

119TH CONGRESS
2^D SESSION

S. _____

To amend title 38, United States Code, to require the Secretary of Veterans Affairs to develop a five-year human capital plan to support the mission and responsibilities of the Department of Veterans Affairs and to require the Secretary provide notice before carrying out a reduction in force, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. MORAN (for himself and Mr. KING) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title 38, United States Code, to require the Secretary of Veterans Affairs to develop a five-year human capital plan to support the mission and responsibilities of the Department of Veterans Affairs and to require the Secretary provide notice before carrying out a reduction in force, 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 “Optimizing the Depart-
5 ment of Veterans Affairs Workforce for Veterans Act of

1 2026” or the “Optimizing the VA Workforce for Veterans
2 Act of 2026”.

3 **SEC. 2. DEPARTMENT OF VETERANS AFFAIRS STRATEGIC**
4 **HUMAN CAPITAL PLAN.**

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

8 **“§ 729. Strategic human capital plan**

9 “(a) PLAN DEVELOPMENT.—(1) Not later than Sep-
10 tember 30, 2027, the Secretary shall develop and submit
11 to the appropriate committees of Congress a five-year
12 strategic human capital plan to support the mission and
13 responsibilities of the Department, disaggregated by the
14 Veterans Health Administration, the Veterans Benefits
15 Administration, the National Cemetery Administration,
16 and such other administrative components of the Depart-
17 ment as the Secretary considers necessary to carry out the
18 mission of the Department.

19 “(2) Not later than September 30, 2028, and each
20 September 30 thereafter, the Secretary shall update the
21 plan developed pursuant to paragraph (1) and extend the
22 plan so that it covers the next period of five fiscal years
23 commencing immediately after the date of the update.

24 “(b) REQUIREMENTS.—(1) In developing the plan re-
25 quired by subsection (a), the Secretary shall take into ac-

1 count and document current and future projected demand
2 for benefits and services administered by the Department,
3 disaggregated for each component by facility location, fa-
4 cility type, region, administration, program office, the type
5 of benefit or service, and such other categories as the Sec-
6 retary determines appropriate.

7 “(2) The Secretary shall develop and update the plan
8 under subsection (a) in consultation with veterans service
9 organizations and such other stakeholders as the Sec-
10 retary considers appropriate.

11 “(c) CONTENTS.—The strategic human capital plan
12 required by subsection (a) shall incorporate leading prac-
13 tices, including the following:

14 “(1) A workforce gap analysis, including an as-
15 sessment of—

16 “(A) the staffing levels of each employee
17 position needed to deliver high quality, acces-
18 sible, and timely health care, benefits, and other
19 services the Secretary considers appropriate,
20 disaggregated by employee position, facility lo-
21 cation, facility type, region, administration, pro-
22 gram office, the type of benefit or service, and
23 such other categories as the Secretary deter-
24 mines appropriate;

1 “(B) how the staffing levels described in
2 subparagraph (A) align with industry best prac-
3 tices in each employee position for the antici-
4 pated demand for health care, benefits, and
5 other services described in subsection (b); and

6 “(C) core competencies, as defined by the
7 Secretary, and the staffing levels needed in each
8 of these core competencies, disaggregated by
9 employee position, facility location, facility type,
10 region, administration, program office, the type
11 of benefit or service and such other categories
12 as the Secretary considers appropriate.

13 “(2) An implementation plan that includes the
14 following:

15 “(A) Specific recruitment and retention
16 goals to fulfill the staffing needs identified in
17 the strategic human capital plan and the strat-
18 egy of the Department to achieve such goals.

19 “(B) Specific strategies—

20 “(i) to improve workforce productivity
21 using technological, organizational, behav-
22 ioral, and such other approaches as the
23 Secretary determines appropriate and pro-
24 ductivity measures that are specific to em-

1 ployee positions and the benefits or serv-
2 ices they provide; and

3 “(ii) that are informed by applicable
4 industry best practices.

5 “(C) Specific strategies for recruiting and
6 retaining veterans, spouses of veterans and
7 members of the Armed Forces, family members
8 of veterans and members of the Armed Forces,
9 caregivers of veterans, and survivors of mem-
10 bers of the Armed Forces as employees of the
11 Department.

12 “(D) Specific goals to reduce the time to
13 hire and onboard employees of the Department
14 and a strategy to achieve such goals, including
15 draft legislative language for any legislative ac-
16 tion necessary to achieve such goals, without
17 degradation of—

18 “(i) necessary background checks; and

19 “(ii) measures to protect Department
20 customer and employee safety.

