficiency and effectiveness of VA's advisory committees, but some of these proposed changes in particular raise unique concerns.

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Summary: Section 4(a) would amend 38 U.S.C. § 3689, which generally sets forth approval requirements for licensing and certification testing, by striking subsection (c), which sets forth requirements for organizations or entities offering tests.

Section 4(b) would require VA, not later than 30 days after enactment, to submit to Congress a report containing a list of VA advisory committees that are authorized and inactive or for which authorization has lapsed.

**Position: VA has no objection to this section.**

Views: Subsection (e) of 38 U.S.C. § 3689 established the Professional Certification and Licensure Advisory Committee. Pursuant to 38 U.S.C.

§ 3689(e)(5), the Professional Certification and Licensure Advisory Committee terminated on December 31, 2006.

Cost Estimate: VA does not have a cost estimate for this bill.

**H.R. 6833 Acquisition Reform and Cost Assessment (ARCA) Act of 2025**

This bill includes eleven total sections, with section 1 providing a short title and table of contents.

Summary: Section 2(a) would add new subchapter VII, "Acquisition Organization, Cost Assessment, and Program Evaluation," to chapter 81 of title 38, United States Code. The new subchapter would include a new section 8181, which would define the term "major acquisition program" to mean a VA program to acquire services, supplies, technology, systems, or a combination thereof, with an estimated total program cost that exceeds $1 billion (adjusted pursuant to 41 U.S.C. § 1908) for the total life cycle cost of the program, or $200 million (adjusted pursuant to 41 U.S.C. § 1908) annually.

Section 2(b) would amend 38 U.S.C. § 308 to increase the number of Assistant Secretaries from seven to eight; it would also revise the current reference to "Procurement functions" to instead refer to "Acquisition functions".

Section 2(c) would add a new section 8182, to title 38, United States Code, which would direct the Secretary to designate an Assistant Secretary for Acquisition, who would also be VA's Chief Acquisition Officer (CAO). The Assistant Secretary would be the head of the Office of Acquisition; VA would be required to take such actions as necessary to ensure that major acquisition program offices align under the Office. The budget for the Office would be established in VA's budget justification materials submitted to Congress. The Secretary would appoint three Deputy Assistant Secretaries (DAS), who would

report to the Assistant Secretary for Acquisition—a DAS for Logistics, a DAS for Procurement, and a DAS for Acquisition, Program Management, and Performance. The DAS for Logistics would be responsible for the administration of logistics and supply chain operations. The DAS for Procurement would be responsible for all VA procurement and contracting organizations. The DAS for Acquisition, Program Management, and Performance would be responsible for lifecycle management, requirements planning, programming and budgeting, policy, performance standards, governance, and enhancing the capabilities of the acquisition workforce. The Assistant Secretary would have to appoint no fewer than four Program Executive Officers (PEO), each of whom would be responsible for overseeing major acquisition programs in medical, IT, professional services, or other areas. Each PEO would report directly to the Assistant Secretary and would supervise the managers of major acquisition programs within their respective areas, as appointed under proposed section 8183. Each PEO would have to be certified in project management at level three by VA, the Federal Acquisition Institute (pursuant to 41 U.S.C. § 1201), or DoD (pursuant to 10 U.S.C. § 1701a); PEOs could instead hold an equivalent certification by a private sector project management certification organization.

**Position: VA generally supports the intent of this section, but is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete.**

Views: VA generally supports this section, subject to further discussions with the Committee and refinements, as it would strengthen VA's acquisition governance and organizational structure, ensuring greater coordination and accountability across all major acquisition programs. The proposed Assistant Secretary for Acquisition, along with dedicated Deputy Assistant Secretaries would provide VA with the leadership and expertise needed to manage

increasingly complex acquisition portfolios. These positions would support focused oversight of logistics, procurement, lifecycle management, and performance standards, enabling VA to streamline processes, improve efficiency, and foster innovation. This structure would ensure that VA's major acquisitions – totaling nearly $100 billion annually – are delivered on-time, on budget, and with the highest quality. By improving acquisition governance and aligning resources under a unified Office of Acquisition, VA could accelerate delivery of critical health care services, advanced technology, and essential systems. Ultimately, these improvements would help VA fulfill its mission to serve those who have served our Nation.

