



Date: March 24, 2026

The Honorable Jen Kiggans
Chairwoman
Subcommittee on Oversight and Investigations
House Committee on Veterans' Affairs
U.S. House of Representatives
Washington, DC 20515

The Honorable Delia Ramirez
Ranking Member
Subcommittee on Oversight and Investigations
House Committee on Veterans' Affairs
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman Kiggans and Ranking Member Ramirez:

On behalf of the Center for Procurement Advocacy (CPA), we appreciate the Subcommittee's focus on improving transparency, accountability, and performance at the Department of Veterans Affairs (VA). The legislative proposals scheduled for consideration at the upcoming Oversight and Investigations Subcommittee hearing touch on several issues central to federal acquisition policy, including contractor data stewardship, financial management, subcontracting opportunities for veteran-owned businesses, and transparency in agency engagement with Congress.

CPA represents companies that provide technology, healthcare, and professional services across the federal government. Because the Department of Veterans Affairs relies extensively on industry partners to deliver mission-critical services—from healthcare delivery to major IT modernization programs—changes to VA acquisition policy can have significant impacts on both government performance and the contractor community.

We offer the following perspectives on the acquisition implications of the legislation under consideration.



Veteran Data Accountability for Third-Party Actors Act (“Veteran DATA Act”)

CPA supports efforts to strengthen protections for veterans’ sensitive personal information. Contractors operating VA systems, including major healthcare IT systems, are often responsible for processing protected health information and personally identifiable information in accordance with strict statutory and regulatory safeguards.

From an acquisition perspective, the bill would require the VA to incorporate contract clauses explicitly prohibiting contractors or subcontractors from selling or monetizing sensitive personal data obtained through VA contracts. While most federal contracts already prohibit such activity through existing privacy, cybersecurity, and data protection requirements, codifying this prohibition in statute could further clarify expectations for vendors operating in sensitive data environments.

However, we encourage Congress to ensure that any new statutory requirements align with existing frameworks such as the Privacy Act, HIPAA requirements incorporated into federal contracts, and existing Federal Acquisition Regulation (FAR) data protection clauses. Ensuring consistency across federal agencies will avoid creating a fragmented set of agency-specific compliance regimes for contractors.

Veterans Affairs Management and Oversight of Software Assets Act

The Center for Procurement Advocacy also appreciates the Subcommittee’s consideration of H.R. 6654, the Veterans Affairs Management and Oversight of Software Assets Act. This bill would improve the Department’s management of software licenses and digital assets and we endorse this legislation.

Effective software asset management is an increasingly important issue across the federal government. Federal agencies—including the VA—operate large portfolios of commercial software tools that support healthcare delivery, benefits administration, cybersecurity operations, and enterprise IT infrastructure. Ensuring that these assets are properly tracked, managed, and optimized is essential both for cost control and for maintaining secure and modern digital systems.

From an acquisition perspective, H.R. 6654 could provide several benefits. Establishing clearer requirements for the identification and management of software assets would improve visibility into existing licensing agreements and help prevent duplicative purchases across VA components. Greater transparency in software inventories can also enable the Department to



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better leverage enterprise licensing agreements, improve procurement planning, and reduce unnecessary expenditures associated with underutilized licenses.

At the same time, Congress should ensure that implementation of these requirements aligns with governmentwide policies already in place for software asset management. The Office of Management and Budget and the Federal CIO Council have established guidance encouraging agencies to adopt enterprise-wide software management practices. Coordination with these existing initiatives will help ensure that the VA's approach remains consistent with broader federal IT acquisition policies and does not inadvertently introduce agency-specific compliance requirements that differ from governmentwide practices.

In addition, as the VA continues to modernize its IT infrastructure and adopt cloud-based and software-as-a-service platforms, effective software asset management will increasingly require collaboration between the Department and its technology vendors. Many modern licensing models rely on dynamic usage metrics rather than traditional seat-based licenses. Ensuring that statutory requirements remain flexible enough to accommodate evolving commercial software models will be important to encourage the adoption of modern technologies.

