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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend title 38, United States Code, to prohibit the Secretary of Veterans Affairs from entering into a contract pursuant to which the contractor may sell sensitive personal information maintained by the Secretary and to ensure the protection of personal information in certain contracts of the Department.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend title 38, United States Code, to prohibit the Secretary of Veterans Affairs from entering into a contract pursuant to which the contractor may sell sensitive personal information maintained by the Secretary and to ensure the protection of personal information in certain contracts of the Department.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veteran Data Account-
3 ability for Third-party Actors Act” or the “Veteran DATA
4 Act”.

5 **SEC. 2. PROHIBITION OF THE SALE OF SENSITIVE PER-**
6 **SONAL INFORMATION MAINTAINED BY THE**
7 **SECRETARY OF VETERANS AFFAIRS.**

8 Section 5725 of title 38, United States Code, is
9 amended—

10 (1) in the heading, by striking “**for data**
11 **processing or maintenance**” and inserting
12 “**involving sensitive personal informa-**
13 **tion**”; and

14 (2) by adding at the end the following new sub-
15 section:

16 “(d) PROHIBITION OF SALE OF SENSITIVE PER-
17 SONAL INFORMATION.—The Secretary may not enter into
18 a contract that permits the contractor to sell (or otherwise
19 disclose for consideration) sensitive personal information
20 to another entity.”.

21 **SEC. 3. PROTECTION OF PERSONAL INFORMATION IN CON-**
22 **TRACTS OF THE DEPARTMENT OF VETERANS**
23 **AFFAIRS.**

24 (a) IN GENERAL.—Not later than one year after the
25 date of the enactment of this Act, the Secretary of Vet-
26 erans Affairs shall—

1 (1) ensure that each covered contract includes,
2 or is modified to include, a clause prohibiting cov-
3 ered information from being monetized, sold, or oth-
4 erwise misused by any contractor, including any sub-
5 contractor or affiliate thereof, or other non-Depart-
6 ment of Veterans Affairs entity; and

7 (2) issue a directive or other policy providing
8 guidance to employees and contractors of the De-
9 partment on how to identify the monetization, sale,
10 or misuse of covered information in order to ensure
11 contractors are in compliance with clauses in covered
12 contracts included pursuant to paragraph (1).

13 (b) REPORT.—Not later than one year after the date
14 of the enactment of this Act, the Secretary shall submit
15 to the appropriate congressional committees a report that
16 includes—

17 (1) a copy of the contract clause required by
18 subsection (a)(1);

19 (2) the guidance required by subsection (a)(2);
20 and

21 (3) a summary of any other actions taken to
22 comply with subsection (a).

23 (c) DEFINITIONS.—In this section:

1 (1) The term “appropriate congressional com-
2 mittees” means the Committees on Veterans’ Affairs
3 of the House of Representatives and the Senate.

4 (2) The term “covered contract” means a con-
5 tract of the Department of Veterans Affairs that
6 provides for the handling of covered information and
7 is entered into—

8 (A) after the date of the enactment of this
9 Act; or

10 (B) before the date of the enactment of
11 this Act and does not expire before the date of
12 the enactment of this Act.

13 (3) The term “covered information”—

14 (A) means protected health information or
15 personally identifiable information, including
16 such information that has been anonymized;
17 and

18 (B) includes information protected
19 under—

20 (i) section 552a of title 5, United
21 States Code;

22 (ii) section 5701 or 7332 of title 38
23 United States Code;

24 (iii) parts 160, 161, and 164 of title
25 45, Code of Federal Regulations; and

- 1 (iv) any other provision of law, as de-
- 2 termined by the Secretary.