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Summary: Section 3 would add a new section 8183, which would require the applicable PEO, not later than 30 days after any date on which VA approved a major acquisition program to commence, to appoint a manager to be responsible for administering the program. Each appointed manager would have to meet the same certification requirements as PEOs, described above. Each appointed manager would report to the Assistant Secretary through the PEO and be responsible for developing, for each major acquisition program and in coordination with the PEO, a plan to administer major acquisition programs (known as a program baseline). The program baseline would include a description of each acquisition phase; requirements for advancing the program to a subsequent phase; and estimates for the cost, schedule, and performance for the lifecycle of the program. The manager would be responsible for ensuring that the program complies with such requirements and providing all program documentation, including the program baseline documentation, cost, schedule, performance, and risk assessments (and other relevant materials) to designated officials and relevant governance boards. The manager would be responsible for developing resource requests and justifications necessary to satisfy such requirements and assessing and managing risks on a continuous basis to satisfy

the requirements of such program baseline relating to cost and schedule. VA would have to ensure that program decision authority for oversight of a major acquisition program was with the Assistant Secretary and that program management offices for major acquisition programs were independent of VHA, VBA, NCA, and VA staff offices by reporting directly to the Assistant Secretary. Not later than 30 days after any date on which a major acquisition program concluded an acquisition phase, the appointed manager of the program would have to notify the program decision authority under subsection (c) (sic).

**Position: VA supports the intent of section, subject to refinements, but is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete.**

Views: VA generally supports this section, which would strengthen VA's ongoing commitment to governance and accountability in major acquisition programs. The certified program managers and structured oversight this section would require aligning with VA's current efforts to establish policies that ensure qualified leadership and the prompt appointment of multi-disciplinary acquisition management teams for program planning, execution, and risk management. This provision would guarantee independence from operational administrations and reinforce program decision-making authority by formalizing certification and reporting requirements through leadership. Further, it would encourage collaboration with senior functional areas to meet statutory oversight obligations. Collectively, these measures are expected to improve cost management, scheduling, and performance outcomes for VA's most complex programs. This would, like section 2, help VA fulfill its mission of serving those who served our Nation.

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Summary: Section 4(a) would require VA, not later than 1 year after enactment, to organizationally consolidate under the Assistant Secretary for Acquisition every VA activity (including VHA, VBA, and NCA) that relates to acquisition, procurement and contracting, or logistics and supply chain.

Section 4(b) would provide that subsection (a) could not be construed to require the physical relocation of VA employees.

Section 4(c) would require VA, not later than 90 days after commencing organizational consolidation, to submit to Congress a written plan to carry out such organizational consolidate and provide a briefing on the plan. The plan would have to include a timeline, a plan for communication and training activities for relevant VA personnel, a plan for modifying relevant VA policy and guidance, and such other matters as appropriate.

**Position: VA supports the intent of this section, but is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete.**

Views: VA supports the intent of this section because it aligns with ongoing efforts to strengthen enterprise acquisition governance and improve coordination across the Department. While the bill does not require physical relocation of staff, VA remains focused on maintaining continuity of operations, sustaining effective customer relationships, and supporting workforce stability during consolidation. Centralizing acquisition functions is expected to improve policy alignment. lifecycle management, and efficiency in delivering mission-critical services.

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Summary: Section 5(a) would require VA, not later than 120 days after enactment, to seek to enter into one or more contracts using competitive procedures with one or more entities to carry out certain functions described in subsection (c).

Section 5(b) establishes eligibility for such contracts. Specifically, entities would be ineligible to be awarded a contract under this section unless the CAO determined, at the time of evaluation of offers, that the entity was currently performing or had performed (during the previous 3 years) not fewer than three prime contracts from either governmental or commercial health care organizations for the independent verification and validation (IV&V) services (or equivalent services) or the IV&V or systems engineering and technical advisory support of the development or acquisition of major acquisition programs or defense systems. For any contract used to demonstrate eligibility, an entity must have performed the work at a satisfactory or better level as indicated by the past performance information in the Contractor Performance Assessment Reporting System (or successor system). VA would have to revoke the eligibility of an entity under this subsection if the entity did not demonstrate clear and unmitigable evidence that the entity did not have a conflict of interest with respect to the effective performance of functions under subsection (c). VA could not accept from an entity a plan to mitigate a conflict of interest to ameliorate any limitation or prohibition under this section.

Section 5(c) would define the required functions for the contract referred to in subsection (a). These functions would include: (1) the IV&V of each major acquisition program project when such major acquisition program is initiated, at the conclusion of such program, and at any other interval selected by the CAO; (2) the IV&V of other VA programs or projects selected by the CAO, at intervals selected by the CAO.

