

## Calendar No. 102

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1st Session }

SENATE

{ REPORT  
{ 113-48

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### MILITARY CONSTRUCTION AND VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATION BILL, 2014

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JUNE 27, 2013.—Ordered to be printed

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Mr. JOHNSON, from the Committee on Appropriations,  
submitted the following

### REPORT

[To accompany H.R. 2216]

The Committee on Appropriations, to which was referred the bill (H.R. 2216) making appropriations for the Department of Defense for the fiscal year ending September 30, 2014, and for other purposes, reports the same to the Senate with an amendment, and recommends that the bill as amended do pass.

#### *Amounts in new budget authority*

Total of bill as reported to the Senate .....	\$159,999,863,000
Amount of 2013 appropriations <sup>1</sup> .....	147,014,301,000
Amount of 2014 budget estimate .....	160,324,434,000
Amount of House allowance .....	158,954,317,000
Bill as recommended to Senate compared to—	
Amount of 2013 appropriations .....	+ 12,985,562,000
Amount of 2014 budget estimate .....	– 324,571,000
House allowance .....	+ 1,045,546,000

<sup>1</sup>Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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## BACKGROUND

### PURPOSE OF THE BILL

The Military Construction and Veterans Affairs, and Related Agencies appropriations bill provides necessary funding for the planning, design, construction, alteration, and improvement of military facilities worldwide, for both active and reserve forces. It also finances the cost of military family housing and the U.S. share of the NATO Security Investment Program. In addition, the bill provides funding, including environmental remediation, for base closures and realignments authorized by law. The bill provides resources to the Department of Veterans Affairs for veterans benefits and healthcare and funding for U.S. cemeteries and battlefield monuments both in the United States and abroad, including Arlington National Cemetery and the American Battle Monuments Commission. Additionally, the bill funds the U.S. Court of Appeals for Veterans Claims; and the Armed Forces Retirement Homes.

### COMMITTEE RECOMMENDATION

The Committee recommends new budget authority totaling \$159,999,863,000 for fiscal year 2014 military construction, family housing, base closure, veterans healthcare and benefits, including fiscal year 2015 advance appropriations for veterans medical care, and related agencies. This includes \$84,461,636,000 in mandatory funding and \$75,538,227,000 in discretionary funding. The table at the end of the report displays the Committee recommendation in comparison with the current fiscal year, and the President's fiscal year 2014 request.

#### APPROPRIATIONS FOR FISCAL YEAR 2014

	Budget request	Senate recommendation
New budget authority .....	\$160,324,434,000	\$159,999,863,000
Previous advances provided for fiscal year 2014 .....	54,462,000,000	54,462,000,000
Less advances provided for fiscal year 2015 .....	- 55,634,227,000	- 55,634,227,000
Total appropriations for fiscal year 2014 .....	159,152,207,000	158,827,636,000

### OVERVIEW AND SUMMARY OF BILL

The Military Construction and Veterans Affairs, and Related Agencies appropriations bill funds an array of programs that are vital to America's military personnel and their families, and to the Nations' veterans. For U.S. military forces and their families worldwide, the bill funds critical infrastructure, ranging from mission essential operational and training facilities to key quality-of-life facilities, including barracks, family housing, child care centers,

schools and hospitals. For America's 22.3 million veterans, the bill provides the necessary funding for veterans benefits and healthcare, from prescription drugs and clinical services to the construction of hospitals and other medical facilities throughout the Nation. The bill also funds veterans cemeteries in the United States and provides funding for four independent agencies—the American Battle Monuments Commission, the U.S. Court of Appeals for Veterans Claims, the Armed Forces Retirement Homes, and Arlington National Cemetery.

TITLE I  
MILITARY CONSTRUCTION  
ITEMS OF SPECIAL INTEREST  
HEARINGS

The Subcommittee on Military Construction and Veterans Affairs, and Related Agencies held two hearings related to the fiscal year 2014 military construction budget request. Witnesses included representatives of the Office of Secretary of Defense and of the active and reserve components of the Army, Navy, and Air Force.

SUMMARY OF COMMITTEE RECOMMENDATIONS

The fiscal year 2014 budget request for military construction and family housing totals \$11,011,633,000. The Committee recommends \$10,688,000,000, which is \$323,633,000 below the budget request for military construction and family housing.

REPROGRAMMING GUIDELINES

The following reprogramming guidelines apply for all military construction and family housing projects. A project or account (including the sub-elements of an account) which has been specifically reduced by the Congress in acting on the budget request is considered to be a congressional interest item and as such, prior approval is required. Accordingly, no reprogrammings to an item specifically reduced below the threshold by the Congress are permitted.

The reprogramming criteria that apply to military construction projects (25 percent of the funded amount or \$2,000,000, whichever is less) continue to apply to new housing construction projects and to improvements over \$2,000,000. To provide the services the flexibility to proceed with construction contracts without disruption or delay, the costs associated with environmental hazard remediation such as asbestos removal, radon abatement, lead-based paint removal or abatement, and any other legislated environmental hazard remediation may be excluded, provided that such remediation requirements could not be reasonably anticipated at the time of the budget submission. This exclusion applies to projects authorized in this budget year, as well as projects authorized in prior years for which construction has not been completed.

Furthermore, in instances where prior approval to a reprogramming request for a project or account has been received from the Committee, the adjusted amount approved becomes the new base for any future increase or decrease via below-threshold reprogrammings (provided that the project or account is not a congressional interest item as defined above).

In addition to these guidelines, the services are directed to adhere to the guidance for military construction reprogrammings and notifications, including the pertinent statutory authorities contained in Department of Defense [DOD] Financial Management Regulation 7000.14–R and relevant updates and policy memoranda.

#### REAL PROPERTY MAINTENANCE

The Committee recommends a continuation of the following general rules for repairing a facility under “Operation and Maintenance” account funding:

- Components of the facility may be repaired by replacement, and such replacement may be up to current standards or code.
- Interior arrangements and restorations may be included as repair, but additions, new facilities, and functional conversions must be performed as military construction projects.
- Such projects may be done concurrent with repair projects, as long as the final conjunctively funded project is a complete and usable facility.
- The appropriate Service Secretary shall submit a 21-day notification prior to carrying out any repair project with an estimated cost in excess of \$7,500,000.

The Department is directed to continue to report on the real property maintenance backlog at all installations for which there is a requested construction project in future budget requests. This information is to be provided on the form 1390. In addition, for all troop housing requests, the form 1391 is to continue to show all real property maintenance conducted in the past 2 years and all future requirements for unaccompanied housing at that installation.

#### INCREMENTAL FUNDING

In general, the Committee supports full funding for military construction projects. However, it continues to be the practice of the Committee to provide incremental funding for certain large projects, despite administration policy to the contrary, to enable the services to more efficiently allocate military construction dollars among projects that can be executed in the year of appropriation. For fiscal year 2014, the Committee recommends incremental funding for the following projects: Ambulatory Health Center, Fort Knox, Kentucky; Hospital Replacement, increment 5, Fort Bliss, Texas; and Medical Center Replacement, increment 3, Rhine Ordnance Barracks, Germany.

#### ENERGY POLICY

The Department of Defense is the largest consumer of energy in the Federal Government, accounting for nearly 80 percent of the government’s total energy consumption. DOD spends nearly \$4,000,000,000 annually on facility energy alone, nearly a quarter of its total energy costs. However, installation energy consumption accounts for nearly 40 percent of the Department’s greenhouse gas emissions. The Committee commends the Department for its aggressive efforts to improve the energy efficiency of its buildings and installations, reduce consumption, mitigate its carbon footprint, in-

vest in renewable energy projects, and enhance energy security on its installations.

The Committee also supports the efforts of the Department to incorporate green building technologies into both new construction and renovations of buildings. As noted in the past, the Committee believes that the use of these technologies should be a fundamental consideration in the design or retrofit of all military construction projects.

In particular, the Committee believes that the Department should maximize the use of energy efficient, eco-friendly roofing technologies for new construction and renovations, including family housing construction and renovation. These technologies include, but are not limited to, photovoltaic panels, solar thermal roof coatings, solar parking canopies, rooftop direct use solar lighting technology, green roofs, and cool roofs. In an effort to capture the most innovative of these technologies, the Committee encourages the Department and the services to monitor new technologies emerging from government, industry, or university research and development programs.

Although federally mandated sustainable design policies and energy efficiency goals are standard elements of military construction design, the Committee encourages the Department and the services to incorporate additional leading-edge technologies into the construction program and to utilize new and underutilized, low cost energy-efficient technologies that provide the best value to taxpayers through minimal life-cycle costs.

While strongly supportive of DOD's commitment to green buildings, and its goal to promote cost-effective sustainability, the Committee is concerned that the Department's current approach to sustainable construction could result in giving preference to one green building certification system to the exclusion of others, particularly wood products. The Committee expects DOD to ensure equal acceptance of forestry certification systems, and to allow systems designated as American National Standards to compete equally for use in the Department's building construction and major renovations, subject to Buy America requirements.

*Cybersecure Microgrids at Military Installations.*—The Committee continues to be impressed with the Department's investments in microgrid energy security and encourages the Department to continue to explore ways to mitigate the risk to mission critical assets and promote energy independence at military installations through the Smart Power Infrastructure Demonstration for Energy Reliability and Security [SPIDERS] program. The pilot projects in the 2014 program are a good start, and the Committee looks forward to progress reports on the results of these projects and if successful, expanding the program to ensure our energy security and independence in future year programs.

#### GLOBAL CHALLENGES

The U.S. military is at the forefront of protecting America's national security interests in a rapidly shifting global political and economic landscape. Europe, once the epicenter of the U.S. military's overseas defense posture, has transformed into a strong and steady national security ally, albeit one with a myriad of economic

uncertainties that threaten its economic stability. The transformation of Europe from a U.S. national security burden to an economic and security partner has dramatically altered the equation for assessing the U.S. military presence in Europe. The drawdown of U.S. forces from Afghanistan has forced the Department of Defense [DOD] to reevaluate its basing strategy in Southwest Asia. And the emergence of terrorist activities and training camps on the continent of Africa has radically changed the mission of the Africa Command.

Nowhere has the shift in global security been more pronounced than in the Pacific Command, where the growing concern over China's military advances and motivations, and the unpredictability of the North Korean regime, has prompted the United States to pivot its overseas military strategy to concentrate on deterring and responding to threats in the Pacific region.

Military construction plays a central role providing the infrastructure platform from which the Defense Department can execute its global strategy. Following is a discussion of some of the key issues facing the Committee in supporting the U.S. military overseas mission priorities.

*Global Defense Posture.*—The Committee notes that the Department of Defense continues to realign its overseas installation structure through its global defense posture initiatives. In support of this effort, the President has requested \$1,688,162,000 in fiscal year 2014 for overseas military construction, which includes projects in the African, Central, European, and Pacific areas of responsibility. The Committee continues to support DOD's efforts to reassess and realign its overseas installations to better respond to emerging security challenges. However, the Committee is concerned that DOD's reporting to Congress does not incorporate all of the initiatives that impact DOD's posture nor does it fully capture the costs and future resourcing requirements. Without comprehensive reporting by the Department on the scope and cost of overseas presence, the Committee is limited in its ability to decide between competing requirements in an environment of limited resources.

To provide Congress necessary oversight, the Committee required the Defense Department to prepare annual reports on the Global Defense Posture beginning in fiscal year 2008. In order to provide greater transparency and more meaningful context to support congressional deliberations, the Committee extends the reporting requirement for each unified command through the fiscal year 2018 budget submission. In addition, the Committee directs the Department to include the following elements in future reports:

- an overview of the current overseas basing strategy and an explanation of any changes to the strategy;
- a complete list of all current and planned main operating bases, forward operating sites, cooperative security locations, and contingency locations, along with the justification and the status of host nation agreements for each site;
- an identification of lead service responsibilities to manage and fund each location; and
- a full report of the total costs of global defense posture, including the following:

- the construction costs anticipated for each location;
- the family and housing costs for each location;
- the operation and maintenance costs for establishing, operating, and maintaining each location; and
- the number of military personnel projected for each location and the incremental costs in rotating or assigning the military personnel to that location, including the costs of imminent danger pay, family separation allowances, and hardship duty pay.

The Committee directs the Secretary of Defense to submit the required reports with the annual Military Construction budget submissions.

*European Command [EUCOM].*—The Committee is aware that the Department of Defense is conducting a European Consolidation Study in an effort to reduce DOD’s infrastructure in Europe. However, the final report is not due to be completed until December, well past the normal appropriations process. DOD’s fiscal year 2014 military construction request totals nearly \$631,000,000 for 14 projects in Germany and the United Kingdom for which it is seeking approval before the results of the consolidation study have been finalized.

The Committee questions the rationale for funding these projects before DOD has determined whether any missions can be consolidated or relocated, or any installations can be returned to the host nation. These decisions could have a major impact on military construction requirements. For example, the request includes \$328,000,000 for five schools in Germany and the United Kingdom, ranging from kindergarten through high school. Consolidation of missions could change base populations, which in turn could affect the required size or location of schools.