21 “(d) ANNUAL UPDATES.—Not later than September
22 30, 2028, and September 30 of each of year thereafter,
23 the Secretary shall submit to the appropriate committees
24 of Congress an update on the implementation of the stra-

1 tegic human capital plan developed pursuant to subsection
2 (a), including an assessment by the Secretary of—

3 “(1) the progress of the Department in imple-
4 menting the strategic human capital plan;

5 “(2) the progress of the Department in improv-
6 ing outcomes for veterans and their spouses, depend-
7 ents, and caregivers through the delivery of high
8 quality, accessible, and timely health care, benefits,
9 and other services the Secretary considers appro-
10 priate using results based performance measures;

11 “(3) changes to projected demand for benefits
12 and services based on new legislative action or other
13 factors, disaggregated for each component by facility
14 location, facility type, region, administration, pro-
15 gram office and the type of benefit or service;

16 “(4) changes to the staffing levels included in
17 the strategic human capital plan, including justifica-
18 tions for such changes, disaggregated by employee
19 position, facility location, facility type, region, ad-
20 ministration, program office, the type of benefit or
21 service and such other categories as the Secretary
22 determines appropriate;

23 “(5) any differentiation between the staffing
24 levels included in the strategic human capital plan
25 and those included in the budget justification mate-

1 rials most recently submitted to Congress in support
2 of the budget of the Department (as submitted with
3 the budget of the President under section 1105(a) of
4 title 31); and

5 “(6) any differentiation from the Quadrennial
6 Veterans Health Administration review required by
7 section 7330C of this title.

8 “(e) COMPTROLLER GENERAL OF THE UNITED
9 STATES BIENNIAL REVIEWS.—Not later than 180 days
10 after the date on which the human capital plan is sub-
11 mitted to the appropriate committees of Congress pursu-
12 ant to subsection (a), and not less frequently than once
13 every 2 years thereafter, the Comptroller General of the
14 United States shall—

15 “(1) review the strategic human capital plan de-
16 veloped pursuant to subsection (a) and updated pur-
17 suant to subsection (d), as the case may be, particu-
18 larly with respect to the adequacy of the plan to ful-
19 fill the mission and responsibilities of the Depart-
20 ment; and

21 “(2) submit to Congress the findings of the
22 Comptroller General with respect to the review con-
23 ducted pursuant to paragraph (1).

24 “(f) DEFINITIONS.—In this section:

1 “(1) The term ‘appropriate committees of Con-
2 gress’ means—

3 “(A) the Committee on Veterans’ Affairs
4 and the Committee on Appropriations of the
5 Senate; and

6 “(B) the Committee on Veterans’ Affairs
7 and the Committee on Appropriations of the
8 House of Representatives.

9 “(2) The term ‘veterans service organization’
10 means any organization recognized by the Secretary
11 under section 5902 of this title.”.

12 (b) CLERICAL AMENDMENT.—The table of sections
13 at the beginning of chapter 7 of such title is amended by
14 inserting after the item relating to section 728 the fol-
15 lowing new item:

 “729. Strategic human capital plan.”.

16 **SEC. 3. DEPARTMENT OF VETERANS AFFAIRS REDUCTION**
17 **IN FORCE NOTICE REQUIREMENT.**

18 (a) IN GENERAL.—Subchapter I of chapter 7 of title
19 38, United States Code, as amended by section 2(a), is
20 further amended by inserting after section 729 the fol-
21 lowing new section:

22 **“§ 729A. Reductions in force**

23 “(a) NOTICE REQUIRED.—In any case in which the
24 Secretary plans to carry out a reduction in force, the Sec-
25 retary shall, not later than the date that is 60 days before

1 the date on which the Secretary commences carrying out
2 such reduction in force, submit to the appropriate commit-
3 tees of Congress and the employees of the Department
4 who will be affected by the reduction in force notice of
5 the intention of the Secretary to carry out such reduction
6 in force.

7 “(b) LIMITATION.—Notwithstanding any other provi-
8 sion of law, the Secretary may not carry out any reduction
9 in force with respect to any employee who has not received
10 the notice required under subsection (a) in the manner
11 and within the time required by such subsection.

12 “(c) CONTENTS.—Notice regarding plans to carry
13 out a reduction in force submitted pursuant to subsection
14 (a) shall include the following:

15 “(1) The total number of employees of the De-
16 partment who will be affected by the reduction.