Section 5(d) would require the VA Chief Financial Officer (CFO) to ensure that each organizational subdivision that enters into a contract under subsection (a) proportionally contributed amounts to fund each such contract.

Section 5(e) would define the term “covered contract” to mean any prime or subcontract with VA, including: IT support or software or system design, development, sustainment, or maintenance services; professional or management consulting services; or advisory and assistance services. It would also define IV&V to mean a comprehensive inspection, a review, analysis, and testing, or an assessment of systems, software, or hardware, as applicable, performed by an entity awarded a contract under subsection (a) to verify that the requirements of a program, project or system, or a development phase of such a program or project, are correctly defined, and to validate cost, schedule, and performance baselines of current programs and measure program effectiveness.

**Position: VA supports the intent of this section, subject to amendments, but is unable to assess the impact to budgetary resources and therefore will follow up with the Committee once this evaluation is complete.**

Views: VA supports the intent of this section, subject to amendments and the availability of appropriations. VA would need to review carefully existing IV&V and testing-related contracts for compliance while ensuring continuity. This shift could unintentionally exclude experienced VA contractors who lack the required DoW-related contract experience. As a result, VA believes refining the bill text for clarity and to address these exclusions through law would be crucial to mitigating operational disruptions. To preserve operational integrity and effectiveness, leveraging both governmental expertise and external contractor support in IV&V processes is vital, and adhering to industry standards while maintaining flexibility in IV&V implementation would ensure comprehensive oversight without compromising quality.

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Summary: Section 6(a) would add a new section 8184, which, under proposed subsection (a), would establish a Director of Cost Assessment and Program Evaluation (CAPE) who would report directly to the Secretary. Under proposed subsection (b), the CAPE Director would be responsible for developing policies and procedures for cost estimate and analysis of major acquisition programs, conducting independent cost estimates and analyses for major acquisition programs to support acquisition decision, providing independent cost estimates in advance of a decision to proceed with full-scale acquisition for a major acquisition program or any other program, evaluating the effectiveness of major acquisition programs in meeting VA objectives, and submitting an annual report to Congress on cost estimate and program evaluation activities. Proposed section 8184(c) would require the CFO to provide to VA such support and resources as may be necessary to ensure the effective establishment and functioning of the CAPE Director.

Section 6(b) would require VA, not later than 1 year after enactment and annually thereafter through 2028 to submit to Congress a report from the CAPE Director on systems and methods for tracking and assessing operating and support costs of major acquisition programs, including recommendations for establishing cost baselines.

**Position: VA does not support this section.**

Views: VA agrees with the intent to improve oversight but does not support creating in law a CAPE Director. VA is implementing enterprise-wide gate governance and independent cost assessments now to prevent overruns that divert resources from Veterans' health care and benefits. This approach delivers transparency and affordability without adding bureaucracy, which helps

ensure every dollar saved can be reinvested into the services Veterans and other beneficiaries need.

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Summary: Section 7(a) would require VA to prioritize the use of acquisition internship programs to hire employees to entry-level positions relating to VA acquisition.

Section 7(b) would require VA, not later than September 30 of the first fiscal year beginning after the date of enactment, to take such actions as may be necessary to ensure that the annual number of participants in VA acquisition internship programs is between two and four times more than the number of participants in such programs during FY 2025. This requirement would terminate on the date on which VA certified to Congress that the projected number of graduates of acquisition internship programs was sufficient to satisfy the human capital needs of VA with respect to acquisition, taking into account the rate of attrition and projected personnel retirements.

**Position: VA supports the intent of this section, but is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete.**

Views: VA supports the intent of this section because building a skilled acquisition workforce would reduce delays in delivering critical programs that Veterans and other beneficiaries need and have earned. Expanding internship pipelines would ensure VA has the talent to manage complex acquisitions such as health care and benefits systems. A strong acquisition workforce would mean fewer mistakes, faster delivery of solutions, and improved reliability for Veteran-facing programs. VA is conducting a 90-day assessment of acquisition and program management skills and delivering Acquisition Lifecycle Framework and

fiscal accountability training through the VA Acquisition Academy to build competency and strengthen governance.

We note for awareness that, as written, this requirement would take effect not later than September 30 of the first fiscal year beginning after enactment. For example, if enacted in December 2026, the compliance date would be September 30, 2028. If Congress intended a different schedule, we recommend revising the language to clarify it.

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Summary: Section 8(a) would require VA, not later than 1 year after enactment, to enter into a memorandum of understanding (MOU) with the Executive Director of DoD's Acquisition Research Center (ARC) to conduct a systems engineering analysis of VA's acquisition process.