The Committee is also concerned that the Department is moving forward with force structure changes in Europe without waiting for the results of the study. For example, the Army has just completed construction of a new base for the 173rd Infantry Brigade Combat Team in Caserna Del Din, Vicenza, Italy, at a cost of nearly \$350,000,000. The purpose of constructing Del Din was to consolidate elements of the 173rd Airborne Brigade Combat Team, which had been split between Germany and Italy, south of the Alps. However, because of the inactivation of the 170th, 172nd and V Corps Headquarters in Germany, the Secretary of Defense, on January 30, 2013, agreed to allow the Army to return the 173rd to the “split base” model, and base a third of the forces in Germany. This decision is in direct contravention of the original purpose of the Del Din consolidation and is of concern to the Committee.

In addition, the Department is requesting infrastructure at Royal Air Force Station Mildenhall in the United Kingdom to beddown a Special Operations Force [SOF] CV-22 Osprey mission to support Africa Command [AFRICOM]. The Committee notes that DOD is deploying a number of assets in Europe to support AFRICOM, including a rotational rapid response force of approximately 500 marines and six Ospreys at Moron Air Base, Spain; and another rotational Marine Corps Task Force of about 180 personnel and two KC-130Js at Naval Air Station Sigonella, Italy.

Given the proliferation of special purpose missions in Europe to support AFRICOM, the distance from the United Kingdom to hotspots in the AFRICOM Area of Responsibility [AOR], and the proximity of Sigonella to the AFRICOM AOR, the Committee questions the rationale of bedding down the new SOF mission in the United Kingdom instead of Italy. Sigonella has become a key launch pad for missions related to Libya, and given the ongoing turmoil in that nation as well as the emergence of terrorist training activities in northern Africa, the Committee believes that the Special Operations Command should reevaluate the decision to beddown the SOF CV-22 mission at Mildenhall. For this reason, the Committee recommendation does not include funding for the CV-22 beddown at Mildenhall. Additionally, the Committee has fenced funding for the remaining fiscal year 2014 military construction projects in Germany and the United Kingdom until the European Consolidation Study is transmitted to Congress and the Secretary of Defense certifies in writing to the congressional defense committees the requirement for each of the relevant projects.

The Committee believes that the request for another round of base closures within the United States is premature until the Department completes a thorough review of all overseas bases and determines that all facilities that are operationally prudent to close are done so before assessing which bases in the United States should be closed or realigned. The Committee urges the Secretary of Defense to ensure that the European Consolidation Study and all overseas basing studies are conducted without predetermined outcomes and will represent a thorough evaluation of the needs of the Department of Defense.

*Central Command [CENTCOM].*—With the impending withdrawal of U.S. forces from Afghanistan, the Defense Department is in the midst of reorienting the basing of U.S. military personnel and assets in Southwest and Central Asia. In addition to Afghanistan, the U.S. military currently operates out of bases in Bahrain, Kuwait, Oman, Qatar, and the United Arab Emirates among others. In addition to sustaining the headquarters of the U.S. Navy Fifth Fleet in Bahrain, DOD is planning to expand investment in these and other countries to broaden U.S. military operational flexibility in the region. The Committee supports the continued presence of U.S. military forces in Southwest and Central Asia to protect national security interests in light of the volatility of the region and U.S. commitment to key allies. However, the Committee believes that DOD must leverage investment in existing bases and host nation support to achieve the optimal basing and investment in the region. At the direction of the Committee, the Government Accountability Office [GAO] is reviewing the extent to which DOD has identified future plans for its posture in the region, as well as reporting on total costs associated with its forces and basing, with a final report due in November 2013. The Committee expects DOD to incorporate the findings of this report in the consideration of future posture plans and attendant military construction requirements for U.S. military forces in Southwest and Central Asia.

*Africa Command [AFRICOM].*—The Committee notes that since AFRICOM was created in 2007, a number of events, including the emergence of terrorist training locations and activities, have oc-

curred on the continent of Africa that have required the command to respond quickly to emerging threats to protect U.S. citizens and support our partners and allies. In light of lessons learned from those events, as well as the currently evolving situation on the continent, the Department of Defense [DOD] has begun to explore expanding AFRICOM's forward presence by posturing additional assets in both Africa and Europe and delineating certain forces for AFRICOM's use, as appropriate. The Committee is aware that the Comptroller General has undertaken several studies on various aspects of global posture, but believes that an additional study on the planning for an expanded forward presence for AFRICOM in Africa and Europe is appropriate. Of particular concern is the response capability for AFRICOM assets proposed for beddown in Europe.

The Committee therefore directs the Comptroller General of the United States to undertake a study of the nature and extent of planning underway by DOD to meet emerging challenges to the security of the United States on the continent of Africa. This study should include an assessment of the following:

- the costs of the posture initiatives in Africa to the United States;
- how posture changes in the AFRICOM area of responsibility support U.S. goals and strategy;
- the plans for additional investments in infrastructure in other combatant commands to support AFRICOM;
- how the operational benefits of various locations are being balanced against their costs; and
- any other issues that the Comptroller General finds appropriate to assist the Committee with its oversight.

The Comptroller General should periodically brief the Committee on the status of its work and provide a report no later than June 15, 2014.

*Pacific Command [PACOM].*—The recent rebalance of the U.S. global military presence and posture to the Pacific Region will require a significant investment in military construction to support initiatives in Japan, Guam, Singapore, Australia, and Hawaii.

The Committee remains concerned about the ultimate military construction cost to implement these initiatives, particularly in the current constrained budget environment. The centerpiece of the planned realignment of forces in the Pacific includes a major military buildup in Guam to support the relocation of approximately 5,000 U.S. marines from Okinawa. Unfortunately, the relocation plan has been plagued by delays and uncertainty due to public opposition and a lack of cooperation by Okinawan officials to approve the related relocation of marines from Futenma to Camp Schwab on Okinawa, environmental issues affecting construction on Guam, and, as a result, the failure of DOD to be able to finalize a plan or provide a reliable cost estimate for the Marine relocation plan for Guam.

As the Government Accountability Office [GAO] noted in a June 11, 2013, report to Congress, "More Reliable Cost Estimates and Further Planning Needed to Inform the Marine Corps Realignment Initiatives in the Pacific," (GAO-13-360), the Defense Department's preliminary cost estimate for its current Pacific realignment

plan is not reliable, because it is missing costs and is based on limited data:

“According to DOD officials, DOD has not yet been able to put together a more reliable cost estimate because it will not have specific detailed information on the plan’s requirements until the completion of environmental analyses and host nation negotiations,” the report concluded. “Currently, DOD estimates that it would cost approximately \$12.1 billion to implement its realignment plan—not including the Australia segment of the realignment. Still, GAO found that DOD did not include some up-front practices that could have provided a more reliable estimate that are not dependent on the completion of the environmental analyses and host nation negotiations.”

As a result of continued uncertainty over the future of the Guam realignment plan, the Committee has deferred funding for an \$85,673,000 Navy aircraft maintenance hangar at Anderson Air Force Base in Guam, which is the only project in the budget request directly related to the realignment of U.S. marines from Okinawa to Guam.

The Committee also has concerns over the status of the Pacific Airpower Resiliency Initiative [PAR] that PACOM is conducting to assess the protection of U.S. military air assets in the region, particularly at Anderson Air Force Base. The study is focused on a three-pronged approach including hardening of facilities, dispersal of aircraft, and rapid runway repair. Although the study has not been completed or its findings validated, and the congressional defense committees have not had an opportunity to review it, the budget request nevertheless includes six Air Force PAR projects for Guam and Saipan.

It is premature to assess air resiliency priorities without the final results of the completed PACOM plan for the entire Area of Responsibility [AOR]. The latest information from the Command states that the plan will not be completed before the end of the current fiscal year, too late in the appropriations process for a detailed and thorough review of DOD’s long-term infrastructure needs in the Pacific. It is imperative that as the Department rebalances forces in the Pacific region, PACOM develops a prioritized and fiscally responsible resiliency plan to protect, disperse and repair U.S. military assets in its area of responsibility. The Committee urges the Department to expedite the resiliency plan for the beddown of forces in the Pacific AOR and to provide the plan to the congressional defense committees at the earliest possible date.

To ensure that the fiscal year 2014 budget request for Air Force PAR projects supports the findings of the ongoing PAR initiative, the Committee has fenced funding for pertinent Air Force projects in Guam and Saipan until the PAR is transmitted to Congress, and the Secretary of Defense certifies in writing to the congressional defense committees the requirement for each of the relevant projects.

*U.S. Special Operations Command [USSOCOM].*—The Committee is mindful that USSOCOM’s force structure beddown plan is operationally fluid, and encourages the Command to consider all DOD priorities and studies when deciding where to permanently station forces around the world. However, the Committee is pleased

with the U.S. Special Operations Command's long-range training plan for CONUS bases and encourages it to stay on schedule for future budget submissions.

*Payment-in-Kind Funds [PIK].*—According to an April 15, 2013, report from the Senate Armed Services Committee, “Inquiry into U.S. Costs and Allied Contributions to Support the U.S. Military Presence Overseas,” (Committee Report 113–12) the United States spends more than \$10,000,000,000 a year to support our permanent military presence overseas, with nearly 70 percent of that \$10,000,000,000 spent in Germany, the Republic of Korea and Japan. In Germany, force reductions will result in the return of a large number of U.S. facilities to the German government. These returns are expected to generate significant payments from Germany for the “residual value” of U.S. investment in those facilities.

A review conducted by the Department of Defense Inspector General found that since 1991 the United States has received more than \$920,000,000 in residual value compensation for excess military facilities returned to Germany. Despite the expectation that non-momentary, or “in-kind,” payments would be a last resort, more than 95 percent of that \$920,000,000 has been in the form of payment-in-kind [PIK] rather than cash. These in-kind contributions include major military construction, repairs and base support for U.S. military installations in Germany.

According to the Senate Armed Services Committee report, Installation Management Command-Europe's [IMCOM-E] use of PIK funds is largely inconsistent with the intent of Congress. In one case, IMCOM-E solicited and accepted approximately \$60,000,000 in “advance” residual PIK funds from Germany—to be repaid with future U.S. facility returns—with the intent to fund a number of projects, including one specifically denied by Congress during the normal appropriation process.

The Committee is concerned about the lack of transparency in the assessment of residual value of U.S. facilities overseas, the use of “advance PIK” for military construction, the process used to determine the projects selected for PIK, and lapses in required Congressional notifications.

Therefore, the Committee directs the Secretary of Defense to establish procedures to enhance oversight of the PIK program and to report to the congressional defense committees within 90 days of enactment of this act on the steps DOD is taking to address the concerns raised by the Committee. The Committee also directs the Secretary to provide quarterly reports to the congressional defense committees, beginning with the first quarter after enactment of this act, on the status of approved and pending PIK projects. Projects to be funded through advance PIK should be identified as such. A military construction project that has been rejected by Congress during the regular appropriations process is to be considered ineligible for funding through residual value cash or PIK without prior approval by the congressional defense committees.

*General/Flag Officer Quarters [GFOQ].*—The Committee remains concerned about the excessive cost of maintaining aging and often historic General/Flag Officer Quarters and the considerable burden on the U.S. taxpayer. In the 2014 budget submission, the Army requests funding for 27 GFOQs with an annual operation and main-

tenance cost of over \$100,000, with seven needing repairs over \$100,000 each. The Navy request includes 26 GFOQs with operation and maintenance costs exceeding \$100,000, of which 12 need repairs over \$100,000. In contrast, the Air Force submission includes one GFOQ with an operation and maintenance cost over \$100,000 based on a \$97,000 repair to the quarters. The Committee has tried to work with the services on evaluating alternatives for maintaining these large and aging facilities, but has been stymied by an apparent unwillingness on the part of the services to seek less expensive alternatives. In fiscal year 2013, the Committee directed the services to initiate a review of the operation and maintenance costs of GFOQs and submit a report to Congress, but to date no service has complied. Of particular concern is the Navy’s 2013 request for \$433,500 for the operation of an 11,322 square foot GFOQ in Naples, which is owned by the government of Italy, and the 2014 request for \$216,000 for the same GFOQ, only to notify Congress on April 29, 2013, that the occupant will “relocate from the GFOQ,” which is located outside the fence line of the Navy Support Site. The Navy has determined that, “[the GFOQ] built in 1949 is in a deteriorated condition and is no longer suitable for the operational mission of this billet.”

Therefore, the Committee directs the Secretary of Defense to initiate a review of costs exceeding \$100,000 in any single fiscal year for repairs, operating and/or maintaining a GFOQ and provide the congressional defense committees the justification that these quarters and the excessive costs are in the best interests of the American taxpayer. The justification for these costs should be included with the congressional notification regarding the requirement.

*Defense Access Roads.*—Well maintained transportation infrastructure adjacent to military facilities increases mobility, benefits quality of life, and improves community relations off base. The Committee urges the Department of Defense to expand eligibility criteria for the Defense Access Roads program and work with the United States Department of Transportation, as well as State departments of transportation on alternatives to more immediately address critical transportation infrastructure shortfalls near military installations. The Department should focus on greater inter-agency coordination to effectively take advantage of all Federal resources to address major traffic needs at military installations affected by large growth in populations both on and off base.

MILITARY CONSTRUCTION, ARMY

Appropriations, 2013 <sup>1</sup> .....	\$1,682,100,000
Budget estimate, 2014 .....	1,119,875,000
House allowance .....	1,099,875,000
Committee recommendation .....	1,119,875,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The military construction appropriation for the Army provides for acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army. This appropriation also provides for facilities required as well as funds for infrastructure projects and

programs required to support bases and installations around the world.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,119,875,000 for the Army for fiscal year 2014. This amount is \$562,225,000 below the fiscal year 2013 enacted level, and equal to the budget request. Further detail of the Committee’s recommendation is provided in the State table at the end of this report.

MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

Appropriations, 2013 <sup>1</sup> .....	\$1,547,120,000
Budget estimate, 2014 .....	1,700,269,000
House allowance .....	1,616,281,000
Committee recommendation .....	1,614,596,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Military Construction appropriation for the Navy and Marine Corps provides for acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy and the Marine Corps. This appropriation also provides for facilities required as well as funds for infrastructure projects and programs required to support bases and installations around the world.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,614,596,000 for Navy and Marine Corps military construction for fiscal year 2014. This amount is \$67,476,000 above the fiscal year 2013 enacted level, and \$85,673,000 below the budget request. Further detail of the Committee’s recommendation is provided in the State table at the end of this report.

*Navy Research Laboratories.*—The Committee is concerned that key scientists and engineers who conduct critical advanced research and development [R&D] for the Naval Sea Systems Command work in aged and antiquated labs, some nearly 60 years old, that are unable to support today’s advanced R&D initiatives. The Committee is encouraged that the Navy has developed a schedule to replace these labs within the next 5 years. Because these R&D activities are a critical component of the DOD’s efforts to maintain sea and battlefield dominance and to meet other national security requirements, the Committee urges the Navy to replace these aging labs in a timely manner that ensures adequate facilities. The Committee looks forward to working with Naval Sea Systems Command to make certain that the Navy’s scientific research divisions have the modern facilities required to meet current and future missions.

MILITARY CONSTRUCTION, AIR FORCE

Appropriations, 2013 <sup>1</sup> .....	\$322,117,000
Budget estimate, 2014 .....	1,156,573,000
House allowance .....	1,127,273,000
Committee recommendation .....	1,153,960,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The military construction appropriation for the Air Force provides for acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force. This appropriation also provides for facilities required as well as funds for infrastructure projects and programs required to support bases and installations around the world.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,153,960,000 for the Air Force in fiscal year 2014. This amount is \$831,843,000 above the fiscal year 2013 enacted level, and \$2,613,000 below the budget request. Further detail of the Committee’s recommendation is provided in the State table at the end of this report.

*Air Force Infrastructure Consolidation.*—The Committee recognizes the Air Force’s efforts to reduce overhead throughout its budget. As the Air Force continues to scrutinize its infrastructure for savings, the Committee recommends that the Air Force pay special attention to consolidating infrastructure and commands on its installations, including, but not limited to, communications, civil engineering, and administrative facilities.

*Aerospace Control Alert Facilities.*—Aerospace Control Alert facilities contribute to the safety and security of our Nation. The Air Force squadrons that sit alert at these facilities spend 24 hours a day, 7 days a week, on standby in order to provide that protection to the Nation’s critical infrastructure, often in substandard temporary facilities. The Committee encourages the Air Force to accelerate the planned permanent construction of all alert facilities that are currently composed of substandard mobile and modular building units.

*KC-46A FTU/MOB.*—In May 2013, the Air Force released its Preferred and Reasonable Alternatives for locating the KC-46A tanker Formal Training Unit [FTU] and Main Operating Base [MOB] #1. This determination was made after the release of the fiscal year 2014 President’s budget, and the Air Force submitted amended DD 1391 forms to the Committee revising the funding requests for the projects. Accordingly, the Committee provides funding under “Air Force, World Wide Unspecified” at the updated request level of \$31,000,000 for the KC-46A FTU Facility Projects, and \$219,000,000 for the KC-46A MOB #1 Facility Projects.

MILITARY CONSTRUCTION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 <sup>1</sup> .....	\$3,577,695,000
Budget estimate, 2014 .....	3,985,300,000
House allowance .....	3,707,923,000
Committee recommendation .....	3,766,553,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

The military construction appropriation for the Department of Defense provides for acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property Defense-Wide. This appropriation also provides for facilities required as well as funds for infrastructure projects and programs required to support bases and installations around the world.

## COMMITTEE RECOMMENDATION

The Committee recommends \$3,766,553,000 for projects considered within the "Defense-Wide" account in fiscal year 2014. This amount is \$188,858,000 above the fiscal year 2013 enacted level and \$218,747,000 below the budget request. Further detail of the Committee's recommendation is provided in the State table at the end of this report.

## CONTINGENCY CONSTRUCTION

The Committee has provided \$10,000,000 for the Secretary of Defense "Contingency Construction" account, equal to the request. This account provides funds which may be used by the Secretary of Defense for unforeseen facility requirements and military exercises, including those related to overseas contingency operations.

## ENERGY CONSERVATION INVESTMENT PROGRAM

The Committee recommends the requested level of \$150,000,000 for the Energy Conservation Investment Program [ECIP]. The Committee also recommends a transfer of \$10,000,000 from unspecified Defense-Wide planning and design into a separate line item for ECIP planning and design to ensure that adequate funds are available for future ECIP project planning.

ECIP is the only dedicated stream of funding for energy projects within DOD. Historically, ECIP has funded small projects with rapid payback. As DOD moves more aggressively to develop renewable energy resources and improve energy security, ECIP is emerging as a major tool to leverage investment in larger projects, such as net-zero energy facilities or smart grid technologies, that are intended to produce significant improvements in energy consumption, costs, and security at single or multiple installations. The Committee encourages the Department to continue using ECIP funds to leverage investments in game-changing major energy projects, particularly renewable energy initiatives.

The Committee believes that energy efficiency, energy security, and renewable energy investments are mission-critical requirements to reduce DOD's dependence on costly and potentially unreliable sources of commercial energy, and encourages the services and the defense agencies to aggressively pursue opportunities to include projects designed to improve installation energy efficiency and security in their major construction programs as well as through ECIP.

MILITARY CONSTRUCTION, RESERVE COMPONENTS

Appropriations, 2013 <sup>1 2</sup> .....	\$1,045,428,000
Budget estimate, 2014 .....	693,310,000
House allowance .....	676,310,000
Committee recommendation .....	693,310,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

<sup>2</sup> Includes emergency funding of \$24,235,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

PROGRAM DESCRIPTION

The military construction appropriation for Reserve components provides for acquisition, construction, expansion, rehabilitation, and conversion of facilities for the training and administration of the Reserve components. This appropriation also provides for facilities required as well as funds for infrastructure projects and programs required to support bases and installations.

COMMITTEE RECOMMENDATION

The Committee recommends \$693,310,000 for military construction projects for the Guard and Reserve components for fiscal year 2014. This amount is \$352,118,000 below the fiscal year 2013 enacted level and equal to the budget request. Further detail of the Committee’s recommendation is provided in the State table at the end of this report.

The Committee recommends approval of military construction, Reserve components, as outlined in the following table:

RESERVE COMPONENTS

Component	Budget request	Committee recommendation
Army National Guard .....	\$320,815,000	\$320,815,000
Air National Guard .....	119,800,000	119,800,000
Army Reserve .....	174,060,000	174,060,000
Navy Reserve .....	32,976,000	32,976,000
Air Force Reserve .....	45,659,000	45,659,000
Total .....	693,310,000	693,310,000

*Army Guard Readiness Centers.*—The Committee is aware that fiscal constraints and other strategic priorities have resulted in delays in the Army National Guard military construction program, specifically the repair and modernization of readiness centers. The Committee recognizes that the Army is entering a period of strategic reset, which will affect the military construction program of both the active and reserve components. However, the Committee remains concerned about the substandard condition of many readiness centers, and urges the Army to prioritize the construction of new and replacement readiness centers. The Committee also encourages the Army to reevaluate its investment in reserve component construction projects to ensure all projects included in the Infrastructure Requirements Plan are maintained in the Future Years Defense Program.

NORTH ATLANTIC TREATY ORGANIZATION  
SECURITY INVESTMENT PROGRAM

Appropriations, 2013 <sup>1</sup> .....	\$253,828,000
Budget estimate, 2014 .....	239,700,000
House allowance .....	199,700,000
Committee recommendation .....	239,700,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The North Atlantic Treaty Organization [NATO] appropriation provides for the U.S. cost share of the NATO Security Investment Program for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the NATO Treaty area.

COMMITTEE RECOMMENDATION

The Committee recommends \$239,700,000 for the North Atlantic Treaty Organization Security Investment Program [NSIP] for fiscal year 2014 as requested. This amount is \$14,128,000 below the fiscal year 2013 enacted level and equal to the budget request.

FAMILY HOUSING OVERVIEW

Appropriations, 2013 <sup>1</sup> .....	\$1,648,603,000
Budget estimate, 2014 .....	1,542,713,000
House allowance .....	1,542,713,000
Committee recommendation .....	1,526,113,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Family Housing appropriation provides funds for military family housing construction activities, operation and maintenance, the Family Housing Improvement Fund, and the Homeowners Assistance Program. Construction accounts provide funding for new construction, improvements and the Federal Government share of housing privatization. Operation and maintenance accounts fund costs associated with the maintenance and leasing of military family housing, including utilities, services, management, and furnishings.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,526,113,000 for Family Housing Construction, Operations and Maintenance, and the Department's family housing improvement fund for fiscal year 2014. This amount is \$122,490,000 below the fiscal year 2013 enacted level and \$16,600,000 below the budget request.

FAMILY HOUSING CONSTRUCTION, ARMY

Appropriations, 2013 <sup>1</sup> .....	\$4,635,000
Budget estimate, 2014 .....	44,008,000
House allowance .....	44,008,000
Committee recommendation .....	27,408,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

The family housing appropriation for the Army provides for expenses of family housing for construction, including acquisition, replacement, addition, expansion, extension, and alteration. This appropriation provides for the financing of all costs for construction, improvements, and leasing of all Army housing. In addition to quality-of-life enhancements, the program contains initiatives to reduce operating costs and conserve energy by upgrading or replacing facilities which can be made more efficient through relatively modest investments in improvements. The Department of Defense is authorized to use limited partnerships, make direct and guaranteed loans, and convey Department-owned property to stimulate the private sector to increase the availability of affordable, quality housing for the Army.

## COMMITTEE RECOMMENDATION

The Committee recommends \$27,408,000 for Army Family Housing Construction in fiscal year 2014, an amount \$16,600,000 below the budget request and \$22,773,000 above the fiscal year 2013 enacted level.

## NEW CONSTRUCTION

The following projects are to be accomplished within the amounts provided for new construction:

## ARMY FAMILY HOUSING NEW CONSTRUCTION

[Dollars in thousands]

Location	Installation	Project	Budget request	Committee recommendation
Wisconsin .....	Fort McCoy .....	Family Housing New Construction .....	\$23,000	\$23,000
Germany .....	South Camp Vilseck.	Family Housing New Construction .....	16,600	.....
Total .....	.....	.....	39,600	23,000

## FAMILY HOUSING OPERATION AND MAINTENANCE, ARMY

Appropriations, 2013 <sup>1</sup> .....	\$529,352,000
Budget estimate, 2014 .....	512,871,000
House allowance .....	512,871,000
Committee recommendation .....	512,871,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

The family housing operation and maintenance appropriation for the Army provides for the operation and maintenance of family housing. This includes debt payment, leasing, minor construction, principal and interest charges, and insurance premiums of Army family housing.

## COMMITTEE RECOMMENDATION

The Committee recommends \$512,871,000 for family housing operation and maintenance, Army for fiscal year 2014. This amount

is \$16,481,000 below the fiscal year 2013 enacted level and equal to the budget request.

#### FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

Appropriations, 2013 <sup>1</sup> .....	\$102,047,000
Budget estimate, 2014 .....	73,407,000
House allowance .....	73,407,000
Committee recommendation .....	73,407,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

#### PROGRAM DESCRIPTION

The family housing appropriation for the Navy and Marine Corps provides for expenses of family housing for construction, including acquisition, replacement, addition, expansion, extension, and alteration. This appropriation provides for the financing of all costs for construction, improvements, and leasing of all Navy and Marine Corps housing. In addition to quality-of-life enhancements, the program contains initiatives to reduce operating costs and conserve energy by upgrading or replacing facilities which can be made more efficient through relatively modest investments in improvements. The Department of Defense is authorized to use limited partnerships, make direct and guaranteed loans, and convey Department-owned property to stimulate the private sector to increase the availability of affordable, quality housing for the Navy and Marine Corps.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$73,407,000 for Family Housing Construction, Navy and Marine Corps, including construction improvements, in fiscal year 2014. This amount is \$28,640,000 below the fiscal year 2013 enacted level and equal to the budget request.

#### CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amounts provided for construction improvements:

#### NAVY AND MARINE CORPS FAMILY HOUSING CONSTRUCTION IMPROVEMENTS

[Dollars in thousands]

Location	Installation	Project	Budget request	Committee recommendation
Louisiana .....	MARFORRES New Orleans.	Family Housing Site Improvements .....	\$97	\$97
Guam .....	NAVBASE, Guam ....	Revitalize Family Housing—Enlisted and Officer.	23,100	23,100
Japan .....	CFA Sasebo .....	Revitalize Family Housing—Enlisted and Officer.	21,616	21,616
Japan .....	MCAS Iwakuni .....	Revitalize Family Housing—Officer .....	2,686	2,686
Japan .....	MCAS Iwakuni .....	Revitalize Family Housing—Enlisted and Officer.	18,251	18,251
Japan .....	MCAS Iwakuni .....	Family Housing Electric Meter Installation ....	3,219	3,219
Total .....	.....	.....	68,969	68,969

FAMILY HOUSING OPERATION AND MAINTENANCE, NAVY AND  
MARINE CORPS

Appropriations, 2013 <sup>1</sup> .....	\$377,731,000
Budget estimate, 2014 .....	389,844,000
House allowance .....	389,844,000
Committee recommendation .....	389,844,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The family housing operation and maintenance appropriation for the Navy and Marine Corps provides for the operation and maintenance of family housing. This includes debt payment, leasing, minor construction, principal and interest charges, and insurance premiums of Navy and Marine Corps family housing.

