Legislative Bulletin......June 4, 2013

Contents:

H.R. 2216 – Military Construction/VA Appropriations Act

# H.R. 2216 – Military Construction and Veterans Affairs, and Related Agencies Appropriations Act (Rep. Culberson, R-TX)

## **BY THE NUMBERS:**

*In Millions of Dollars* 

	FY13	FY13 Post	FY14	FY14 v.
	House	Sequester	House	<b>FY13</b>
	<b>302(b)</b>	Enacted	<b>302(b)</b>	Enacted
Appropriations	71,747	71,903	73,320	+1,417
Emergency Approps	0	0	0	0
Total	71,747	71,903	73,320	+1,417

#### The Committee Bill is:

- > \$1.4 billion more than the FY13 enacted post-sequester level.
- **▶** \$1.6 billion more than the FY13 House 302(b) level.
- ➤ The same as the FY14 House 302(b) level and complies with the House budget discretionary spending cap.

**Spending Discussion:** The bill (bill text here, bill report here) provides a spending level of \$73.3 billion, which is \$1.4 billion more than last year's enacted level. The House Appropriations Committee 302(b) allocations for the twelve appropriations bills total \$967 billion – consistent with the 302(a) allocation provided under the FY 2014 House-passed budget resolution. This allocation is consistent with the post-sequestration FY2014 discretionary spending level called for by the Budget Control Act. The House-passed budget is the only budget to pass that complies with the overall spending level called for by law. The Senate-passed budget calls for discretionary spending \$91 billion higher than the House at \$1,058 billion, which is where the Senate Appropriations Committee will write its appropriations bills.

<u>Order of Business</u>: The bill is scheduled to be considered on Tuesday, June 4, under an open rule (<u>H. Res. 243</u>). The rule providing for consideration of H.R. 2216 will also "deem" the 302(a) levels set by the House-passed budget. This makes the 302(a) levels set in the House budget binding in the House in spite of Senate inaction on the House's concurrent budget resolution.

#### **Provisions of Note:**

- ➤ **ACORN:** Section 410 prohibits funding in the legislation to the Association of Community Organizations for Reform Now (ACORN) or its subsidiaries or successors.
- American Firm Preferences: The legislation prevents funds for architectural or engineering work in excess of \$500,000 in certain overseas nations unless the contracts are awarded to U.S. firms or U.S. firms in joint venture with host nation firms. Also, it prevents funding for military construction contracts exceeding \$1 million in the U.S. territories and possessions in the Pacific, the Kwajalein Atoll (except for low bids submitted by a Marshallese contractor), or countries within the U.S. Central Command Area to a foreign contractor unless the lowest foreign responsive and responsible bid is 20% lower than the competing U.S. contractor.
- ➤ American Steel: The legislation prohibits funding for the procurement of steel unless American producers, fabricators, and manufacturers have been permitted to compete for such steel procurement.
- ➤ Arlington National Cemetery: Reduces the Arlington National Cemetery and Soldiers' and Airman's Home National Cemetery maintenance, operation, and improvement expenses from \$93.9 million in FY2013 to \$70.7 million in FY2014.
- ➤ Base Creation Prohibition: The legislation prohibits funding to construct new installations overseas without prior notification to the Committees on Appropriations of both Houses of Congress. It also prohibits funding for beginning construction of any new military bases in the United States for which specific appropriations have not been made. Lastly, funding, or any prior unobligated funding, is prohibited to carry out a military construction, land acquisition, or family housing project at or for a military installation approved for closure or at a military installation for the purpose of supporting a function that has been approved for realignment to another installation with some exceptions.
- ➤ Computer Network Prohibitions: The legislation prohibits funds for maintaining or establishing a computer network unless it blocks the viewing, downloading, and exchanging of pornography. Federal, State, tribal, or local law enforcement agencies are not prohibited from using such funds to carry out criminal investigations, prosecutions, or adjudication activities.
- ➤ Convicted Criminals: The legislation prevents funding for any contract to any corporation that has been convicted of a federal felony criminal violation within the last two years.
- ➤ **Disability Claims Backlog:** Provides \$155 million for paperless claims processes and \$136 million for digital scanning of health records to address the Department of Veterans Affairs' disability claims processing backlog.
- ➤ E-Verify: The legislation prohibits funding for contracts where the contractor has not complied with federal contractor E-Verify requirements.

- ➤ Electronic Health Records: Provides \$344 million to fund a single, integrated electronic health records system for the Department of Defense (DOD) and the VA. Certification and confirmation by the Secretaries of DOD and VA as well as the Government Accountability Office (GAO) is required before most of this funding is released.
- Eminent Domain: Section 411 prohibits funding to be used by any executive branch agency to exercise the power of eminent domain without the payment of just compensation.
- First Class Travel: The legislation prohibits funding for first class travel of federal agency employees where federal law does not authorize it.
- ➤ Guantanamo Bay: The legislation prohibits funds to renovate, expand, or construct any facility in the continental United States, its territories or possessions, for the purpose of housing any individual who has been detained at the United States Naval Station, Guantanamo Bay, Cuba, for the purposes of detention or imprisonment in the custody or under the control of the Department of Defense. The prohibition does not apply to any modifications of facilities at the United States Naval Station, Guantanamo Bay, Cuba.
- Sovernment Oversight: Prevents any appropriated amount in the bill from being made available for obligation after FY2014 unless otherwise expressly specified. Also, this legislation requires any federal agency receiving funds from this bill to post on their public website any report required to be submitted by the Congress in this or any other law if it serves the national interest—and subject to confidentiality and national security exemptions.
- ➤ Hospitals/Homes Construction: Funding in the Veterans Affairs title is prohibited for the purchase of any site for or towards the construction of any new hospital or home.
- ➤ **Lobbying Activity:** Section 404 prohibits the use of funds in the bill by any federal executive agency for publicity or propaganda purposes or to support or defeat legislation pending before Congress (except in presentation to Congress itself).
- ➤ Marketing Campaigns: Requires the Secretary of the Department of Veterans Affairs to notify the Committees on Appropriations of any single national outreach and awareness marketing campaign which exceeds \$2 million.
- NATO: Provides \$38.5 million for payments to the North Atlantic Treaty Organization (NATO) for the planning, design, and construction of a new NATO headquarters.
- ➤ **Program Wind Down:** The legislation prevents any funds for winding down or altering the implementation of a program, project, or activity in anticipation of any change (including any elimination or reduction of funding) proposed in a budget request until such proposed change is subsequently enacted in an appropriation Act.
- ➤ **Prohibition of Funding for Projects Named for Members:** The legislation prohibits funding for a project or program named for an individual serving as a Member, Delegate, or Resident Commissioner of the United States House of Representatives.
- ➤ **Property Taxes in Foreign Nations:** The legislation prohibits funds for military construction or family housing to pay for real property taxes in any foreign nation in this current fiscal year.
- Tax Liability (Unpaid Taxes): The legislation prevents funding to any corporation that has any unpaid, assessed federal tax liability for which all judicial and administrative remedies have been exhausted.

Administration Position: The White House has issued a qualified veto threat for the bill.

### **RSC Staff Contact**:

Will Dunham, Will.Dunham@mail.house.gov, Ex. 6-0718 Joe Murray, Joe.Murray@mail.house.gov, Ex. 6-0678

<u>NOTE</u>: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.