Section 8(b) would require VA, not later than 1 year after entering the MOU described in subsection (a), to submit to Congress a report on the findings of the Executive Director with respect to the conducted analysis.

**Position: VA supports the intent of this section, but is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete.**

Views: VA supports the intent of this section because it would promote an independent, expert-driven review of VA's acquisition processes to identify opportunities for improvement and modernization. Working with the ARC would provide access to proven systems engineering methodologies and best practices, enabling VA to benchmark its processes against leading Federal acquisition standards. This analysis would help VA strengthen governance,

reduce risk in major acquisition programs, and improve cost, schedule, and performance outcomes. VA views this provision as complementary to ongoing acquisition reform initiatives and supports its implementation as a means to enhance efficiency and mission delivery.

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Summary: Section 9(a) would add a new section 8185 to title 38, United States Code. Proposed section 8185(a) would require VA to establish a standardized requirements development process for major acquisition programs. This process would have to: define and validate mission-driven requirements for major acquisition programs exceeding $200 million annually or $1 billion in lifecycle costs; incorporate data-driven needs assessments, stakeholder input from relevant VA staff or offices, and VSOs, and align with statutory mandates; and ensure iterative validation of requirements through IV&V to confirm cost, schedule, and performance baselines. Proposed section 8185(b) would require VA to implement this process using staff within the Office of Acquisition and other relevant VA offices without creating new positions, unless a subsequent cost-benefit analysis, validated by the CAPE Director, justified additional resources.

Section 9(b) would require VA to submit a report to Congress, not later than 180 days after enactment, detailing the requirements process established pursuant to proposed section 8187 [sic] and a plan for implementation of such process, including timelines for integration with major acquisition baselines.

**Position: VA supports the intent of this section, but is unable to assess the impact to budgetary resources and therefore will follow-up with the Committee once this evaluation is complete.**

Views: VA generally supports this section, subject to further discussions with the Committee and refinements, as it would help advance VA's

modernization strategy and ongoing implementation of the End-to-End Requirements Management Framework. This effort is already underway to standardize requirements, enforce lifecycle discipline, and link every requirement to measurable cost, schedule, and performance goals. These reforms prevent scope creep, cost overruns, and delays, which together accelerate the delivery of benefits and care to Veterans and other beneficiaries.

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Summary: Section 10 would make conforming amendments to 38 U.S.C. § 8171 by striking the definitions of the terms “major information technology project” and “business owner”; it would also strike section 8172, regarding management of major IT projects.

**Position: VA supports this section.**

Views: VA supports this section as it would align statutory language with modern governance to reduce confusion and delays that could impact the delivery of benefits and care to Veterans and other beneficiaries. These changes would ensure that IT and non-IT programs would follow the same enhanced oversight and lifecycle standards.

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Summary: Section 11(a) would include a clerical amendment to amend the table of sections to add subchapter VII and sections 8181-8185 to title 38, United States Code.

**Position: VA has no objection to this section.**

Views: VA has no objection to this section, as it would simply be a clerical amendment.

Cost Estimate: VA does not have a cost estimate for this bill.

## H.R. 6843 Establishing the Veterans Economic Opportunity and Transition Administration Act of 2025

Summary: Section 2(a) would add a new chapter 80 in title 38, United States Code.

Proposed section 8001(a) would establish in VA a Veterans Economic Opportunity and Transition Administration (VEOTA). The primary function of VEOTA would be the administration of VA programs that provide assistance related to economic opportunity to Veterans and their dependents and survivors. Proposed section 8001(b) would place VEOTA under the Under Secretary for Veterans Economic Opportunity and Transition, who would be directly responsible to the Secretary for the operations of VEOTA.

Proposed section 8002 would establish five functions for VEOTA, including responsibility for the administration of vocational rehabilitation and employment programs, educational assistance programs, Veterans' housing loan and related programs, the Transition Assistance Program (under 10 U.S.C. § 1144), and any other appropriate VA programs).

Proposed section 8003 would require VA to include in the annual report to Congress required by 38 U.S.C. § 529 a report on the programs administered by VEOTA.

Section 2(b) would state that the proposed chapter 80 would take effect on October 1, 2027.

Section 2(c) would provide that for FY 2028 and 2029, the total number of full-time equivalent employees authorized for VBA and VEOTA could not exceed 31,401 in FY 2028 or 2029.

