

Union Calendar No. 204

113TH CONGRESS
1ST SESSION

H. R. 3521

[Report No. 113-284]

To authorize Department of Veterans Affairs major medical facility leases,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2013

Mr. MILLER of Florida introduced the following bill; which was referred to
the Committee on Veterans' Affairs

DECEMBER 9, 2013

Additional sponsors: Mr. BILIRAKIS, Mr. RUNYAN, Mr. MICHAUD, Ms. BROWN
of Florida, Ms. BROWNLEY of California, Mrs. KIRKPATRICK, Mr.
O'ROURKE, and Mr. BOUSTANY

DECEMBER 9, 2013

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To authorize Department of Veterans Affairs major medical facility leases, 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.**

4 This Act may be cited as the “Department of Vet-
5 erans Affairs Major Medical Facility Lease Authorization
6 Act of 2013”.

7 **SEC. 2. AUTHORIZATION OF MAJOR MEDICAL FACILITY**
8 **LEASES.**

9 The Secretary of Veterans Affairs may carry out the
10 following major medical facility leases at the locations
11 specified, and in an amount for each lease not to exceed
12 the amount shown for such location (not including any es-
13 timated cancellation costs):

14 (1) For a clinical research and pharmacy co-
15 ordinating center, Albuquerque, New Mexico, an
16 amount not to exceed \$9,560,000.

17 (2) For a community-based outpatient clinic,
18 Brick, New Jersey, an amount not to exceed
19 \$7,280,000.

20 (3) For a new primary care and dental clinic
21 annex, Charleston, South Carolina, an amount not
22 to exceed \$7,070,250.

23 (4) For the Cobb County community-based
24 Outpatient Clinic, Cobb County, Georgia, an amount
25 not to exceed \$6,409,000.

1 (5) For the Leeward Outpatient Healthcare Ac-
2 cess Center, Honolulu, Hawaii, including a co-lo-
3 cated clinic with the Department of Defense and the
4 co-location of the Honolulu Regional Office of the
5 Veterans Benefits Administration and the Kapolei
6 Vet Center of the Department of Veterans Affairs,
7 an amount not to exceed \$15,887,370.

8 (6) For a community-based outpatient clinic,
9 Johnson County, Kansas, an amount not to exceed
10 \$2,263,000.

11 (7) For a replacement community-based out-
12 patient clinic, Lafayette, Louisiana, an amount not
13 to exceed \$2,996,000.

14 (8) For a community-based outpatient clinic,
15 Lake Charles, Louisiana, an amount not to exceed
16 \$2,626,000.

17 (9) For outpatient clinic consolidation, New
18 Port Richey, Florida, an amount not to exceed
19 \$11,927,000.

20 (10) For an outpatient clinic, Ponce, Puerto
21 Rico, an amount not to exceed \$11,535,000.

22 (11) For lease consolidation, San Antonio,
23 Texas, an amount not to exceed \$19,426,000.

1 (12) For a community-based outpatient clinic,
2 San Diego, California, an amount not to exceed
3 \$11,946,100.

4 (13) For an outpatient clinic, Tyler, Texas, an
5 amount not to exceed \$4,327,000.

6 (14) For the Errera Community Care Center,
7 West Haven, Connecticut, an amount not to exceed
8 \$4,883,000.

9 (15) For the Worcester community-based Out-
10 patient Clinic, Worcester, Massachusetts, an amount
11 not to exceed \$4,855,000.

12 (16) For the expansion of a community-based
13 outpatient clinic, Cape Girardeau, Missouri, an
14 amount not to exceed \$4,232,060.

15 (17) For a multispecialty clinic, Chattanooga,
16 Tennessee, an amount not to exceed \$7,069,000.

17 (18) For the expansion of a community-based
18 outpatient clinic, Chico, California, an amount not to
19 exceed \$4,534,000.

20 (19) For a community-based outpatient clinic,
21 Chula Vista, California, an amount not to exceed
22 \$3,714,000.

23 (20) For a new research lease, Hines, Illinois,
24 an amount not to exceed \$22,032,000.

1 (21) For a replacement research lease, Hous-
2 ton, Texas, an amount not to exceed \$6,142,000.

3 (22) For a community-based outpatient clinic,
4 Lincoln, Nebraska, an amount not to exceed
5 \$7,178,400.

6 (23) For a community-based outpatient clinic,
7 Lubbock, Texas, an amount not to exceed
8 \$8,554,000.

9 (24) For a community-based outpatient clinic
10 consolidation, Myrtle Beach, South Carolina, an
11 amount not to exceed \$8,022,000.

