

115TH CONGRESS
1ST SESSION

S. 1325

To amend title 38, United States Code, to improve the authorities of the Secretary of Veterans Affairs to hire, recruit, and train employees of the Department of Veterans Affairs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 8, 2017

Mr. TESTER (for himself, Mr. MORAN, Mrs. MCCASKILL, Mr. KAINE, Ms. HASSAN, and Mr. CRAPO) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to improve the authorities of the Secretary of Veterans Affairs to hire, recruit, and train employees of the Department of Veterans Affairs, 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. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Better Workforce for Veterans Act of 2017”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—RECRUITMENT AND HIRING MATTERS

- Sec. 101. Improved authorities for hiring of students and recent graduates by Department of Veterans Affairs.
- Sec. 102. Expansion of direct-hiring authority for Department of Veterans Affairs in case of shortage of highly qualified candidates.
- Sec. 103. Authority for Secretary of Veterans Affairs on hiring of former Federal employees for high-demand positions.
- Sec. 104. Use by Department of Veterans Affairs of résumé-based application method for hiring of senior executives.
- Sec. 105. Requirement for establishment of Department of Veterans Affairs recruiting database.
- Sec. 106. Requirement that Secretary of Veterans Affairs collect information on hiring effectiveness.
- Sec. 107. Requirement that Secretary of Veterans Affairs carry out standardized exit surveys.
- Sec. 108. Service requirements for hiring preference.
- Sec. 109. Exception on limitation on awards and bonuses for recruitment, relocation, and retention.
- Sec. 110. Modification of qualifications for Chief Officer of the Readjustment Counseling Service of the Veterans Health Administration.
- Sec. 111. Report on workforce vacancies within the Veterans Health Administration.

TITLE II—ACCOUNTABILITY, OVERSIGHT, TRANSPARENCY, AND PERSONNEL MATTERS

- Sec. 201. Accountability in reductions in force by Department of Veterans Affairs.
- Sec. 202. Authority for Department of Veterans Affairs public-private talent exchange.
- Sec. 203. Treatment of Medical Center Directors and Directors of Veterans Integrated Service Networks.
- Sec. 204. Pay for Medical Center Directors and Directors of Veterans Integrated Service Networks.
- Sec. 205. Requirement for establishment of human resources academy in Veterans Health Administration.
- Sec. 206. Inclusion of mental health professionals in education and training program for health personnel of the Department of Veterans Affairs.
- Sec. 207. Assignment to Department of Veterans Affairs of commissioned officers of the Regular Corps of the Public Health Service.
- Sec. 208. Holding Department of Veterans Affairs leaders accountable for addressing systemic human capital challenges at the Veterans Health Administration.
- Sec. 209. Report on effects of hiring freeze ordered by the President on January 23, 2017.
- Sec. 210. Report on plan of the Secretary of Veterans Affairs to carry out a reduction in force at the Department of Veterans Affairs through attrition.
- Sec. 211. Transparency regarding staffing levels of nurses employed by the Department of Veterans Affairs and report on pay for such nurses.
- Sec. 212. Employment of police officers and firefighters by Department of Veterans Affairs.

Sec. 213. Study on communications within the management of the Veterans Health Administration.

1 **TITLE I—RECRUITMENT AND**
 2 **HIRING MATTERS**

3 **SEC. 101. IMPROVED AUTHORITIES FOR HIRING OF STU-**
 4 **DENTS AND RECENT GRADUATES BY DE-**
 5 **PARTMENT OF VETERANS AFFAIRS.**

6 (a) DIRECT HIRING INTO COMPETITIVE SERVICE.—

7 (1) IN GENERAL.—Subchapter I of chapter 7 of
 8 title 38, United States Code, is amended by adding
 9 at the end the following new section:

10 **“§ 718. Student and recent graduate direct hiring**
 11 **into competitive service**

12 “(a) HIRING AUTHORITY.—Without regard to sec-
 13 tions 3309 through 3318, 3327, and 3330 of title 5, the
 14 Secretary may recruit and appoint qualified recent grad-
 15 uates and current post-secondary students to competitive
 16 service positions within the Department.

17 “(b) LIMITATION ON APPOINTMENTS.—Subject to
 18 subsection (c)(2), the total number of employees appointed
 19 by the Secretary under subsection (a) during a fiscal year
 20 may not exceed the number equal to 15 percent of the
 21 number of hires made into professional and administrative
 22 occupations of the Department at the GS–11 level and
 23 below (or equivalent) under competitive examining proce-
 24 dures during the previous fiscal year.

1 “(c) REGULATIONS.—(1) The Secretary shall admin-
2 ister this section in accordance with regulations prescribed
3 by the Secretary for purposes of this section.

4 “(2) The regulations may establish a lower limit on
5 the number of individuals appointable under subsection
6 (a) during a fiscal year than is otherwise provided for
7 under subsection (b), based on such factors as the Sec-
8 retary considers appropriate.

9 “(3) To the extent practical, as determined by the
10 Secretary, the Secretary shall publicly advertise positions
11 available under this section. In carrying out the preceding
12 sentence, the Secretary shall—

13 “(A) take into account merit system principles,
14 mission requirements, costs, and organizational ben-
15 efits of any advertising of positions; and

16 “(B) advertise such positions in the manner the
17 Secretary determines is most likely to provide di-
18 verse and qualified candidates and ensure potential
19 applicants have appropriate information relevant to
20 the positions available.

21 “(d) DEFINITIONS.—In this section:

22 “(1) The term ‘current post-secondary student’
23 means a person who—

1 “(A) is currently enrolled in, and in good
2 academic standing at, a full-time program at an
3 institution of higher education;

4 “(B) is making satisfactory progress to-
5 ward receipt of a baccalaureate or graduate de-
6 gree; and

7 “(C) has completed at least one year of the
8 program.

9 “(2) The term ‘institution of higher education’
10 has the meaning given the term in section 101 of the
11 Higher Education Act of 1965 (20 U.S.C. 1001).

12 “(3) The term ‘recent graduate’, with respect to
13 appointment of a person under this section, means
14 a person who was awarded a degree by an institu-
15 tion of higher education not more than two years be-
16 fore the date of the appointment of such person, ex-
17 cept that in the case of a person who has completed
18 a period of obligated service in a uniformed service
19 of more than four years, such term means a person
20 who was awarded a degree by an institution of high-
21 er education not more than four years before the
22 date of the appointment of such person.”.

23 (2) CLERICAL AMENDMENT.—The table of sec-
24 tions at the beginning of chapter 7 of such title is

1 amended by inserting after the item relating to sec-
 2 tion 711 the following new item:

“718. Student and recent graduate direct hiring into competitive service.”.

3 (b) **HIRING INTO EXCEPTED SERVICE.**—

4 (1) **IN GENERAL.**—Subchapter I of chapter 7 of
 5 title 38, United States Code, as amended by sub-
 6 section (a), is further amended by adding at the end
 7 the following new section:

8 **“§ 719. Student and recent graduate hiring into ex-
 9 cepted service**

10 “(a) **IN GENERAL.**—The Secretary shall prescribe
 11 regulations to allow for excepted service appointments of
 12 students and recent graduates leading to conversion to ca-
 13 reer or career conditional employment of a student or re-
 14 cent graduate of a qualifying educational institution, as
 15 defined by the Secretary.

16 “(b) **APPLICABILITY.**—The conversion authority de-
 17 scribed in subsection (a) shall be applicable to individuals
 18 in good standing who—

19 “(1) are employed in a qualifying internship or
 20 fellowship program at the Department of Veterans
 21 Affairs;

22 “(2) are employed in the Department in a vol-
 23 unteer capacity and performing substantive duties
 24 comparable to those of individuals in internship or

1 fellowship programs and meet the required number
2 of hours for conversion; or

3 “(3) are employed in the Department under a
4 contract or agreement with an external nonprofit or-
5 ganization and performing substantive duties com-
6 parable to those of individuals in internship or fel-
7 lowship programs.

8 “(c) UNIFORMITY.—For the purposes of paragraphs
9 (2) and (3) of subsection (b), hours of work performed
10 by an individual employed shall be considered equal to
11 those performed by an individual employed in a qualifying
12 internship or fellowship program by the Department.”.

