

108TH CONGRESS  
2D SESSION

# H. R. 4423

Making appropriations for the Department of Veterans Affairs for the fiscal year ending September 30, 2005, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2004

Mr. EDWARDS introduced the following bill; which was referred to the Committee on Appropriations, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

Making appropriations for the Department of Veterans Affairs for the fiscal year ending September 30, 2005, 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 That the following sums are appropriated, out of any  
4 money in the Treasury not otherwise appropriated, for the  
5 Department of Veterans Affairs for the fiscal year ending  
6 September 30, 2005, and for other purposes, namely:

1           DEPARTMENT OF VETERANS AFFAIRS  
2                   VETERANS HEALTH ADMINISTRATION  
3                           MEDICAL CARE

4           For necessary expenses for the maintenance and op-  
5   eration of hospitals, nursing homes, and domiciliary facili-  
6   ties; for furnishing, as authorized by law, inpatient and  
7   outpatient care and treatment to beneficiaries of the De-  
8   partment of Veterans Affairs and Veterans described in  
9   paragraphs (1) through (8) of section 1705(a) of title 38,  
10   United States Code, including care and treatment in facili-  
11   ties not under the jurisdiction of the Department and in-  
12   cluding medical supplies and equipment and salaries and  
13   expenses of health care employees hired under title 38,  
14   United States Code; and furnishing recreational facilities,  
15   supplies, and equipment; funeral, burial, and other ex-  
16   penses incidental thereto for beneficiaries receiving care  
17   in the Department; administrative expenses in support of  
18   planning, design, project management, real property ac-  
19   quisition and disposition, construction and renovation of  
20   any facility under the jurisdiction or for the use of the  
21   Department; oversight, engineering and architectural ac-  
22   tivities not charged to project costs; repairing, altering,  
23   improving or providing facilities in the several hospitals  
24   and homes under the jurisdiction of the department, not  
25   otherwise provided for, either by contract or by the hire

1 of temporary employees and purchase of materials; infor-  
2 mation technology hardware and software; uniforms or al-  
3 lowances therefor, as authorized by 5 U.S.C. 5901–5902;  
4 other services authorized by 5 U.S.C. 3109 including hire  
5 of passenger motor vehicles; lease of a facility or land or  
6 both; aid to State homes as authorized by 38 U.S.C. 1741;  
7 administrative and legal expenses of the Department for  
8 collecting and recovering amounts owed the Department  
9 as authorized under 38 U.S.C. chapter 17, and the Fed-  
10 eral Medical Care Recovery Act, 42 U.S.C. 2651 et seq.,  
11 \$28,994,000,000, plus reimbursements: *Provided*, That no  
12 appropriations from this account shall be available for the  
13 purchase of any site for or toward the construction of any  
14 new hospital or home: *Provided further*, That no appro-  
15 priations in this account shall be available for hospitaliza-  
16 tion or examination of any persons (except beneficiaries  
17 entitled under the laws bestowing such benefits to vet-  
18 erans, and persons receiving such treatment under 5  
19 U.S.C.7901–7904 or 42 U.S.C. 5141–5204), unless reim-  
20 bursement of cost is made to this account at such rates  
21 as may be fixed by the Secretary of Veterans Affairs: *Pro-*  
22 *vided further*, That no appropriations in this account shall  
23 be available to enter into any new lease of real property  
24 if the estimated annual rental is more than \$300,000 un-  
25 less the Secretary submits a report which the Committees