**Position: VA does not support this section.**

Views: This section would establish a new Administration that would involve significant structural, IT, and human capital realignments, and VA would need clarification on the source of appropriations to prevent unfunded mandates and ensure continuity of benefits during transition. We would also need the required allocation associated with the separation of certain business lines for the administrative framework needed for the new Under Secretary and other positions, such as the Chief of Staff position, to support this separation.

This section does not account for how this would affect VBA Regional Office (RO) structure. ROs are led by Directors who manage multiple divisions. Every RO includes disability claims processing activities as well as Veteran Readiness and Employment (VR&E) program administration, with some ROs also housing special processing units such as Pension, Fiduciary, Education, and Loan Guaranty programs. The establishment of a new Administration would create complications, as it would require ROs to be split, and duplicative field leadership positions would be required in all ROs, as it would not be realistic to have existing RO leadership report to two different VA Under Secretaries.

This section does not clearly distinguish the intent and scope as pertaining only to VA's Transition Assistance Program (TAP) responsibilities specified in 10 U.S.C. § 1144 vice establishment of more extensive authority and responsibilities that would require conforming amendments to 38 U.S.C. § 320 and 10 U.S.C. §§ 1144 and 1142 addressing DoW, DOL, VA, and DHS TAP and military to civilian transition authorities and responsibilities.

In addition, customer engagement activities, including contact centers and means to communicate with the administration, would be duplicated. Currently, VBA national contact centers and public contact teams respond to inquiries, including Ask VA website inquiries, about the full suite of VBA benefits and are aligned within the RO structure. These functions would be split and result in duplicative employee, management, and oversight positions. Further, VA Solid Start is integrated in the existing contact center structure, and, if moved to a new Administration, would require establishment of another duplicative management structure.

The VA's full-time employee equivalent (FTE) staffing levels align with the President's Budget Request for FY 2026 but do not reflect anticipated workload increases for FY 2028 or 2029. The VR&E program alone has seen a dramatic increase in caseload size from October 2020 to February 2026, with a 59.7% increase in caseload size. Therefore, additional mandatory and discretionary funding would need to be appropriated for VBA to implement this section.

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Summary: Section 3(a) would add a new section 306A in title 38, United States Code. Proposed section 306A(a) would create a position known as the Under Secretary for Veterans Economic Opportunity and Transition (USVEOT), who would be appointed by the President, by and with the advice and consent of the Senate. The USVEOT would be appointed without regard to political affiliation or activity and solely on the basis of demonstrated ability in IT and the administration of programs within the VEOTA or programs of similar content and scope. Proposed section 306A(b) would state the USVEOT would be the head of, and be directly responsible to the Secretary for, the operations of VEOTA. Proposed section 306A(c) would state that when a vacancy in the position of the USVEOT occurred or was anticipated, the Secretary would have to establish a

commission to recommend individuals to the President for appointment to the position. The commission would have to be composed of certain individuals or representatives. Members of the commission shall not receive pay by reason of their service on the commission, nor shall members who are not otherwise employees of the United States be considered employees by reason of any such service. The commission would have to recommend at least three individuals for appointment to the position of USVEOT, and all recommendations would be submitted to the Secretary. The Secretary would forward to the President and Congress the recommendations with any appropriate comments. The President could request the commission recommend additional individuals for appointment. The Assistant Secretary or Deputy Assistance Secretary of Veterans Affairs who performs personnel management and labor relations functions would serve as the executive secretary of the commission.

Section 3(b) would make conforming amendments to 38 U.S.C. §§ 306, 317, 318, 516, 541, 542, 544, 709, 7701, and 7703 to account for the proposed USVEOT.

**Position: VA does not support this section.**

Views: The procedure for filling the position of USVEOTA, as outlined, would be slightly different than the procedure for filling the positions of the USB, USH, and Under Secretary for Memorial Affairs.

Under proposed section 306A(c)(3), the Secretary would forward the commission's recommendations and any comments the Secretary considers appropriate to the President and the Committees on Veterans' Affairs of the Senate and the House of Representatives. Current sections 305 (Under Secretary for Health) and 306 (Under Secretary for Benefits) require the Secretary to forward the commission's recommendations only to the President,

and section 307 (Under Secretary for Memorial Affairs) is much less detailed than the other sections.

Further, should the addition of this Administration be enacted, VA would require ample time to plan for this considerable transition to ensure services are not negatively affected. Therefore, while VA remains committed to communicating closely with the Committees, it does not support a specified timeframe for reporting or certification.

