

S. 2082 — Department of Veterans Affairs Expiring Authorities Act of 2015 (Isakson, R-GA)

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FLOOR SCHEDULE:

Scheduled for consideration on September 29, 2015, under a suspension of the rules, which requires a 2/3 majority for passage.

TOPLINE SUMMARY:

<u>S. 2082</u> would extend the authorization for numerous Veterans Affairs programs related to health care, benefit services, homelessness programs, and other VA programs that would otherwise expire on September 30, 2015. The bill also authorizes four new major VA construction projects – one facility in New York and three in California – and modifies an existing authorization to expand construction activities in Florida.

Finally, the bill increases the authorization for the construction of the VA medical center in Denver, Colorado from \$1.05 billion to \$1.675 billion. The measure would require that future VA constructions projects with a cost exceeding \$100 million be managed by an "appropriate non-Department Federal entity", most likely the Army Corps of Engineers.

COST:

No Congressional Budget Office (CBO) estimate is available for S. 2082.

However, CBO estimated that enacting H.R. 3595 would result in increased spending of \$625 million over the FY2016-2025 period. These funds would be derived from unobligated balances that otherwise would not be spent. CBO estimated that H.R. 3596 would decrease direct spending by \$1 million over the FY2016-2025 period.

CONSERVATIVE CONCERNS:

Some conservatives are concerned at the continued cost overruns at the Denver VA project. This bill will be the third increase in the funding authorization for the facility enacted by Congress this year, with the total growing from \$600 million to \$900 million in May and \$1.05 billion in June, to \$1.675 billion under the bill under consideration.

Some conservatives are also concerned at the continued investment in the legacy VA infrastructure for providing health care to veterans, rather than moving more towards programs like the VA Choice Card enacted in the 113th Congress to more easily allow veterans to seek care outside the VA system.

Some conservatives may also be concerned by the extension of the

- Expand the Size and Scope of the Federal Government? Yes. The measure increases the funding authorization for the Denver VA construction project by \$625 million.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

S. 2082 would largely combine the two House bills previously scheduled for consideration under suspension of the rules for the week of September 28, <u>H.R. 3595</u> and <u>H.R. 3596</u>, both offered by Rep. Miller of Florida. However, the pension and bonus reforms contained in H.R.

The measure extends a number of Veterans Affairs program authorizations for one year. Absent Congressional action, the authorization for these programs would end on September 20, 2015.

The covered programs include:

- Authority for the VA to continue collecting copayments for hospital care and nursing home care at the rate of \$10 per day for hospital care and \$5 per day for nursing home care.
- Authorization to provide nursing home care to veterans with a service-connected disability.
- Authorization for the VA to provide training and assistance to family caregivers of veterans, for which
 appropriations would be authorized at \$625 million billion per year (less than the FY15 level of \$1.542
 billion).
- Authority for the VA to seek third-party cost recovery for services received by a Veteran with a serviceconnected disability who would have been eligible to have that service covered by the third-party.
- Authorization of appropriations of \$1.5 million for the VA to conduct a pilot program to provide child
 care to veterans who are the primary care giver to a child in order that such veteran may receive
 medical treatment.
- Authorization of appropriations of \$3 million to make grants to veterans service organizations to provide innovative transportation options for highly rural veterans.
- Authorization to carry out a coordination program between the Department of Defense and the VAS to share medical resources, to which each agency will contribute \$15 million of funds already appropriated to each respective agency.
- Authorization for the operation of the joint DoD-VA Lovell Federal Health Care Center in Chicago, IL.
- Authorization for appropriations of \$2 million to provide counseling services in group retreat settings, including financial, occupational, stress reduction, and conflict resolution counseling.
- Authorization for the Veterans Advisory Committee on Education.
- Requirement that 80% (as opposed to 65%) of Vendee purchases be financed by loans made by the VA, rather than cash purchases.
- Authorization for the VA to provide the same rehabilitation and vocational training services to active members of the Armed Forces with a severe injury or illness that would be available to veterans.
- Authorization of appropriations of \$50 million to provide job training, counseling, and placement services to homeless veterans.
- Authorization for the VA to enter into agreements with states and non-profits to sell or donate real property owned by the VA in order to provide shelter to homeless veterans.
- Authorization of appropriations of \$300 million to provide benefit case management and assistance to low-income veterans.
- Authorization for the Advisory Committee on Homeless Veterans.



- Authorization to provide outreach services, treatment and rehabilitation, and housing assistance to veterans suffering from serious mental illness.
- Authorization to provide referral and counselling services, including job training and placement services, to veterans who are risk of homelessness.
- Extension of various reporting requirements

The bill also authorizes new construction activities by the VA totaling \$561,420,000. This includes new major construction of medical facility in Canandaigua, NY (\$158,980,000) and San Diego, CA (\$205,840,000); and seismic corrections at facilities in Long Beach, CA (\$126,100,000) and West Los Angeles, CA (\$70,500,000). Further, the bill allows a previous authorization to upgrade a bed tower at the Tampa, FL VA medical facility to be converted to new construction of a bed tower at the same facility. This authorization carries an emergency designation for the purposes of PAYGO.

The Denver VA medical center replacement construction project began in 2010 with a budget of \$600 million. However, gross mismanagement of the project's design and construction has resulted in major cost overruns and the project falling several years behind schedule. In May, the House passed H.R. 2496 by unanimous consent, which became PL 114-19 and increased the authorization for the project to \$900 million. In June, the House passed S. 1568, again by unanimous consent, which became PL 114-25 and further increased the authorization for the project to \$1.05 billion. Details of the many management failures that have occurred on the project can be found in the U.S. Army Corps of Engineers report, available here, and the GAO study, available here.

S. 2082 would further increase the authorization to \$1.675 billion, which is expected to be the total cost of the project. These funds would be reprogrammed from unobligated balances within the VA budget and no new appropriation is required and funds would be restricted from coming from.

Further, the measure would direct the VA to use a non-Department Federal entity to manage all construction projects with a cost exceeding \$100 million. The most likely Federal entity the VA would use is the U.S. Army Corps of Engineers, which has a long track record of successfully managing major construction projects. This reform has been advocated for by many conservatives.

COMMITTEE ACTION:

S. 2082 was introduced on September 25, 2015 and was passed by the Senate by unanimous consent the same day.

ADMINISTRATION POSITION:

No statement of administration policy is available.

CONSTITUTIONAL AUTHORITY:

Legislation originating in the Senate does not require a constitutional authority statement.

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