COMMITTEE RECOMMENDATION

The Committee recommends \$389,844,000 for family housing operation and maintenance, Navy and Marine Corps, in fiscal year 2014. This amount is \$12,113,000 above the fiscal year 2013 enacted level and equal to the budget request.

FAMILY HOUSING CONSTRUCTION, AIR FORCE

Appropriations, 2013 <sup>1</sup> .....	\$83,713,000
Budget estimate, 2014 .....	76,360,000
House allowance .....	76,360,000
Committee recommendation .....	76,360,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The family housing appropriation for the Air Force provides for expenses of family housing for construction, including acquisition, replacement, addition, expansion, extension, and alteration. This appropriation provides for the financing of all costs for construction, improvements and leasing of all Air Force housing. In addition to quality-of-life enhancements, the program contains initiatives to reduce operating costs and conserve energy by upgrading or replacing facilities which can be made more efficient through relatively modest investments in improvements. The Department of Defense is authorized to use limited partnerships, make direct and guaranteed loans, and convey Department-owned property to stimulate the private sector to increase the availability of affordable, quality housing for the Air Force.

COMMITTEE RECOMMENDATION

The Committee recommends \$76,360,000 for Family Housing Construction, Air Force, in fiscal year 2014. This amount is \$7,353,000 below the fiscal year 2013 enacted level and equal to the budget request.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amounts provided for construction improvements:

## AIR FORCE CONSTRUCTION IMPROVEMENTS

[Dollars in thousands]

Location	Installation	Project	Budget request	Committee recommendation
Japan .....	Kadena AB .....	Improve Infrastructure, Phase 3 .....	\$18,562	\$18,562
Japan .....	Misawa AB .....	Improve Military Family Housing Infrastructure, Phase 3.	26,231	26,231
Japan .....	Misawa AB .....	Improve Family Housing, Phase 1 .....	27,300	27,300
Total .....	.....	.....	72,093	72,093

## FAMILY HOUSING OPERATION AND MAINTENANCE, AIR FORCE

Appropriations, 2013 <sup>1</sup> .....	\$497,172,000
Budget estimate, 2014 .....	388,598,000
House allowance .....	388,598,000
Committee recommendation .....	388,598,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

The family housing operation and maintenance appropriation for the Air Force provides for the operation and maintenance of family housing. This includes debt payment, leasing, minor construction, principal and interest charges, and insurance premiums of Air Force family housing.

## COMMITTEE RECOMMENDATION

The Committee recommends \$388,598,000 for family housing operation and maintenance, Air Force, in fiscal year 2014. This amount is \$108,574,000 below the fiscal year 2013 enacted level and equal to the budget request.

## FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE

Appropriations, 2013 <sup>1</sup> .....	\$52,169,000
Budget estimate, 2014 .....	55,845,000
House allowance .....	55,845,000
Committee recommendation .....	55,845,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

The Family Housing Operation and Maintenance appropriation for Defense-Wide provides for the operation and maintenance of family housing. This includes debt payment, leasing, minor construction, principal and interest charges, and insurance premiums of Defense family housing.

## COMMITTEE RECOMMENDATION

The Committee recommends \$55,845,000 for family housing operation and maintenance, Defense-Wide, for fiscal year 2014. This amount is \$3,676,000 above the fiscal year 2013 enacted level and equal to the budget request.

## FAMILY HOUSING IMPROVEMENT FUND

Appropriations, 2013 <sup>1</sup> .....	\$1,784,000
Budget estimate, 2014 .....	1,780,000
House allowance .....	1,780,000
Committee recommendation .....	1,780,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

The family housing improvement appropriation provides for the Department of Defense to undertake housing initiatives and to provide an alternative means of acquiring and improving military family housing and supporting facilities. This account provides seed money for housing privatization initiatives.

## COMMITTEE RECOMMENDATION

The Committee recommends \$1,780,000 for the Family Housing Improvement Fund for fiscal year 2014. This amount is \$4,000 below the fiscal year 2013 enacted level and equal to the budget request.

## CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE-WIDE

Appropriations, 2013 <sup>1</sup> .....	\$150,801,000
Budget estimate, 2014 .....	122,536,000
House allowance .....	122,536,000
Committee recommendation .....	122,536,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## PROGRAM DESCRIPTION

This account provides funding for design and construction of full-scale chemical disposal facilities and associated projects to upgrade installation support facilities and infrastructure required to support the Chemical Demilitarization Program. This account was established starting in fiscal year 2005 to comply with section 141(b) of the fiscal year 2003 National Defense Authorization Act.

## COMMITTEE RECOMMENDATION

The Committee recommends \$122,536,000 for chemical demilitarization construction projects for fiscal year 2014, a decrease of \$28,265,000 below the fiscal year 2013 enacted level and equal to the budget request.

The Committee continues to urge the Department to take all necessary and appropriate steps to dispose of the U.S. chemical weapons stockpile by the 2012 Chemical Weapons Convention deadline and, under no circumstances, later than 2017 consistent with section 8119 of Public Law 110-116. In light of the need for the Department to carry out its mission promptly and safely, it will need to provide close oversight over the execution of contracts at the chemical demilitarization sites to ensure funds are spent prudently and efficiently. The Committee will continue to monitor closely the Department's compliance with both deadlines.

BASE CLOSURE ACCOUNT 1990

Appropriations, 2013 <sup>1</sup> .....	\$408,856,000
Budget estimate, 2014 .....	
House allowance .....	
Committee recommendation .....	

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

BASE CLOSURE ACCOUNT 2005

Appropriations, 2013 <sup>1</sup> .....	\$126,530,000
Budget estimate, 2014 .....	
House allowance .....	
Committee recommendation .....	

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT

Appropriations, 2013 .....	
Budget estimate, 2014 .....	\$451,357,000
House allowance .....	451,357,000
Committee recommendation .....	451,357,000

PROGRAM DESCRIPTION

Section 2711 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239) consolidated the Base Closure Account 1990 and the Base Closure Account 2005 into a single Department of Defense Base Closure Account. The Base Closure Account provides for cleanup and disposal of property consistent with the four closure rounds required by the base closure acts of 1988 and 1990, and with the 2005 closure round required by the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note).

COMMITTEE RECOMMENDATION

The Committee recommends a total of \$451,357,000 for the Department of Defense Base Closure Account for fiscal year 2014, equal to the budget request. Funds provided for fiscal year 2014 are for environmental cleanup and ongoing operations and maintenance.

BASE CLOSURE ACCOUNT ENVIRONMENTAL AND MAINTENANCE OVERVIEW

From fiscal year 1990 through fiscal year 2013, a total of \$26,063,239,000 has been appropriated for the maintenance and environmental cleanup of military installations closed or realigned under prior BRAC rounds. The cumulative amount appropriated for these BRAC activities, combined with the Committee recommendation for fiscal year 2014, is \$26,514,596,000.

In appropriating these funds, the Committee continues to provide the Department with broad flexibility to allocate funds by service, function, and installation. The following table displays the total amount appropriated for each round of prior base closures, including amounts recommended for fiscal year 2014 for maintenance and environmental cleanup.

## BASE CLOSURE ACCOUNT

[Total legacy BRAC environmental and caretaker funding for fiscal year 1990 through fiscal year 2014]

	1990–2012	Fiscal year		Total
		2013 enacted <sup>2</sup>	2014 Committee recommendation	
Part I .....	\$2,684,577,000	( <sup>1</sup> )	( <sup>1</sup> )	\$2,684,577,000
Part II .....	4,915,636,000	( <sup>1</sup> )	( <sup>1</sup> )	4,915,636,000
Part III .....	7,269,267,000	( <sup>1</sup> )	( <sup>1</sup> )	7,269,267,000
Part IV .....	10,784,903,000	\$408,856,000	( <sup>1</sup> )	11,193,759,000
Consolidated <sup>3</sup> .....		( <sup>1</sup> )	\$451,357,000	451,357,000
Total .....	25,654,383,000	408,856,000	451,357,000	26,514,596,000

<sup>1</sup> Not applicable.<sup>2</sup> Includes across the board reductions in sections 3001 and 3004.<sup>3</sup> Consolidated account includes BRAC 1990 and BRAC 2005 funding.

## ADMINISTRATIVE PROVISIONS

SEC. 101. The Committee includes a provision that restricts payments under a cost-plus-a-fixed-fee contract for work, except in cases of contracts for environmental restoration at base closure sites.

SEC. 102. The Committee includes a provision that permits the use of funds for the hire of passenger motor vehicles.

SEC. 103. The Committee includes a provision that permits the use of funds for defense access roads.

SEC. 104. The Committee includes a provision that prohibits construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. The Committee includes a provision that limits the use of funds for purchase of land or land easements.

SEC. 106. The Committee includes a provision that prohibits the use of funds to acquire land, prepare a site, or install utilities for any family housing except housing for which funds have been made available.

SEC. 107. The Committee includes a provision that limits the use of minor construction funds to transfer or relocate activities among installations.

SEC. 108. The Committee includes a provision that prohibits the procurement of steel unless American producers, fabricators, and manufacturers have been allowed to compete.

SEC. 109. The Committee includes a provision that prohibits payments of real property taxes in foreign nations.

SEC. 110. The Committee includes a provision that prohibits construction of new bases overseas without prior notification.

SEC. 111. The Committee includes a provision that establishes a threshold for American preference of \$500,000 relating to architect and engineering services for overseas projects.

SEC. 112. The Committee includes a provision that establishes preference for American contractors for military construction in the United States territories and possessions in the Pacific, and on Kwajalein Atoll, or in countries bordering the Arabian Sea.

SEC. 113. The Committee includes a provision that requires notification of military exercises involving construction in excess of \$100,000.

SEC. 114. The Committee includes a provision that limits obligations during the last 2 months of the fiscal year.

SEC. 115. The Committee includes a provision that permits funds appropriated in prior years to be available for construction authorized during the current session of Congress.

SEC. 116. The Committee includes a provision that permits the use of expired or lapsed funds to pay the cost of supervision for any project being completed with lapsed funds.

SEC. 117. The Committee includes a provision that permits obligation of funds from more than 1 fiscal year to execute a construction project, provided that the total obligation for such project is consistent with the total amount appropriated for the project.

SEC. 118. The Committee includes a provision that allows transfer of proceeds from earlier base closure accounts to the continuing base closure account (1990, parts I–IV).

SEC. 119. The Committee includes a provision that permits the transfer of funds from Family Housing Construction accounts to the DOD Family Housing Improvement Fund and from Military Construction accounts to the DOD Military Unaccompanied Housing Improvement Fund.

SEC. 120. The Committee includes a provision that provides transfer authority to the Homeowners Assistance Fund.

SEC. 121. The Committee includes a provision that requires all acts making appropriations for military construction be the sole funding source of all operation and maintenance for family housing, including flag and general officer quarters, and limits the repair on flag and general officer quarters to \$35,000 per unit per year without prior notification to the congressional defense committees.

SEC. 122. The Committee includes a provision that provides authority to expend funds from the “Ford Island Improvement” account.

SEC. 123. The Committee includes a provision that prohibits the expenditure of funds at installations or for projects no longer necessary as a result of BRAC 2005.

SEC. 124. The Committee includes a provision that allows the transfer of expired funds to the Foreign Currency Fluctuation, Construction, Defense Account.

SEC. 125. The Committee includes a provision that allows the reprogramming of military construction and family housing construction funds among projects and activities within the account in which they are funded.

SEC. 126. The Committee includes a provision that prohibits the use of funds in this title for planning and design and construction of projects at Arlington National Cemetery.

SEC. 127. The Committee includes a provision that prohibits the use of funds in this act for decommissioning the Combined Heat and Power Plant at Clear Air Force Station, Alaska, pending a review by the Government Accountability Office.

TITLE II  
DEPARTMENT OF VETERANS AFFAIRS  
ITEMS OF SPECIAL INTEREST  
HEARINGS

The Subcommittee on Military Construction and Veterans Affairs, and Related Agencies held one hearing related to the fiscal year 2014 Department of Veterans Affairs [VA] budget request on April 18, 2013. The subcommittee heard testimony from the Honorable Eric Shinseki, Secretary of the Department of Veterans Affairs.

SUMMARY OF COMMITTEE RECOMMENDATIONS

The Committee recommendation includes \$147,888,328,000 for the Department of Veterans Affairs for fiscal year 2014, including \$84,461,636,000 in mandatory spending and \$63,426,692,000 in discretionary spending. The Committee also recommends \$55,634,227,000 in advance appropriations for veterans medical care for fiscal year 2015.