12 (25) For a community-based outpatient clinic,
13 Phoenix, Arizona, an amount not to exceed
14 \$20,757,000.

15 (26) For the expansion of a community-based
16 outpatient clinic, Redding, California, an amount not
17 to exceed \$8,154,000.

18 (27) For the expansion of a community-based
19 outpatient clinic, Tulsa, Oklahoma, an amount not
20 to exceed \$13,269,200.

21 **SEC. 3. BUDGETARY TREATMENT OF DEPARTMENT OF VET-**
22 **ERANS AFFAIRS MAJOR MEDICAL FACILITIES**
23 **LEASES.**

24 (a) FINDINGS.—Congress finds the following:

1 (1) Title 31, United States Code, requires the
2 Department of Veterans Affairs to record the full
3 cost of its contractual obligation against funds avail-
4 able at the time a contract is executed.

5 (2) Office of Management and Budget Circular
6 A–11 provides guidance to agencies in meeting the
7 statutory requirements under title 31, United States
8 Code, with respect to leases.

9 (3) For operating leases, Office of Management
10 and Budget Circular A–11 requires the Department
11 of Veterans Affairs to record up-front budget au-
12 thority in an “amount equal to total payments under
13 the full term of the lease or [an] amount sufficient
14 to cover first year lease payments plus cancellation
15 costs”.

16 (b) REQUIREMENT FOR OBLIGATION OF FULL
17 COST.—Subject to the availability of appropriations pro-
18 vided in advance, in exercising the authority of the Sec-
19 retary of Veterans Affairs to enter into leases provided
20 in this Act, the Secretary shall record, pursuant to section
21 1501 of title 31, United States Code, as the full cost of
22 the contractual obligation at the time a contract is exe-
23 cuted either—

24 (1) an amount equal to total payments under
25 the full term of the lease; or

1 (2) if the lease specifies payments to be made
2 in the event the lease is terminated before its full
3 term, an amount sufficient to cover the first year
4 lease payments plus the specified cancellation costs.

5 (c) TRANSPARENCY.—

6 (1) COMPLIANCE.—Subsection (b) of section
7 8104 of title 38, United States Code, is amended by
8 adding at the end the following new paragraph:

9 “(7) In the case of a prospectus proposing
10 funding for a major medical facility lease, a detailed
11 analysis of how the lease is expected to comply with
12 Office of Management and Budget Circular A–11
13 and section 1341 of title 31 (commonly referred to
14 as the ‘Anti-Deficiency Act’). Any such analysis shall
15 include—

16 “(A) an analysis of the classification of the
17 lease as a ‘lease-purchase’, ‘capital lease’, or
18 ‘operating lease’ as those terms are defined in
19 Office of Management and Budget Circular A–
20 11;

21 “(B) an analysis of the obligation of budg-
22 etary resources associated with the lease; and

23 “(C) an analysis of the methodology used
24 in determining the asset cost, fair market value,
25 and cancellation costs of the lease.”.

1 (2) SUBMITTAL TO CONGRESS.—Such section
2 8104 is further amended by adding at the end the
3 following new subsection:

4 “(h)(1) Not less than 30 days before entering into
5 a major medical facility lease, the Secretary shall submit
6 to the Committees on Veterans’ Affairs of the Senate and
7 the House of Representatives—

8 “(A) notice of the Secretary’s intention to enter
9 into the lease;

10 “(B) a copy of the proposed lease;

11 “(C) a description and analysis of any dif-
12 ferences between the prospectus submitted pursuant
13 to subsection (b) and the proposed lease; and

14 “(D) a scoring analysis demonstrating that the
15 proposed lease fully complies with Office of Manage-
16 ment and Budget Circular A–11.

17 “(2) Each committee described in paragraph (1) shall
18 ensure that any information submitted to the committee
19 under such paragraph is treated by the committee with
20 the same level of confidentiality as is required by law of
21 the Secretary and subject to the same statutory penalties
22 for unauthorized disclosure or use as the Secretary.

23 “(3) Not more than 30 days after entering into a
24 major medical facility lease, the Secretary shall submit to
25 each committee described in paragraph (1) a report on

1 any material differences between the lease that was en-
2 tered into and the proposed lease described under such
3 paragraph, including how the lease that was entered into
4 changes the previously submitted scoring analysis de-
5 scribed in subparagraph (D) of such paragraph.”.

6 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
7 tion, or the amendments made by this section, shall be
8 construed to in any way relieve the Department of Vet-
9 erans Affairs from any statutory or regulatory obligations
10 or requirements existing prior to the enactment of this
11 section and such amendments.

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