

103D CONGRESS
1ST SESSION

H. R. 2034

To amend title 38, United States Code, to revise and improve veterans' health programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1993

Mr. ROWLAND (for himself and Mr. SMITH of New Jersey) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to revise and improve veterans' health programs, 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, UNIT-**

4 **ED STATES CODE; TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Veterans’ Health Programs Amendments of 1993”.

7 (b) REFERENCES TO TITLE 38, UNITED STATES
8 CODE.—Except as otherwise expressly provided, whenever
9 in this Act an amendment or repeal is expressed in terms
10 of an amendment to, or repeal of, a section or other provi-

1 sion, the reference shall be considered to be made to a
2 section or other provision of title 38, United States Code.

3 (c) TABLE OF CONTENTS.—The table of contents of
4 this Act is as follows:

Sec. 1. Short title; references to title 38, United States Code; table of contents.

TITLE I—HEALTH CARE PLANNING AND PROGRAMS

Sec. 101. Health care facilities missions.

Sec. 102. Pilot program for noninstitutional alternatives to nursing home care.

TITLE II—MEDICAL FACILITIES ACQUISITION

Sec. 201. Major construction projects authorization.

Sec. 202. Revision to prospectus requirements.

Sec. 203. Prioritization methodology.

Sec. 204. Assessment of need for nursing home beds in Chesapeake network area.

TITLE III—ADMINISTRATION

Sec. 301. Authority for expedited reorganization of medical facilities in event of a life-threatening emergency.

Sec. 302. Clarification of contracting limitation.

TITLE IV—STATE HOME PROGRAM

Sec. 401. Per diem for adult day health care.

Sec. 402. Construction assistance program.

Sec. 403. Sharing of resources with State homes.

TITLE V—MISCELLANEOUS

Sec. 501. Department of Veterans Affairs research advisory committees.

Sec. 502. Limitation on claims for copayments.

Sec. 503. Child care services.

5 **TITLE I—HEALTH CARE**
6 **PLANNING AND PROGRAMS**

7 **SEC. 101. HEALTH CARE FACILITIES MISSIONS.**

8 (a) IN GENERAL.—The Secretary of Veterans Affairs
9 shall prescribe a specific, detailed statement of the mission
10 of, and the clinical programs to be operated at, each health
11 care facility of the Department, determined based upon

1 a requirement that each such facility operate within a net-
2 work of Department facilities in the same geographic area
3 which, taken together, provide a full range of services for
4 veterans.

5 (b) PURPOSES OF MISSION STATEMENTS.—The mis-
6 sion statements shall be designed so as to permit—

7 (1) effective planning;

8 (2) reduction in duplication of services and pro-
9 grams in the same geographic area;

10 (3) realignment of services among facilities
11 within each network;

12 (4) improved means of resource distribution;

13 and

14 (5) more efficient delivery of needed services.

15 (c) REVIEW OF CURRENT MISSIONS.—In preparing
16 the mission statements under subsection (a), the Secretary
17 shall review the existing missions and clinical programs
18 at each health care facility of the Department.

19 (d) DEADLINE AND REPORT.—The Secretary, not
20 later than nine months after the date of the enactment
21 of this Act, shall—

22 “(1) prescribe the mission statements required
23 by subsection (a); and

24 “(2) submit to the Committees on Veterans’ Af-
25 fairs of the Senate and House of Representatives a

1 report on the implementation of this section and on
2 the timetable and projected milestones for imple-
3 menting actions to enable each such facility to carry
4 out fully its prescribed missions.

5 **SEC. 102. PILOT PROGRAM FOR NONINSTITUTIONAL AL-**
6 **TERNATIVES TO NURSING HOME CARE.**

7 (a) EXTENSION OF PROGRAM.—Subsection (a) of
8 section 1720C is amended by striking out “During the
9 four-year period beginning on October 1, 1990,” and in-
10 serting in lieu thereof “During the period through Sep-
11 tember 30, 1997,”.

12 (b) VETERANS ELIGIBLE TO PARTICIPATE IN PRO-
13 GRAM.—Such subsection is further amended by striking
14 out “care and who—” and inserting in lieu thereof “care.
15 The Secretary shall give priority for participation in such
16 program to veterans who—”.