DEPARTMENT OVERVIEW

The Veterans Administration was established on July 21, 1930, as an independent agency by Executive Order 5398, in accordance with the Act of July 3, 1930 (46 Stat. 1016). This act authorized the President to consolidate and coordinate Federal agencies specially created for or concerned with the administration of laws providing benefits to veterans, including the Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers. On March 15, 1989, the Veterans Administration was elevated to Cabinet-level status as the Department of Veterans Affairs.

The VA's mission is to serve America's veterans and their families as their principal advocate in ensuring they receive the care, support, and recognition they have earned in service to the Nation. As of September 30, 2012, there were an estimated 22.3 million living veterans, with 22.2 million of them residing in the United States and Puerto Rico. There were an estimated 26.5 million dependents (spouses and dependent children) of living veterans in the United States and Puerto Rico, and there were 570,000 survivors of deceased veterans receiving VA survivor benefits in the United States and Puerto Rico. Thus, more than 49.3 million people, or 15.5 percent of the total estimated resident population of the United States and Puerto Rico, were recipients or potential recipients of veterans benefits from the Federal Government. The VA's operating units include the Veterans Benefits Administration, Vet-

erans Health Administration, National Cemetery Administration, and staff support offices.

The Veterans Benefits Administration [VBA] provides an integrated program of nonmedical veterans benefits. The VBA administers a broad range of benefits to veterans and other eligible beneficiaries through 56 regional offices and a records processing center in St. Louis, Missouri. The benefits provided include: compensation for service-connected disabilities; pensions for wartime, needy, and totally disabled veterans; vocational rehabilitation assistance; educational and training assistance; home buying assistance; estate protection services for veterans under legal disability; information and assistance through personalized contacts; and six life insurance programs.

The Veterans Health Administration [VHA] develops, maintains, and operates a national healthcare delivery system for eligible veterans; carries out a program of education and training of healthcare personnel; conducts medical research and development; and furnishes health services to members of the Armed Forces during periods of war or national emergency. A system of 152 hospitals, 1,208 outpatient clinics and Vet Centers, 133 nursing homes, and 107 VA residential rehabilitation treatment programs is maintained to meet the VA's medical mission.

The National Cemetery Administration [NCA] provides for the interment of the remains of eligible deceased servicemembers and discharged veterans in any national cemetery with available grave space; permanently maintains these graves; provides headstones and markers for the graves of eligible persons in national and private cemeteries; administers the grant program for aid to States in establishing, expanding, or improving State veterans cemeteries; and provides certificates to families of deceased veterans recognizing their contributions and service to the Nation. The National Cemetery Administration operates 131 national cemeteries and 33 soldiers' lots and monument sites.

Staff support offices include the Office of Inspector General, Boards of Contract Appeals and Veterans Appeals, and General Administration offices, which support the Secretary, Deputy Secretary, Under Secretary for Benefits, Under Secretary for Health, Under Secretary for Memorial Affairs, and General Counsel.

#### CLAIMS BACKLOG

The backlog of veterans compensation claims for service-related disabilities has reached crisis proportions. The Department of Veterans Affairs [VA] reported 816,839 pending claims as of June 10, 2013, of which 66 percent have been pending for more than 125 days and are considered to be backlogged. The Committee has worked with the VA over the past several years to provide funding to hire additional claims processors and to expedite the digitization of veterans medical records, but the backlog has continued to grow despite these efforts.

The problems the VA is facing today are the result of many factors and have been building for years. They are the product of an antiquated paper-based system; an increase in the number of conditions and the complexity of claims being filed; a sharp spike in supplemental claims due to the expansion of medical conditions eli-

gible for compensation as a result of Agent Orange exposure; and delays in the transfer of paper records from the Department of Defense [DOD] to the VA. To his credit, the current VA Secretary has made transforming the claims processing system and moving the VA into the 21st century a top priority, and in the past year, both VA and DOD have implemented a number of initiatives to speed the processing of claims. This includes accelerating the deployment of VA's paperless claims system, Veterans Benefits Management System [VBMS], to all 56 Regional Offices. The Committee has responded by funding every dollar and more requested by the Administration to improve claims processing. For example, the fiscal year 2014 request included \$136,400,000 to digitize all of the VA's current paper records of veterans. The bill fully funds the request. This is significant because 61 percent of current claims are supplemental claims for existing disability compensation.

However, it is clear that problems persist, and more needs to be done to ensure that veterans are receiving timely access to the benefits they have earned. To that end, the bill includes a 10-point action plan to give VA additional tools to address the backlog and strengthen accountability to Congress by enhancing equipment and access to electronic medical records, and by strengthening training, oversight, and accountability. The Committee notes that this plan is focused not only on production but also on accuracy in an effort to ensure veterans receive fair compensation at the outset and do not encounter additional delays by having to appeal decisions.

The plan includes the following elements:

- Provides \$20,000,000 above the request to upgrade computer hardware, such as servers, at Regional Offices to handle the advanced program requirements of VBMS. The paperless claims system is scheduled to be installed in all VA Regional Offices by the end of June 2013. Hardware upgrades are needed to achieve maximum performance of the system.
- Provides an additional \$10,000,000 for targeted overtime and training for claims processors as needed to increase production and help eliminate the claims backlog.
- Directs the VA to increase training of claims processors to achieve not only expedited production but also to ensure quality and accuracy to reduce claims appeals. Additionally, training programs are to be accompanied by regular testing and monitoring of poorly performing Regional Offices to identify and remediate performance problems.
- Directs the VA to provide Quality Review Teams and to conduct spot audits at Regional Offices to assess the performance of the claims processing operations and flag any management or operational weaknesses.
- Directs the VA to create Centers of Excellence at selected Regional Offices for certain types of complex claims, such as claims for PTSD or TBI compensation. With the VBMS paperless claims system, these centers could use their expertise to field targeted claims from across the Nation.
- Directs the VA to have the data management capability to receive all DOD records in an electronic format by the end of calendar year 2013. The Defense Department [DOD] is implementing a program to have all service treatment records

digitized and sent electronically to VA by the end of 2014. DOD must accelerate this effort to achieve full electronic transmission of records by the end of 2013, and VA must be prepared to accept them.

- Requires the VA to provide monthly reports to the Committees on Appropriations of both Houses of Congress on performance measures for each Regional Office, including the number of backlogged claims, the average number of days to complete a claim, and error rates.
- Requires the VA to submit quarterly reports that include the number of claims personnel in each Regional Office, corrective action taken to remedy any problems at poorly performing offices, training programs undertaken by Regional Offices, and Quality Review Team audits performed during the quarter.
- Directs the VA Inspector General in coordination with the DOD Inspector General to examine the processes and procedures involved in the transmission of medical and personnel records from DOD to VA to identify any problem areas and provide recommendations for improvements.
- Provides \$88,294,000 for the Board of Veterans Appeals, \$12,862,000 over the request, to hire additional personnel to address the backlog of appeals.

The Committee recognizes there is no silver bullet that will solve the claims backlog overnight, but the Committee is committed to using every tool available to it to assist the VA in expediting the processing of claims and to ensure accuracy and oversight of the process.

*Budget Justifications.*—Congressional budget justifications are developed each year by the Department to provide a more detailed explanation and supplemental information on the budget submission for a given fiscal year. The Committee utilizes this information to effectively and efficiently evaluate resource requirements and proposals requested by the Administration. The Committee is concerned the justifications continue to lack specificity and the degree of detail needed to ensure informed and timely evaluation of requested funds and proper oversight of a Department the size of the VA. The Committee has included specific directions in the appropriate place within this report outlining the type of details future justifications should include.

*Military and Civilian Skills Translation.*—Currently, most servicemembers do not transition to civilian life with the necessary civilian certifications for the job functions they completed in the military. The Department of Defense has traditionally viewed this as a retention issue, but in the face of looming force reductions, this is an immediate problem. The VOW to Hire Heroes Act took the first step in addressing this shortfall by requiring the Department of Veterans Affairs, in partnership with the Department of Defense and Department of Labor, to examine the issue.

The Committee strongly urges the Department of Veterans Affairs to accelerate these efforts and ensure that as servicemembers separate, they possess either the credentials or precertification exam credit for the civilian job functions for which they are qualified.

*Veterans Job Corps Initiative.*—High unemployment rates for veterans transitioning from Active Duty service to the civilian workforce remain a major concern for the Committee. The Administration and the VA have taken a number of steps to incentivize the hiring of veterans by the private sector. Of note, the Administration has proposed a Veterans Job Corps Initiative to help returning veterans find a pathway to civilian employment. The Committee strongly supports this initiative and urges Congress to authorize it at the earliest possible opportunity. The Committee also encourages VA to collaborate with the Department of Labor to address the nationwide shortage of clinical laboratory technologists and technicians by targeting grants to community colleges and vocational schools to provide training for veterans to fill these key Science, Technology, Engineering and Math [STEM] job categories.

*Open-Air Burn Pits.*—The Committee is concerned about the pace of establishing a planned VA registry of service members exposed to hazardous pollutants as a result of open-air burn pits in Iraq and Afghanistan. The Dignified Burial and Veterans Benefits Improvement Act of 2012 requires the VA to establish the registry by January 2014. As part of developing the registry, the VA is soliciting input from veterans through a Web-based questionnaire to report health concerns related to burn pit exposure. The Committee urges the VA to increase its outreach to veterans to inform them and their families about the registry by employing both traditional and nontraditional forms of communication, including a Web portal on the VA's Web site. The VA should also work with the Department of Defense to educate current service members about the potential health consequences of exposure to open burn pits in theater. The Committee directs the VA to provide the Committees on Appropriations of both Houses of Congress within 60 days of enactment of this act a detailed implementation plan and timeline for the registry which should include a detailed outreach program to inform veterans about the registry and solicit input from them. The Department should also provide the Committees an explanation of its plans to inform VA physicians about the findings of the registry and incorporate those findings into the disability claims program.

#### VETERANS BENEFITS ADMINISTRATION

Appropriations, 2013 .....	\$73,071,831,000
Budget estimate, 2014 .....	84,621,534,000
House allowance .....	84,621,534,000
Committee recommendation .....	84,621,534,000

#### ADMINISTRATION OVERVIEW

The Veterans Benefits Administration [VBA] is responsible for the payment of compensation and pension benefits to eligible service-connected disabled veterans, as well as education benefits and housing loan guarantees.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$84,621,534,000 for the Veterans Benefits Administration. This amount is composed of \$71,248,171,000 for Compensation and pensions; \$13,135,898,000 for Readjustment benefits; \$77,567,000 for Veterans insurance and

indemnities; \$158,430,000 for the Veterans housing benefit program fund administrative expenses; \$5,000 for the Vocational rehabilitation loans program account, with \$354,000 for administrative expenses; and \$1,109,000 for the Native American veteran housing loan program account.

COMPENSATION AND PENSIONS  
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 .....	\$60,599,855,000
Budget estimate, 2014 .....	71,248,171,000
House allowance .....	71,248,171,000
Committee recommendation .....	71,248,171,000

PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on a veteran's earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance may also be provided for service-connected veterans who use a prosthetic or orthopedic device. In fiscal year 2014, the Department estimates it will obligate \$65,440,857,000 for payments to 3,846,018 veterans, 364,564 survivors, and 1,206 dependents receiving special benefits.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to nonservice-connected disabilities which render them permanently and totally disabled. Public Law 107-103, the Veterans Education and Benefits Expansion Act of 2001, restored the automatic presumption of permanent and total nonservice connected disability for purposes of awarding a pension to veterans age 65 and older, subject to the income limitations that apply to all pensioners. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or their survivors. In fiscal year 2014, the Department estimates that the Pensions program will provide benefits to 314,706 veterans and 202,226 survivors totaling \$5,584,256,000.

The Compensation and Pensions program funds certain burial benefits on behalf of eligible deceased veterans. These benefits provide the purchase and transportation costs for headstones and markers, graveliners, and pre-placed crypts; and provides partial reimbursement for privately purchased outer burial receptacles. In fiscal year 2014, the Department estimates the Compensation and Pensions program will obligate \$223,058,000 providing burial benefits. This funding will provide 49,221 burial allowances, 25,538 burial plot allowances, 26,091 service-connected death awards, 500,002 burial flags, 344,826 headstones or markers, and 63,508 graveliners or reimbursement for privately purchased outer burial receptacles.

COMMITTEE RECOMMENDATION

The Committee recommends \$71,248,171,000 for Compensation and pensions. This is an increase of \$10,648,316,000 above the fiscal year 2013 enacted level and equal to the budget request.

The appropriation includes \$9,232,000 in payments to the General operating expenses, veterans benefits administration; Medical support and compliance; and Information technology systems accounts for expenses related to implementing provisions of the Omnibus Budget Reconciliation Act of 1990, the Veterans' Benefits Act of 1992, the Veterans' Benefits Improvements Act of 1994, and the Veterans' Benefits Improvements Act of 1996.

*Military Sexual Trauma.*—The Committee notes that in July 2010, the VA relaxed evidentiary standards for combat veterans with Post Traumatic Stress Disorder [PTSD]. In doing so, the VA acknowledged that it is often difficult for many veterans to produce documentation verifying a specific stressor. Moving forward, the Committee urges the VBA to take similar steps to formally relax evidentiary standards for military sexual trauma victims for whom PTSD has been recognized as a frequently occurring consequence. The Committee also notes that in recent Congressional testimony, VBA acknowledged the need to improve the process for determining military sexual trauma cases. Subsequently, VBA testified that it would begin reviewing denied military sexual trauma cases in which PTSD was the condition claimed by the veteran. Within 90 days after enactment of this act, the Committee directs the VBA to provide the Committees on Appropriations of both Houses of Congress an update on the status of this review as well as data on the number of denied claims it has reviewed and expects to review.

