

119TH CONGRESS
2D SESSION

H. R. 7241

To amend title 38, United States Code, to prohibit the Secretary of Veterans Affairs from entering into a contract pursuant to which the contractor may sell sensitive personal information maintained by the Secretary and to ensure the protection of personal information in certain contracts of the Department.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 2026

Ms. BUDZINSKI (for herself and Mr. BARRETT) introduced the following bill;
which was referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to prohibit the Secretary of Veterans Affairs from entering into a contract pursuant to which the contractor may sell sensitive personal information maintained by the Secretary and to ensure the protection of personal information in certain contracts of the Department.

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 “Protect Veterans from
5 the Theft of Health and Identifying Information in Elec-

1 tronic Forms Act” or the “Protect Veterans from the
2 THIEF Act”.

3 **SEC. 2. PROHIBITION OF THE SALE OF SENSITIVE PER-**
4 **SONAL INFORMATION MAINTAINED BY THE**
5 **SECRETARY OF VETERANS AFFAIRS.**

6 Section 5725 of title 38, United States Code, is
7 amended by adding at the end the following new sub-
8 section:

9 “(d) PROHIBITION OF SALE OF SENSITIVE PER-
10 SONAL INFORMATION.—The Secretary may not enter into
11 a contract that permits the contractor to sell (or otherwise
12 disclose for consideration) sensitive personal information
13 to another entity.”.

14 **SEC. 3. PROTECTION OF PERSONAL INFORMATION IN CON-**
15 **TRACTS OF THE DEPARTMENT OF VETERANS**
16 **AFFAIRS.**

17 (a) IN GENERAL.—Not later than one year after the
18 date of the enactment of this Act, the Secretary of Vet-
19 erans Affairs shall—

20 (1) ensure that each covered contract includes,
21 or is modified to include, a clause prohibiting cov-
22 ered information from being monetized, sold, or oth-
23 erwise misused by any contractor, including any sub-
24 contractor or affiliate thereof, or other non-Depart-
25 ment of Veterans Affairs entity; and

1 (2) issue a directive or other policy providing
2 guidance to employees and contractors of the De-
3 partment on how to identify the monetization, sale,
4 or misuse of covered information in order to ensure
5 contractors are in compliance with clauses in covered
6 contracts included pursuant to paragraph (1).

7 (b) REPORT.—Not later than one year after the date
8 of the enactment of this Act, the Secretary shall submit
9 to the appropriate congressional committees a report that
10 includes—

11 (1) a copy of the contract clause required by
12 subsection (a)(1);

13 (2) the guidance required by subsection (a)(2);
14 and

15 (3) a summary of any other actions taken to
16 comply with subsection (a).

17 (c) DEFINITIONS.—In this section:

18 (1) The term “appropriate congressional com-
19 mittees” means the Committees on Veterans’ Affairs
20 of the House of Representatives and the Senate.

21 (2) The term “covered contract” means a con-
22 tract of the Department of Veterans Affairs that
23 provides for the handling of covered information and
24 is entered into—

1 (A) after the date of the enactment of this
2 Act; or

3 (B) before the date of the enactment of
4 this Act and does not expire before the date of
5 the enactment of this Act.

6 (3) The term “covered information”—

7 (A) means protected health information or
8 personally identifiable information, including
9 such information that has been anonymized;
10 and

11 (B) includes information protected
12 under—

13 (i) section 552a of title 5, United
14 States Code;

15 (ii) section 5701 or 7332 of title 38
16 United States Code;

17 (iii) parts 160, 161, and 164 of title
18 45, Code of Federal Regulations; and

19 (iv) any other provision of law, as de-
20 termined by the Secretary.

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