1 on Appropriations of the Congress approve within 30 days  
2 following the date on which the report is received: *Pro-*  
3 *vided further*, That, notwithstanding any other provision  
4 of law, the Secretary of Veterans Affairs may authorize  
5 the dispensing of prescription drugs from Veterans Health  
6 Administration facilities to enrolled veterans with privately  
7 written prescriptions based on requirements established by  
8 the Secretary: *Provided further*, That the implementation  
9 of the program described in the previous proviso shall  
10 incur no additional cost to the Department of Veterans  
11 Affairs: *Provided further*, That: (a) the Secretary of Vet-  
12 erans Affairs shall conduct by contract a program of re-  
13 covery audits for the fee basis and other medical services  
14 contracts with respect to payments for hospital care. Not-  
15 withstanding section 3302(b) of title 31, United States  
16 Code, amounts collected, by setoff or otherwise, as the re-  
17 sult of such audits shall be available without fiscal year  
18 limitation, for the purposes for which funds are appro-  
19 priated under this account and the purposes of paying a  
20 contractor a percent of the amount collected as a result  
21 of an audit carried out by the contractor: and (b) all  
22 amounts so collected under subsection (a) with respect to  
23 a designated health care region (as that term is defined  
24 in section 1729A(d)(2) of title 38, United States Code)  
25 shall be allocated, not of payments to the contractor, to

1 that region: *Provided further*, That amounts deducted  
2 from enhanced-use lease proceeds to reimburse an account  
3 for expenses incurred by that account during a prior fiscal  
4 year for providing enhanced-use lease services, may be ob-  
5 ligated during the fiscal year in which the proceeds are  
6 received.

7 MEDICAL CARE COLLECTIONS FUND

8 (INCLUDING TRANSFER OF FUNDS)

9 Amounts deposited during the current fiscal year in  
10 the Department of Veterans Affairs Medical Care Collec-  
11 tions Fund under section 1729A of title 38 U.S.C., may  
12 be transferred to “Medical care”, to remain available until  
13 expended: *Provided*, That notwithstanding any other pro-  
14 visions of law, at the discretion of the Secretary of Vet-  
15 erans Affairs, proceeds or revenues derived from en-  
16 hanced-use leasing activities (including disposal) that are  
17 deposited into this account may be transferred and merged  
18 with “Construction, major projects” and “Construction,  
19 minor projects” accounts and be used for construction (in-  
20 cluding site acquisition and disposition), alterations and  
21 improvements of any medical facility under the jurisdic-  
22 tion or for the use of the Department of Veterans Affairs.  
23 Such sums as realized are in addition to the amount pro-  
24 vided for in “Construction, major projects” and “Con-  
25 struction, minor projects”.

## 1 MEDICAL AND PROSTHETIC RESEARCH

2 For necessary expenses in carrying out programs of  
3 medical and prosthetic research and development as au-  
4 thorized by chapter 73 of title 38, United States Code,  
5 to remain available until September 30, 2006,  
6 \$415,000,000, plus reimbursements: *Provided*, That no  
7 appropriations from this account shall be available for the  
8 purchase of any site for or toward the construction of any  
9 new hospital or home: *Provided further*, That no appro-  
10 priations in this account shall be available for hospitaliza-  
11 tion or examination of any persons (except beneficiaries  
12 entitled under the laws bestowing such benefits to vet-  
13 erans, and persons receiving such treatment under 5  
14 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reim-  
15 bursement of cost is made to the “Medical care” account  
16 at such rates as may be fixed by the Secretary of Veterans  
17 Affairs: *Provided further*, That no appropriations in this  
18 account shall be available to enter into any new lease of  
19 real property if the estimated annual rental is more than  
20 \$300,000 unless the Secretary submits a report which the  
21 Committees on Appropriations of the Congress approve  
22 within 30 days following the date on which the report is  
23 received: *Provided further*, That amounts deducted from  
24 enhanced-use lease proceeds to reimburse an account for  
25 expenses incurred by that account during a prior fiscal

1 year for providing enhanced-use lease services, may be ob-  
2 ligated during the fiscal year in which the proceeds are  
3 received.