17 “(2) The offices of the Department that will be
18 affected by the reduction, including, for each such
19 office, the following:

20 “(A) The location of the office.

21 “(B) The program of the Department car-
22 ried out by the office.

23 “(C) The total number of employees of the
24 office before and after the reduction in force.

25 “(D) The services provided by the office.

1 “(3) A justification for the reduction in force,
2 including how—

3 “(A) the new staffing levels resulting from
4 the reduction in force align with the current
5 and future projected demand for benefits and
6 services administered by the Department,
7 disaggregated for each component by facility lo-
8 cation, facility type, region, administration, pro-
9 gram office, the type of benefit or service, and
10 such other categories as the Secretary deter-
11 mines appropriate; and

12 “(B) the reduction in force aligns with the
13 strategic human capital plan required by section
14 729 of this title.

15 “(4) Budgetary effects of the reduction in force.

16 “(5) How the reduction in force will improve
17 the benefits or services furnished by the Depart-
18 ment.

19 “(d) EQUAL CONTENT.—A notice regarding a reduc-
20 tion in force sent to an employee pursuant to subsection
21 (a) shall be the same as the notice submitted under such
22 subsection to Congress for the same reduction in force.

23 “(e) ADMINISTRATIVE REMEDY.—Notwithstanding
24 section 2302(a)(2)(B) of title 5, the failure to comply with
25 subsection (a) of this section shall be considered to be a

1 personnel action that is prohibited under section 2302(b)
2 of title 5, and the Merit Systems Protection Board shall
3 stay or set aside the reduction in force action with respect
4 to that employee until the Secretary has complied with
5 subsection (a) of this section.

6 “(f) DEFINITIONS.—In this section:

7 “(1) The term ‘appropriate committees of Con-
8 gress’ means—

9 “(A) the Committee on Veterans’ Affairs
10 and the Committee on Appropriations of the
11 Senate; and

12 “(B) the Committee on Veterans’ Affairs
13 and the Committee on Appropriations of the
14 House of Representatives.

15 “(2) The term ‘reduction in force’ means any
16 action that would have required notice under part
17 351 of title 5, Code of Federal Regulations, as in ef-
18 fect on January 1,2026.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of chapter 7 of such title, as amended
21 by section 2(b), is further amended by inserting after the
22 item relating to section 729 the following new item:

“729A. Reductions in force.”.

1 **SEC. 4. DETAILED PLANS AND JUSTIFICATIONS FOR REOR-**
2 **GANIZATION OF OFFICES.**

3 Section 510 of title 38, United States Code, is
4 amended—

5 (1) in subsection (f)(2)—

6 (A) in subparagraph (D), by inserting “in
7 improving outcomes for veterans and their
8 spouses, dependents, and caregivers through the
9 delivery of high quality, accessible, and timely
10 health care, benefits, and other services the
11 Secretary considers appropriate” before the pe-
12 riod at the end; and

13 (B) by adding at the end the following new
14 subparagraphs:

15 “(G) A description of how the Secretary
16 will analyze success of the reorganization using
17 results based performance metrics that are de-
18 rived from the justification for the reorganiza-
19 tion.

20 “(H) A risk mitigation plan that includes
21 every identified possible risk from the reorga-
22 nization and how the Secretary will mitigate
23 each of the identified risks.”;

24 (2) by redesignating subsections (e) and (f) as
25 subsections (f) and (g), respectively; and

1 (3) by inserting after subsection (d) the fol-
2 lowing new subsection (e):

3 “(e) Not later than 180 days after the date on which
4 the Secretary completes an administrative reorganization
5 for which the Secretary submitted under subsection (b)
6 a report containing a detailed plan and justification for
7 the administrative reorganization, and not less frequently
8 than once every 180 days thereafter until the date that
9 is two years after the date of the completion of such ad-
10 ministrative reorganization, the Secretary shall submit to
11 the Committee on Veterans’ Affairs of the Senate and the
12 Committee on Veterans’ Affairs of the House of Rep-
13 resentatives a report assessing the administrative reorga-
14 nization using the performance metrics described in the
15 detailed plan and justification pursuant to subsection
16 (g)(2)(G).”.

17 **SEC. 5. RULE OF CONSTRUCTION.**

18 Nothing in this Act or an amendment made by this
19 Act shall be construed to have any effect on any provision
20 of law in effect before the date of the enactment of this
21 Act.