

108TH CONGRESS  
2D SESSION

# H. R. 4768

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into certain major medical facility leases, to authorize that Secretary to transfer real property subject to certain limitations, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 7, 2004

Mr. SIMMONS (for himself, Mr. RODRIGUEZ, Mr. SMITH of New Jersey, Mr. EVANS, Mr. STEARNS, Mr. MILLER of Florida, Mr. BEAUPREZ, and Mr. FILNER) introduced the following bill; which was referred to the Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into certain major medical facility leases, to authorize that Secretary to transfer real property subject to certain limitations, 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; REFERENCES TO TITLE 38,**  
4 **UNITED STATES CODE.**

5 (a) SHORT TITLE.—This Act may be cited as the  
6 “Veterans Medical Facilities Management Act of 2004”.

1 (b) REFERENCES TO TITLE 38, UNITED STATES  
2 CODE.—Except as otherwise expressly provided, whenever  
3 in this Act an amendment or repeal is expressed in terms  
4 of an amendment to, or repeal of, a section or other provi-  
5 sion, the reference shall be considered to be made to a  
6 section or other provision of title 38, United States Code.

7 **SEC. 2. MAJOR MEDICAL FACILITY LEASES.**

8 (a) AUTHORIZED LEASES.—The Secretary of Vet-  
9 erans Affairs may enter into contracts for major medical  
10 facility leases at the following locations, in an amount for  
11 each facility lease not to exceed the amount shown for that  
12 location:

13 (1) Wilmington, North Carolina, Outpatient  
14 Clinic, \$1,320,000.

15 (2) Greenville, North Carolina, Outpatient Clin-  
16 ic, \$1,220,000.

17 (3) Norfolk, Virginia, Outpatient Clinic,  
18 \$1,250,000.

19 (4) Summerfield, Florida, Marion County Out-  
20 patient Clinic, \$1,230,000.

21 (5) Knoxville, Tennessee, Outpatient Clinic,  
22 \$850,000.

23 (6) Toledo, Ohio, Outpatient Clinic,  
24 \$1,200,000.

1           (7) Crown Point, Indiana, Outpatient Clinic,  
2           \$850,000.

3           (8) Fort Worth, Texas, Tarrant County Out-  
4           patient Clinic, \$3,900,000.

5           (9) Plano, Texas, Collin County Outpatient  
6           Clinic, \$3,300,000.

7           (10) San Antonio, Texas, Northeast Central  
8           Bexar County Outpatient Clinic, \$1,400,000.

9           (11) Corpus Christi, Texas, Outpatient Clinic,  
10          \$1,200,000.

11          (12) Harlington, Texas, Outpatient Clinic,  
12          \$650,000.

13          (13) Denver, Colorado, Health Administration  
14          Center, \$1,950,000.

15          (14) Oakland, California, Outpatient Clinic,  
16          \$1,700,000.

17          (15) San Diego, California, North County Out-  
18          patient Clinic, \$1,300,000.

19          (16) San Diego, California, South County, Out-  
20          patient Clinic, \$1,100,000.

21          (b) AUTHORIZATION OF APPROPRIATIONS.—There is  
22          authorized to be appropriated to the Secretary of Veterans  
23          Affairs for fiscal year 2005 for the Medical Care account,  
24          \$24,420,000 for the leases authorized in subsection (a).

1           (c) AUTHORITY FOR LEASE OF CERTAIN LANDS OF  
2 UNIVERSITY OF COLORADO.—Notwithstanding section  
3 8103 of title 38, United States Code, the Secretary of Vet-  
4 erans Affairs may enter into a lease for real property lo-  
5 cated at the Fitzsimons Campus of the University of Colo-  
6 rado for a period up to 75 years.

7 **SEC. 3. DEPARTMENT OF VETERANS AFFAIRS CAPITAL**  
8                                   **ASSET FUND.**

9           (a) ESTABLISHMENT OF FUND.—(1) Subchapter I of  
10 chapter 81 is amended by adding at the end the following  
11 new section:

12 **“§ 8117. Authority for transfer of real property; Cap-**  
13                                   **ital Asset Fund**

14           “(a)(1) The Secretary may transfer real property  
15 under the jurisdiction or control of the Secretary (includ-  
16 ing structures and equipment associated therewith) to an-  
17 other department or agency of the United States or to a  
18 State (or a political subdivision of a State) or to any public  
19 or private entity, including an Indian tribe. Such a trans-  
20 fer may be made only if the Secretary receives compensa-  
21 tion of not less than the fair market value of the property,  
22 except that no compensation is required, or compensation  
23 at less than fair market value may be accepted, in the  
24 case of a transfer to a grant and per diem provider (as  
25 defined in section 2002 of this title). When a transfer is

1 made to a grant and per diem provider for less than fair  
2 market value, the Secretary shall require in the terms of  
3 the conveyance that if the property transferred is used for  
4 any purpose other than a purpose under chapter 20 of  
5 this title, all right, title, and interest to the property shall  
6 revert to the United States.