4 MEDICAL ADMINISTRATION AND MISCELLANEOUS  
5 OPERATING EXPENSES

6 For necessary expenses in the administration of the  
7 medical, hospital, nursing home, domiciliary, construction,  
8 supply and research activities, as authorized by law; for  
9 other services authorized by 5 U.S.C. 3109 including hire  
10 of passenger motor vehicles; lease of a facility or land or  
11 both; and uniforms or allowances therefor, as authorized  
12 by 5 U.S.C. 5901–5902; administrative expenses in sup-  
13 port of capital policy activities, \$87,000,000, of which  
14 \$4,350,000 shall be available until September 30, 2006,  
15 plus reimbursements: *Provided*, That technical and con-  
16 sulting services offered by the Facilities Management  
17 Field Support Service, including project management and  
18 real property administration (including leases, site acquisi-  
19 tion and disposal activities directly supporting projects),  
20 shall be provided to Department of Veterans Affairs com-  
21 ponents only on a reimbursable basis, and such amounts  
22 will remain available until September 30, 2006: *Provided*  
23 *further*, That no appropriations from this account shall be  
24 available for the purchase of any site for or toward the  
25 construction of any new hospital or home: *Provided fur-*  
26 *ther*, That no appropriations in this account shall be avail-

1 able for hospitalization or examination of any persons (ex-  
2 cept beneficiaries entitled under the laws bestowing such  
3 benefits to veterans, and persons receiving such treatment  
4 under 5 U.S.C.7901–7904 or 42 U.S.C. 5141–5204), un-  
5 less reimbursement of cost is made to the “Medical care”  
6 account at such rates as may be fixed by the Secretary  
7 of Veterans Affairs: *Provided further*, That no appropria-  
8 tions in this account shall be available to enter into any  
9 new lease of real property if the estimated annual rental  
10 is more than \$300,000 unless the Secretary submits a re-  
11 port which the Committees on Appropriations of the Con-  
12 gress approve within 30 days following the date on which  
13 the report is received: *Provided further*, That amounts de-  
14 ducted from enhanced-use lease proceeds to reimburse an  
15 account for expenses incurred by that account during a  
16 prior fiscal year for providing enhanced-use lease services,  
17 may be obligated during the fiscal year in which the pro-  
18 ceeds are received.

19 DEPARTMENTAL ADMINISTRATION

20 GENERAL OPERATING EXPENSES

21 For necessary operating expenses of the Department  
22 of Veterans Affairs, not otherwise provided for, including  
23 administrative expenses in support of Department-wide  
24 capital planning, management and policy activities, uni-  
25 forms or allowances therefor; not to exceed \$25,000 for

1 official reception and representation expenses; hire of pas-  
2 senger motor vehicles; and reimbursement of the General  
3 Services Administration for security guard services, and  
4 the Department of Defense for the cost of overseas em-  
5 ployee mail, \$1,375,000,000: *Provided*, That expenses for  
6 services and assistance authorized under 38 U.S.C.  
7 3104(a)(1), (2), (5), and (11) that the Secretary deter-  
8 mines are necessary to enable entitled veterans: (1) to the  
9 maximum extent feasible, to become employable and to ob-  
10 tain and maintain suitable employment; or (2) to achieve  
11 maximum independence in daily living, shall be charged  
12 to this account: *Provided further*, That the Veterans Bene-  
13 fits Administration shall be funded at not less than  
14 \$1,086,250,000: *Provided further*, That of the funds made  
15 available under this heading, not to exceed \$69,000,000  
16 shall be available for obligation until September 30, 2006:  
17 *Provided further*, That from the funds made available  
18 under this heading, the Veterans Benefits Administration  
19 may purchase up to two passenger motor vehicles for use  
20 in operations of that Administration in Manila, Phil-  
21 ippines: *Provided further*, That no appropriations from  
22 this account shall be available for the purchase of any site  
23 for or toward the construction of any new hospital or  
24 home: *Provided further*, That no appropriations in this ac-  
25 count shall be available for hospitalization or examination

