IN THE SENATE OF THE UNITED STATES

December 11, 2013

Received

December 20, 2013
Read twice and referred to the Committee on Veterans’ Affairs

AN ACT

To authorize Department of Veterans Affairs major medical facility leases, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Department of Veterans Affairs Major Medical Facility Lease Authorization Act of 2013”.

SEC. 2. AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES.

The Secretary of Veterans Affairs may carry out the following major medical facility leases at the locations specified, and in an amount for each lease not to exceed the amount shown for such location (not including any estimated cancellation costs):

(1) For a clinical research and pharmacy coordinating center, Albuquerque, New Mexico, an amount not to exceed $9,560,000.

(2) For a community-based outpatient clinic, Brick, New Jersey, an amount not to exceed $7,280,000.

(3) For a new primary care and dental clinic annex, Charleston, South Carolina, an amount not to exceed $7,070,250.

(4) For the Cobb County community-based Outpatient Clinic, Cobb County, Georgia, an amount not to exceed $6,409,000.

(5) For the Leeward Outpatient Healthcare Access Center, Honolulu, Hawaii, including a co-located clinic with the Department of Defense and the
co-location of the Honolulu Regional Office of the Veterans Benefits Administration and the Kapolei Vet Center of the Department of Veterans Affairs, an amount not to exceed $15,887,370.

(6) For a community-based outpatient clinic, Johnson County, Kansas, an amount not to exceed $2,263,000.

(7) For a replacement community-based outpatient clinic, Lafayette, Louisiana, an amount not to exceed $2,996,000.

(8) For a community-based outpatient clinic, Lake Charles, Louisiana, an amount not to exceed $2,626,000.

(9) For outpatient clinic consolidation, New Port Richey, Florida, an amount not to exceed $11,927,000.

(10) For an outpatient clinic, Ponce, Puerto Rico, an amount not to exceed $11,535,000.

(11) For lease consolidation, San Antonio, Texas, an amount not to exceed $19,426,000.

(12) For a community-based outpatient clinic, San Diego, California, an amount not to exceed $11,946,100.

(13) For an outpatient clinic, Tyler, Texas, an amount not to exceed $4,327,000.
(14) For the Errera Community Care Center, West Haven, Connecticut, an amount not to exceed $4,883,000.

(15) For the Worcester community-based Out-patient Clinic, Worcester, Massachusetts, an amount not to exceed $4,855,000.

(16) For the expansion of a community-based outpatient clinic, Cape Girardeau, Missouri, an amount not to exceed $4,232,060.

(17) For a multispecialty clinic, Chattanooga, Tennessee, an amount not to exceed $7,069,000.

(18) For the expansion of a community-based outpatient clinic, Chico, California, an amount not to exceed $4,534,000.

(19) For a community-based outpatient clinic, Chula Vista, California, an amount not to exceed $3,714,000.

(20) For a new research lease, Hines, Illinois, an amount not to exceed $22,032,000.

(21) For a replacement research lease, Houston, Texas, an amount not to exceed $6,142,000.

(22) For a community-based outpatient clinic, Lincoln, Nebraska, an amount not to exceed $7,178,400.
(23) For a community-based outpatient clinic, Lubbock, Texas, an amount not to exceed $8,554,000.

(24) For a community-based outpatient clinic consolidation, Myrtle Beach, South Carolina, an amount not to exceed $8,022,000.

(25) For a community-based outpatient clinic, Phoenix, Arizona, an amount not to exceed $20,757,000.

(26) For the expansion of a community-based outpatient clinic, Redding, California, an amount not to exceed $8,154,000.

(27) For the expansion of a community-based outpatient clinic, Tulsa, Oklahoma, an amount not to exceed $13,269,200.

SEC. 3. BUDGETARY TREATMENT OF DEPARTMENT OF VETERANS AFFAIRS MAJOR MEDICAL FACILITIES LEASES.

(a) FINDINGS.—Congress finds the following:

(1) Title 31, United States Code, requires the Department of Veterans Affairs to record the full cost of its contractual obligation against funds available at the time a contract is executed.

(2) Office of Management and Budget Circular A–11 provides guidance to agencies in meeting the
statutory requirements under title 31, United States
Code, with respect to leases.

(3) For operating leases, Office of Management
and Budget Circular A–11 requires the Department
of Veterans Affairs to record up-front budget au-
thority in an “amount equal to total payments under
the full term of the lease or [an] amount sufficient
to cover first year lease payments plus cancellation
costs”.

(b) Requirement for Obligation of Full
Cost.—Subject to the availability of appropriations pro-
vided in advance, in exercising the authority of the Sec-
retary of Veterans Affairs to enter into leases provided
in this Act, the Secretary shall record, pursuant to section
1501 of title 31, United States Code, as the full cost of
the contractual obligation at the time a contract is exe-
cuted either—

(1) an amount equal to total payments under
the full term of the lease; or

(2) if the lease specifies payments to be made
in the event the lease is terminated before its full
term, an amount sufficient to cover the first year
lease payments plus the specified cancellation costs.

(c) Transparency.—
(1) COMPLIANCE.—Subsection (b) of section 8104 of title 38, United States Code, is amended by adding at the end the following new paragraph:

“(7) In the case of a prospectus proposing funding for a major medical facility lease, a detailed analysis of how the lease is expected to comply with Office of Management and Budget Circular A–11 and section 1341 of title 31 (commonly referred to as the ‘Anti-Deficiency Act’). Any such analysis shall include—

“(A) an analysis of the classification of the lease as a ‘lease-purchase’, ‘capital lease’, or ‘operating lease’ as those terms are defined in Office of Management and Budget Circular A–11;

“(B) an analysis of the obligation of budgetary resources associated with the lease; and

“(C) an analysis of the methodology used in determining the asset cost, fair market value, and cancellation costs of the lease.”.

(2) SUBMITTAL TO CONGRESS.—Such section 8104 is further amended by adding at the end the following new subsection:

“(h)(1) Not less than 30 days before entering into a major medical facility lease, the Secretary shall submit
to the Committees on Veterans’ Affairs of the Senate and
the House of Representatives—

“(A) notice of the Secretary’s intention to enter
into the lease;

“(B) a copy of the proposed lease;

“(C) a description and analysis of any dif-
fences between the prospectus submitted pursuant
to subsection (b) and the proposed lease; and

“(D) a scoring analysis demonstrating that the
proposed lease fully complies with Office of Manage-
ment and Budget Circular A–11.

“(2) Each committee described in paragraph (1) shall
ensure that any information submitted to the committee
under such paragraph is treated by the committee with
the same level of confidentiality as is required by law of
the Secretary and subject to the same statutory penalties
for unauthorized disclosure or use as the Secretary.

“(3) Not more than 30 days after entering into a
major medical facility lease, the Secretary shall submit to
each committee described in paragraph (1) a report on
any material differences between the lease that was en-
tered into and the proposed lease described under such
paragraph, including how the lease that was entered into
changes the previously submitted scoring analysis de-
scribed in subparagraph (D) of such paragraph.”.
(d) Rule of Construction.—Nothing in this section, or the amendments made by this section, shall be construed to in any way relieve the Department of Veterans Affairs from any statutory or regulatory obligations or requirements existing prior to the enactment of this section and such amendments.

SEC. 4. Budgetary Effects of This Act.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Committee on the Budget of the House of Representatives, as long as such statement has been submitted prior to the vote on passage of this Act.

Passed the House of Representatives December 10, 2013.

Attest: KAREN L. HAAS,

Clerk.