13 (2) CLERICAL AMENDMENT.—The table of sec-
14 tions at the beginning of chapter 7 of such title, as
15 amended by subsection (a), is further amended by
16 inserting after the item relating to section 718 the
17 following new item:

“719. Student and recent graduate hiring into excepted service.”.

18 **SEC. 102. EXPANSION OF DIRECT-HIRING AUTHORITY FOR**
19 **DEPARTMENT OF VETERANS AFFAIRS IN**
20 **CASE OF SHORTAGE OF HIGHLY QUALIFIED**
21 **CANDIDATES.**

22 Section 3304(a)(3)(B) of title 5, United States Code,
23 is amended by inserting “(or, with respect to the Depart-
24 ment of Veterans Affairs, that there exists a severe short-

1 age of highly qualified candidates)” after “severe shortage
2 of candidates”.

3 **SEC. 103. AUTHORITY FOR SECRETARY OF VETERANS AF-**
4 **FAIRS ON HIRING OF FORMER FEDERAL EM-**
5 **PLOYEES FOR HIGH-DEMAND POSITIONS.**

6 (a) IN GENERAL.—Subchapter I of chapter 7 of title
7 38, United States Code, is amended by inserting after sec-
8 tion 711 the following new section:

9 **“§ 712. Hiring authority for former Federal employ-**
10 **ees for high-demand positions**

11 “(a) AUTHORITY.—(1) The Secretary may appoint a
12 former Federal employee to a high-demand position within
13 the Department (as determined by the Secretary) for
14 which the former Federal employee is highly qualified
15 without regard to the provisions of chapter 33 of title 5
16 governing appointments in the competitive service.

17 “(2) The Secretary may appoint a former Federal
18 employee under paragraph (1) to a position at a higher
19 grade or with more promotion potential than the position
20 previously held by the former Federal employee without
21 regard to section 335.103(c)(1)(vi) of title 5, Code of Fed-
22 eral Regulations (relating to requirements for competitive
23 procedures), or any successor thereto.

24 “(b) DEFINITION.—In this section, the term ‘former
25 Federal employee’ means an individual who—

1 “(1) before the date on which the individual is
2 appointed to a position under subsection (a)(1), per-
3 formed service as an employee, as defined in section
4 2105 of title 5, under a career or career-conditional
5 appointment; and

6 “(2) on date on which the individual applies for
7 the position to which the individual is appointed
8 under subsection (a)(1), is not performing service as
9 an employee.”.

10 (b) AUDIT.—Not later than 18 months after the date
11 of the enactment of this Act, the Inspector General of the
12 Department of Veterans Affairs shall conduct an audit of,
13 and submit to the Committee on Veterans’ Affairs of the
14 Senate and the Committee on Veterans’ Affairs of the
15 House of Representatives a report on the use by the Sec-
16 retary of Veterans Affairs of the authority under section
17 712 of such title, as added by subsection (a).

18 (c) CLERICAL AMENDMENT.—The table of sections
19 at the beginning of chapter 7 of such title is amended by
20 inserting after the item relating to section 711 the fol-
21 lowing new item:

 “712. Hiring authority for former Federal employees for high-demand posi-
 tions.”.

1 **SEC. 104. USE BY DEPARTMENT OF VETERANS AFFAIRS OF**
 2 **RÉSUMÉ-BASED APPLICATION METHOD FOR**
 3 **HIRING OF SENIOR EXECUTIVES.**

4 (a) IN GENERAL.—Subchapter I of chapter 7 of title
 5 38, United States Code, as amended by section 101, is
 6 further amended by adding at the end the following new
 7 section:

8 **“§ 720. Senior executive hiring**

9 “(a) RÉSUMÉ-BASED APPLICATION METHOD.—(1)
 10 The Secretary shall develop and implement a résumé-
 11 based application method for applications for appointment
 12 to a position as a senior executive in the Department.

13 “(2) The résumé-based application method developed
 14 under subsection (a)—

15 “(A) to the extent practicable, shall be com-
 16 parable to the résumé-based application method for
 17 the Senior Executive Service developed by the Office
 18 of Personnel Management pursuant to Executive
 19 Order 13714 (80 Fed. Reg. 79225 (December 15,
 20 2015)); and

21 “(B) shall be used by the Department for initial
 22 applications for a position as a senior executive to
 23 the extent such use will be more efficient and effec-
 24 tive and less burdensome for all participants.

25 “(b) CERTIFICATION OF EXECUTIVE AND MANAGE-
 26 RIAL QUALIFICATIONS.—Notwithstanding section

1 317.502 of title 5, Code of Federal Regulations (relating
2 to certification by a Qualifications Review Board of the
3 Office of Personnel Management), or any successor there-
4 to, the Secretary may make an initial career appointment
5 of an individual to a position as a senior executive if a
6 review board convened by the Department certifies the ex-
7 ecutive and managerial qualifications of the individual.

8 “(c) POSITION AS A SENIOR EXECUTIVE DEFINED.—
9 In this section, the term ‘position as a senior executive’
10 means—

11 “(1) a position as a career appointee in a Sen-
12 ior Executive position (as such terms are defined in
13 section 3132 of title 5);

14 “(2) an administrative or executive position to
15 which an individual is appointed under section
16 7306(a) or section 7401(1) of this title; or

17 “(3) another senior-level position that is classi-
18 fied above level 15 of the General Schedule.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of chapter 7 of such title, as amended
21 by section 101, is further amended by inserting after the
22 item relating to section 719 the following new item:

“720. Senior executive hiring.”.

1 **SEC. 105. REQUIREMENT FOR ESTABLISHMENT OF DEPART-**
2 **MENT OF VETERANS AFFAIRS RECRUITING**
3 **DATABASE.**

4 (a) IN GENERAL.—Subchapter I of chapter 7 of title
5 38, United States Code, as amended by section 104 is fur-
6 ther amended by adding at the end the following new sec-
7 tion:

8 **“§ 721. Recruitment database**

9 “(a) ESTABLISHMENT REQUIRED.—The Secretary
10 shall establish and periodically review a single database
11 that lists each vacant position in the Department of Vet-
12 erans Affairs that the Secretary determines is critical to
13 the mission of the Department, difficult to fill, or both.

14 “(b) QUALIFIED APPLICANT.—If the Secretary deter-
15 mines that an applicant for a vacant position listed in the
16 database established under subsection (a) is qualified for
17 such position but does not select the applicant for such
18 position, the Secretary, at the election of the applicant,
19 shall consider the applicant for other similar vacant posi-
20 tions listed in the database for which the applicant is
21 qualified.

22 “(c) PROLONGED VACANCIES.—If the Secretary does
23 not fill a vacant position listed in the database established
24 under subsection (a) after a period determined appro-
25 priate by the Secretary, the Secretary—

1 “(1) shall ensure that applicants described in
2 subsection (b) are considered for such position; and

3 “(2) shall use the database established under
4 subsection (a) to assist in filling such position.”.

5 (b) REPORT.—Not later than one year after the date
6 of the enactment of this Act, the Secretary shall submit
7 to Congress a report on the use and efficacy of the data-
8 base established under section 723(a) of title 38, United
9 States Code, as added by subsection (a).

10 (c) CLERICAL AMENDMENT.—The table of sections
11 at the beginning of chapter 7 of such title, as amended
12 by section 104, is further amended by inserting after the
13 item relating to section 720 the following new item:

“721. Recruitment database.”.