7 “(2) The Secretary may exercise the authority pro-  
8 vided by this section notwithstanding sections 521, 522  
9 and 541–545 of title 40. Any such transfer shall be in  
10 accordance with this section and section 8122 of this title.

11 “(3) The authority provided by this section may not  
12 be used in a case to which section 8164 of this title ap-  
13 plies.

14 “(4) The Secretary may enter into partnerships or  
15 agreements with public or private entities dedicated to his-  
16 toric preservation to facilitate the transfer, leasing, or  
17 adaptive use of structures or properties specified in sub-  
18 section (b)(3)(D).

19 “(5) The authority of the Secretary under paragraph  
20 (1) expires on the date that is seven years after the date  
21 of the enactment of this section.

22 “(b)(1) There is established in the Treasury of the  
23 United States a revolving fund to be known as the Depart-  
24 ment of Veterans Affairs Capital Asset Fund (hereinafter

1 in this section referred to as the ‘Fund’). Amounts in the  
2 Fund shall remain available until expended.

3 “(2) Proceeds from the transfer of real property  
4 under this section shall be deposited into the Fund.

5 “(3) To the extent provided in advance in appropria-  
6 tions Acts, amounts in the Fund may be expended for the  
7 following purposes:

8 “(A) Costs associated with the transfer of real  
9 property under this section, including costs of demo-  
10 lition, environmental remediation, maintenance and  
11 repair, improvements to facilitate the transfer, and  
12 administrative expenses.

13 “(B) Costs, including costs specified in sub-  
14 paragraph (A), associated with future transfers of  
15 property under this section.

16 “(C) Costs associated with enhancing medical  
17 care services to veterans by improving, renovating,  
18 replacing, updating, and establishing patient care fa-  
19 cilities through construction projects to be carried  
20 out for an amount less than the amount specified in  
21 8104(a)(3)(A) for a major medical facility project.

22 “(D) Costs, including costs specified in sub-  
23 paragraph (A), associated with the transfer, lease or  
24 adaptive use of a structure or other property under

1 the jurisdiction of the Secretary that is listed on the  
2 National Register of Historic Places.

3 “(c) The Secretary shall include in the budget jus-  
4 tification materials submitted to Congress for any fiscal  
5 year in support of the President’s budget for that year  
6 for the Department specification of the following:

7 “(1) The real property transfers to be under-  
8 taken in accordance with this section during that fis-  
9 cal year.

10 “(2) All transfers completed under this section  
11 during the preceding fiscal year and completed and  
12 scheduled to be completed during the year during  
13 which the budget is submitted.

14 “(3) The deposits into, and expenditures from,  
15 the Fund that are incurred or projected for each of  
16 the preceding fiscal year, the current fiscal year, and  
17 the fiscal year covered by the budget.”.

18 (2) The table of sections at the beginning of such  
19 chapter is amended by inserting after the item relating  
20 to section 8116 the following new item:

“8117. Authority for transfer of real property; Capital Asset Fund.”.

21 (b) INITIAL AUTHORIZATION OF APPROPRIATIONS.—  
22 There is authorized to be appropriated to the Department  
23 of Veterans Affairs Capital Asset Fund established under  
24 section 8117 of title 38, United States Code (as added  
25 by subsection (a)), the amount of \$10,000,000.

1 (c) TERMINATION OF NURSING HOME REVOLVING  
2 FUND.—(1) Section 8116 is repealed.

3 (2) The table of sections at the beginning of chapter  
4 81 is amended by striking the item relating to section  
5 8116.

6 (d) TRANSFER OF UNOBLIGATED BALANCES TO CAP-  
7 ITAL ASSET FUND.—Any unobligated balances in the  
8 nursing home revolving fund under section 8116 of title  
9 38, United States Code, as of the date of the enactment  
10 of this Act shall be deposited in the Department of Vet-  
11 erans Affairs Capital Asset Fund established under sec-  
12 tion 8117 of title 38, United States Code (as added by  
13 subsection (a)).

14 (e) PROCEDURES APPLICABLE TO TRANSFERS.—(1)  
15 Paragraph (2) of section 8122(a) is amended to read as  
16 follows:

17 “(2) Except as provided in paragraph (3), the Sec-  
18 retary may not during any fiscal year transfer to any other  
19 department or agency of the United States or to any other  
20 entity real property that is owned by the United States  
21 and administered by the Secretary unless the proposed  
22 transfer is described in the budget submitted to Congress  
23 pursuant to section 1105 of title 31 for that fiscal year.”.

24 (2) Section 8122(d) is amended—

1 (A) by inserting “(1)” before “Real property”;  
2 and

3 (B) by adding at the end the following new  
4 paragraph:

5 “(2) The Secretary may transfer real property under  
6 this section, or under section 8117 of this title if the Sec-  
7 retary—

8 “(A) places a notice in the real estate section  
9 of local newspapers and in the Federal Register of  
10 the Secretary’s intent to transfer that real property  
11 (including land, structures, and equipment associ-  
12 ated with the property);

13 “(B) holds a public hearing;

14 “(C) provides notice to the Administrator of  
15 General Services of the Secretary’s intention to  
16 transfer that real property and waits for 30 days to  
17 elapse after providing that notice; and

18 “(D) after such 30-day period has elapsed, noti-  
19 fies the congressional veterans’ affairs committees of  
20 the Secretary’s intention to dispose of the property  
21 and waits for 60 days to elapse from the date of  
22 that notice.”.