17 (c) PROGRAM FUNDING.—Such section is further
18 amended by adding at the end the following new sub-
19 section:

20 “(f) The Secretary shall carry out the pilot program
21 under this section using funds available for the community
22 nursing home program under section 1720 of this title.”.

23 (d) REPORT DEADLINES.—Section 201(b) of the De-
24 partment of Veterans Affairs Nurse Pay Act of 1990
25 (Public Law 101–366; 104 Stat. 438) is amended—

1 (1) by striking out “February 1, 1994,” and in-
2 sserting in lieu thereof “February 1, 1997,”; and

3 (2) by striking out “September 30, 1993,” and
4 inserting in lieu thereof “September 30, 1996,”.

5 **TITLE II—MEDICAL FACILITIES**
6 **ACQUISITION**

7 **SEC. 201. AUTHORIZATION OF MAJOR MEDICAL FACILITY**
8 **PROJECTS AND MAJOR MEDICAL FACILITY**
9 **LEASES.**

10 (a) AUTHORIZATION OF PROJECTS AND LEASES IN
11 BUDGET.—Except as provided in subsection (b), the Sec-
12 retary of Veterans Affairs may carry out the major medi-
13 cal facility projects for the Department of Veterans Af-
14 fairs, and may carry out the major medical facility leases
15 for that Department, for which funds are requested in the
16 budget of the President for fiscal year 1994.

17 (b) NONAUTHORIZED PROJECTS.—The Secretary is
18 not authorized to carry out the project for which funds
19 are requested in the budget of the President for fiscal year
20 1994 for the construction of a nursing home facility in
21 Baltimore, Maryland.

22 (c) AUTHORIZATION OF DESIGN FOR CERTAIN FU-
23 TURE PROJECTS.—In addition to the projects authorized
24 in subsection (a), the Secretary may carry out design of

1 the following major medical facility projects, in the
2 amounts specified:

3 (1) Construction of an outpatient care addition
4 at the Department of Veterans Affairs Medical Cen-
5 ter in San Juan, Puerto Rico, \$3,970,000.

6 (2) Construction of a spinal cord injury unit
7 and energy center at the Department of Veterans
8 Affairs Medical Center in Tampa, Florida,
9 \$4,490,000.

10 (3) Construction of an outpatient care addition
11 at the Department of Veterans Affairs Medical Cen-
12 ter in West Haven, Connecticut, \$4,860,000.

13 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
14 hereby authorized to be appropriated to the Secretary of
15 Veterans Affairs for fiscal year 1994—

16 (1) \$110,420,000 for the major medical facility
17 projects authorized in subsections (a) and (c); and

18 (2) \$50,123,105 for the major medical facility
19 leases authorized in subsection (a).

20 (e) LIMITATION.—The projects authorized in sub-
21 sections (a) and (c) may only be carried out using—

22 (1) funds appropriated for fiscal year 1994 pur-
23 suant to the authorization of appropriations in sub-
24 section (d);

1 (2) funds appropriated for Construction, Major
2 Projects for a fiscal year before fiscal year 1994 that
3 remain available for obligation; and

4 (3) funds appropriated for Construction, Major
5 Projects for fiscal year 1994 for a category of activ-
6 ity not specific to a project.

7 **SEC. 202. REVISION TO PROSPECTUS REQUIREMENTS.**

8 (a) ADDITIONAL INFORMATION.—Section 8104(b) is
9 amended—

10 (1) by striking out “shall include—” and insert-
11 ing in lieu thereof “shall include.”;

12 (2) in paragraph (1)—

13 (A) by striking out “a detailed” and insert-
14 ing in lieu thereof “A detailed”; and

15 (B) by striking out the semicolon at the
16 end and inserting in lieu thereof a period;

17 (3) in paragraph (2)—

18 (A) by striking out “an estimate” and in-
19 serting in lieu thereof “An estimate”; and

20 (B) by striking out “; and” and inserting
21 in lieu thereof a period;

22 (4) in paragraph (3), by striking out “an esti-
23 mate” and inserting in lieu thereof “An estimate”;
24 and

1 (5) by adding at the end the following new
2 paragraphs:

3 “(4) Demographic data applicable to the
4 project.