14 **SEC. 106. REQUIREMENT THAT SECRETARY OF VETERANS**
15 **AFFAIRS COLLECT INFORMATION ON HIRING**
16 **EFFECTIVENESS.**

17 (a) IN GENERAL.—Subchapter I of chapter 7 of title
18 38, United States Code, as amended by section 105, is
19 further amended by adding at the end the following new
20 sections:

21 **“§ 722. Information on hiring effectiveness**

22 “(a) IN GENERAL.—The Secretary shall measure and
23 collect information on indicators of hiring effectiveness as
24 follows:

25 “(1) With respect to recruiting and hiring—

1 “(A) the ability to reach and recruit well-
2 qualified talent from diverse talent pools, in-
3 cluding sources of candidates for mission-crit-
4 ical occupations;

5 “(B) the use and impact of special hiring
6 authorities and flexibilities to recruit most
7 qualified applicants, including the use of stu-
8 dent internships as a talent pool for permanent
9 hires;

10 “(C) the use and impact of special hiring
11 authorities and flexibilities to recruit diverse
12 candidates, including veteran, minority and dis-
13 abled candidates;

14 “(D) the use and impact of special hiring
15 authorities and flexibilities to recruit candidates
16 for mission-critical occupations and occupations
17 with shortages;

18 “(E) the age, educational level, and source
19 of applicants;

20 “(F) the length of time between the date
21 on which a position is first identified as vacant
22 and the date on which a first offer of employ-
23 ment for the position is made;

1 “(G) whether the Secretary considers a va-
2 cant position critical, a staffing shortage, or dif-
3 ficult to fill;

4 “(H) the length of time between the date
5 on which a first offer of employment for a posi-
6 tion is made and the date on which a new hire
7 starts in that position and the number of offers
8 of employment made for the position before the
9 position is filled;

10 “(I) the number of internal and external
11 applicants for positions;

12 “(J) the ways in which vacant positions
13 are advertised; and

14 “(K) the number of offers accepted com-
15 pared to the number of offers made for perma-
16 nent positions.

17 “(2) With respect to the hiring authority—

18 “(A) the satisfaction of the hiring author-
19 ity with—

20 “(i) the quality of new hires;

21 “(ii) the match between the skills of
22 newly hired individuals and the needs of
23 the Department;

1 “(iii) the hiring process and hiring
2 outcomes after the first year of the em-
3 ployment of a new hire; and

4 “(iv) the length of time that elapses
5 to fill a position and for a new hire to
6 begin working in a new position; and

7 “(B) mission-critical deficiencies filled by
8 new hires and the connection between mission-
9 critical deficiencies and annual agency perform-
10 ance.

11 “(3) Satisfaction of employees with authority to
12 hire and new employees throughout the Department
13 with human resources offices of the Department,
14 which shall be obtained by asking their views of the
15 information and support they received from their
16 human resources offices.

17 “(4) Satisfaction of employment applicants who
18 were interviewed with the hiring process, including
19 with respect to the clarity of job announcement, rea-
20 sons for withdrawal of applications, user-friendliness
21 of the application process, communication regarding
22 status of application, and timeliness of hiring deci-
23 sion.

24 “(5) With respect to a newly hired employee—

1 “(A) the satisfaction of the employee with
2 the hiring process as described in paragraph
3 (4);

4 “(B) the satisfaction with the process of
5 joining and becoming oriented with the Depart-
6 ment, including with respect to the timeliness of
7 such process after the hiring decision, the ori-
8 entation process, and being provided with time-
9 ly and useful new employee information and as-
10 sistance after the hire is made but before the
11 new hire starts in that position and after the
12 new hire has begun;

13 “(C) attrition and reasons for leaving;

14 “(D) investment in training and develop-
15 ment for the employee during the first year of
16 employment; and

17 “(E) significant barriers to the effective re-
18 cruitment, selection, joining and becoming ori-
19 ented with the Department, and retention of
20 employees.

21 “(b) DISAGGREGATION OF DATA.—To the extent
22 practicable and in a manner which protects personally
23 identifiable information of applicants and employees, the
24 Secretary shall—

1 “(1) collect and report data collected under
2 subsection (a) disaggregated by facility and Veterans
3 Integrated Service Network; and

4 “(2) ensure that data collected under subsection
5 (a) is collected from human resources offices
6 throughout the Department.

7 “(c) ANNUAL REPORTS.—(1) Not less frequently
8 than once each year, the Secretary shall submit to the
9 Committee on Veterans’ Affairs of the Senate and the
10 Committee on Veterans’ Affairs of the House of Rep-
11 resentatives a report of the information collected under
12 subsection (a).

13 “(2) Not less frequently than once each year, the Sec-
14 retary shall make publicly available the information col-
15 lected under subsection (a) in a consistent and machine-
16 readable format to allow for a comparison of hiring effec-
17 tiveness and experience by Veterans Integrated Service
18 Network or comparable public or private sector organiza-
19 tion.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of chapter 7 of such title, as amended
22 by section 105, is further amended by inserting after the
23 item relating to section 721 the following new item:

“722. Information on hiring effectiveness.”.

1 **SEC. 107. REQUIREMENT THAT SECRETARY OF VETERANS**
2 **AFFAIRS CARRY OUT STANDARDIZED EXIT**
3 **SURVEYS.**

4 (a) IN GENERAL.—Subchapter I of chapter 7 of title
5 38, United States Code, as amended by section 106, is
6 further amended by adding at the end the following new
7 sections:

8 **“§ 723. Exit surveys**

9 “(a) IN GENERAL.—(1) The Secretary shall develop
10 and carry out a standardized exit survey to be voluntarily
11 completed by career and noncareer employees and execu-
12 tives of the Department who voluntarily separate from the
13 Department.

14 “(2) The exit survey required by paragraph (1) shall
15 be developed in consultation with an appropriate non-De-
16 partment entity with experience developing such surveys.

17 “(b) SURVEY CONTENT.—The survey required by
18 subsection (a)(1) shall include, at a minimum—

19 “(1) reasons for leaving the Department;

20 “(2) efforts made by the supervisor of the em-
21 ployee to retain the individual;

22 “(3) the extent of job satisfaction and engage-
23 ment during the employment;

24 “(4) the intent of employee to either remain
25 employed within the Federal Government or to leave
26 employment with the Federal Government; and

1 “(5) such other matters as the Secretary deter-
2 mines appropriate.

3 “(c) ANONYMITY OF SURVEY CONTENT.—The Sec-
4 retary shall ensure that, to the extent possible, data col-
5 lected under subsection (a) is anonymized and personally
6 identifiable information is removed.

7 “(d) SHARING OF SURVEY DATA.—The Secretary
8 shall ensure that the results of the survey required by sub-
9 section (a) are shared on an annual basis with directors
10 and managers of facilities of the Department and the Vet-
11 erans Integrated Service Networks.

12 “(e) ANNUAL REPORT.—(1) Not later than one year
13 after the date of the enactment of the Better Workforce
14 for Veterans Act of 2017 and not less frequently than once
15 each year thereafter, the Secretary shall submit to the
16 Committee on Veterans’ Affairs of the Senate and the
17 Committee on Veterans’ Affairs of the House of Rep-
18 resentatives a report containing the aggregate results of
19 the exit survey under subsection (a) covering the year
20 prior to the report.

21 “(2) Each report submitted under paragraph (1)
22 shall include, for the period covered by the report—

23 “(A) an analysis of the most common reasons
24 employees choose to leave the Department;

1 “(B) steps the Secretary is taking to improve
2 retention, particularly for mission-critical occupa-
3 tions;

4 “(C) the demographic characteristics of employ-
5 ees choosing to leave the Department;

6 “(D) any legislative barriers to improving em-
7 ployee retention; and

8 “(E) the number of employees who took the exit
9 survey under subsection (a).”.

10 (b) CLERICAL AMENDMENT.—The table of sections
11 at the beginning of chapter 7 of such title, as amended
12 by section 106, is further amended by inserting after the
13 item relating to section 722 the following new item:

“723. Exit surveys.”.

14 **SEC. 108. SERVICE REQUIREMENTS FOR HIRING PREF-**
15 **ERENCE.**

16 (a) IN GENERAL.—Section 2108(1) of title 5, United
17 States Code, is amended by striking “for a period of more
18 than 180 consecutive days” each place it appears and in-
19 serting “for a total of more than 180 days”.

20 (b) APPLICABILITY.—The amendment made by sub-
21 section (a) shall apply to any certificate of eligibles fur-
22 nished to a nominating or appointing authority under sec-
23 tion 3317 of title 5, United States Code, after the date
24 of enactment of this Act.

