

Union Calendar No. 511

118TH CONGRESS
2^D SESSION

H. R. 7734

[Report No. 118-613]

To amend title 38, United States Code, to require a notation in the personnel record file of certain employees of the Department of Veterans Affairs who resign from Government employment under certain circumstances.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2024

Mr. SCOTT FRANKLIN of Florida introduced the following bill; which was referred to the Committee on Veterans' Affairs

JULY 30, 2024

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on March 20, 2024]

A BILL

To amend title 38, United States Code, to require a notation in the personnel record file of certain employees of the Department of Veterans Affairs who resign from Government employment under certain circumstances.

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.**

4 *This Act may be cited as the “Personnel Integrity in*
5 *Veterans Affairs Act of 2024”.*

6 **SEC. 2. SUBMISSION TO CONGRESS OF ANNUAL PERFORM-**
7 **ANCE PLANS FOR DEPARTMENT OF VET-**
8 **ERANS AFFAIRS POLITICAL APPOINTEES.**

9 *Section 725 of title 38, United States Code, is amend-*
10 *ed—*

11 *(1) by redesignating subsection (c) as subsection*
12 *(d); and*

13 *(2) by inserting after subsection (b) the following*
14 *new subsection (c):*

15 *“(c) SUBMISSION TO CONGRESS.—Not later than 30*
16 *days after the date of the completion of an annual perform-*
17 *ance under subsection (a), the Secretary shall submit the*
18 *plan to the Committees on Veterans’ Affairs of the Senate*
19 *and House of Representatives.”.*

20 **SEC. 3. NOTATION IN DEPARTMENT OF VETERANS AFFAIRS**
21 **EMPLOYEE PERSONNEL RECORD FILE OF**
22 **PERSONNEL INVESTIGATION REQUIRED.**

23 *(a) IN GENERAL.—Subchapter I of chapter 7 of title*
24 *38, United States Code, is amended by adding at the end*
25 *the following new section:*

1 **“§ 729. Notation in Department of Veterans Affairs**
2 **employee personnel record file of eligible**
3 **personnel investigation**

4 “(a) *NOTATION REQUIRED.*—Notwithstanding section
5 3322 of title 5 or chapter 74 of this title, with respect to
6 a covered employee who is the subject of an eligible per-
7 sonnel investigation and who resigns, retires, transfers, or
8 otherwise separates from employment with the Department
9 prior to the resolution of such eligible personnel investiga-
10 tion, the Secretary shall—

11 “(1) *continue such eligible personnel investiga-*
12 *tion until it is completed; and*

13 “(2) *not later than 40 days after the date such*
14 *eligible personnel investigation is completed, make a*
15 *permanent notation of such eligible personnel inves-*
16 *tigation in the official personnel record file of such*
17 *covered employee.*

18 “(b) *CERTAIN CONSIDERATION PROHIBITED.*—*In car-*
19 *rying out an eligible personnel investigation, the Secretary*
20 *may not consider the resignation, retirement, transfer, or*
21 *any other separation from employment with the Depart-*
22 *ment of the covered employee subject to such eligible per-*
23 *sonnel investigation.*

24 “(c) *NOTIFICATION REQUIRED.*—*Prior to making a*
25 *permanent notation in the official personnel record of a cov-*
26 *ered employee under subsection (a), the Secretary shall—*

1 “(1) notify the employee in writing within 5
2 days of the resolution of the eligible personnel inves-
3 tigation and provide such covered employee a copy of
4 the adverse finding and any supporting documenta-
5 tion;

6 “(2) provide the covered employee with a reason-
7 able time, but not less than 30 days, to respond in
8 writing and to furnish affidavits and other documen-
9 tary evidence to show why the adverse finding was
10 unfounded (a summary of which shall be included in
11 any notation made to the personnel file of such em-
12 ployee under subsection (e)); and

13 “(3) provide a written decision and the specific
14 reasons therefore to the employee at the earliest prac-
15 ticable date.

16 “(d) *RIGHT TO APPEAL*.—A covered employee is enti-
17 tled to appeal the decision of the Secretary to make a per-
18 manent notation under subsection (a) to—

19 “(1) the Merit Systems Protection Board under
20 section 7701 of title 5; and

21 “(2) a Disciplinary Appeals Board under section
22 7464 of this title.

23 “(e) *NOTATION OF APPEAL*.—(1) If a covered employee
24 files an appeal with the Merit Systems Protection Board
25 pursuant to subsection (c), the Secretary shall make a nota-

1 *tion in the official personnel record file of the covered em-*
2 *ployee indicating that an appeal disputing the notation is*
3 *pending not later than 2 weeks after the date on which such*
4 *appeal was filed.*

5 “(2) *If the Secretary is the prevailing party on appeal,*
6 *not later than 2 weeks after the date that the Board issues*
7 *the appeal decision, the Secretary shall remove the notation*
8 *made under paragraph (1) from the official personnel*
9 *record file of the covered employee.*

10 “(3) *If the covered employee is the prevailing party*
11 *on appeal, not later than 2 weeks after the date that the*
12 *Board issues the appeal decision, the Secretary shall remove*
13 *the notation made under paragraph (1) and the notation*
14 *of an adverse finding made under subsection (a) from the*
15 *official personnel record file of the covered employee.*

16 “(f) *DEFINITIONS.—In this section:*

17 “(1) *The term ‘covered employee’ means an em-*
18 *ployee in the competitive service, the excepted service,*
19 *or the Senior Executive Service within the Depart-*
20 *ment.*

21 “(2) *The term ‘eligible personnel investigation’—*

22 “(A) *means a personnel investigation that*
23 *commences not later than 60 days after the date*
24 *on which the covered employee subject to such*
25 *personnel investigation resigns, retires, transfers,*

1 or otherwise separates from employment with the
2 Department; and

3 “(B) includes—

4 “(i) an investigation by an Inspector
5 General; and

6 “(ii) a prospective investigation that
7 may recommend an adverse personnel ac-
8 tion as a result of alleged performance, mis-
9 conduct, or for such cause as will promote
10 the efficiency of the service under—

11 “(I) chapter 43 of title 5;

12 “(II) chapter 75 of such title;

13 “(III) chapter 74 of this title; or

14 “(IV) section 501 of this title;

15 “(iii) an adverse personnel action as a
16 result of performance, misconduct, or for
17 such cause as will promote the efficiency of
18 the service under the provisions specified in
19 subclauses (I) through (IV) of clause (ii);

20 “(iv) an internal investigation carried
21 out by the Secretary, including through—

22 “(I) the Office of Accountability
23 and Whistleblower Protection of the
24 Department;

1 “(II) the Office of the Medical In-
2 spectator of the Veterans Health Admin-
3 istration; and

4 “(III) the General Counsel of the
5 Department; and

6 “(v) an investigation carried out by
7 the head of any other Federal agency re-
8 sponsible for investigation allegations of em-
9 ployee misconduct, including the head of—

10 “(I) the Office of the Special
11 Counsel; and

12 “(II) the Equal Employment Op-
13 portunity Commission.”.

14 (b) *CLERICAL AMENDMENT.*—The table of sections at
15 the beginning of such chapter is amended by inserting after
16 the item relating to section 728 the following new item:

“729. Notation in Department of Veterans Affairs employee personnel record
file of personnel investigation.”.

17 **SEC. 4. MODIFICATION OF CERTAIN HOUSING LOAN FEES.**

18 The loan fee table in section 3729(b)(2) of title 38,
19 United States Code, is amended by striking “November 15,
20 2031” each place it appears and inserting “November 29,
21 2031”.

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