5 “(5) Current and projected workload and utili-
6 zation data.

7 “(6) The relationship between the mission of
8 the facility and the missions and capabilities of other
9 nearby Department facilities and, as applicable, the
10 availability or lack of availability of alternative
11 sources of service in the community and the cost-ef-
12 fectiveness of using such alternative sources.

13 “(7) Current and projected operating costs of
14 the facility.

15 “(8) The raw score assigned to the proposal
16 under the Department’s prioritization methodology
17 and, if the project is being proposed for funding
18 ahead of a project with a higher score, a comprehen-
19 sive explanation of the specific factors on the basis
20 of which the project is being proposed for funding
21 ahead of each such higher-scored project.

22 “(9) A listing of each alternative to construc-
23 tion of the facility that has been considered.”.

24 (b) APPLICABILITY.—The amendments made by sub-
25 section (a) shall apply with respect to any prospectus sub-

1 mitted by the Secretary of Veterans Affairs after the date
2 of the enactment of this Act.

3 **SEC. 203. PRIORITIZATION METHODOLOGY.**

4 (a) REVIEW OF METHODOLOGY.—The Secretary of
5 Veterans Affairs shall conduct a review of the methodology
6 used by the Department for establishing the relative prior-
7 ity for major construction projects under consideration in
8 the Department.

9 (b) REVISION.—Based upon the review under sub-
10 section (a), the Secretary shall revise the prioritization
11 methodology so as to give additional weight, as determined
12 appropriate by the Secretary taking into consideration
13 particularly the needs of the aging veteran population, to
14 projects intended to expand long-term care and ambula-
15 tory care programs.

16 (c) REPORT.—Not later than 120 days after the date
17 of the enactment of this Act, the Secretary shall submit
18 to the Committees on Veterans' Affairs of the Senate and
19 House of Representatives a report on the actions of the
20 Secretary in carrying out this section.

21 **SEC. 204. ASSESSMENT OF NEED FOR NURSING HOME BEDS**

22 **IN CHESAPEAKE NETWORK AREA.**

23 (a) ASSESSMENT.—The Secretary of Veterans Affairs
24 shall conduct an assessment of the need for nursing home
25 beds operated by the Secretary in the area (referred to

1 as the “Chesapeake network”) served by the Department
2 of Veterans Affairs medical centers in Baltimore, Mary-
3 land; Fort Howard, Maryland; Martinsburg, West Vir-
4 ginia; Perry Point, Maryland; and Washington, D.C.

5 (b) MATTERS TO BE DETERMINED BY SEC-
6 RETARY.—In conducting the assessment, the Secretary
7 shall determine—

8 (1) what the specific mission of each medical
9 center operated by the Secretary in the Chesapeake
10 network should be to achieve the purposes identified
11 in section 101;

12 (2) whether there is a need for expansion and
13 modernization of the nursing home care unit at the
14 medical center at Fort Howard, Maryland; and

15 (3) what effect the construction of nursing
16 home beds in Baltimore, Maryland, as proposed in
17 the President’s budget for the Department of Veter-
18 ans Affairs for fiscal year 1994, would have for the
19 missions of each of the other medical centers oper-
20 ated by the Secretary in the Chesapeake network.

21 (c) REPORT ON ASSESSMENT.—Not later than 90
22 days after the date of the enactment of this Act, the Sec-
23 retary shall submit to the Committees on Veterans’ Affairs
24 of the Senate and House of Representatives a report on
25 the assessment under subsection (a). The Secretary shall

1 include in the report a statement of each determination
2 made by the Secretary under subsection (b).

3 **TITLE III—ADMINISTRATION**

4 **SEC. 301. AUTHORITY FOR EXPEDITED REORGANIZATION** 5 **OF MEDICAL FACILITIES IN EVENT OF A LIFE-** 6 **THREATENING EMERGENCY.**

7 Section 510 is amended—

8 (1) by redesignating subsections (e) and (f) as
9 subsections (f) and (g), respectively; and

10 (2) by inserting after subsection (d) the follow-
11 ing new subsection (e):

12 “(e)(1) The limitation in subsection (b) does not
13 apply with respect to an administrative reorganization at
14 a medical facility if the Secretary determines that the reor-
15 ganization is necessary to respond to an emergency situa-
16 tion at that facility.