1 **SEC. 109. EXCEPTION ON LIMITATION ON AWARDS AND BO-**
2 **NUSES FOR RECRUITMENT, RELOCATION,**
3 **AND RETENTION.**

4 Section 705(a) of the Veterans Access, Choice, and
5 Accountability Act of 2014 (Public Law 113–146; 38
6 U.S.C. 703 note) is amended, in the matter preceding
7 paragraph (1), by inserting “other than recruitment, relo-
8 cation, or retention incentives,” after “title 38, United
9 States Code,”.

10 **SEC. 110. MODIFICATION OF QUALIFICATIONS FOR CHIEF**
11 **OFFICER OF THE READJUSTMENT COUN-**
12 **SELING SERVICE OF THE VETERANS HEALTH**
13 **ADMINISTRATION.**

14 Section 7309(b)(2) of title 38, United States Code,
15 is amended—

- 16 (1) by striking subparagraphs (B) and (C); and
17 (2) by redesignating subparagraphs (D) and
18 (E) as subparagraphs (B) and (C), respectively.

19 **SEC. 111. REPORT ON WORKFORCE VACANCIES WITHIN**
20 **THE VETERANS HEALTH ADMINISTRATION.**

21 (a) IN GENERAL.—Not later than 120 days after the
22 date of the enactment of this Act, the Secretary of Vet-
23 erans Affairs shall submit to the Committee on Veterans’
24 Affairs of the Senate and the Committee on Veterans’ Af-
25 fairs of the House of Representatives a report on vacancies
26 within the Veterans Health Administration.

1 (b) ELEMENTS.—The report required by subsection
2 (a) shall include the following:

3 (1) With respect to vacancies of personnel ap-
4 pointed under section 7401 of title 38, United States
5 Code—

6 (A) the total number of such vacancies;

7 (B) the number of such vacancies
8 disaggregated by occupation, State, Veterans
9 Integrated Service Network, medical facility,
10 and the central office of the Department of Vet-
11 erans Affairs; and

12 (C) a description of the plans of the Sec-
13 retary to fill such vacancies, including a
14 timeline for filling such vacancies, and an as-
15 sessment of whether the Secretary requires ad-
16 ditional hiring authorities to expedite the hiring
17 process.

18 (2) With respect to vacancies of human re-
19 source specialists of the Veterans Health Adminis-
20 tration—

21 (A) the total number of such vacancies;

22 (B) the number of such vacancies
23 disaggregated by State and medical facility; and

24 (C) a description of the plans of the Sec-
25 retary to fill such vacancies, including a

1 timeline for filling such vacancies, and an as-
2 sessment of whether the Secretary requires ad-
3 ditional hiring authorities to expedite the hiring
4 process.

5 (3) A description of any impediments to filling
6 the vacancies described in paragraphs (1) and (2)
7 and any actions the Secretary intends to take to ad-
8 dress such impediments.

9 (4) An update on the implementation by the
10 Secretary of—

11 (A) the Veterans Health Administration
12 Workforce and Succession Strategic Plan for
13 2016;

14 (B) the recommendation by the Office of
15 the Inspector General of the Department that
16 the Under Secretary for Health develop staffing
17 models for critical need occupations of the Vet-
18 erans Health Administration, as determined by
19 the Secretary; and

20 (C) the recommendation by the Office of
21 the Inspector General that the Under Secretary
22 for Health establish milestones and timetables
23 for further development, piloting, and imple-
24 mentation of staffing models for critical need

1 occupations of the Veterans Health Administra-
2 tion, as determined by the Secretary.

3 **TITLE II—ACCOUNTABILITY,**
4 **OVERSIGHT, TRANSPARENCY,**
5 **AND PERSONNEL MATTERS**

6 **SEC. 201. ACCOUNTABILITY IN REDUCTIONS IN FORCE BY**
7 **DEPARTMENT OF VETERANS AFFAIRS.**

8 (a) IN GENERAL.—Subchapter I of chapter 7 of title
9 38, United States Code, as amended by section 107, is
10 further amended by adding at the end the following new
11 section:

12 **“§ 724. Reduction in force based on performance**

13 “Notwithstanding section 3502 of title 5, for any re-
14 duction in force by the Department, competing employees
15 shall be released with due effect given to the following,
16 in the following order of priority:

17 “(1) Tenure of employment.

18 “(2) Military preference, subject to section
19 3501(a)(3) of title 5.

20 “(3) Efficiency or performance ratings.

21 “(4) Length of service.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 at the beginning of chapter 7 of such title, as amended
24 by section 107, is further amended by inserting after the
25 item relating to section 723 the following new item:

“724. Reduction in force based on performance.”.

1 **SEC. 202. AUTHORITY FOR DEPARTMENT OF VETERANS AF-**
2 **FAIRS PUBLIC-PRIVATE TALENT EXCHANGE.**

3 (a) **AUTHORITY.**—Subchapter I of chapter 7 of title
4 38, United States Code, as amended by section 201, is
5 further amended by adding at the end the following new
6 section:

7 **“§ 725. Public-private talent exchange**

8 “(a) **ASSIGNMENT AUTHORITY.**—Under regulations
9 prescribed by the Secretary, the Secretary may, with the
10 agreement of a private-sector organization and the consent
11 of an employee of the Department and an employee of the
12 private-sector organization, arrange for the temporary as-
13 signment under this section of—

14 “(1) the employee of the Department to such
15 private-sector organization to occupy the position
16 previously held by the employee of such private-sec-
17 tor organization; and

18 “(2) the employee of such private-sector organi-
19 zation whose position is being temporarily occupied
20 by the employee of the Department under paragraph
21 (1) to temporarily occupy the position at the Depart-
22 ment of the employee of the Department who is
23 being temporarily assigned under paragraph (1).

24 “(b) **AGREEMENTS.**—(1) The Secretary shall provide
25 for a written agreement among the Department, the pri-
26 vate-sector organization, and the employees concerned re-

1 garding the terms and conditions of the employees' assign-
2 ment under this section. The agreement—

3 “(A) shall require that the employee of the De-
4 partment, upon completion of the assignment, will
5 serve in the Department;

6 “(B) shall provide that if the employee of the
7 Department or of the private-sector organization (as
8 the case may be) fails to carry out the agreement,
9 such employee shall be liable to the United States
10 for payment of all expenses of the assignment, un-
11 less that failure was for good and sufficient reason,
12 as determined by the Secretary; and

13 “(C) shall contain language ensuring that such
14 employee of the Department does not improperly use
15 pre-decisional or draft deliberative information that
16 such employee may be privy to or aware of related
17 to Department programing, budgeting, resourcing,
18 acquisition, or procurement for the benefit or advan-
19 tage of the private-sector organization.

20 “(2) An amount for which an employee is liable under
21 paragraph (1) shall be treated as a debt due the United
22 States.

23 “(3) The Secretary may waive, in whole or in part,
24 collection of a debt described in paragraph (2) based on
25 a determination that the collection would be against equity

1 and good conscience and not in the best interests of the
2 United States, after taking into account any indication of
3 fraud, misrepresentation, fault, or lack of good faith on
4 the part of the employee.

5 “(c) TERMINATION.—An assignment under this sec-
6 tion may, at any time and for any reason, be terminated
7 by the Department or the private-sector organization con-
8 cerned.

9 “(d) DURATION.—(1) An assignment under this sec-
10 tion shall be for a period of not less than three months
11 and not more than two years, renewable up to a total of
12 four years. No employee of the Department may be as-
13 signed under this section for more than a total of four
14 years inclusive of all such assignments.

15 “(2) An assignment under this section may be for a
16 period in excess of two years, but not more than four
17 years, if the Secretary determines that such assignment
18 is necessary to meet critical mission or program require-
19 ments.

20 “(e) STATUS OF FEDERAL EMPLOYEES ASSIGNED TO
21 PRIVATE-SECTOR ORGANIZATIONS.—(1) An employee of
22 the Department who is assigned to a private-sector organi-
23 zation under this section shall be considered, during the
24 period of assignment, to be on detail to a regular work
25 assignment in the Department for all purposes. The writ-

1 ten agreement established under subsection (b)(1) shall
2 address the specific terms and conditions related to the
3 employee's continued status as a Federal employee.

