

115TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend title 38, United States Code, to require the Secretary of Veterans Affairs to include in each contract into which the Secretary enters for necessary services authorities and mechanism for appropriate oversight, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. TESTER introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend title 38, United States Code, to require the Secretary of Veterans Affairs to include in each contract into which the Secretary enters for necessary services authorities and mechanism for appropriate oversight, 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.**

4 This Act may be cited as the “Performance Account-  
5 ability and Contractor Transparency Act of 2017”.

1 **SEC. 2. IMPROVING OVERSIGHT OF DEPARTMENT OF VET-**  
2 **ERANS AFFAIRS CONTRACTS FOR SERVICES.**

3 (a) IN GENERAL.—Section 513 of title 38, United  
4 States Code, is amended—

5 (1) in the first sentence, by striking “The Sec-  
6 retary may, for” and inserting the following:

7 “(a) IN GENERAL.—The Secretary may, for”; and

8 (2) by adding at the end the following new sub-  
9 section:

10 “(b) REQUIREMENTS.—(1) The Secretary shall en-  
11 sure that each contract for a service into which the Sec-  
12 retary enters under subsection (a) includes the following:

13 “(A) Measurable metrics to ascertain the per-  
14 formance of the provider of the service, relating to  
15 cost, schedule, and fulfillment of contract require-  
16 ments.

17 “(B) A plan of action and milestones for the  
18 provision of the service, with estimates of the dates  
19 on which significant portions of the contract will be  
20 completed and a description of the resources the  
21 service provider will assign to provide the service.

22 “(C) Safeguards to ensure that the service pro-  
23 vided meets a minimum threshold of quality deter-  
24 mined by the Secretary, including authority for the  
25 Secretary to levy a financial penalty upon the service

1 provider if the service provided fails to meet such  
2 threshold.

3 “(D) Measurable metrics relating to the use of  
4 award or incentive fees.

5 “(2) In each case of a contract for a service into  
6 which the Secretary enters into under subsection (a) that  
7 would result in the Department incurring an obligation of  
8 more than \$100,000,000, the Secretary shall—

9 “(A) ensure the contract includes—

10 “(i) a requirement that the service provider  
11 documents through information technology sys-  
12 tems of the Department the work of the service  
13 provider so that the Secretary can review and  
14 validate quality of the service provided using  
15 the metrics set forth in the contract under  
16 paragraph (1)(A); and

17 “(ii) a requirement that, not later than 45  
18 days after the last day of each quarter for the  
19 duration of the contract, the service provider  
20 shall submit to the Secretary, the Committee on  
21 Veterans’ Affairs of the Senate, and the Com-  
22 mittee on Veterans’ Affairs of the House of  
23 Representatives a report on the service provided  
24 under the contract and an assessment as to how  
25 such service compares with respect to the

1 metrics set forth in the contract under para-  
2 graph (1)(A); and

3 “(B) use the appropriate project management  
4 accountability system of the Department to ensure  
5 that the contract provides an adequate return on the  
6 investment of the Secretary;

7 “(C) whenever the Secretary provides notice to  
8 the service provider that the service provider is fail-  
9 ing to meet contractual obligations, submit to the  
10 Committee on Veterans’ Affairs of the Senate and  
11 the Committee on Veterans’ Affairs of the House of  
12 Representatives a report on such failure, along  
13 with—

14 “(i) an explanation of the reasons for pro-  
15 viding such notice;

16 “(ii) a description of the effect of such fail-  
17 ure, including with respect to cost, schedule,  
18 and requirements;

19 “(iii) a description of the actions taken by  
20 the Secretary to mitigate such failure; and

21 “(iv) a description of the actions taken by  
22 the contractor to address such failure;

23 “(D) not later than 45 days after the last day  
24 of each quarter for the duration of the contract, sub-  
25 mit to the Committee on Veterans’ Affairs of the

1 Senate and the Committee on Veterans' Affairs of  
2 the House of Representatives a report that details  
3 the modifications made to the contract, if any, and  
4 a justification for such modifications; and

5 “(E) publish on the Internet website of the De-  
6 partment information about the contract and the  
7 modifications made to the contract, if any.”.

8 (b) EFFECTIVE DATE.—Subsection (b) of section  
9 513 of such title, as added by subsection (a), shall take  
10 effect on the date of the enactment of this Act and shall  
11 apply with respect to contracts entered into by the Sec-  
12 retary after such date.