17 “(2) The Secretary may determine that there is an
18 emergency situation at a medical facility for purposes of
19 paragraph (1) only if the Secretary determines (A) that
20 circumstances at the facility are such that patients and
21 employees at the facility face imminent danger because of
22 conditions at the facility that are permanent in nature,
23 and (B) that those conditions are not susceptible to repair
24 or that it is not feasible to repair those conditions.

1 “(3) For purposes of this subsection, an emergency
2 situation may not be considered to exist in anticipation
3 of, but before the occurrence of an event giving rise to
4 any consideration of an administrative reorganization.

5 “(4) Whenever the Secretary determines under para-
6 graph (1) that it is necessary to carry out an administra-
7 tive reorganization at a medical facility without regard to
8 the limitation in subsection (b), the Secretary shall
9 promptly submit to the Committees on Veterans’ Affairs
10 of the Senate and House of Representatives a report de-
11 scribing the administrative reorganization. The report
12 shall provide the same information as is provided in a de-
13 tailed plan and justification under subsection (g)(2). The
14 Secretary shall include in the report an explanation of
15 each alternative to the proposed administrative organiza-
16 tion that was considered and each factor that was consid-
17 ered in the decision to reject each such alternative.”.

18 **SEC. 302. CLARIFICATION OF CONTRACTING LIMITATION.**

19 Section 8110(c)(3) is amended—

20 (1) by striking out “or” at the end of subpara-
21 graph (A);

22 (2) by redesignating subparagraph (B) as sub-
23 paragraph (C) and in that subparagraph striking
24 out “section 213 or 4117” and inserting in lieu
25 thereof “section 7409”; and

1 (3) by inserting after subparagraph (A) the fol-
2 lowing new subparagraph (B):

3 “(B) to a contract under section 513 of this
4 title if the Under Secretary for Health certifies to
5 the Secretary in writing, before the contract is en-
6 tered into, that the contract is necessary in order to
7 provide services to eligible veterans at a Department
8 health-care facility that could not otherwise be pro-
9 vided at such facility; or”.

10 **TITLE IV—STATE HOME**
11 **PROGRAM**

12 **SEC. 401. PER DIEM FOR ADULT DAY HEALTH CARE.**

13 (a) IN GENERAL.—Subsection (a) of section 1741 is
14 amended to read as follows:

15 “(a)(1) The Secretary shall pay to each State a per
16 diem amount for each veteran receiving domiciliary care,
17 nursing home care, hospital care, or adult day health care
18 in a State home if the veteran is eligible to receive that
19 care in a Department facility.

20 “(2) The per diem rate to be paid under this sub-
21 section is as follows:

22 “(A) For domiciliary care, \$11.79 for each day.

23 “(B) For nursing home care and hospital care,
24 \$27.61 for each day.

1 “(C) For adult day health care, \$16.50 for each
2 day.”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 subsection (a) shall apply with respect to adult day health
5 care provided in a State home after September 30, 1993.

6 **SEC. 402. CONSTRUCTION ASSISTANCE PROGRAM.**

7 (a) IN GENERAL.—Subchapter III of chapter 81 is
8 amended as follows:

9 (1) Section 8131(3) is amended by inserting
10 “or adult day health care” after “hospital care”.

11 (2) Section 8132 is amended by inserting
12 “adult day health care” after “hospital care”.

13 (3) Section 8135(a)(4) is amended by inserting
14 “and, in the case of adult day health care, not more
15 than 25 percent of the number of patients partici-
16 pating in that program,” after “occupancy”.

17 (4) Section 8135(b) is amended—

18 (A) in paragraph (2)(C), by inserting “or
19 adult day health care facilities” after “domi-
20 ciliary beds”; and

21 (B) in paragraph (3)(A), by inserting “, or
22 would involve expansion, remodeling, or alter-
23 ation of existing buildings for the furnishing of
24 adult day health care” after “buildings”.

1 (5) Section 8136 is amended by inserting
2 “adult day health care” after “hospital care”.