READJUSTMENT BENEFITS

Appropriations, 2013 .....	\$12,023,458,000
Budget estimate, 2014 .....	13,135,898,000
House allowance .....	13,135,898,000
Committee recommendation .....	13,135,898,000

PROGRAM DESCRIPTION

The Readjustment benefits appropriation finances the education and training of veterans and servicemembers under chapters 30, 31, 32, 33, 34, 35, 36, 37, 39, 41, 42 and 43 of title 38, United States Code. These benefits include the All-Volunteer Force Educational Assistance Program (Montgomery GI bill) and the Post 9/11 Educational Assistance Program. Basic benefits are funded through appropriations made to the readjustment benefits appropriation and by transfers from the Department of Defense. This account also finances vocational rehabilitation, specially adapted housing grants, specially adapted automobile grants for certain disabled veterans, and educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or who have a total permanent service-connected disability, as well as dependents of servicemembers who were captured or missing in action.

COMMITTEE RECOMMENDATION

The Committee recommends \$13,135,898,000 for Readjustment benefits. This is an increase of \$1,112,440,000 above the fiscal year 2013 enacted level and equal to the budget request.

*Education Counseling Services.*—The Committee is encouraged that the Department is now required to develop a comprehensive policy to improve outreach and transparency to veterans and members of the Armed Forces through the provision of information on institutions of higher learning as mandated in Public Law 112–249. However, the Committee remains concerned that a majority of veterans receiving education benefits provided by the Department is still not requesting education counseling services available to them pursuant to section 3697A of title 38, United States Code. No later than 180 days after enactment of this act, the Committee directs the Secretary to submit a report to the Committees on Appropriations of both Houses of Congress regarding the Department’s education counseling services provided to veterans. This report should include: (1) an assessment of what efforts the Department has already undertaken to improve outreach and data collection for veterans’ educational counseling and expand the availability of such counseling to veterans pursuant to Public Law 112–249; (2) an evaluation of the effectiveness of these efforts to reach more veterans with this counseling and improve the data on institutions of higher learning available to them; and (3) an examination of the feasibility of providing education counseling to all veterans in an efficient and affordable manner to ensure they understand the type of education benefits and services available to them, unless an individual veteran requests not to receive such counseling, and a proposal as to how this expanded counseling could be implemented by the Department.

VETERANS INSURANCE AND INDEMNITIES

Appropriations, 2013 .....	\$104,600,000
Budget estimate, 2014 .....	77,567,000
House allowance .....	77,567,000
Committee recommendation .....	77,567,000

PROGRAM DESCRIPTION

The Veterans insurance and indemnities appropriation consists of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; servicemen’s indemnities, applicable to Korean conflict veterans; and veterans mortgage life insurance to individuals who have received a grant for specially adapted housing.

COMMITTEE RECOMMENDATION

The Committee recommends \$77,567,000 for Veterans insurance and indemnities. This is a decrease of \$27,033,000 below the fiscal year 2013 enacted level and equal to the budget request. The Department estimates there will be 6,924,298 policies in force in fiscal year 2014 with a value of \$1,344,419,710,000.

## VETERANS HOUSING BENEFIT PROGRAM FUND

	Program account	Administrative expenses
Appropriations, 2013 .....	\$184,859,000	\$157,606,000
Budget estimate, 2014 .....		158,430,000
House allowance .....		158,430,000
Committee recommendation .....		158,430,000

## PROGRAM DESCRIPTION

The Veterans housing benefit program fund provides for all costs associated with the VA's direct and guaranteed housing loan programs, with the exception of the Native American veteran housing loan program.

VA loan guaranties are made to servicemembers, veterans, reservists, and unremarried surviving spouses for the purchase of homes, condominiums, and manufactured homes, and for refinancing loans. VA guarantees part of the total loan, permitting the purchaser to obtain a mortgage with a competitive interest rate, even without a downpayment, if the lender agrees. The VA requires that a downpayment be made for a manufactured home. With a VA guaranty, the lender is protected against loss up to the amount of the guaranty if the borrower fails to repay the loan.

## COMMITTEE RECOMMENDATION

The Committee recommends such sums as may be necessary for funding subsidy payments, and \$158,430,000 for administrative expenses for fiscal year 2014. Bill language limits gross obligations for direct loans for specially adapted housing to \$500,000.

## VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

	Program account	Administrative expenses
Appropriations, 2013 .....	\$19,000	\$346,000
Budget estimate, 2014 .....	5,000	354,000
House allowance .....	5,000	354,000
Committee recommendation .....	5,000	354,000

## PROGRAM DESCRIPTION

The Vocational rehabilitation loans program account covers the cost of direct loans for vocational rehabilitation of eligible veterans and, in addition, includes administrative expenses necessary to carry out the direct loan program. Loans of up to \$1,108 (based on the indexed chapter 31 subsistence allowance rate) are currently available to service-connected disabled veterans enrolled in vocational rehabilitation programs, as provided under 38 U.S.C. chapter 31, when the veteran is temporarily in need of additional assistance. Repayment is made in 10 monthly installments, without interest, through deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retirement pay. Virtually all loans are repaid in full and most in less than 1 year.

COMMITTEE RECOMMENDATION

The Committee recommends \$5,000 for program costs and \$354,000 for administrative expenses for the Vocational rehabilitation loans program account. The administrative expenses may be paid to the General operating expenses, veterans benefits administration account. Bill language is included limiting program direct loans to \$2,500,000. It is estimated that the VA will make 2,738 loans in fiscal year 2014, with an average amount of \$913.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

Appropriations, 2013 .....	\$1,088,000
Budget estimate, 2014 .....	1,109,000
House allowance .....	1,109,000
Committee recommendation .....	1,109,000

PROGRAM DESCRIPTION

The Native American veteran housing loan program is authorized by 38 U.S.C. chapter 37, section 3761 to provide direct loans to Native American veterans living on trust lands. The loans are available to purchase, construct, or improve homes to be occupied as veteran residences, or to refinance a loan previously made under this program in order to lower the interest rate. The principal amount of a loan under this authority generally may not exceed \$417,000; however, in some locations this limit may be higher depending on median area home prices. Veterans pay a funding fee of 1.25 percent of the loan amount, although veterans with a service-connected disability are exempt from paying the fee. Before a direct loan can be made, the veteran's tribal organization must sign a memorandum of understanding with the VA regarding the terms and conditions of the loan. The Native American Veteran Housing Loan Program began as a pilot program in 1993 and was made permanent by Public Law 109-233, the Veterans Housing Opportunity and Benefits Act of 2006.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,109,000 for administrative expenses associated with this program. This is \$21,000 above the fiscal year 2013 enacted level and equal to the budget request.

VETERANS HEALTH ADMINISTRATION

Appropriations, 2013 <sup>1</sup> .....	\$53,287,887,000
Advance appropriations, 2014 .....	54,462,000,000
Budget estimate, 2014 .....	743,164,000
House allowance, 2014 .....	585,664,000
Committee recommendation, 2014 .....	710,664,000
Budget estimate, advance appropriation, 2015 .....	55,634,227,000
House allowance, advance appropriation, 2015 .....	55,634,227,000
Committee recommendation, advance appropriation, 2015 .....	55,634,227,000

<sup>1</sup>Includes emergency funding of \$27,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

ADMINISTRATION OVERVIEW

The Veterans Health Administration [VHA] operates the largest Federal medical care delivery system in the country, with 152 hos-

pitals, 1,208 outpatient clinics and Vet Centers, 133 nursing homes, and 107 VA residential rehabilitation treatment programs.

The Department of Veterans Affairs Medical Care Collections Fund [MCCF] was established by the Balanced Budget Act of 1997 (Public Law 105–33). In fiscal year 2004, Public Law 108–199 allowed the Department to deposit first-party and pharmaceutical co-payments; third-party insurance payments and enhanced-use collections; long-term care co-payments; Compensated Work Therapy Program collections; Compensation and Pension Living Expenses Program collections; and Parking Program fees into the MCCF.

The Parking Program provides funds for the construction, alteration, and acquisition (by purchase or lease) of parking garages at VA medical facilities authorized by 38 U.S.C. 8109. The Secretary is required under certain circumstances to establish and collect fees for the use of such garages and parking facilities. Receipts from the parking fees are to be deposited into the MCCF and are used for medical services activities.

#### COMMITTEE RECOMMENDATION

In fiscal year 2013, the Committee provided \$54,462,000,000 in advance appropriations for the VA's medical care accounts for fiscal year 2014. This included \$43,557,000,000 for Medical services; \$6,033,000,000 for Medical support and compliance; and \$4,872,000,000 for Medical facilities. The Committee also includes an Administrative Provision allowing the Department to carry forward into fiscal year 2015 certain amounts provided as an advance for fiscal year 2014. For fiscal year 2014, the Committee recommends an additional \$25,000,000 for Medical services and \$100,000,000 for Medical facilities. Additionally, the Committee recommendation includes \$585,664,000 for Medical and prosthetic research. Medical care collections are expected to be \$2,485,000,000. The recommendation also includes an advance appropriation of \$55,634,227,000 for veterans medical care for fiscal year 2015.

*Advance Appropriations Budgeting.*—The Committee remains supportive of providing advance appropriations for the three veterans medical care accounts. The intent of advance appropriations is to provide timely and predictable funding for veterans medical care and provide hospitals in the field certainty as clinical hiring decisions are made. The medical care budget is formed primarily by an actuarial analysis which factors in numerous data points including current and projected veteran population, enrollment projections, and case mix changes associated with current veteran patients. Due to the fact that medical care funding is provided a year in advance and that healthcare is dynamic in nature, the Department updates the actuarial model after the advance is provided, thus enabling the Department to make necessary changes in the following budget submission. The Committee appreciates this process and understands that the intention is to provide a clearer picture of medical needs. Last year, the Committee directed that the fiscal year 2014 Department of Veterans Affairs budget justifications include explanations on what data was modified for the actuarial projections and how those changes produced savings or increased resource requirements. This year, the VA is requesting an

additional \$157,500,000 for the Medical services account. However, the justification accompanying the budget request provides few details regarding the modified data. Absent detailed budget justification, it is impossible for the Committee to assess the merits of the request. It is imperative that the Department provide detailed explanations of the request in future budget submissions, beginning with fiscal year 2015. Additionally, the Department is directed to include in its budget justifications actual operational savings achieved in the previous 2 fiscal years so that a comparison can be made between actual and estimated savings.

*Allocation of Medical Funding.*—The Veterans Equitable Resource Allocation [VERA] serves as the mechanism by which VA allocates funding appropriated to the three medical care accounts to the Veterans Integrated Service Networks [VISN] and to the medical centers. The Committee remains concerned about the transparency of this process and is specifically concerned about the amount of funding retained at headquarters or at the VISNs. In order to ensure proper oversight is maintained and the Committee has specific information to ensure the medical centers are receiving the proper allocations, the Committee directs the Veterans Health Administration to submit a report to the Committees on Appropriations of both Houses of Congress no later than 30 days after VA allocates the medical care appropriations to the VISNs which identifies: (1) the amount of general purpose funding allocated to each VISN; (2) the amount of funding retained by central headquarters for specific purposes, with amounts identified for each purpose; and (3) the amount of funding retained by each VISN before allocating it to the medical centers, identifying separately the amounts retained for purposes such as network operations, network initiatives, and emergencies.

#### AREAS OF INTEREST

*VA Nursing Academy.*—The Committee commends the VA for addressing the nursing shortage through the Veterans Affairs Nursing Academy. This pilot program established partnerships with competitively selected nursing schools to expand the number of teaching faculty in VA facilities and affiliated nursing schools in order to increase student enrollment in baccalaureate nursing programs. The Committee notes the VA's realization of a net-positive value for the pilot overall and urges the VA to continue its collaboration with the Department of Defense through the Uniformed Services University of the Health Services [USUHS] by providing nurse faculty and nursing students in the graduate nursing education programs through the external evaluation period.

*Office of Inspector General Findings.*—The Committee is concerned by the VA's response to findings resulting from Office of Inspector General [OIG] investigations at the Department's healthcare facilities. To cite just one example, past findings at the G.V. "Sonny" Montgomery VA Medical Center [VAMC] in Jackson, Mississippi, were not appropriately resolved. The Committee commends the Department for taking steps to establish new leadership at the Medical Center and charging them to make the necessary changes in order to provide the best possible care to veterans served at the facility. However, concern remains among patients

and families regarding the quality of care and management provided at that facility. Therefore, the Secretary is directed to provide a report within 180 days of enactment of the act to the Committees on Appropriations of both Houses of Congress on the resolution of these past issues at the Montgomery VAMC. Because this is not isolated to the Montgomery VAMC, the Committee also directs the Secretary to develop a process for reviewing progress on implementing recommendations made subsequent to any OIG investigation and report. The Secretary is directed to provide a report within 180 days of enactment of the act to the Committees on Appropriations of both Houses of Congress on the development of such a process.

*Office of Health Information/Office of Informatics and Analytics.*—Last year, the Department was directed to provide the Committees on Appropriations of both Houses of Congress a report detailing the findings of an internal VA review regarding potential duplication of functions in the Office of Health Information and the Office of Informatics and Analytics. To date, the Committee has not received this report and directs the Department to provide this review within 14 days after enactment of this act.

