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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend title 38, United States Code, to prohibit the appointment or retention of Department of Veterans Affairs employees who knowingly committed fraud involving Federal funds.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend title 38, United States Code, to prohibit the appointment or retention of Department of Veterans Affairs employees who knowingly committed fraud involving Federal funds.

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 “VA Hiring Integrity
5 Act of 2026”.

1 **SEC. 2. PROHIBITION ON THE APPOINTMENT AND RETEN-**
2 **TION OF DEPARTMENT EMPLOYEES WHO**
3 **KNOWINGLY COMMITTED FRAUD INVOLVING**
4 **FEDERAL FUNDS.**

5 (a) HEALTH CARE POSITIONS.—Section 7402 of title
6 38, United States Code, is amended—

7 (1) by redesignating subsection (g) as sub-
8 section (h); and

9 (2) by inserting after subsection (f) the fol-
10 lowing new subsection:

11 “(g)(1) A person may not be appointed or retained
12 in the Administration to a position listed in section
13 7401(1) of this title if the person knowingly engages in
14 conduct resulting in—

15 “(A) a criminal conviction for fraud, theft, em-
16 bezzlement, bribery, kickbacks, false statements,
17 conspiracy to commit such offenses, or similar
18 crimes involving Federal funds;

19 “(B) a final civil judgement establishing liabil-
20 ity under sections 3729 through 3731 of title 31,
21 United States Code (commonly known as the ‘False
22 Claims Act’);

23 “(C) exclusion from participation in Federal
24 health care programs pursuant to section 1128 of
25 the Social Security Act (42 U.S.C. 1320a–7), as re-
26 corded in the List of Excluded Individuals and Enti-

1 ties maintained by the Office of the Inspector Gen-
2 eral for the Department of Health and Human Serv-
3 ices; or

4 “(D) a determination by the Secretary that the
5 person knowingly participated in a scheme to im-
6 properly obtain, retain, divert, misuse, or conceal
7 Federal funds, benefits, grants, contracts, reim-
8 bursements, or other Federal assistance.

9 “(2)(A) Any person subject to a determination by the
10 Secretary under paragraph (1)(D) is entitled to advance
11 notice of the determination and a file that includes all evi-
12 dence on which the Secretary based such determination.

13 “(B) The Secretary, in consultation with the Assist-
14 ant Secretary for Accountability and Whistleblower Pro-
15 tection, shall establish an internal grievance process
16 through which a person subject to a determination by the
17 Secretary under paragraph (1)(D) may contest such deter-
18 mination. Any such determination that is not contested
19 by the person subject to such determination shall be final
20 and conclusive.

21 “(3) If a person elects to contest a determination by
22 the Secretary under paragraph (1)(D) through the inter-
23 nal grievance process required under paragraph (2)—

1 “(A) the person shall be entitled to representa-
2 tion by an attorney or other representative selected
3 by the person; and

4 “(B) the decision of the Assistant Secretary
5 with respect to the determination pursuant to such
6 internal grievance process shall be final and conclu-
7 sive.”.

8 (b) ADDITIONAL EMPLOYEES.—Section 7408 of such
9 title is amended by adding at the end the following new
10 subsection:

11 “(c) The Secretary may not appoint or retain any
12 person as an additional employee under this section if such
13 person knowingly engaged in conduct that resulted in—

14 “(1) a criminal conviction for fraud, theft, em-
15 bezzlement, bribery, kickbacks, false statements,
16 conspiracy to commit such offenses, or similar
17 crimes involving Federal funds;

18 “(2) a final civil judgement establishing liability
19 under sections 3729 through 3731 of title 31,
20 United States Code (commonly known as the ‘False
21 Claims Act’); or

22 “(3) exclusion from participation in Federal
23 health care programs pursuant to section 1128 of
24 the Social Security Act (42 U.S.C. 1320a–7), as re-
25 corded in the List of Excluded Individuals and Enti-

1 ties maintained by the Office of the Inspector Gen-
2 eral for the Department of Health and Human Serv-
3 ices; and”.