3 (6) The heading of such subchapter is amended
4 to read as follows:

5 “SUBCHAPTER III—STATE HOME FACILITIES
6 FOR FURNISHING DOMICILIARY CARE,
7 NURSING HOME CARE, ADULT DAY HEALTH
8 CARE, AND HOSPITAL CARE”.

9 (b) CLERICAL AMENDMENT.—The item relating to
10 subchapter III in the table of sections at the beginning
11 of chapter 81 is amended to read as follows:

“SUBCHAPTER III—STATE HOME FACILITIES FOR FURNISHING
DOMICILIARY CARE, NURSING HOME CARE, ADULT DAY
HEALTH CARE, AND HOSPITAL CARE”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 subsection (a) shall apply with respect to grants made to
14 States using funds appropriated after the date of the en-
15 actment of this Act.

16 **SEC. 403. SHARING OF RESOURCES WITH STATE HOMES.**

17 (a) PURPOSE.—Section 8151 is amended by adding
18 at the end the following: “It is further the purpose of this
19 subchapter to improve the provision of care to veterans
20 under this title by authorizing the Secretary to enter into
21 agreements with State veterans facilities for the sharing
22 of health-care resources.”.

23 (b) DEFINITION.—Section 8152 is amended—

1 (1) by redesignating paragraph (3) as para-
2 graph (4); and

3 (2) by inserting after paragraph (2) the follow-
4 ing new paragraph (3):

5 “(3) The term ‘health-care resource’ includes
6 hospital care, medical services, and rehabilitative
7 services, as those terms are defined in paragraphs
8 (5), (6), and (8), respectively, of section 1701 of this
9 title, any other health-care service, and any health-
10 care support or administrative resource.”.

11 (c) SHARING OF HEALTH-CARE RESOURCES.—Sec-
12 tion 8153(a) is amended—

13 (1) by inserting “(1)” after “(a)”; and

14 (2) by striking out “other form of agreement,”
15 and all that follows and inserting in lieu thereof
16 “other form of agreement for the mutual use, or ex-
17 change of use, of—

18 “(A) specialized medical resources between De-
19 partment health-care facilities and other health-care
20 facilities (including organ banks, blood banks, or
21 similar institutions), research centers, or medical
22 schools; and

23 “(B) health-care resources between Department
24 health-care facilities and State home facilities recog-
25 nized under section 1742(a) of this title.

1 “(2) The Secretary may execute a contract or other
2 agreement under paragraph (1) only if (A) such an agree-
3 ment will obviate the need for a similar resource to be
4 provided in a Department health care facility, or (B) the
5 Department resources which are the subject of the agree-
6 ment and which have been justified on the basis of veter-
7 ans’ care are not used to their maximum effective capac-
8 ity.”.

9 **TITLE V—MISCELLANEOUS**

10 **SEC. 501. DEPARTMENT OF VETERANS AFFAIRS RESEARCH**

11 **ADVISORY COMMITTEES.**

12 (a) STATUTORY BASIS FOR RESEARCH ADVISORY
13 COMMITTEES.—Chapter 5 is amended by adding at the
14 end of subchapter III the following new section:

15 **“§ 544. Veterans research advisory committees**

16 “(a) Congress declares that each of the veterans re-
17 search advisory committees specified in subsection (c)
18 (previously established by the Secretary in carrying out
19 the duties of the Secretary under section 7303 of this title)
20 has a continuing, ongoing function that is integrally relat-
21 ed to the successful completion by the Department of its
22 statutory duties. Each such committee shall, for all pur-
23 poses, operate as though such committee had been estab-
24 lished by, and chartered pursuant to, law. The objectives
25 and scope of the activities of each such committee and the

1 duties for which the committee is responsible, as specified
2 by the Secretary as of March 1, 1993, shall be those in
3 effect as of that date.

4 “(b) The Secretary may not terminate a veterans’ re-
5 search advisory committee specified in subsection (c) un-
6 less the Secretary finds that the committee is no longer
7 needed. Not less than 120 days before terminating such
8 a committee, the Secretary shall submit to the congres-
9 sional veterans’ affairs committees a report on the pro-
10 posed termination. The report shall include an explanation
11 of (1) the basis for the Secretary’s determination that
12 such committee is no longer needed, and (2) the manner
13 in which the Secretary will carry out the Secretary’s re-
14 sponsibilities under section 7303 of this title in the ab-
15 sence of the committee.