1 of any persons (except beneficiaries entitled under the  
2 laws bestowing such benefits to veterans, and persons re-  
3 ceiving such treatment under 5 U.S.C. 7901–7904 or 42  
4 U.S.C. 5141–5204), unless reimbursement of cost is made  
5 to the “Medical care” account at such rates as may be  
6 fixed by the Secretary of Veterans Affairs: *Provided fur-*  
7 *ther*, That, notwithstanding any other provision of law,  
8 during fiscal year 2005, the Secretary of Veterans Affairs  
9 shall, from the National Service Life Insurance Fund (38  
10 U.S.C. 1920), the Veterans’ Special Life Insurance Fund  
11 (38 U.S.C. 1923), and the United States Government Life  
12 Insurance Fund (38 U.S.C. 1955), reimburse this account  
13 for the cost of administration of the insurance programs  
14 financed through those accounts: *Provided further*, That  
15 reimbursement of funds mentioned in the previous proviso  
16 shall be made only from the surplus earnings accumulated  
17 in an insurance program in fiscal year 2005 that are avail-  
18 able for dividends in that program after claims have been  
19 paid and actuarially determined reserves have been set  
20 aside: *Provided further*, That if the cost of administration  
21 of an insurance program exceeds the amount of surplus  
22 earning accumulated in that program, reimbursement to  
23 this account shall be made only to the extent of such sur-  
24 plus earnings: *Provided further*, That the Secretary shall  
25 determine the cost of administration of an insurance pro-

1 gram for fiscal year 2005 which is properly allocable to  
2 the provision of each insurance program and to the provi-  
3 sion of any total disability income insurance included in  
4 such insurance program: *Provided further*, That funds  
5 available in this appropriation for fiscal year 2005 shall  
6 be available to reimburse the Office of Resolution Manage-  
7 ment and the Office of Employment Discrimination Com-  
8 plaint Adjudication for all services provided at rates which  
9 will recover actual costs: *Provided further*, That payments  
10 may be made in advance for services to be furnished by  
11 the Office of Resolution Management and the Office of  
12 Employment Discrimination Complaint Adjudication  
13 based on estimated costs: *Provided further*, That amounts  
14 received from the aforementioned offices shall be credited  
15 to this account for use by the office that provided the serv-  
16 ice: *Provided further*, That no appropriations in this ac-  
17 count shall be available to enter into any new lease of real  
18 property if the estimated annual rental is more than  
19 \$300,000 unless the Secretary submits a report which the  
20 Committees on Appropriations of the Congress approve  
21 within 30 days following the date on which the report is  
22 received: *Provided further*, That amounts deducted from  
23 enhanced-use lease proceeds to reimburse an account for  
24 expenses incurred by that account during a prior fiscal  
25 year for providing enhanced-use lease services, may be ob-

1 ligated during the fiscal year in which the proceeds are  
2 received.

3 NATIONAL CEMETERY ADMINISTRATION

4 For necessary expenses of the National Cemetery Ad-  
5 ministration for operations and maintenance, not other-  
6 wise provided for, including uniforms or allowances there-  
7 for; cemeterial expenses as authorized by law; purchase  
8 of one passenger motor vehicle for use in cemeterial oper-  
9 ations; and hire of passenger motor vehicles,  
10 \$199,000,000; *Provided*, That of the funds made available  
11 under this heading, not to exceed \$9,950,000, shall be  
12 available until September 30, 2006: *Provided further*, That  
13 no appropriations from this account shall be available for  
14 the purchase of any site for or toward the construction  
15 of any new hospital or home: *Provided further*, That no  
16 appropriations in this account shall be available to enter  
17 into any new lease of real property if the estimated annual  
18 rental is more than \$300,000 unless the Secretary submits  
19 a report which the Committees on Appropriations of the  
20 Congress approve within 30 days following the date on  
21 which the report is received.

22 OFFICE OF INSPECTOR GENERAL

23 For necessary expenses of the Office of Inspector  
24 General in carrying out the provisions of the Inspector  
25 General Act of 1978, as amended, \$65,000,000, to remain  
26 available until September 30, 2006.