VA recommends Congress consider an alternate path that would involve creating a Deputy Under Secretary (DUS) within VBA in lieu of a new Administration. This would be much more cost effective, preserve integration, provide dedicated leadership aligned to the Economic Opportunity Subcommittee of the House Veterans' Affairs Committee for the referenced programs, and would require fewer additional FTE and cost.

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Summary: Section 4(a) would require VA, not later than 180 days after enactment, to submit to Congress a report on the progress toward establishing the VEOTA and the transition of the provision of services to Veterans by such administration.

Section 4(b) would prohibit VA from transferring the function of providing any services to Veterans to the VEOTA until VA submitted to Congress a certification that the transition of the provision of services to such Administration would not negatively affect the provision of such services to such Veterans and that such services are ready to be transferred.

Section 4(c) would require VA to submit this certification to Congress no earlier than April 1, 2027, and no later than September 1, 2027.

Section 4(d) would state that if VA failed to submit the certification by September 1, 2027, VA would have to submit to Congress a report that included the reasons why the certification was not made by that date and the estimated date when the certification would be made.

Position: **VA does not support this section.**

Views: VA would require ample time to plan for this considerable transition to ensure services are not negatively affected. Therefore, while VA remains committed to communicating closely with the Committees, VA recommends that no specified timeframe be required for reporting or certification.

Cost Estimate: VA does not have a cost estimate for this bill.

## H.R. 6861 Consolidating Veteran Employment Services for Improved Performance Act

Position: **The Administration does not currently support this bill.**

Views: The Administration sincerely appreciates the Committee's interest and willingness to address performance in programs for Veterans and transitioning Service members and looks forward to working closely with the Committee in the future to ensure any consolidation of Veterans' employment programs reflect the entirety of the Administration's views and interests.

Cost Estimate: VA does not have a cost estimate for this bill.

## H.R. 6904 Veterans Readiness and Employment Integrity Act

Summary: Section 2(a) would amend 38 U.S.C. § 5303(a), which generally establishes certain bars to benefits, to permit VA to bar a person who was convicted under 18 U.S.C. § 111 (regarding assaulting, resisting, or impeding certain officer or employees) for an offense against a VA officer or employee from benefits under 38 U.S.C. Ch. 30, 31, 33, 35, or 36 (generally dealing with different education, training, and rehabilitation benefits programs).

Section 2(b) would apply these amendments to a conviction under 18 U.S.C. § 111 for an offense against a VA officer or employee that occurs on or after the date of enactment.

Position: **VA has no objection to this section.**

Views: VA has no objection to this section as VA's VR&E program already has the authority, pursuant to 38 U.S.C. § 3111, to discontinue services for Veterans who fail to maintain satisfactory conduct or cooperation.

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Summary: Section 3 would amend 38 U.S.C. § 3103, which generally establishes periods of eligibility for training and rehabilitation for Veterans with service-connected disabilities. This amendment would add a new condition under which Veterans in need of rehabilitation services to overcome a serious employment handicap could receive vocational rehabilitation after their period of eligibility had expired. Under this amendment, such Veterans would be eligible for the 1-year period after the end of their training if they have not obtained employment in the occupation for which they were trained.

Position: **VA has no objection to this section.**

Views: VA believes current statutory authority under 38 U.S.C. § 3103(c) already provides sufficient flexibility to extend eligibility when necessary to accomplish the purposes of a rehabilitation program. Accordingly, additional legislative language may not be required to achieve the intended objective.

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Summary: Section 4(a) would amend 38 U.S.C. § 3104, which generally defines the scope of services and assistance VA can provide under 38 U.S.C. Ch. 31. This amendment would require that any payment for equipment necessary to accomplish the purposes of the rehabilitation program for the Veteran in excess of $5,000 would require VA approval.

Section 4(b) would require VA, not later than 1 year after enactment and annually thereafter, to submit to Congress a report of such payments approved during the previous year; the report would have to identify, with regard to each payment, the equipment purchased, the reason for the purchase, and the total equipment purchased for the rehabilitation program of the Veteran.

Position: **VA does not support this section.**

Views: While VA supports accountability and transparency in equipment purchases, immediate implementation of this reporting requirement without a centralized tracking mechanism could delay provision of essential rehabilitation equipment to Veterans. These purchases are often time-sensitive and directly tied to employment readiness and independent living.

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Summary: Section 5 would further amend 38 U.S.C. § 3104 by generally limiting the amount of Federal funds that can be used for a rehabilitation program

to $250,000 or less. Beginning October 1, 2026, and annually thereafter, VA would increase the dollar limit by a percentage equal to the most recent percentage increase under 38 U.S.C. § 3015(h), generally addressing the average cost of undergraduate tuition in the United States.