4 “(2) In establishing a temporary assignment of an
5 employee of the Department to a private-sector organiza-
6 tion, the Secretary shall—

7 “(A) ensure that the normal duties and func-
8 tions of such employee can be reasonably performed
9 by other employees of the Department without the
10 transfer or reassignment of other personnel of the
11 Department;

12 “(B) ensure that the normal duties and func-
13 tions of such employees are not, as a result of and
14 during the course of such temporary assignment,
15 performed or augmented by a contractor; and

16 “(C) certify that the temporary assignment of
17 such employee shall not have an adverse or negative
18 impact on the provision of benefits or services to vet-
19 erans.

20 “(f) TERMS AND CONDITIONS FOR PRIVATE-SECTOR
21 EMPLOYEES.—An employee of a private-sector organiza-
22 tion who is assigned to the Department under this sec-
23 tion—

24 “(1) shall continue to receive pay and benefits
25 from the private-sector organization from which such

1 employee is assigned and shall not receive pay or
2 benefits from the Department, except as provided in
3 paragraph (2);

4 “(2) is deemed to be an employee of the De-
5 partment for the purposes of—

6 “(A) chapters 73 and 81 of title 5;

7 “(B) sections 201, 203, 205, 207, 208,
8 209, 603, 606, 607, 643, 654, 1905, and 1913
9 of title 18;

10 “(C) sections 1343, 1344, and 1349(b) of
11 title 31;

12 “(D) the Federal Tort Claims Act and any
13 other Federal tort liability statute;

14 “(E) the Ethics in Government Act of
15 1978; and

16 “(F) chapter 21 of title 41;

17 “(3) shall not have access to any trade secrets
18 or to any other nonpublic information which is of
19 commercial value to the private-sector organization
20 from which such employee is assigned;

21 “(4) may perform work that is considered in-
22 herently governmental in nature only when requested
23 in writing by the Secretary; and

1 “(5) may not be used to circumvent any limita-
2 tion or restriction on the size of the Department’s
3 workforce.

4 “(g) PROHIBITION AGAINST CHARGING CERTAIN
5 COSTS TO THE FEDERAL GOVERNMENT.—A private-sec-
6 tor organization may not charge the Department or any
7 other agency of the Federal Government, as direct or indi-
8 rect costs under a Federal contract, the costs of pay or
9 benefits paid by the organization to an employee assigned
10 to the Department under this section for the period of the
11 assignment.

12 “(h) CONSIDERATIONS.—In carrying out this section,
13 the Secretary—

14 “(1) shall ensure that, of the assignments made
15 under this section each year, at least 20 percent are
16 from small business concerns (as defined by section
17 3703(e)(2)(A) of title 5);

18 “(2) shall take into consideration the question
19 of how assignments under this section might best be
20 used to help meet the needs of the Department with
21 respect to the training of employees; and

22 “(3) shall take into consideration, where appli-
23 cable, areas of particular private sector expertise,
24 such as information technology, cybersecurity,

1 human resources, health care management, con-
 2 tracting, acquisition, and finance.”.

3 (b) TABLE OF SECTIONS AMENDMENT.—The table of
 4 sections at the beginning of such chapter, as amended by
 5 section 201, is further amended by inserting after the item
 6 relating to section 724 the following new item:

“725. Public-private talent exchange.”.

7 **SEC. 203. TREATMENT OF MEDICAL CENTER DIRECTORS**
 8 **AND DIRECTORS OF VETERANS INTEGRATED**
 9 **SERVICE NETWORKS.**

10 (a) ESTABLISHMENT OF VISN DIRECTORS IN OF-
 11 FICE OF UNDER SECRETARY FOR HEALTH.—Subsection
 12 (a)(4) of section 7306 of title 38, United States Code, is
 13 amended—

14 (1) by striking “Such Medical Directors” and
 15 inserting “Such Medical Center Directors and Direc-
 16 tors of Veterans Integrated Service Networks”; and

17 (2) by striking “, who shall be either a qualified
 18 doctor of medicine or a qualified doctor of dental
 19 surgery or dental medicine”.

20 (b) QUALIFICATIONS.—Such section is amended by
 21 adding at the end the following new subsection:

22 “(g) Notwithstanding any provision of law that re-
 23 quires the Office of Personnel Management to determine
 24 qualifications or certify a candidate for appointment under
 25 this section, Medical Center Directors and Directors of

1 Veterans Integrated Service Networks may be appointed
2 under subsection (a)(4) in accordance with qualifications
3 established by the Secretary for purposes of this section.”.

4 (c) ABILITY TO TRANSFER.—

5 (1) IN GENERAL.—Subject to such regulations
6 as the Director of the Office of Personnel Manage-
7 ment may prescribe, the Secretary of Veterans Af-
8 fairs and the Director shall enter into an agreement
9 that permits employees appointed under section
10 7306(a)(4) of title 38, United States Code, as
11 amended by subsection (a), to transfer to Senior Ex-
12 ecutive Service positions in other Federal agencies
13 and to be deemed career appointees who are not
14 subject to competition or certification by a qualifica-
15 tions review board under section 3393 of title 5,
16 United States Code.

17 (2) DEFINITIONS.—In this subsection, the
18 terms “Senior Executive Service position” and “ca-
19 reer appointee” have the meanings given those terms
20 in section 3132(a) of title 5, United States Code.

1 **SEC. 204. PAY FOR MEDICAL CENTER DIRECTORS AND DI-**
2 **RECTORS OF VETERANS INTEGRATED SERV-**
3 **ICE NETWORKS.**

4 (a) IN GENERAL.—Chapter 74 of title 38, United
5 States Code, is amended by adding at the end the fol-
6 lowing new subchapter:

7 **“Subchapter VII—Pay for Medical Center Di-**
8 **rectors and Directors of Veterans Inte-**
9 **grated Service Networks**

10 **“§ 7481. Pay for Medical Center Directors and Direc-**
11 **tors of Veterans Integrated Service Net-**
12 **works**

13 “(a) ELEMENTS OF PAY.—Pay for a Medical Center
14 Director or Director of a Veterans Integrated Service Net-
15 work appointed under section 7306(a)(4) of this title (in
16 this section referred to as a ‘Director’) shall consist of
17 basic pay set forth under section 7404(a) of this title and
18 market pay determined under subsection (b).

19 “(b) MARKET PAY.—(1) Each Director is eligible for
20 market pay determined under this subsection.

21 “(2) The amount of market pay payable to a Director
22 under this section shall be determined by the Secretary
23 on a case-by-case basis and shall consist of pay intended
24 to reflect needs of the Department with respect to the re-
25 cruitment and retention (as determined by the Secretary)
26 of such Director.

1 “(3) In determining the amount of market pay pay-
2 able to a Director under this section, the Secretary shall—

3 “(A) consult not fewer than two national sur-
4 veys on pay for hospital directors, medical facility di-
5 rectors, or other similar positions, whether prepared
6 by private, public, or quasi-public entities, to make
7 a general assessment of the range of potential pay
8 for the Director; and

9 “(B) take into account—

10 “(i) the experience of the Director in man-
11 aging facilities or program offices of the De-
12 partment, including the complexity of such fa-
13 cilities or offices;

14 “(ii) the complexity of the facility or facili-
15 ties to be managed by the Director;

16 “(iii) the labor market, in such geographic
17 area as the Secretary considers relevant, for
18 hospital directors, medical facility directors, and
19 other similar positions;

20 “(iv) the experience of the Director in
21 managing medical facilities for other Federal
22 agencies, private entities, or nonprofit entities;
23 and

24 “(v) such other considerations as the Sec-
25 retary considers appropriate.

1 “(4)(A) The Secretary shall evaluate the amount of
2 market pay payable to a Director under this section not
3 less frequently than once every two years and may adjust
4 the market pay payable to such Director as a result of
5 such evaluation.

6 “(B) A Director whose market pay is evaluated under
7 subparagraph (A) shall receive written notice of the re-
8 sults of such evaluation.