## 1 CONSTRUCTION, MAJOR PROJECTS

2 For constructing, altering, extending and improving  
3 any of the facilities including parking projects under the  
4 jurisdiction or for the use of the Department of Veterans  
5 Affairs, or for any of the purposes set forth in sections  
6 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110,  
7 and 8122 of title 38, United States Code, including plan-  
8 ning, architectural and engineering services, maintenance  
9 or guarantee period services costs associated with equip-  
10 ment guarantees provided under the project, services of  
11 claims analysts, offsite utility and storm drainage system  
12 construction costs, and site acquisition, where the esti-  
13 mated cost of a project is more than the amount set forth  
14 in 38 U.S.C. 8104(a)(3)(A) or where funds for a project  
15 were made available in a previous major project appropria-  
16 tion, \$401,000,000 to remain available until expended, of  
17 which \$10,000,000 shall be to make reimbursements as  
18 provided in 41 U.S.C. 612 for claims paid for contract  
19 disputes: *Provided*, That except for advance planning ac-  
20 tivities, including needs assessments which may or may  
21 not lead to capital investments, and other capital asset  
22 management related activities, such as portfolio develop-  
23 ment and management activities, and investment strategy  
24 studies funded through the advance planning fund and the  
25 planning and design activities funded through the design

1 fund and the Capital Asset Realignment for Enhanced  
2 Services (CARES) funds, including needs assessments  
3 which may or may not lead to capital investments, none  
4 of the funds appropriated under this heading shall be used  
5 for any project which has not been approved by the Con-  
6 gress in the budgetary process: *Provided further*, That  
7 funds provided in this appropriation for fiscal year 2005,  
8 for each approved project (except those for CARES activi-  
9 ties referenced above) shall be obligated: (1) by the award-  
10 ing of a construction documents contract by September  
11 30, 2005; and (2) by the awarding of a construction con-  
12 tract by September 30, 2006: *Provided further*, That, not-  
13 withstanding any other provision of law, the CARES ac-  
14 tivities may include long-term care, domiciliary care and  
15 outpatient mental health care: *Provided further*, That, the  
16 Secretary shall provide a report in writing to the Commit-  
17 tees by January 5, 2005, on how such funds, referenced  
18 in the previous proviso are allocated: *Provided further*,  
19 That the Secretary of Veterans Affairs shall promptly re-  
20 port in writing to the Committees on Appropriations any  
21 approved major construction project in which obligations  
22 are not incurred within the time limitations established  
23 above: *Provided further*, That no appropriations in this ac-  
24 count shall be available to enter into any new lease of real  
25 property if the estimated annual rental is more than

1 \$300,000 unless the Secretary submits a report which the  
2 Committees on Appropriations of the Congress approve  
3 within 30 days following the date on which the report is  
4 received: *Provided further*, That amounts deducted from  
5 enhanced-use lease proceeds to reimburse an account for  
6 expenses incurred by that account during a prior fiscal  
7 year for providing enhanced-use lease services, may be ob-  
8 ligated during the fiscal year in which the proceeds are  
9 received.

10 CONSTRUCTION, MINOR PROJECTS

11 For constructing, altering, extending, and improving  
12 any of the facilities including parking projects under the  
13 jurisdiction or for the use of the Department of Veterans  
14 Affairs, including planning and assessments of needs  
15 which may lead to capital investments, architectural and  
16 engineering services, maintenance or guarantee period  
17 services costs associated with equipment guarantees pro-  
18 vided under the project, services of claims analysts, offsite  
19 utility and storm drainage system construction costs, and  
20 site acquisition, or for any of the purposes set forth in  
21 sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109,  
22 8110, 8122, and 8162 of title 38, United States Code,  
23 where the estimated cost of a project is equal to or less  
24 than the amount set forth in 38 U.S.C. 8104(a)(3)(A),  
25 \$182,000,000, to remain available until expended, along  
26 with unobligated balances of previous “Construction,