Position: **VA does not support this section.**

Views: If all sources of government aid are incorporated into the definition of "Federal funds," Veterans would need to submit further documentation for VA oversight to ensure compliance with the specified cap. Currently, VA lacks the capability to track educational grants, as participation is at the discretion of the Veteran, and VA would be unable to enforce Veterans' self-reporting of Federal grants they may receive.

This section also would not account for scenarios in which the annual assessment of the rehabilitation plan, as mandated by 38 U.S.C. § 3107, indicates a need for redevelopment of the current rehabilitation plan. It is also important to note that other VA education programs with spending limits, such as the GI Bill, do not incorporate Federal funding mechanisms, like educational grants, into the calculation of limits on VA-funded educational programs.

VA recommends amending the language to specify the spending cap would only apply to funds under this chapter and allow for the Secretary to waive the cap requirement to the extent the Secretary determines appropriate; otherwise, this could significantly limit access to necessary services. Veterans with substantial needs or those whose disabilities have deteriorated may not be able to access the services that they require to be able to live independently.

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Summary: Section 6(a) would amend 38 U.S.C. § 3106, which generally establishes requirements for initial and extended evaluations and determinations regarding serious employment handicaps, to clarify that the VA employee assigned to be responsible for the management and follow-up of the provision of all services and assistance under 38 U.S.C. Ch. 31, may be a vocational rehabilitation specialist (VRS).

Section 6(b) would make a conforming amendment to 38 U.S.C. § 3101, which defines terms for purposes of 38 U.S.C. Ch. 31, to include a definition of VRS, which would mean either a VR&E VRS or a VA counseling psychologist performing the duties of a VRS.

Position: **VA does not support this section.**

Views: This section seeks to allow a VRS to provide case management and follow-up services and assistance for Veterans, who have been determined to have a serious employment handicap, and for whom the feasibility of a vocational goal has not been determined. Such evaluative decisions require the specialized knowledge and expertise possessed by Vocational Rehabilitation Counselors (VRC). VRCs in the VR&E program possess a master's degree (or higher) in relevant fields. The change would limit VA's authority under 38 U.S.C. § 3118(c) to assign qualified personnel and would require VA to assign personnel who may not have the qualifications to make these decisions.

Additionally, as drafted, this section would effectively treat a VRC interchangeably with a counseling psychologist (CP) and VRS. However, the terms VRC, CP, and VRS are not synonymous. VRCs possess the authority to create and modify vocational plans with the VR&E program due to their masters-level education and specialized expertise in accordance with 38 U.S.C. § 3118(c). Also, given VA no longer hires CPs, only VRC and VRS positions. VA recommends against adding proposed section 3101(11)(B). Furthermore, this

recommendation aims to maintain transparency and ensure a clear understanding of who is responsible for decision-making and the qualifications of those individuals. Introducing such changes could lead to confusion among Veterans regarding the credentials of the counseling and rehabilitation professionals delivering services under this chapter. It is essential to preserve clarity around qualifications to prevent any potential misunderstandings for Veterans seeking assistance.

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Summary: Section 7(a) would amend 38 U.S.C. § 3108, which generally establishes requirements related to subsistence allowances for Veterans while participating in a rehabilitation program under 38 U.S.C. Ch. 31. The amendment would allow eligible Veterans to receive an allowance based on either the location of the institution providing the Veteran's rehabilitation program or based on the location of the Veteran's residence, if such residence was more than 25 miles from the institution.

Position: **VA does not support this section.**

Views: Veterans entitled to a subsistence allowance under 38 U.S.C. Ch. 31, and educational assistance under 38 U.S.C. Ch. 33 can switch between the chapter 31 subsistence allowance rate and the chapter 33 subsistence allowance rate, electing the more beneficial rate. Adding an additional factor for the chapter 33 subsistence allowance payment would require further administrative assessments by VA. Implementation would require development of new distance calculation and residency verification processes not currently integrated into VA education benefit systems, resulting in significant administrative and technological costs. Technological solutions would be costly and take time to develop. This change would create inequities for Veterans who are eligible for other VA educational programs that do not impose similar requirements. Lastly,

this change has the potential to negatively impact the overall quality and timeliness of service provision and fiscal accuracy. For example, a Veteran that lives in Woodbridge, VA may need to travel to Washington, D.C. for training. However, if the legislation were enacted, a VR&E participant would be paid less than a GI Bill participant, since the VR&E participant would be paid based on the zip code of their residence and not the zip code of the institution.