With effective implementation, the legislation would strengthen oversight of the Department's software portfolio while supporting more efficient acquisition strategies for enterprise IT capabilities.

VA Chief Financial Officer Authority Clarification Act

This legislation seeks to clarify the role of the Assistant Secretary for Management as the Department's Chief Financial Officer and centralize financial management authority across VA components.

Improved financial management and transparency can positively affect acquisition programs by strengthening budget execution, cost accounting, and oversight of large programs. Many of the VA's most challenging modernization initiatives—particularly large IT and healthcare programs—have faced oversight challenges related to budget execution and program cost visibility.

Clarifying financial leadership and strengthening reporting to Congress could therefore improve the management of major acquisition programs and help ensure that appropriated funds for modernization initiatives are used effectively. Consequently, we endorse this legislation.



Vets CLEAR Act

The Vets CLEAR Act aims to improve the efficiency of revenue recovery for the VA Medical Care Collections Fund.

Although primarily focused on healthcare financing, this proposal could indirectly support acquisition programs by improving the VA’s ability to reinvest recovered funds into healthcare services and associated contractor-supported programs.

Increased financial flexibility may allow the VA to reinvest recovered funds into areas such as clinical services, facility improvements, and digital health systems—many of which rely on private sector providers and contractors.

VA Community Care Payment Rate Reform Act

This legislation modifies the methodology used to determine payment rates under the VA Community Care Program.

The proposed changes would require the VA to establish payment rates based on the site where care is delivered and to require more precise identifiers for service locations.

From an acquisition perspective, clearer reimbursement structures may improve predictability for providers participating in the Community Care network and could help address payment disparities across care settings. Ensuring transparent payment methodologies can also reduce disputes and administrative complexity for private providers working with the VA.

Veterans Affairs Subcontractor Competition and Opportunity Network Act (“VA SUBCON Act”)

CPA strongly supports expanding opportunities for veteran-owned and service-disabled veteran-owned small businesses in federal contracting. However, we have concerns that the VA SUBCON Act may unintentionally create redundant systems and barriers for small businesses.

The bill would require the VA to establish a new database of certified veteran-owned small businesses for use by prime contractors in identifying subcontractors. While well-intentioned, this approach raises several concerns from an acquisition policy perspective.

First, the Small Business Administration already operates multiple governmentwide certification and database systems that serve this purpose. SBA’s certification program for Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses, as well as



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governmentwide platforms such as SAM.gov and the Dynamic Small Business Search database, already provide agencies and prime contractors with tools to identify qualified small businesses.

Creating a separate VA-specific database risks duplicating these existing systems and may increase administrative burdens on small businesses that would need to maintain profiles across multiple platforms.

Second, the bill includes eligibility requirements that could unintentionally exclude newer small businesses. The proposal would exclude firms that have not previously received at least two prime contracts with satisfactory past performance ratings. Many small and emerging veteran-owned businesses begin their federal participation as subcontractors precisely because they have not yet received prime contracts. As a result, the requirement could restrict opportunities for new entrants and undermine the goal of expanding participation by veteran-owned firms.

Finally, the proposal could create additional compliance obligations for prime contractors during subcontracting plan development. If contractors must navigate multiple databases to identify potential subcontractors, this may increase administrative complexity rather than streamline the process.

CPA encourages the Subcommittee to consider whether strengthening coordination with existing SBA certification systems would achieve the same policy objectives without creating duplicative infrastructure or additional burdens on small businesses.



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Conclusion

The Center for Procurement Advocacy appreciates the Subcommittee's attention to improving accountability and performance at the Department of Veterans Affairs. Many of the proposals under consideration address legitimate oversight concerns and could contribute to stronger governance of the Department's programs.

At the same time, careful attention should be paid to the acquisition implications of these proposals—particularly where new statutory requirements may duplicate existing systems or create unintended barriers for small businesses seeking to participate in federal contracting.

We look forward to working with the Subcommittee as these proposals are considered and stand ready to provide additional input on their potential impact on the federal acquisition community.

Sincerely,

Timothy Brennan
President
Center for Procurement Advocacy