16 “(c) For purposes of this section, each of the follow-
17 ing committees and boards, as established by the Sec-
18 retary as of March 1, 1993, shall be considered to be a
19 veterans’ research advisory committee:

20 “(1) The Career Development Committee.

21 “(2) The Department of Veterans Affairs Coop-
22 erative Studies Evaluation Committee.

23 “(3) The Merit Review Board for Basic
24 Sciences Programs.

1 “(4) The Merit Review Board for Cardio-
2 vascular Programs.

3 “(5) The Merit Review Board for Clinical Phar-
4 macology, Alcoholism, and Drug Dependence Pro-
5 grams.

6 “(6) The Merit Review Board for Endocrinol-
7 ogy Programs.

8 “(7) The Merit Review Board for Gastro-
9 enterology Programs.

10 “(8) The Merit Review Board for Hematology
11 Programs.

12 “(9) The Merit Review Board for Immunology
13 Programs.

14 “(10) The Merit Review Board for Infectious
15 Diseases Programs.

16 “(11) The Merit Review Board for Mental
17 Health and Behavioral Sciences Programs.

18 “(12) The Merit Review Board for Nephrology
19 Programs.

20 “(13) The Merit Review Board for
21 Neurobiology Programs.

22 “(14) The Merit Review Board for Oncology
23 Programs.

24 “(15) The Merit Review Board for Respiration
25 Programs.

1 “(16) The Merit Review Board for Surgery
2 Programs.

3 “(17) The Scientific Review Evaluation Board
4 for Health Services Research and Development.

5 “(18) The Scientific Review Evaluation Board
6 for Rehabilitation Research and Development.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 at the beginning of chapter 5 is amended by inserting
9 after the item relating to section 543 the following new
10 item:

“544. Veterans research advisory committees.”.

11 **SEC. 502. LIMITATION ON CLAIMS FOR COPAYMENTS.**

12 (a) HOSPITAL CARE AND NURSING HOME CARE.—
13 Section 1710(f) is amended by adding at the end the fol-
14 lowing new paragraph:

15 “(6) A veteran may not be required to make a pay-
16 ment under this subsection for any day of care if the Sec-
17 retary does not notify the veteran in writing of the amount
18 owed for that care before the end of the two-year period
19 beginning on the date on which the care is provided, unless
20 the reason the Secretary did not notify the veteran within
21 such period was due to reliance by the Secretary on infor-
22 mation furnished by the veteran to the Secretary which
23 was subsequently determined to be erroneous.”.

1 (b) OUTPATIENT MEDICAL SERVICES.—Section
2 1712(f) is amended by adding at the end the following
3 new paragraph:

4 “(5) A veteran may not be required to make a pay-
5 ment under this subsection for any medical services if the
6 Secretary does not notify the veteran in writing of the
7 amount owed for those services before the end of the two-
8 year period beginning on the date on which the services
9 were provided, unless the reason the Secretary did not no-
10 tify the veteran within such period was due to reliance
11 by the Secretary on information furnished by the veteran
12 to the Secretary which was subsequently determined to be
13 erroneous.”.

14 (c) MEDICATIONS.—Section 1722A(a) is amended by
15 adding at the end the following new paragraph:

16 “(3) A veteran may not be required to make a pay-
17 ment under this subsection for any supply of medication
18 if the Secretary does not notify the veteran in writing of
19 the amount owed for that medication before the end of
20 the two-year period beginning on the date on which the
21 medication is supplied, unless the reason the Secretary did
22 not notify the veteran within such period was due to reli-
23 ance by the Secretary on information furnished by the vet-
24 eran to the Secretary which was subsequently determined
25 to be erroneous.”.