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Summary: Section 8(a) would amend 38 U.S.C. § 3117, which generally addresses employment assistance for certain Veterans, to require VA, in carrying out this section, to employ an employment counselor at each VA regional office, to the extent practicable.

Position: **VA does not support this section.**

Views: The existing framework of the VR&E program includes employment counselors who are integral to delivering job placement services for Veterans. However, introducing a requirement for an employment counselor at every regional office would restrict the Secretary's ability to adapt the VR&E workforce based on budget, Veteran demand, and workload allocation models.

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Summary: Section 9(a) would add a new section 3123 in title 38, United States Code, that would prohibit a Veteran participating in a vocational rehabilitation program from receiving disability compensation under chapter 11 for a disability rated as total on the basis of individual unemployability.

Position: **VA has significant concerns with this section as drafted.**

Views: This section would prohibit Veterans participating in a vocational rehabilitation program from receiving disability compensation for a disability rated as total based on individual unemployability (TDIU) but would fail to account for independent living services. This contradicts the VR&E program's core mission, the very program designed to facilitate employment and independence for those with the most significant disabilities. Independent living services are specifically designed for Veterans whose service-connected disabilities preclude employment, and for the required evaluations that determine whether a vocational goal is reasonably feasible. When a Veteran has a serious employment handicap and achievement of a vocational goal is not currently feasible, VA must evaluate the Veteran's capability to participate in a program of independent living services and assistance; if feasibility cannot be determined, statute mandates an extended evaluation to enhance the prospect of engaging in rehabilitation and to determine the viability of a vocational goal.

This section would also require Veterans to forfeit TDIU before these critical assessments occur, risking loss of transitional support prior to establishing feasibility. This approach would also conflict with basic VR&E entitlement standards, which require at least a 20% service-connected rating with an employment handicap or at least 10% with a serious employment handicap, and with current TDIU processing, where participation in education or rehabilitation (including VR&E) is considered as one factor in a holistic employability analysis rather than a categorical bar or discontinuance trigger. Treating VR&E participation as a statutory bar to TDIU would not only restrict Veterans' autonomy to select benefits suited to their circumstances, it would also represent a fundamental shift from individualized adjudication to categorical exclusion and, absent conforming amendments to 38 U.S.C. Ch. 11, and implementing regulations, could be vulnerable to challenge.

While the intent to emphasize employment is commendable, the approach would create unintended consequences that could undermine rehabilitation,

independent living, and long-term employment outcomes. The VR&E program exists to remove barriers to employment and help Veterans with service-connected disabilities achieve maximum independence and obtain suitable work. Veterans with a TDIU rating seek VR&E services precisely because they want to transition into a more accommodating occupation and ultimately return to the workforce.

Conditioning participation on the loss of TDIU benefits would force VA to discontinue services for Veterans who are actively pursuing rehabilitation goals, even when successful completion of training could restore employability and reduce reliance on compensation. This would penalize Veterans for attempting to improve their circumstances and create a strong disincentive to engage in rehabilitation.

Further, this section would not amend the underlying statutes governing VA disability compensation, creating ambiguity about implementation and potentially requiring VBA to deny or terminate TDIU claims solely because a Veteran participates in VR&E. This interpretation would conflict with the purpose of both programs and could expose VA to legal and operational challenges. VA recommends an alternative approach that would align with the intent of promoting employment without creating punitive barriers. Specifically, Congress could consider mechanisms that allow Veterans to retain TDIU during rehabilitation, coupled with transitional protections such as trial work periods or partial benefit restoration if employment efforts fail. This would remove the fear of losing financial stability while encouraging Veterans to pursue meaningful employment goals.

Finally, VA notes that this section would create inconsistent treatment across VA programs. Veterans may currently pursue other education benefits while retaining TDIU yet would be penalized for choosing VR&E— Such inconsistency would raise equity and policy concerns. VA recommends

consideration of alternatives that would promote rehabilitation and independent living without imposing punitive measures that deter participation and undermine program objectives.

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Summary: Section 10 would make technical corrections to 38 U.S.C. §§ 3101 and 3103.

Position: **VA supports this section, subject to amendments and availability of appropriations.**

Views: In section 10(b)(1) of the bill, the technical correction should be made in the second subsection (h)(1), not the second subsection (h).

Cost Estimate: VA does not have a cost estimate for this bill.

**Conclusion**

Mr. Chairman, this concludes my statement. VA appreciates the opportunity to present its views on these bills, and we look forward to responding to any questions you or the other Members of the Committee may have.