*Historical Artifacts.*—The Department of Veterans Affairs maintains historic buildings nationwide which house documents, photographs, and artifacts that are not maintained at the National Archives and are stored in various VA facilities throughout the country under conditions that do not meet Federal curation requirements and which are not routinely accessible to the public and researchers. The Committee supports efforts by the Veterans Health Administration to take steps to improve storage conditions as well as public access to these historic artifacts. The Committee encourages the Department to establish training programs for VA personnel on proper maintenance of these artifacts.

MEDICAL SERVICES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 <sup>1</sup> .....	\$41,516,562,000
Advance appropriations, 2014 .....	43,557,000,000
Budget estimate, 2014 .....	157,500,000
House allowance .....	
Committee recommendation, 2014 .....	25,000,000
Budget estimate, advance appropriation, 2015 .....	45,015,527,000
House allowance, advance appropriation, 2015 .....	45,015,527,000
Committee recommendation, advance appropriation, 2015 .....	45,015,527,000

<sup>1</sup>Includes emergency funding of \$21,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

PROGRAM DESCRIPTION

The Medical services account provides for medical services of enrolled eligible veterans and certain dependent beneficiaries in VA medical centers, VA outpatient clinics, contract hospitals, State homes, and outpatient programs on a fee basis. Hospital and outpatient care is also provided by the private sector for certain dependents and survivors of veterans under the civilian health and medical programs for the VA.

## COMMITTEE RECOMMENDATION

In fiscal year 2013, the Committee provided an advance appropriation of \$43,557,000,000 for fiscal year 2014. The recommendation for fiscal year 2014 includes an additional \$25,000,000 instead of \$157,500,000 requested by the Administration for the Medical services account. As noted previously in the report, the justification accompanying the budget request provides few details regarding the data and assumptions that were modified in the updated actuarial model projection. Absent this data, the Committee cannot accurately assess the merits of an additional request. The Committee also notes that the Department routinely carries forward significant funds from one fiscal year to the next and directs that any of funding carried forward from fiscal year 2013 be applied to unanticipated needs. In addition, the VA has the authority to retain co-payments and third-party collections, estimated to total \$2,485,000,000 in fiscal year 2014.

The Committee recommendation also includes an advance appropriation of \$45,015,527,000 for medical services for fiscal year 2015. This is \$1,458,527,000 above the level for fiscal year 2014 and equal to the fiscal year 2015 budget request.

The fiscal year 2014 appropriation includes \$6,974,224,000 for mental healthcare; \$83,203,000 for suicide prevention; \$4,059,200,000 to provide medical care to Afghanistan and Iraq war veterans; \$245,000,000 for readjustment counseling services at Vet Centers (a \$15,000,000 increase over the original budget request); \$2,478,000,000 for prosthetics; \$421,900,000 in gender specific healthcare for women veterans; and \$1,392,742,000 for specific homeless veterans programs. The Committee acknowledges the increase requested by the President for these selected programs, but will be closely monitoring each quarter to ensure that adequate funding is being allocated to VA hospitals to meet rising demand and to reduce wait times.

*Rural Health.*—The Committee is encouraged by the VA's recent efforts to improve access to quality healthcare for our Nation's rural veterans. However, far too many of these veterans encounter significant barriers that hinder access to the care they need. Therefore, the Committee strongly urges the VA to improve the accessibility, efficiency, and effectiveness of care for rural veterans by more aggressively focusing attention and resources on contracting with local private providers when appropriate, particularly in the area of mental health; improving accessibility to Vet Centers and the critical readjustment counseling and care they provide; and expanding the VHA telemedicine program, which would allow services to be brought to more veterans' homes or local clinics while providing a savings through a reduction in transportation costs.

The Committee recognizes the ongoing challenges of the VA to recruit and retain highly qualified healthcare professionals, particularly mental health professionals and those in rural areas. Subsequent staffing shortages ultimately lead to higher out-of-pocket costs for veterans as well as decreased quality of care. The Committee urges the VHA to expand partnerships with other Federal agencies, such as the Department of Health and Human Services and the Indian Health Service, to draw upon the collective re-

sources of these agencies, to explore additional ways to collaborate at the Federal, State, and local levels, and to fully utilize technological advances that bring care closer to home for more rural Americans. Additionally, the Committee urges VHA to work collaboratively with these agencies on workforce issues and to thoroughly evaluate and aggressively deploy innovative approaches to recruiting and retaining quality physicians, surgeons, and other healthcare professionals, particularly mental health professionals and those in rural areas.

*Grants for Transportation of Veterans in Highly Rural Areas.*—The Committee recognizes that Public Law 111–163 took a number of meaningful steps to enhance care for veterans, including authorization of a grant program that will allow State veterans agencies and veterans service organizations to provide better transportation options for rural veterans seeking care at a VA facility. The Committee notes that, although this legislation was signed into law 3 years ago, the final rules for the grant program have yet to be published, and no funds have been awarded. The Committee is concerned further delay in implementation of this grant program will further impede rural veterans from receiving the critical services they need. Therefore, the Committee directs the Department to expedite this process and publish the final rule as soon as possible. Additionally, the Committee directs the Department to report to the Committees on Appropriations of both Houses of Congress no later than 90 days after enactment of this act progress made in publishing and implementing this rule.

*National Centers for Post-Traumatic Stress Disorder.*—The Committee remains very concerned with the number of veterans suffering from Post Traumatic Stress Disorder [PTSD]. Over the past several years, the Committee has provided funding for numerous mental health initiatives to increase healthcare services for those suffering from PTSD. The fiscal year 2014 recommendation includes an additional \$3,000,000 over the fiscal year 2014 budget estimate for the VA's National Centers for Post Traumatic Stress Disorder to establish a brain tissue bank which will allow VA researchers to facilitate cutting edge PTSD research and to develop a PTSD outreach program designed to reach veterans who reside in rural or highly rural areas.

*Access to Care.*—Hawaii and Alaska present unique challenges for VA in delivering timely healthcare. For instance, if VA does not provide a particular healthcare service within the VHA system, Hawaii and Alaska veterans are often directed to fly thousands of miles to a VA hospital within the continental United States, regardless of whether adequate healthcare may exist within the State through a local provider. The Committee remains concerned that the extensive travel requirements, coupled with lengthy delays scheduling this travel, create unusual hardships on Hawaii and Alaska veterans. VA has reported it is making progress in addressing these unique problems through the “Care Closer to Home Program.” The Committee encourages VA to continue these efforts and will continue to monitor its progress. Therefore, no later than February 1, 2014, (and subsequently thereafter with the submission of future budget requests) the Department is directed to provide to the Committees on Appropriations of both Houses of Congress a re-

port on the number of Hawaii and Alaska veterans who were directed to travel to a VA facility in another State for medical care in fiscal year and calendar year 2013; the number of veterans who actually traveled to that facility during fiscal and calendar year 2013; and the Department's plans and goals for reducing the number of Hawaii and Alaska veterans directed to travel to another State for medical care in fiscal years 2014 and 2015. In addition, the report should describe the criteria used in determining whether to purchase medical care for a Hawaii or Alaska veteran within their respective States or require the veteran to travel to a VA facility in another State to receive that care; a description of the medical conditions for which these veterans were required to travel out of Hawaii and Alaska; and an explanation of why care was not purchased in State. The Committee is also concerned about the distances veterans have to travel within the State of Alaska to obtain VA care. In its report on the "Care Closer to Home Program," the VA is requested to provide data on the number of Alaska veterans who have traveled by air within the State of Alaska during fiscal year 2013 to obtain care at a VA facility, the communities from which they traveled, and the facility at which the care was provided. The Department is requested to assess whether this care could have been provided closer to home through partnerships with Community Health Centers, tribal health facilities, or other available community providers.

*Homeless Veterans.*—The Committee recognizes the importance of providing veterans who are at high risk of homelessness due to traumatic brain injuries or mental health conditions, such as post-traumatic stress disorder, with the resources that they need to prevent homelessness. Although veteran homelessness has declined over 7 percent since 2011, the Committee is concerned with the increasing number of at-risk veterans. The Committee believes there is an imminent requirement for innovative, cost-effective strategies designed to prevent these particularly vulnerable veterans from becoming homeless. The Committee recommends the Department pursue models that seek to help veterans before they become homeless.

*Vet Centers.*—The Committee notes that Vet Centers have played a crucial role in the recovery and rehabilitation of thousands of combat veterans and their families. In doing so, these centers have provided critical services such as readjustment and family counseling, mental health screening, employment assessment, outreach and education, assistance with disability claims, and many other services. For this reason, the Committee has included an additional \$15,000,000 over the budget request to support the Vet Centers program. The Committee is concerned that these critical services are not readily accessible to all veterans, and many Vet Centers are operating at full capacity. As such, the Committee urges the VA to formulate a multiyear plan to greatly expand the Vet Center program to include, but not be limited to, efforts to deploy additional mobile Vet Centers.

*Pop-Up and Virtual Vet Centers for Rural Alaska.*—The Department is credited for its efforts in implementing initiatives utilizing telemedicine technology to extend care to veterans living in rural communities. Of note, VA utilizes vans in the continental United

States to bring the Vet Center program to veterans who do not live near the VA's "bricks and mortar" Vet Centers; however, the utilization of mobile vans to deliver Vet Center services is not possible in the vast stretches of roadless, rural Alaska. The Department is encouraged to address this gap by considering "pop-up" Vet Center programs at regional and statewide gatherings which attract significant numbers of rural Alaska veterans. The Committee also encourages VA to consider utilizing publicly available Internet technology and virtual meeting services to organize virtual Vet Center programs to reach veterans living in remote areas of Alaska. The Department is directed to report to the Committees on Appropriations of both Houses of Congress not later than February 1, 2014, on the feasibility of extending Vet Center services in this manner.

*Caregivers.*—The Committee recognizes the success of the Caregivers Program and the value of expanding this program to all veterans who do not otherwise have access to home care through the Federal Government. Therefore, VA shall assess the impact of expanding the Caregivers Program to veterans of all eras and report such findings to the Committees on Appropriations of both Houses of Congress. Additionally, the VA is directed to provide any available information regarding the number of individuals currently providing care to veterans not eligible for the Caregiver Program.

*Mobile Surgical Units.*—Over the past decade, the Department has undertaken an effort to modernize its medical facilities through new construction and renovation with special focus on its outdated operating rooms. This capital improvement effort has been a critical part of the effort to assure delivery of the highest quality medical care. Often when a VA surgical ward undergoes construction, the VA must find alternative ways to provide surgical services during the construction phase of the project. When other VA surgery capable medical centers are too distant or lack capacity to manage surgical cases from the VA medical center under construction, the VA is forced to send surgical cases to non-VA medical providers at rates that may represent a significant additional expense. Based on the limited but positive experience of VA medical centers which have opted to lease mobile surgical units to cover these surgical cases, the Committee directs the Veterans Integrated Service Networks to perform an economic analysis to determine whether contracted medical care or the lease or purchase of mobile facilities offers the most cost-efficient approach to providing care while permanent facilities are under construction.

The Committee encourages the Department to launch pilot projects in at least two VISNs that are planning renovation or construction projects with the intent of leasing or purchasing mobile surgical units through full and open competition. In preparing for such pilot projects, the VA should develop metrics for a cost-efficiency analysis designed to determine for each individual project whether this approach will achieve savings for the VA when compared to contracting with local medical providers for the same surgical services.

*Nursing Quality Improvements.*—The Committee maintains a longstanding commitment to ensuring that the Nation's veterans receive high-quality care, especially in hospital-based settings. Studies have shown that when data are collected about quality of

care and patient outcomes, health, and well-being can be improved. The VA has been active in making available quality measurements on its “Hospital Compare” Web site and maintains a nursing-specific quality database for VA facilities. The Committee encourages the VA to consider expanding this nursing quality effort by participating in a national data quality measurement system that uses valid and reliable data from all types of inpatient facilities, not just those operated by the VA. The Committee understands that 54 VA hospitals already participate in such a system and encourages wider scale adoption of national quality measurement systems.

*Veterans Affairs/Indian Health Service Collaboration.*—The Department is to be credited for its efforts to establish partnerships with the Indian Health Service and Indian tribes that deliver healthcare under the Indian Self Determination and Educational Assistance Act for Indian and non-Indian veterans who live closer to Indian health facilities in Alaska than they do to VA facilities. The Committee intends to monitor the VA’s progress in implementing these efforts. Therefore, no later than February 1, 2014, the Department, following consultation with participating Alaska Native healthcare programs, is directed to provide the Committees on Appropriations of both Houses of Congress a report on its progress in implementing these partnerships, including challenges faced and difficulties encountered in delivering healthcare to veterans in rural Alaska through these partnerships.

*Orthotics and Prosthetics Workforce.*—With a large portion of VA’s workforce reaching retirement age and a lack of availability of advanced degree programs necessary to train new professionals, the Committee is concerned about the sustainability of the orthotics and prosthetics workforce treating veterans. The Committee recognizes the contributions made by the VHA’s Orthotic and Prosthetic Residency Program to provide rotation opportunities through the VA system, but acknowledges this program alone is inadequate to ensure a sustainable workforce for the future, especially in light of the skillset necessary to provide the increasingly complex, state-of-the-art orthotic and prosthetic care for Iraq and Afghanistan war veterans. The Committee directs the VHA to explore cost effective opportunities to grow the workforce pipeline in order to ensure the future orthotic and prosthetic workforce required by the Nation’s new generation of veterans and to report the findings to the Committees on Appropriations of both Houses of Congress within 180 days of enactment of this act.