1 minor projects” appropriations which are hereby made  
2 available for any project where the estimated cost is less  
3 than the amount set forth in 38 U.S.C. 8104(a)(3)(A):  
4 *Provided*, That from amounts appropriated under this  
5 heading, additional amounts may be used for CARES ac-  
6 tivities upon notification of and approval by the Commit-  
7 tees on Appropriations: *Provided further*, That funds in  
8 this account shall be available for: (1) repairs to any of  
9 the nonmedical facilities under the jurisdiction or for the  
10 use of the Department which are necessary because of loss  
11 or damage caused by any natural disaster or catastrophe;  
12 and (2) temporary measures necessary to prevent or to  
13 minimize further loss by such causes: *Provided further*,  
14 That no appropriations in this account shall be available  
15 to enter into any new lease of real property if the esti-  
16 mated annual rental is more than \$300,000 unless the  
17 Secretary submits a report which the Committees on Ap-  
18 propriations of the Congress approve within 30 days fol-  
19 lowing the date on which the report is received: *Provided*  
20 *further*, That amounts deducted from enhanced-use lease  
21 proceeds to reimburse an account for expenses incurred  
22 by that account during a prior fiscal year for providing  
23 enhanced-use lease services, may be obligated during the  
24 fiscal year in which the proceeds are received.

## 1 PARKING REVOLVING FUND

2 For the parking revolving fund as authorized by 38  
3 U.S.C. 8109, income from fees collected, to remain avail-  
4 able until expended, which shall be available for all author-  
5 ized expenses except operations and maintenance costs,  
6 which will be funded from “Medical care”: *Provided*, That  
7 no appropriations in this account shall be available to  
8 enter into any new lease of real property if the estimated  
9 annual rental is more than \$300,000 unless the Secretary  
10 submits a report which the Committees on Appropriations  
11 of the Congress approve within 30 days following the date  
12 on which the report is received.

13 GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE  
14 FACILITIES

15 For grants to assist States to acquire or construct  
16 State nursing home and domiciliary facilities and to re-  
17 model, modify or alter existing hospital, nursing home and  
18 domiciliary facilities in State homes, for furnishing care  
19 to veterans as authorized by 38 U.S.C. 8131–8137,  
20 \$105,000,000, to remain available until expended: *Pro-*  
21 *vided*, That no appropriations from this account shall be  
22 available for the purchase of any site for or toward the  
23 construction of any new hospital or home: *Provided fur-*  
24 *ther*, That no appropriations in this account shall be avail-  
25 able to enter into any new lease of real property if the  
26 estimated annual rental is more than \$300,000 unless the

1 Secretary submits a report which the Committees on Ap-  
2 propriations of the Congress approve within 30 days fol-  
3 lowing the date on which the report is received.

4 GRANTS FOR THE CONSTRUCTION OF STATE VETERANS  
5 CEMETERIES

6 For grants to aid States in establishing, expanding,  
7 or improving State veterans cemeteries as authorized by  
8 38 U.S.C. 2408, \$32,000,000, to remain available until  
9 expended: *Provided*, That no appropriations from this ac-  
10 count shall be available for the purchase of any site for  
11 or toward the construction of any new hospital or home:  
12 *Provided further*, That no appropriations in this account  
13 shall be available to enter into any new lease of real prop-  
14 erty if the estimated annual rental is more than \$300,000  
15 unless the Secretary submits a report which the Commit-  
16 tees on Appropriations of the Congress approve within 30  
17 days following the date on which the report is received.

18 ADMINISTRATIVE PROVISIONS

19 SEC. 101. Notwithstanding any other provision of  
20 law, the Department of Veterans Affairs shall continue the  
21 Franchise fund pilot program authorized to be established  
22 by section 403 of Public Law 103-356 until October 1,  
23 2005: *Provided*, That the Franchise Fund, established by  
24 title I of Public Law 104-204 to finance the operations  
25 of the Franchise Fund pilot program, shall continue until  
26 October 1, 2005.

