AMENDMENT TO

RULES COMMITTEE PRINT 117–33 OFFERED BY MRS. HARTZLER OF MISSOURI

Add at the end of title VII the following new sections:

1	SEC. 7 NON-APPLICABILITY OF NON-DEPARTMENT OF
2	VETERANS AFFAIRS COVENANTS NOT TO
3	COMPETE TO APPOINTMENT OF VETERANS
4	HEALTH ADMINISTRATION PERSONNEL.
5	(a) In General.—Subchapter I of chapter 74 of title
6	38, United States Code, is amended by adding at the end
7	the following new section:
8	"§ 7414. Effect of non-Department covenants not to
9	compete
10	"(a) Non-Applicability.—Except as provided in
11	subsection (b), in the case of an individual who is an appli-
12	cant for appointment to a position in the Veterans Health
13	Administration described in section 7401 of this title, any
14	covenant not to compete into which the individual has en-
15	tered with a non-Department facility or party shall have
16	no force or effect with respect to the appointment of the
	no force of effect with respect to the appointment of the

1 "(b) Service Obligation.—(1) Any individual who is appointed to such a position in the Veterans Health Ad-3 ministration shall, as a condition of such appointment, 4 agree to provide clinical services at a Department medical 5 facility for the duration of the period described in paragraph (2). 6 7 "(2) The period described in this paragraph is the 8 period that begins on the date on which an individual is 9 appointed to such a position and ends on the latter of the 10 following dates: 11 "(A) The date that is one year after such date 12 of appointment. 13 "(B) The date of the termination of any cov-14 enant not to compete entered into between the indi-15 vidual and a non-Department facility or party. 16 "(3) The Secretary may waive the requirement under paragraph (1) with respect to an individual at the discre-17 tion of the Secretary. 18 19 TERMINATION OFDEPARTMENT EMPLOY-MENT.—In the case of an individual who is appointed to 20 21 such a position in the Veterans Health Administration who has entered into a covenant not to compete that is 23 rendered non-applicable pursuant to subsection (a), if the individual's employment at the Veterans Health Administration is terminated for any reason before the specified

1	termination date of such covenant, subsection (a) shall not
2	apply with respect to such covenant after the date of the
3	termination of the individual's employment at the Vet-
4	erans Health Administration.
5	"(d) COVENANT NOT TO COMPETE.—In this section,
6	the term 'covenant not to compete' means an agreement—
7	"(1) between an employee and employer or a
8	contractor and principal that restricts such employee
9	or contractor from performing—
10	"(A) any work for another employer for a
11	specified period of time;
12	"(B) any work in a specified geographical
13	area; or
14	"(C) work for another employer per-
15	forming work that is similar to the work such
16	employee or contractor performed for the em-
17	ployer or principal, included as a party to the
18	agreement; and
19	"(2) that is entered into after the date of enact-
20	ment of this Act.".
21	(b) Clerical Amendment.—The table of sections
22	at the beginning of such chapter is amended by inserting
23	after the item relating to section 7413 the following new
24	item:
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"7414. Effect of non-Department covenants not to compete.".

1	SEC. 7 RECRUITMENT OF PHYSICIANS ON A CONTIN-
2	GENT BASIS PRIOR TO COMPLETION OF
3	TRAINING REQUIREMENTS.
4	Section 7402 of title 38, United States Code, is
5	amended—
6	(1) in subsection $(b)(1)$ —
7	(A) in the matter preceding subparagraph
8	(A) by inserting "or to be offered an appoint-
9	ment to such position on a contingent basis
10	under subsection (h)" after "position"; and
11	(B) by striking subparagraph (B) and in-
12	serting the following:
13	"(B)(i) have completed a residency leading to
14	board eligibility in a specialty, satisfactory to the
15	Secretary; or
16	"(ii) with respect to an offer for an appoint-
17	ment on a contingent basis under subsection (h),
18	complete such a residency by not later than two
19	years after the date of such offer; and"; and
20	(2) by adding at the end the following new sub-
21	section:
22	"(h)(1) The Secretary may appoint an individual
23	under subsection $(b)(1)$ on a contingent basis in accord-
24	ance with this subsection if the Secretary reasonably an-
25	ticipated that the individual will have completed the re-
26	quirements for appointment under such subsection (b)(1) $$

- 1 by not later than two years after the date on which the
- 2 individual is so appointed.
- 3 "(2) An individual who is appointed to a position on
- 4 a contingent basis under paragraph (1) shall be appointed
- 5 to such position on a permanent basis if, by not later than
- 6 two years after the date of the contingent appointment,
- 7 the individual completes all the requirements for appoint-
- 8 ment under subsection (b)(1).
- 9 "(3) An individual who is appointed on a contingent
- 10 basis under paragraph (1) who fails to complete the re-
- 11 quirements for appointment under subsection (b)(1) by
- 12 not later than two years after the date on which the indi-
- 13 vidual is so appointed may not be appointed to such posi-
- 14 tion on a permanent basis.".

