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U.S. House of Representatives

COMMITTEE ON VETERANS' AFFAIRS

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June 10, 2009

CLIFF STEARNS, FLORIDA HENRY E. BROWN, JR., SOUTH CAROLINA PERMY E. BROWN, JR., SOUTH C JEFF MILLER, FLORIDA JOHN BOOZMAN, ARKANSAS BRIAN P. BILBRAY, CALIFORNIA DOUG LAMBORN, COLORADO GUS M. BILIRAKIS, FLORIDA VERN BUCHANAN, FLORIDA VERN BUCHANAN, FLORIDA DAVID B. DOE. TENIDECCE DAVID P. ROE. TENNESSEE

> REPUBLICAN STAFF DIRECTOR AND CHIEF COUNSEL

Dear Colleague,

As the nation's largest healthcare provider network, the U.S. Department of Veterans Affairs has an important role to play in the development of innovative new healthcare technologies, medication, and practices. In 1988, VA was authorized to create Nonprofit Research Corporations (NPC) as a flexible funding mechanism in support of research programs conducted by VA medical centers. Since their creation, NPCs have become an integral component of VA research. In FY 2007, 82 NPCs secured over \$250 million in private sector and non-VA public funding.

In recognition of the important role that NPCs play in facilitating VA research, we invite you to join us as a co-sponsor of the Veterans Nonprofit Research and Education Corporations Enhancement Act of 2009, H.R. 2770. This important piece of legislation would augment and improve NPCs by modifying several provisions:

- Authorizing the Creation of Multi-Medical Center Research- Two or more VA medical centers would be allowed to pool their resources to form one NPC, offering smaller medical centers broader opportunity to enjoy the benefits provided by NPCs.
- Clarifying the Purpose of the Corporation- NPCs would be authorized to conduct expenditures that benefit VA research but are not directly related to it. Such expenditures may include travel to scientific conferences or improvements in laboratory equipment.
- Clarifying the Powers of the Corporations- NPCs would be provided with additional authorities, including:
 - o Authority to raise revenue by charging registration fees for education and training programs.
 - o Authority to reimburse VA's Office of General Counsel for certain legal services.
 - Authority for VA to reimburse NPCs for the services of NPC employees loaned to VA.

- o Broader authority for VA to accept funding provided by NPCs.
- Modifying the Requirement for Boards of Directors of Corporations- NPC board member qualifications would be broadened to support a diverse and rounded governing body.
- Improves Accountability and Oversight of Corporations- Makes NPCs more accountable to VA leadership.

Please join us as a co-sponsor of this important legislation. If you would like additional information or to sign on as a co-sponsor, please contact Jeff Burdette at 5-9154 or jeff.burdette@mail.house.gov.

Sincerely,

BOB FILNER

Chairman

Committee on Veterans' Affairs

STEVE BUYER

Ranking Member

Committee on Veterans' Affairs