9 “(c) REQUIREMENTS AND LIMITATIONS ON TOTAL
10 PAY.—(1) Not less frequently than once every two years,
11 the Secretary shall set forth a departmentwide minimum
12 and maximum amount for total annual pay under sub-
13 section (a) that may be paid to a Director and shall pub-
14 lish each such amount in the Federal Register.

15 “(2) The minimum and maximum amounts set forth
16 under paragraph (1) shall take effect not earlier than the
17 date that is 60 days after the publication of such amounts
18 under such paragraph.

19 “(3) The sum of the basic pay set forth under section
20 7404(a) of this title and market pay determined under
21 subsection (b) for a Director for a calendar year—

22 “(A) may not be less than the most recent min-
23 imum amount set forth under paragraph (1) before
24 the beginning of such calendar year; and

1 “(B) may not be more than the most recent
2 maximum amount set forth under such paragraph
3 before the beginning of such calendar year.

4 “(4) The total amount of compensation paid to a Di-
5 rector under this title in any calendar year may not exceed
6 the amount of annual compensation (excluding expenses)
7 of the President under section 102 of title 3.

8 “(5) The Secretary may not delegate to an officer or
9 employee of the Department the requirement of the Sec-
10 retary to set forth a departmentwide minimum and max-
11 imum amount under paragraph (1).

12 “(d) TREATMENT OF PAY.—Pay under this section
13 shall be considered pay for all purposes, including retire-
14 ment benefits under chapters 83 and 84 of title 5 and
15 other benefits.

16 “(e) ANCILLARY EFFECTS OF DECREASES IN PAY.—
17 (1) A decrease in pay of a Director resulting from an ad-
18 justment in the amount of market pay of the Director
19 under subsection (b) shall not be treated as an adverse
20 action.

21 “(2) A decrease in the amount of pay of a Director
22 resulting from an involuntary reassignment in connection
23 with a disciplinary action taken against the Director is not
24 subject to appeal or judicial review.

1 “(f) OPM REVIEW AND REPORTS.—(1) The Director
2 of the Office of Personnel Management shall undertake
3 periodic reviews of the determinations pursuant to sub-
4 section (b) of amounts of market pay payable pursuant
5 to this section.

6 “(2)(A) The Director shall certify to the Committees
7 on Veterans’ Affairs of the Senate and the House of Rep-
8 resentatives each year whether or not the amounts of mar-
9 ket pay determined pursuant to subsection (b) for the pre-
10 ceding year were determined in accordance with the re-
11 quirements of that subsection.

12 “(B) If the Director determines pursuant to para-
13 graph (1) that one or more amounts of market pay deter-
14 mined for a year were not determined in accordance with
15 the requirements of subsection (b), the Director shall sub-
16 mit to the Committees on Veterans’ Affairs of the Senate
17 and the House of Representatives a report on such deter-
18 mination of the Director as soon as practicable after such
19 determination.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of chapter 74 of such title is amended
22 by adding at the end the following:

“SUBCHAPTER VII. PAY FOR MEDICAL CENTER DIRECTORS AND DIRECTORS OF
VETERANS INTEGRATED SERVICE NETWORKS

“7481. Pay for Medical Center Directors and Directors of Veterans Integrated
Service Networks.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the date that is one year
3 after the date of the enactment of this Act.

4 **SEC. 205. REQUIREMENT FOR ESTABLISHMENT OF HUMAN**
5 **RESOURCES ACADEMY IN VETERANS HEALTH**
6 **ADMINISTRATION.**

7 (a) IN GENERAL.—Subchapter I of chapter 74 of title
8 38, United States Code, is amended by adding at the end
9 the following new section:

10 **“§ 7413. Human resources academy**

11 “(a) IN GENERAL.—(1) The Secretary shall provide
12 to human resources professionals of the Veterans Health
13 Administration training on how to best recruit and retain
14 employees of the Veterans Health Administration, includ-
15 ing with respect to any recruitment and retention matters
16 that are unique to the Veterans Health Administration
17 pursuant to this chapter or other provisions of law.

18 “(2) The Secretary shall provide such training in a
19 manner that the Secretary determines appropriate in light
20 of budget, travel, and other constraints.

21 “(b) AMOUNT OF TRAINING.—The Secretary shall
22 ensure that each human resources professional of the Vet-
23 erans Health Administration receives the training de-
24 scribed in subsection (a)—

1 “(1) as soon as practicable after being hired by
2 the Secretary as a human resource professional; and

3 “(2) annually thereafter.

4 “(c) CERTIFICATION.—The Secretary shall ensure
5 that, upon the completion by a human resources profes-
6 sional of the training described in subsection (a), the di-
7 rector of a Department medical center, the director of a
8 Veterans Integrated Service Network, or a senior officer
9 at the central office of the Veterans Health Administration
10 certifies whether the human resources professional re-
11 ceived the training and understands the information pro-
12 vided by the training.

13 “(d) ANNUAL REPORT.—Not less frequently than
14 once each year, the Secretary shall submit to the Com-
15 mittee on Veterans’ Affairs of the Senate and the Com-
16 mittee on Veterans’ Affairs of the House of Representa-
17 tives a report on the training described in subsection (a),
18 including the cost of providing such training and the num-
19 ber of human resources professionals who received such
20 training during the year covered by the report.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
22 at the beginning of chapter 74 of such title is amended
23 by inserting after the item relating to section 7412 the
24 following new item:

“7413. Human resources academy.”.

1 **SEC. 206. INCLUSION OF MENTAL HEALTH PROFESSIONALS**
2 **IN EDUCATION AND TRAINING PROGRAM FOR**
3 **HEALTH PERSONNEL OF THE DEPARTMENT**
4 **OF VETERANS AFFAIRS.**

5 (a) IN GENERAL.—In carrying out the education and
6 training program required under section 7302(a)(1) of
7 title 38, United States Code, the Secretary of Veterans
8 Affairs shall include education and training of marriage
9 and family therapists and licensed professional mental
10 health counselors.

11 (b) PARITY IN LICENSING AND CREDENTIALING
12 STANDARDS.—In carrying out the education and training
13 program described in subsection (a), the Secretary shall,
14 to the degree practicable, ensure that the licensing and
15 credentialing standards of therapists and counselors de-
16 scribed in subsection (a) for eligibility to participate in the
17 program are the same as the licensing and credentialing
18 standards for eligibility of other participants in the pro-
19 gram.

20 (c) APPORTIONMENT OF FUNDING.—The Secretary
21 shall apportion funding for the education and training
22 program described in subsection (a) equally among the
23 professions included in the program.

1 **SEC. 207. ASSIGNMENT TO DEPARTMENT OF VETERANS AF-**
2 **FAIRS OF COMMISSIONED OFFICERS OF THE**
3 **REGULAR CORPS OF THE PUBLIC HEALTH**
4 **SERVICE.**

5 (a) **IN GENERAL.**—Not later than 180 days after the
6 date of the enactment of this Act, the Secretary of Vet-
7 erans Affairs and the Surgeon General shall enter into a
8 memorandum of understanding for the assignment of not
9 fewer than 500 commissioned officers of the Regular
10 Corps of the Public Health Service to the Department of
11 Veterans Affairs. Such assignments shall be made in the
12 same manner in which assignments are made to other de-
13 partments and agencies in the Federal Government.

14 (b) **REIMBURSEMENT.**—The Secretary shall reim-
15 burse the Surgeon General for such expenses as the Sur-
16 geon General may incur in assigning commissioned offi-
17 cers pursuant to a memorandum of understanding entered
18 into under subsection (a).

19 (c) **REPORT.**—

20 (1) **IN GENERAL.**—Not later than one year
21 after the date of the enactment of this Act, the Sec-
22 retary and the Surgeon General shall each submit to
23 the Committee on Veterans' Affairs of the Senate
24 and the Committee on Veterans' Affairs of the
25 House of Representatives a report on the memo-
26 randum of understanding entered into under sub-

1 section (a) and the commissioned officers assigned
2 pursuant to such memorandum of understanding.

3 (2) CONTENTS.—The report required by para-
4 graph (1) shall include the following:

5 (A) The numbers, grades, and specialties
6 of commissioned officers assigned pursuant to
7 the memorandum of understanding.

