

House Appropriations Committee

Chairman Hal Rogers

Website address: <http://appropriations.house.gov/>

FY 2016 Omnibus – Military Construction/Veterans Affairs Appropriations

Legislation funds critical infrastructure projects, meets the increased need for veterans health care, bolsters claims processing, and holds the VA accountable

The fiscal year 2016 Omnibus includes funding for key military infrastructure projects to support our troops and their families at home and abroad. It also includes increased funding to meet our obligations to our nation's veterans – including an unprecedented funding level for medical services due to increased demand; focusing on efficiency and interoperability of the Veterans Affairs (VA) electronic medical records system; and reducing the disability claims backlog at the VA. The bill also includes several stringent oversight measures to hold VA accountable to the veterans it serves and to the American taxpayer.

The discretionary total for the Military Construction/VA portion of the Omnibus is \$79.9 billion – \$7.8 billion above the enacted fiscal year 2015 level and \$1.1 billion above the President's request.

Military Construction – The bill provides \$8.2 billion for military construction projects – an increase of \$1.4 billion above the 2015 enacted level. The funds will provide for large and small construction and rehabilitation projects on military bases at home and abroad that support troops, operations, and our military families.

The legislation also includes \$135 million to upgrade infrastructure needed for deterrence operations and unique training requirements to counter Russian aggression and address threats from the Middle East and Africa.

- **Military Family Housing** – The bill provides \$1.4 billion to fund construction, operation, and maintenance of military family housing for fiscal year 2016. This is \$214 million above the 2015 enacted level, due primarily to an increased need for Air Force family housing. The funding will ensure quality housing is continued for nearly two million military families.
- **Military Medical Facilities** – The bill includes \$623 million for construction and alterations for new or existing military medical facilities. These facilities support and care for 9.8 million eligible beneficiaries, including our wounded troops abroad.
- **Department of Defense (DoD) Education Facilities** – The bill includes \$334 million for essential safety improvements and infrastructure work at ten DoD Education Activities facilities located within the U.S. and overseas. This funding will help address health, safety, and efficiency problems at these facilities for military children and families.

- **Guard and Reserve** – The bill includes \$551 million for construction or alteration of Guard and Reserve facilities in 30 states.

Veterans Affairs (VA) – The legislation includes a total of \$162.7 billion in both discretionary and mandatory funding for the Department of Veterans Affairs. This funding will help provide our nation’s veterans with the services and care they have earned from their dedicated service to the country.

Discretionary funding for VA programs in the agreement is \$71.4 billion – \$6.4 billion above the 2015 enacted level.

- **VA Medical Services** – VA medical services are funded at \$50 billion – an increase of \$4.7 billion – providing care and treatment for approximately 7 million veterans. This includes: \$1.5 billion for Hepatitis C treatment; \$7.5 billion in mental health care services; \$605 million for family caregivers of seriously injured veterans; \$144 million in suicide prevention activities; \$232 million for traumatic brain injury treatment; \$6.7 billion in homeless veterans treatment, services, housing, and job training; and \$270 million in rural health initiatives.
- **VA Electronic Health Record** – The bill provides \$233 million for the VA electronic health record and includes language requiring the VA to create an interoperable system – in a timely and cost-effective fashion – to help prevent unnecessary mistakes or delays in veterans’ medical care. If goals are not met, the majority of funding will not be released.
- **Disability Claims Processing Backlog** – To assist VA to end its disability compensation claims backlog, the bill includes \$2.7 billion for the costs of processing disability claims. This is an increase of \$10 million over the President’s request and \$173 million over the 2015 enacted level.

Funding will support 770 additional staff to tackle claims and appeals work; \$141 million for digital scanning of claims, and \$26 million for centralized mail. Funding for the Board of Veterans Appeals is increased by \$11 million over fiscal year 2015, for a total of \$110 million, to address the looming appeals backlog.

- **Construction** – Major Construction within the VA is funded at \$1.2 billion – \$100 million over the President’s request and \$862 million above the 2015 level. Funds will be used for correcting critical seismic deficiencies, new hospital and clinic construction, and repairing crumbling infrastructure in some of the VA’s oldest structures.

After the horrendous mismanagement of the Denver VA replacement hospital, to deal with VA’s shortcomings in managing large construction projects, the bill withholds all funding for medical projects above \$100 million until VA brings in an outside federal entity, such as the Army Corps of Engineers, to manage the projects. The funding provided over the budget request – \$100 million – is solely for the purpose of covering management costs for those entities.

- **VA Mandatory Funding** – The agreement fulfills mandatory funding requirements such as veteran disability compensation and pension programs for 5.2 million veterans and their survivors; post-9/11 GI bill education benefits for more than 935,000 veterans; and vocational rehabilitation and employment training for more than 137,000 veterans.

- **Oversight and Policy Provisions** – The legislation includes provisions to increase oversight, to ensure veterans are receiving the care and benefits they need, and to protect taxpayer investments. Some of these provisions include:
 - A requirement that VA report to Congress on construction expenditures and savings.
 - Restrictions on VA construction funding, including changes to the scope of construction projects, transfers of funds between projects, and the use of bid savings.
 - A requirement that VA bring in an outside government entity, such as the Corps of Engineers, to manage its largest construction projects.
 - A restriction on VA from taking certain spending actions without approval from Congress.
 - An expansion of whistleblower protection to assure that VA medical staff have the same protection as other VA employees.

To address widespread mismanagement at VA regional offices, health care provider shortages, construction mismanagement, and other issues, funding for VA’s Office of Inspector General (OIG) is increased by \$10 million over the 2015 enacted level. In addition, the OIG is required to provide all work products to the Congress in a consistent and timely manner to support oversight.

Advance Appropriations for Veterans Programs – The agreement contains \$63.3 billion in discretionary advance fiscal year 2017 funding for VA – the same level authorized in the House budget resolution. This funding will provide for medical services, medical support and compliance, and medical facilities, and ensure that our veterans have continued, full access to their medical care. For the first time, the bill provides 2017 advance funding for VA mandatory programs – \$102.5 billion, as authorized.

Related Agencies – The agreement provides a total of \$283 million for Related Agencies. Included in that amount is a \$30 million increase for the American Battle Monuments Commission to deal with security needs and to fund major projects, such as the Manila American Cemetery and Memorial Visitor Center. The agreement provides nearly \$9 million over the requested amount for Arlington National Cemetery for significant, deferred projects.

For the full Committee Report on the Military Construction and Veterans Affairs portion of the Omnibus, including a detailed funding table, please visit: <http://1.usa.gov/1QMANNP>.

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