

**H.R. 2770, as amended**  
**Veterans Nonprofit Research and Education Corporations**  
**Enhancement Act of 2009**

**Title:** To amend title 38, United States Code, to modify and update provisions of law relating to nonprofit research and education corporations, and for other purposes.

**Mr. Filner** of California introduced H.R. 2770 on June 9, 2009.

**H.R. 2770, as amended, would:**

1. Authorize the creation of multi-medical center research corporations to allow two or more VA medical centers to share one nonprofit research corporation (NPC), subject to board and VA approval.
2. Enable NPCs to support functions related to the conduct of research and education, including such expenditures as travel to scientific conferences, improvements in laboratories such as equipment purchase, and support for the institutional review board (IRB).
3. Repeal the role of NPCs with regard to fellowships because supporting residencies and fellowships raises the possibility of the NPC conferring a problematic personal benefit on the recipients.
4. Broaden the qualifications for the two mandatory non-VA board members beyond their familiarity with medical research and education.
5. Allow NPCs to charge registration fees for education and training programs and to use such funds to offset program expenses or for future educational purposes.
6. Permit NPCs to reimburse VA's Office of General Counsel for legal services related to the review and approval of Cooperative Research and Development Agreements.
7. Allow VA to reimburse NPCs for the salary and benefits of NPC employees loaned to VA under Intergovernmental Personnel Act assignments.
8. Authorize VA medical centers to accept funds provided by NPCs that may fall outside of VA's gift acceptance authority.
9. Clarify that NPCs may spend funds for purposes of project planning without violating current requirements that such funding for a research project may only be spent after approval from the facility Research and Development Committee.
10. Require each NPC to submit an annual report to the Secretary on operations, activities, and accomplishments. Additionally, NPCs with revenues in excess of \$500,000 in any given year would be required to obtain an audit and NPCs with revenues between \$10,000 and \$500,000 would be required to obtain an audit at least every three years.
11. Require all NPCs to complete and submit to VA an IRS Form 990 and applicable schedules.
12. Increase from \$35,000 to \$50,000 the threshold for reporting compensation by an NPC, consistent with the threshold used in IRS form 990, to help the VA scrutinize compensation for higher paid individuals.

**Effective Date:** Date of enactment.

**Legislative History:**

- June 18, 2009: Legislative hearing held by the Subcommittee on Health.
- July 9, 2009: Ordered reported, as amended, by the Subcommittee on Health.
- July 15, 2009: Ordered reported, as amended, by the Committee on Veterans' Affairs.
- July 23, 2009: Reported, H. Rept. 111-226.
- July 27, 2009: Passed the House under suspension by voice vote

Includes provisions of H.R. 2738, H.R. 2734, and H.R. 2898.