8 (B) A description of any problems encoun-
9 tered in such assignment.

10 **SEC. 208. HOLDING DEPARTMENT OF VETERANS AFFAIRS**
11 **LEADERS ACCOUNTABLE FOR ADDRESSING**
12 **SYSTEMIC HUMAN CAPITAL CHALLENGES AT**
13 **THE VETERANS HEALTH ADMINISTRATION.**

14 (a) COMPREHENSIVE COMPETENCY ASSESSMENT
15 TOOL.—

16 (1) IN GENERAL.—Not later than one year
17 after the date of the enactment of this Act, the Sec-
18 retary of Veterans Affairs, acting through the Under
19 Secretary for Health, shall develop a comprehensive
20 competency assessment tool for human resources
21 employees of the Veterans Health Administration
22 that can be used to assess the knowledge of such
23 employees on matters relating to how section
24 7401(1) employees are treated differently than other

1 employees of the Department of Veterans Affairs
2 under titles 5 and 38, United States Code.

3 (2) CERTIFICATION RELATING TO USE OF COM-
4 PREHENSIVE COMPETENCY ASSESSMENT TOOL.—

5 Not later than two years after the date of the enact-
6 ment of this Act, and not less frequently than once
7 every two years thereafter, the Secretary shall sub-
8 mit to the Committee on Veterans' Affairs of the
9 Senate and the Committee on Veterans' Affairs of
10 the House of Representatives a certification as to—

11 (A) whether an assessment of all human
12 resources employees of the Veterans Health Ad-
13 ministration has been conducted through the
14 use of the comprehensive competency assess-
15 ment tool developed under paragraph (1); and

16 (B) whether such employees use the results
17 of such assessment to identify and address com-
18 petency gaps within human resources offices of
19 the Veterans Health Administration.

20 (b) EVALUATION OF TRAINING STRATEGIES.—Not

21 later than 18 months after the date of the enactment of
22 this Act, the Under Secretary for Health shall evaluate
23 the extent to which training strategies of the Under Sec-
24 retary are effective at improving the skills and com-

1 petencies of human resources employees of the Veterans
2 Health Administration.

3 (c) ESTABLISHMENT AND CLARIFICATION OF LINES
4 OF AUTHORITY WITHIN VETERANS HEALTH ADMINIS-
5 TRATION.—

6 (1) LINES OF AUTHORITY FOR ASSISTANT DEP-
7 UTY UNDER SECRETARY FOR HEALTH FOR WORK-
8 FORCE SERVICES.—Not later than one year after the
9 date of the enactment of this Act, the Secretary, act-
10 ing through the Under Secretary for Health, shall
11 establish clear lines of authority that provide the As-
12 sistant Deputy Under Secretary for Health for
13 Workforce Services the ability—

14 (A) to oversee and hold the heads of the
15 human resources offices of medical centers of
16 the Department of Veterans Affairs account-
17 able—

18 (i) for implementing initiatives to im-
19 prove human resource processes within
20 such offices; and

21 (ii) for ensuring that employees of
22 such offices undertake an assessment using
23 the comprehensive competency assessment
24 tool developed under subsection (a); and

1 (B) to monitor and report on the results of
2 initiatives described in subparagraph (A)(i).

3 (2) CLARIFICATION OF LINES OF AUTHORITY
4 RELATING TO OVERSIGHT OF VISNS AND MEDICAL
5 CENTERS.—Not later than one year after the date of
6 the enactment of this Act, the Secretary shall clarify
7 the lines of authority and processes for the Under
8 Secretary for Health and the Assistant Secretary for
9 Human Resources and Administration with respect
10 to overseeing and holding the heads of the Veterans
11 Integrated Service Networks and the heads of the
12 medical facilities of the Veterans Health Administra-
13 tion accountable for the consistent application of
14 Federal classification policies.

15 (d) OVERSIGHT OF CORRECTIVE ACTIONS AT HUMAN
16 RESOURCE OFFICES OF MEDICAL CENTERS.—The Sec-
17 retary shall ensure that the Under Secretary for Health
18 and the Assistant Secretary for Human Resources and
19 Administration are responsible for monitoring the status
20 of corrective actions taken at human resources offices of
21 medical centers of the Department and ensuring that such
22 actions are implemented.

23 (e) EMPLOYEE PERFORMANCE RATINGS.—The Sec-
24 retary shall ensure that meaningful distinctions are made

1 in performance ratings of employees of the Veterans
2 Health Administration by—

3 (1) developing and implementing standardized,
4 comprehensive performance management training
5 for supervisors of section 7401(1) employees and su-
6 pervisors of other employees of the Administration;

7 (2) ensuring that the training developed and
8 implemented under paragraph (1) is based on best
9 practices;

10 (3) ensuring procedures are in place to support
11 effective performance conversations between super-
12 visors and employees;

13 (4) reviewing and revising performance manage-
14 ment policies for section 7401(1) employees and
15 other employees of the Administration in a manner
16 consistent with best practices in the private sector;
17 and

18 (5) developing and implementing a process to
19 standardize performance plan elements, standards,
20 and metrics for common positions across the Admin-
21 istration.

22 (f) PLAN FOR IMPLEMENTATION OF INFORMATION
23 TECHNOLOGY SYSTEM TO SUPPORT EMPLOYEE PER-
24 FORMANCE MANAGEMENT PROCESSES.—Not later than
25 one year after the date of the enactment of this Act, the

1 Secretary, acting through the Under Secretary for Health
2 and the Assistant Secretary for Human Resources and
3 Administration, shall develop a plan to implement a mod-
4 ern information technology system to support employee
5 performance management processes. Such plan shall in-
6 clude an indication of how and when the Secretary will
7 implement the plan.

8 (g) ENGAGEMENT OF EMPLOYEES OF VETERANS
9 HEALTH ADMINISTRATION.—

10 (1) IN GENERAL.—Not later than one year
11 after the date of the enactment of this Act, the Sec-
12 retary, acting through the Under Secretary for
13 Health, shall establish clear lines of authority and
14 accountability for developing, implementing, and
15 monitoring strategies for improving employee en-
16 gagement across the Veterans Health Administra-
17 tion.

18 (2) REPORT.—Not later than one year after the
19 date of the enactment of this Act, the Secretary, act-
20 ing through the Under Secretary for Health, shall
21 submit to the Committee on Veterans' Affairs of the
22 Senate and the Committee on Veterans' Affairs of
23 the House of Representatives a report on whether
24 the Veterans Health Administration should establish
25 an employee engagement office at the headquarters

1 level with appropriate oversight of employee engage-
2 ment initiatives of the Veterans Integrated Service
3 Network and medical centers of the Department.

4 (h) COMPTROLLER GENERAL OF THE UNITED
5 STATES EXAMINATION OF HUMAN RESOURCE FUNC-
6 TIONS.—

7 (1) EXAMINATION.—Not later than one year
8 after the date of the enactment of this Act, the
9 Comptroller General of the United States shall com-
10 plete an examination of the following:

11 (A) Overlapping functions of the human
12 resource structures of the Veterans Health Ad-
13 ministration and the office of the Assistant Sec-
14 retary of Human Resources.

15 (B) Whether there are opportunities to
16 centralize offices and tasks of the Administra-
17 tion and such offices that are duplicative.

18 (C) Whether the use of multiple hiring
19 structures in the Department of Veterans Af-
20 fairs has had an effect on the speed with which
21 the Department hires new employees.

22 (2) REPORT.—Not later than one year after the
23 date of the enactment of this Act, the Comptroller
24 General shall submit to the Committee on Veterans'
25 Affairs of the Senate and the Committee on Vet-

1 erans' Affairs of the House of Representatives a re-
2 port on the findings of the Comptroller General with
3 respect to the examination completed under para-
4 graph (1).

5 (i) DEFINITIONS.—In this section:

6 (1) SECTION 7401(1) EMPLOYEE.—The term
7 “section 7401(1) employee” has the meaning given
8 such term in section 7461(e) of title 38, United
9 States Code.

10 (2) SUPERVISOR.—The term “supervisor” has
11 the meaning given that term in section 7103(a) of
12 title 5, United States Code.