23 (3) Section 8164(a) is amended by inserting “8117  
24 or” after “rather than under section”.

1 (4) Section 8165(a)(2) is amended by striking “nurs-  
2 ing home revolving fund” and inserting “Capital Asset  
3 Fund established under section 8117 of this title.”.

4 (f) CONTINGENT EFFECTIVENESS.—The amend-  
5 ments made by this section shall take effect at the end  
6 of the 30-day period beginning on the date on which the  
7 Secretary of Veterans Affairs certifies to Congress that  
8 the Secretary is in compliance with subsection (b) of sec-  
9 tion 1710B of title 38, United States Code. Such certifi-  
10 cation shall demonstrate a plan for, and commitment to,  
11 ongoing compliance with the requirements of that sub-  
12 section.

13 (g) CONTINUING REPORTS.—Following a certifi-  
14 cation under subsection (f), the Secretary shall submit to  
15 Congress an update on that certification every six months  
16 until the certification is included in the Department’s an-  
17 nual budget submission.

18 **SEC. 4. ANNUAL REPORT TO CONGRESS ON INVENTORY OF**  
19 **DEPARTMENT OF VETERANS AFFAIRS HIS-**  
20 **TORIC PROPERTIES.**

21 (a) IN GENERAL.—Not later than December 15 of  
22 2005, 2006, and 2007, the Secretary of Veterans Affairs  
23 shall submit to the Committees on Veterans’ Affairs of  
24 the Senate and House of Representatives a report on the

1 historic properties administered or controlled by the Sec-  
2 retary.

3 (b) INITIAL REPORT.—In the initial report under  
4 subsection (a), the Secretary shall set forth a complete in-  
5 ventory of the historic structures and property under the  
6 jurisdiction of the Secretary. The report shall include a  
7 description and classification of each such property based  
8 upon historical nature, current physical condition, and po-  
9 tential for transfer, leasing, or adaptive use.

10 (c) SUBSEQUENT REPORTS.—In reports under sub-  
11 section (a) after the initial report, the Secretary shall pro-  
12 vide an update of the status of each property identified  
13 in the initial report, with the proposed and actual dispo-  
14 sition of each property. Each such report shall include any  
15 recommendation of the Secretary for legislation to en-  
16 hance the transfer, leasing or adaptive use of such prop-  
17 erties.

18 **SEC. 5. AUTHORITY TO USE PROJECT FUNDS TO CON-**  
19 **STRUCT OR RELOCATE SURFACE PARKING**  
20 **INCIDENTAL TO A CONSTRUCTION OR NON-**  
21 **RECURRING MAINTENANCE PROJECT.**

22 Section 8109 is amended by adding at the end the  
23 following new subsection:

24 “(j) Funds in a construction account or capital ac-  
25 count that are available for a construction project or a

1 nonrecurring maintenance project may be used for the  
2 construction or relocation of a surface parking lot inci-  
3 dental to that project.”.

4 **SEC. 6. INAPPLICABILITY OF LIMITATION ON USE OF AD-**  
5 **VANCE PLANNING FUNDS TO AUTHORIZED**  
6 **MAJOR MEDICAL FACILITY PROJECTS.**

7 Section 8104 is amended by adding at the end the  
8 following new subsection:

9 “(g) The limitation in subsection (f) does not apply  
10 to a project for which funds have been authorized by law  
11 in accordance with subsection (a)(2).”.

12 **SEC. 7. IMPROVEMENT IN ENHANCED-USE LEASE AUTHORI-**  
13 **TIES.**

14 Section 8166(a) is amended by inserting “land use,”  
15 in the second sentence after “relating to”.

16 **SEC. 8. EXTENSION OF AUTHORITY TO PROVIDE CARE**  
17 **UNDER LONG-TERM CARE PILOT PROGRAMS.**

18 Subsection (h) of section 102 of the Veterans Millen-  
19 nium Health Care and Benefits Act (38 U.S.C. 1710B  
20 note) is amended—

21 (1) by inserting “(1)” before “The authority  
22 of”; and

23 (2) by adding at the end the following new  
24 paragraph:

1       “(2) In the case of a veteran who is participating in  
2 a pilot program under this section as of the end of the  
3 three-year period applicable to that pilot program under  
4 paragraph (1), the Secretary may continue to provide to  
5 that veteran any of the services that could be provided  
6 under the pilot program. The authority to provide services  
7 to any veteran under the preceding sentence applies dur-  
8 ing the period beginning on the date specified in para-  
9 graph (1) with respect to that pilot program and ending  
10 on December 31, 2005.”.

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