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(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To amend title 38, United States Code, to make improvements relating to conflicts of interest for certain Department of Veterans Affairs employees, and for other purposes.

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 make improvements relating to conflicts of interest for certain Department of Veterans Affairs employees, and for other purposes.

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

3 **SECTION 1. IMPROVEMENTS RELATING TO CONFLICTS OF**
4 **INTEREST FOR CERTAIN DEPARTMENT OF**
5 **VETERANS AFFAIRS EMPLOYEES.**

6 (a) HEALTH PROFESSIONS EDUCATION PARTICULAR
7 MATTERS.—Section 7302 of title 38, United States Code,

1 is amended by adding at the end the following new sub-
2 section:

3 “(f)(1) A Department employee who is dually ap-
4 pointed with an affiliated entity may participate in a
5 health professions education particular matter that affects
6 the financial interest of the affiliated entity without regard
7 to section 208 of title 18, except that the Department em-
8 ployee shall comply with such section to the extent that
9 a health professions education particular matter affects a
10 financial interest other than the affiliated entity.

11 “(2) A Department employee who serves in a health
12 professions education role at an affiliated entity may com-
13 municate with the Department regarding a health profes-
14 sions education covered matter without regard to section
15 205 of title 18 and the payment and receipt of the employ-
16 ee’s affiliate compensation, as it pertains to the permitted
17 communication, shall not be treated as prohibited by sec-
18 tion 203 of such title.

19 “(3) Nothing in paragraph (1) or (2) shall be con-
20 strued to—

21 “(A) permit an employee who is dually ap-
22 pointed, or any subordinate of any such employee
23 within the Department, to make binding decisions on
24 behalf of the Department that would affect the fi-

1 nancial interest of an affiliated entity or an entity
2 established under section 7361 of this title; or

3 “(B) affect the applicability of section 203,
4 205, or 208 of title 18, or any other provision of law
5 relating to criminal conflicts of interest, to conduct
6 described in subparagraph (A).

7 “(4) In this subsection:

8 “(A) The term ‘affiliated entity’ means an enti-
9 ty described in subsection (d) with whom the De-
10 partment has an affiliation agreement.

11 “(B) The term ‘employee who is dually ap-
12 pointed’ means an individual who has an appoint-
13 ment within the Department and a compensated ap-
14 pointment at an affiliated entity, but does not in-
15 clude an employee who is prohibited by Department
16 policy from having a compensated affiliate appoint-
17 ment.

18 “(C) The terms ‘health professions education
19 particular matter’ and ‘health professions education
20 covered matter’ mean activities relating to the for-
21 mal education and training in a health care profes-
22 sion, oversight of health professions education pro-
23 grams, supervision of health professions trainees,
24 and educational relationships with affiliated health
25 professions education programs.”.

1 (b) RESEARCH PARTICULAR MATTERS.—Section
2 7303 of such title is amended by adding at the end the
3 following new subsection:

4 “(e)(1) A Department employee who is dually ap-
5 pointed with an affiliated entity may participate in a re-
6 search particular matter that affects the financial interest
7 of the affiliated entity without regard to section 208 of
8 title 18, except that the Department employee shall com-
9 ply with such section to the extent that a research par-
10 ticular matter affects a financial interest other than the
11 affiliated entity.

12 “(2) A Department employee who serves in a re-
13 search role at an affiliated entity may communicate with
14 the Department regarding a research covered matter with-
15 out regard to section 205 of title 18 and the payment and
16 receipt of the employee’s affiliated entity compensation, as
17 it pertains to the permitted communication, shall not be
18 treated as prohibited by section 203 of such title.

19 “(3)(A) Subject to subparagraph (B), a Department
20 employee who is employed by an entity established under
21 section 7361 of this title may—

22 “(i) participate in a research particular matter
23 that affects the financial interest of the entity with-
24 out regard to section 208 of title 18, except that the
25 Department employee shall comply with such section

1 208 to the extent that a research particular matter
2 affects a financial interest other than the entity; and

3 “(ii) communicate with the Department regard-
4 ing a research covered matter without regard to sec-
5 tion 205 of title 18 and the payment and receipt of
6 the employee’s entity compensation, as it pertains to
7 the permitted communication, shall not be treated as
8 prohibited by section 203 of such title.

9 “(B) For purposes of subparagraph (A), the em-
10 ployee of an entity established under section 7361 of this
11 title does not include the executive director of the entity.

12 “(4) A Department employee who is dually appointed
13 with an affiliated entity, and who is an inventor of an in-
14 vention that is co-owned by the Department and the affili-
15 ated entity, may participate in a license agreement that
16 affects the financial interest of the affiliated entity without
17 regard to section 208 of title 18, except that the Depart-
18 ment employee shall comply with such section to the ex-
19 tent that a license agreement affects a financial interest
20 other than the affiliated entity.

21 “(5) Nothing in this subsection shall be construed
22 to—

23 “(A) permit an employee who is dually ap-
24 pointed, or any subordinate of any such employee
25 within the Department, to make binding decisions on

1 behalf of the Department that would affect the fi-
2 nancial interest of an affiliated entity or an entity
3 established under section 7361 of this title; or

4 “(B) affect the applicability of section 203,
5 205, or 208 of title 18, or any other provision of law
6 relating to criminal conflicts of interest, to conduct
7 described in subparagraph (A).

8 “(6) In this subsection:

9 “(A) The term ‘affiliated entity’ means an enti-
10 ty described in section 7302(d) of this title with
11 whom Department has an affiliation agreement.

12 “(B) The term ‘employee who is dually ap-
13 pointed’ means an individual who has an appoint-
14 ment within the Department and a compensated ap-
15 pointment at an affiliated entity, but does not in-
16 clude an employee who is prohibited by Department
17 policy from having a compensated affiliate appoint-
18 ment.

19 “(C) The terms ‘research particular matter’
20 and ‘research covered matter’ mean a proposed or
21 approved Department research study, and any par-
22 ticular matter or covered matter between the De-
23 partment and an affiliated entity or the entity estab-
24 lished under section 7361 of this title, in support of

1 that study or in support of the research program of
2 the Department.”.