13 **SEC. 209. REPORT ON EFFECTS OF HIRING FREEZE OR-**
14 **DERED BY THE PRESIDENT ON JANUARY 23,**
15 **2017.**

16 (a) IN GENERAL.—Not later than 120 days after the
17 date of the enactment of this Act, the Secretary of Vet-
18 erans Affairs shall submit to the Committee on Veterans'
19 Affairs of the Senate and the Committee on Veterans' Af-
20 fairs of the House of Representatives a report on the effect
21 of the freeze on the hiring of Federal civilian employees
22 ordered by the President of January 23, 2017, has had
23 on the ability of the Department of Veterans Affairs to
24 provide care and services to veterans.

1 (b) ELEMENTS.—The report required by subsection
2 (a) shall include the following:

3 (1) A discussion on whether the hiring freeze
4 has disrupted the operations of the Department.

5 (2) A discussion on whether the hiring freeze
6 has increased the operating costs of the Department.

7 (3) The effect of the hiring freeze on the ability
8 of the Department to provide veterans with access to
9 health care.

10 (4) The effect of the hiring freeze on the ability
11 of the Department to schedule appointments for vet-
12 erans.

13 (5) The effect of the hiring freeze on the ability
14 of the Department to process payments for medical
15 care, including payments to third-party providers.

16 (6) The effect of the hiring freeze on the ability
17 of the Department to adjudicate claims for benefits,
18 pensions, and compensation.

19 (7) The effect of the hiring freeze on the ability
20 of the Department to resolve appeals for benefits,
21 pensions, and compensation.

22 (8) A discussion of whether the hiring freeze
23 created an incentive for supervisors to use alter-
24 native sources of labor, such as increased use of

1 overtime, contracting with private firms, or using
2 other than full-time permanent employees.

3 (9) A discussion of whether improved workforce
4 planning, rather than a hiring freeze, is a more ef-
5 fective way to insure that the level of the personnel
6 resources of the Department are consistent with re-
7 quirements.

8 **SEC. 210. REPORT ON PLAN OF THE SECRETARY OF VET-**
9 **ERANS AFFAIRS TO CARRY OUT A REDUC-**
10 **TION IN FORCE AT THE DEPARTMENT OF**
11 **VETERANS AFFAIRS THROUGH ATTRITION.**

12 (a) REPORT REQUIRED.—Not later than 180 days
13 after the date of the enactment of this Act, the Secretary
14 of Veterans Affairs shall submit to the Committee on Vet-
15 erans' Affairs of the Senate and the Committee on Vet-
16 erans' Affairs of the House of Representatives a report
17 on how the Secretary plans to implement the portions of
18 the plan of the Director of the Office of Personnel Man-
19 agement to reduce the size of the workforce of Federal
20 Government through attrition that pertain to the Depart-
21 ment of Veterans Affairs.

22 (b) SUCCESSION AND RECRUITMENT PLAN RE-
23 QUIRED.—The report shall include the Secretary's succes-
24 sion and recruitment plan to replace employees of the De-
25 partment that are eligible to retire as of the day of the

1 enactment of this Act and eligible to retire within five
2 years of such date.

3 (c) CONSULTATION.—The Secretary shall consult
4 with the labor organization that represents employees of
5 the Department on matters relating to the plans described
6 in subsections (a) and (b).

7 **SEC. 211. TRANSPARENCY REGARDING STAFFING LEVELS**
8 **OF NURSES EMPLOYED BY THE DEPARTMENT**
9 **OF VETERANS AFFAIRS AND REPORT ON PAY**
10 **FOR SUCH NURSES.**

11 (a) PUBLICATION OF INFORMATION.—

12 (1) INITIAL PUBLICATION.—Not later than 180
13 days after the date of the enactment of this Act, the
14 Secretary of Veterans Affairs shall publish on a pub-
15 licly available Internet website of each medical facil-
16 ity of the Department of Veterans Affairs informa-
17 tion on staffing levels for nurses at such medical fa-
18 cility.

19 (2) UPDATE OF INFORMATION.—The head of
20 each medical facility of the Department shall update
21 the information published under paragraph (1) as
22 changes to the staffing level of nurses at such med-
23 ical facility occur.

24 (3) CONSULTATION WITH CMS.—In developing
25 the information required by paragraph (1) and up-

1 dated under paragraph (2), the Secretary shall con-
2 sult with the Centers for Medicare & Medicaid Serv-
3 ices.

4 (b) REPORT.—Not later than 180 days after the date
5 of the enactment of this Act, the Secretary shall submit
6 to the Committee on Veterans' Affairs of the Senate and
7 the Committee on Veterans' Affairs of the House of Rep-
8 resentatives a report that includes discussion and assess-
9 ment of the following:

10 (1) The use by directors of medical centers of
11 the Department of authorities to provide nurses pay
12 that reflects market conditions.

13 (2) The development by the Department of a
14 period reporting process to monitor medical center
15 compliance with the policies and procedures for each
16 of the key recruitment and retention initiatives of
17 the Veterans Health Administration.

18 (3) The adequacy of training resources provided
19 to all nurse recruiters at medical centers of the De-
20 partment.

21 (4) The key recruitment and retention initia-
22 tives of the Veterans Health Administration for
23 nurses, the overall effectiveness of the initiatives,
24 and the improvements that may be needed.

1 **SEC. 212. EMPLOYMENT OF POLICE OFFICERS AND FIRE-**
2 **FIGHTERS BY DEPARTMENT OF VETERANS**
3 **AFFAIRS.**

4 (a) CLASSIFICATION OF POSITIONS.—Not later than
5 one year after the date of the enactment of this Act, the
6 Secretary of Veterans Affairs, in consultation with the Di-
7 rector of the Office of Personnel Management, shall en-
8 sure that the job description, position classification, and
9 grade for each position as a police officer or firefighter
10 in the Department of Veterans Affairs are in accordance
11 with the standards for the classification of such positions
12 prepared by the Office of Personnel Management under
13 section 5105 of title 5, United States Code.

14 (b) STAFFING MODEL.—The Secretary shall develop
15 a staffing model for positions of police officers and fire-
16 fighters in the Department.

17 (c) AUDIT OF RECRUITMENT AND RETENTION EF-
18 FORTS.—

19 (1) IN GENERAL.—The Inspector General of
20 the Department of Veterans Affairs shall conduct an
21 audit of the efforts of the Department to recruit and
22 retain police officers and firefighters.

23 (2) REPORT.—Not later than one year after the
24 date of the enactment of this Act, the Inspector
25 General shall submit to the Secretary of Veterans
26 Affairs, the Committee on Veterans' Affairs of the

1 Senate, and the Committee on Veterans' Affairs of
2 the House of Representatives a report on the audit
3 conducted under paragraph (1).

4 (d) REPORT ON RECRUITMENT AND RETENTION OF
5 POLICE OFFICERS.—Not later than one year after the
6 date of the enactment of this Act, the Secretary of Vet-
7 erans Affairs shall submit to the Committee on Veterans'
8 Affairs of the Senate and the Committee on Veterans' Af-
9 fairs of the House of Representatives a report on—

10 (1) the use by directors of medical centers of
11 the Department of Veterans Affairs of special pay
12 incentives to recruit and retain trained and qualified
13 police officers; and

14 (2) the steps that the Secretary plans to take
15 to address the critical shortage of police officers
16 throughout the Department.

17 **SEC. 213. STUDY ON COMMUNICATIONS WITHIN THE MAN-**
18 **AGEMENT OF THE VETERANS HEALTH AD-**
19 **MINISTRATION.**

20 Not later than one year after the date of the enact-
21 ment of this Act, the Inspector General of the Department
22 of Veterans Affairs shall complete a study on—

23 (1) how the Veterans Health Administration
24 communicates the directives, policies, and handbook
25 of the Administration to the field, including an eval-

1 uation of compliance with such directives, policies,
2 and handbook to determine whether such commu-
3 nication is effective; and

4 (2) the effectiveness of each Veterans Inte-
5 grated Service Network in disseminating information
6 to employees within such Network and veterans
7 served by such Network.

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