1 **SEC. 503. CHILD CARE SERVICES.**

2 (a) REVISED CHILD CARE AUTHORITY.—Chapter 81
3 is amended by inserting after section 8116 the following
4 new section:

5 **“§8117. Child care centers**

6 “(a) The Secretary may provide for the operation of
7 child care centers at Department facilities. The operation
8 of such centers under this section shall be carried out to
9 the extent that the Secretary determines, based on the de-
10 mand of employees of the Department for the care in-
11 volved, that such operation is in the best interest of the
12 Department and that it is practicable to do so.

13 “(b)(1) In offering child care services under this sec-
14 tion, the Secretary shall give priority (in the following
15 order) to employees of—

16 “(A) the Department;

17 “(B) other departments and agencies of the
18 Federal Government, and

19 “(C) schools affiliated with the Department and
20 corporations created under section 7361 of this title.

21 “(2) To the extent that space is available, the Sec-
22 retary may provide child care services to members of the
23 public at a child care center operated under this section
24 if the Secretary determines that to do so is necessary to
25 assure the financial success of that center.

1 “(c)(1) The Secretary shall establish reasonable
2 charges for child care services provided at each child care
3 center operated under this section. Such charges may be
4 established at different rates for different centers.

5 “(2) In establishing charges for child care services
6 provided at a center, the Secretary—

7 “(A) shall (except as provided in paragraph (3))
8 establish the charges so as to ensure that the sum
9 of all charges for child care services at that center
10 is sufficient to meet the staffing expenses of that
11 center; and

12 “(B) may also may consider the expenses of
13 constructing or acquiring space for the center, the
14 expenses of converting existing space into the center,
15 and the expenses of equipment and services fur-
16 nished to the center under subsection (d)(2).

17 “(3) The Secretary may establish charges for child
18 care services provided at a center at rates less than those
19 necessary to ensure that the sum of all charges for child
20 care services at that center is sufficient to meet the staff-
21 ing expenses of that center if the Secretary determines
22 (with respect to a particular facility of the Department)
23 that—

1 “(A) the operation of a child care center at that
2 facility would help overcome serious recruitment or
3 retention problems;

4 “(B) adherence to the requirement to establish
5 charges for child care services at that center at rates
6 sufficient to meet the staffing expenses of that cen-
7 ter would make the operation of a child care center
8 at that facility unfeasible; and

9 “(C) there are no other practical alternatives to
10 meeting the needs of employees at that facility for
11 child care services.

12 “(4) Proceeds from charges for child care services
13 shall be credited to the applicable Department of Veterans
14 Affairs account and shall be allotted to the facility served
15 by the child care center and shall remain available until
16 expended.

17 “(d) In connection with the establishment and oper-
18 ation of a child care center under this section, the Sec-
19 retary—

20 “(1) may construct or alter space in any De-
21 partment facility, and may lease space in a non-De-
22 partment facility for a term not to exceed 20 years,
23 for use as a child care center;

24 “(2) may provide, out of operating funds, other
25 items and services necessary for the operation of the

1 center, including furniture, office machines and
2 equipment, utility and custodial services, and other
3 necessary services and amenities;

4 “(3) shall provide for the participation (directly
5 or through a parent advisory committee) of parents
6 of children receiving care in the center in the estab-
7 lishment of policies to govern the operation of the
8 center and in the oversight of the implementation of
9 such policies;

10 “(4) shall require the development and use of a
11 process for determining the fitness and suitability of
12 prospective employees of or volunteers at the center;
13 and

14 “(5) shall require in connection with the oper-
15 ation of the center compliance with all State and
16 local laws, ordinances, and regulations relating to
17 health and safety and the operation of child care
18 centers.

19 “(e) The Secretary shall prescribe guidelines to carry
20 out this section.

21 “(f) For the purpose of this section, the term ‘parent
22 advisory committee’ means a committee comprised of, and
23 selected by, the parents of children receiving care in a
24 child care center operated under this section.”.

1 (b) CONFORMING REPEAL.—Section 7809 is re-
2 pealed.

3 (c) CLERICAL AMENDMENTS.—(1) The table of sec-
4 tions at the beginning of chapter 81 is amended by insert-
5 ing after the item relating to section 8116 the following
6 new item:

“8117. Child care centers.”.

7 (2) The table of sections at the beginning of chapter
8 78 is amended by striking out the item relating to section
9 7809.

○

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