*Complementary and Alternative Medicine.*—To improve veterans access to complementary and alternative medicine therapies at VA facilities, the Committee encourages the Department to work with the Office of Personnel Management to establish the necessary coding for VA to hire providers to deliver complementary and alternative medicine therapies.

*VA Trainee Support Program.*—In 2006, Congress passed Public Law 109-461 authorizing the VA to employ licensed professional mental health counselors [LPMHC] and marriage and family therapists [MFT]. Seven years later, the two professions comprise less than 1 percent of the VA behavioral health workforce, despite representing 40 percent of the general mental health workforce. The VA’s Trainee Support Program administered by the Office of Aca-

ademic Affiliations is one of the flagship recruitment programs for the VA. However, LPMHCs and MFTs are not eligible for paid traineeships. The Office of Academic Affiliations has the authority to determine participating professions and has not extended the program to LPMHCs or MFTs despite the fact that allowing these professions to receive stipends through the program would help address workforce shortages within the VA. The Committee supports and encourages the VA to provide LPMHCs and MTFs with financial stipends equivalent to the other mental health professions through the VA Trainee Support Program. Therefore, the Committee directs the Veterans Health Administration to submit a report to the Committees on Appropriations of both Houses of Congress no later than 90 days after enactment of this act, describing steps being taken to end this inequity and make LPMHCs and MFTs eligible for the Trainee Support Program.

MEDICAL SUPPORT AND COMPLIANCE

Appropriations, 2013 .....	\$5,744,161,000
Advance appropriations, 2014 .....	6,033,000,000
Budget estimate, advance appropriation, 2015 .....	5,879,700,000
House allowance, advance appropriation, 2015 .....	5,879,700,000
Committee recommendation, advance appropriation, 2015 .....	5,879,700,000

The Medical support and compliance account provides funds for management, security, and administrative expenses within the VA healthcare system, in addition to providing costs associated with the operation of VA medical centers and clinics, VISN offices, and the VHA Central Office in Washington, DC. This appropriation also covers Chief of Staff and Facility Director operations, quality of care oversight, legal services, billing and coding activities, procurement, financial management, security, and human resource management.

The President’s 2014 and 2015 submission for Medical Support and Compliance is based on an actuarial analysis founded on the current and projected veteran population, enrollment projections of demand, and case mix changes associated with current veteran patients.

COMMITTEE RECOMMENDATION

In fiscal year 2013, the Committee provided an advance appropriation of \$6,033,000,000 for fiscal year 2014 for the Medical support and compliance account. The Committee recommendation includes an advance appropriation of \$5,879,700,000 for Medical support and compliance for fiscal year 2015.

The recommendation also includes an Administrative Provision which rescinds \$50,000,000 from the fiscal year 2014 Medical support and compliance account and has redirected this funding to higher priority items within VHA. Last year, the Committee provided explicit direction to VHA to include detailed budget explanations for several components within the Medical support and compliance account. For instance, the fiscal year 2014 advance included \$911,000,000 for VHA Central Office functions. While the Committee understands that healthcare systems require strong management to ensure that healthcare is provided in a timely and efficient manner, the justification accompanying the budget request

lacks any detail on how the budget was developed. Additionally, the Committee understands that most of VHA’s funding decisions are driven by an actuarial model designed to capture the best data and provide a realistic view of funding needs in the field. However, budget development for central office functions and VISN staff offices are highly driven by fixed requirements, not ones that are dynamic in nature. Thus, the Department should be able to show with great specificity how these budgets are developed. Without this information, the request has no fidelity, and the Committee is left without the appropriate data to determine if these are in fact wise investments in an ever shrinking budget environment. The Committee directs that the Department include detailed budget explanations and a zero-based budget build for components within the Medical support and compliance account in future justifications. Without detailed budget explanations from the Department, the Committee will continue to use its own judgment when determining the validity of future Medical support and compliance requests. For fiscal year 2014, the Committee directs that VHA apply the \$50,000,000 reduction to VHA Central Office functions.

MEDICAL FACILITIES

Appropriations, 2013 <sup>1</sup> .....	\$5,445,259,000
Advance appropriations, 2014 .....	4,872,000,000
Budget estimate, 2014 .....	.....
Committee recommendation, 2014 .....	100,000,000
Budget estimate, advance appropriation, 2015 .....	4,739,000,000
House allowance, advance appropriation, 2015 .....	4,739,000,000
Committee recommendation, advance appropriation, 2015 .....	4,739,000,000

<sup>1</sup> Includes emergency funding of \$6,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

PROGRAM DESCRIPTION

The Medical facilities account provides funds for the operation and maintenance of the VA healthcare system’s vast capital infrastructure. This appropriation provides for costs associated with utilities, engineering, capital planning, leases, laundry, groundskeeping, housekeeping, facility repair, and property disposition and acquisition.

COMMITTEE RECOMMENDATION

In fiscal year 2013, the Committee provided an advance appropriation of \$4,872,000,000 for fiscal year 2014 for the Medical facilities account. The Committee recommendation also includes an additional \$100,000,000 for the Medical facilities account. The Committee remains very concerned about the backlog of maintenance needs at existing VHA hospitals and clinics and has included this additional funding to address this need. Additionally, the Committee recommendation includes an advance appropriation of \$4,739,000,000 for Medical facilities for fiscal year 2015. This is \$233,000,000 below the level for fiscal year 2014 and equal to the budget request.

*Assessment of Rural Community-Based Outpatient Clinics.*—The Committee recognizes that many VA rural community-based outpatient clinics [CBOCs] are in need of improvements, including improvements needed to address population changes, adherence with

HIPPA privacy requirements, and Americans with Disabilities Act requirements and regulations. The Committee directs the VA to conduct a full assessment of all VA CBOCs in rural and highly rural areas, including an assessment of possible expansions and improvements needed to meet applicable medical and healthcare-related legal requirements. The VA is directed to report its findings to the Committees on Appropriations of both Houses of Congress within 180 days of enactment of the act.

MEDICAL AND PROSTHETIC RESEARCH

Appropriations, 2013 .....	\$581,905,000
Budget estimate, 2014 .....	585,664,000
House allowance .....	585,664,000
Committee recommendation .....	585,664,000

PROGRAM DESCRIPTION

The Medical and prosthetic research account provides funds for medical, rehabilitative, and health services research. Medical research supports basic and clinical studies that advance knowledge leading to improvements in the prevention, diagnosis, and treatment of diseases and disabilities. Rehabilitation research focuses on rehabilitation engineering problems in the fields of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. Health services research focuses on improving the effectiveness and economy of the delivery of health services.

COMMITTEE RECOMMENDATION

The Committee recommends \$585,664,000 for Medical and prosthetic research. This is \$3,759,000 above the fiscal year 2013 enacted level and equal to the budget request.

The Committee remains highly supportive of this program, and recognizes its importance both in improving healthcare services to veterans and recruiting and retaining high quality medical professionals in the Veterans Health Administration.

Through the Department’s research and development program, the VA has implemented a comprehensive research agenda to develop new treatments and tools for clinicians to ease the physical and psychological pain of men and women returning from war zones, to improve access to VA healthcare services, and to accelerate discoveries and applications, especially for neurotrauma, sensory loss, amputation, polytrauma, and related prosthetic needs. The Committee encourages the VA to continue its research into developing novel approaches to restoring veterans with amputation, central nervous system injuries, loss of sight or hearing, or other physical and cognitive impairments to full and productive lives.

The Committee believes the published reports and findings of VA research should be easily accessible not only for academic researchers and medical professionals, but for veterans and the general public as well. To that end, the Committee also encourages the Department to exemplify and promote the highest level of public accountability by making its published reports and findings available in an online database that is easily searchable, similar to the online reporting tools utilized by the National Institutes of Health [NIH] which provide public access to its reports, data, and analyses

of NIH research activities, including information on NIH expenditures and the results of NIH supported research.

*Alzheimer’s Research.*—The Committee recognizes that the Department is a member of the Advisory Council on Alzheimer’s Research, Care and Services, and applauds the VA for its long-standing focus on research and innovations in care that affects the lives of veterans, particularly the Resources for Enhancing Alzheimer’s Caregiver Health program that supports caregivers. Within VA’s Traumatic Brain Injury research program, the Committee urges development of a subprogram to advance scientific understanding of Alzheimer’s disease and dementia. Accordingly it should focus specifically on issues of greatest impact to the veteran population. The VA is also encouraged to actively collaborate with external communities to develop and deploy within the Department a registry for veterans suffering from Alzheimer’s disease. Additionally, the Department should build off this effort by developing initiatives that could expedite clinical trial enrollments and related activities in order to accelerate the pace of developing disease modifying therapies and treatments.

*Care of Veterans Suffering From Amyotrophic Lateral Sclerosis [ALS].*—The Department is credited for granting ALS the presumption of service connection and providing care to veterans who suffer from the degenerative disease. The Committee strongly supports VA’s research efforts in the search for therapeutics that can help veterans suffering from ALS lead fuller and more functional lives. In particular, the Committee encourages VA to consider making diaphragmatic pacing devices available to veterans who may benefit from this therapy. Therefore, no later than February 1, 2014, the Department is directed to provide the Committees on Appropriations of both Houses of Congress a report on its efforts to care for veterans with ALS, including its evaluation of diaphragmatic pacing devices.

MEDICAL CARE COST RECOVERY COLLECTIONS

MEDICAL CARE COLLECTION FUND

Appropriations, 2013 .....	\$2,527,000,000
Budget estimate, 2014 .....	2,485,000,000
House allowance .....	2,485,000,000
Committee recommendation .....	2,485,000,000

MEDICAL CARE COLLECTION FUND—REVENUES APPLIED

Appropriations, 2013 .....	–\$2,527,000,000
Budget estimate, 2014 .....	–2,485,000,000
House allowance .....	–2,485,000,000
Committee recommendation .....	–2,485,000,000

PROGRAM DESCRIPTION

The Medical Care Collection Fund [MCCF] was established by the Balanced Budget Act of 1997 (Public Law 105–33). In fiscal year 2004, Public Law 108–199 allowed the Department of Veterans Affairs to deposit first-party and pharmacy co-payments; third-party insurance payments and enhanced-use collections; long-term care co-payments; Compensated Work Therapy Program collections; and Parking Program fees into the MCCF. The Secretary

of Veterans Affairs has the authority to transfer funds from the MCCF to the Medical services account.

#### COMMITTEE RECOMMENDATION

The Committee recommendation includes the authority to retain co-payments and third-party collections, estimated to total \$2,485,000,000 in fiscal year 2014. The Committee remains concerned that estimates of revenues collected through the Medical Care Collection Fund continue to be overly optimistic and urges the VA to provide a contingency plan to ensure the provision of healthcare does not suffer should there be a failure to meet billing and collection expectations. Additionally, the Department should exercise greater oversight of its individual offices and their respective contracting behavior so as to eliminate unnecessary or duplicated functions and spending.

#### NATIONAL CEMETERY ADMINISTRATION

Appropriations, 2013 <sup>1</sup> .....	\$260,043,000
Budget estimate, 2014 .....	250,000,000
House allowance .....	250,000,000
Committee recommendation .....	250,000,000

<sup>1</sup> Includes emergency funding of \$2,100,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

#### ADMINISTRATION OVERVIEW

The National Cemetery Administration [NCA] was established in accordance with Public Law 93–94, the National Cemeteries Act of 1973. It has a four-fold mission: to provide for the interment in any national cemetery of the remains of eligible deceased servicemembers and discharged veterans, together with their spouses and certain dependents, and permanently maintain their graves; to provide headstones for, and to mark graves of, eligible persons in national, State, and private cemeteries; to administer the grant program for aid to States in establishing, expanding, or improving State veterans cemeteries; and to administer the Presidential Memorial Certificate Program.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$250,000,000 for the National Cemetery Administration. This is a decrease of \$10,043,000 below the fiscal year 2013 enacted level and equal to the budget request.

The Committee has included bill language to make available through September 30, 2015, up to \$25,000,000 of the National Cemetery Administration appropriation.

#### DEPARTMENTAL ADMINISTRATION

Appropriations, 2013 <sup>1</sup> .....	\$7,500,148,000
Budget estimate, 2014 .....	7,842,568,000
House allowance .....	7,842,568,000
Committee recommendation .....	7,894,130,000

<sup>1</sup> Includes emergency funding of \$207,531,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

ADMINISTRATION OVERVIEW

Departmental Administration provides for the administration of veterans benefits through the Veterans Benefits Administration [VBA], the executive direction of the Department, several top level supporting offices, the Board of Contract Appeals, and the Board of Veterans Appeals.

COMMITTEE RECOMMENDATION

The Committee recommends \$7,894,130,000 for Departmental Administration. The amount is composed of \$415,885,000 for General administration; \$2,465,490,000 for General operating expenses, veterans benefits administration; \$3,703,344,000 for Information technology systems; \$121,411,000 for the Office of the Inspector General; \$342,130,000 for Construction, major projects; \$714,870,000 for Construction, minor projects; \$85,000,000 for Grants for construction of State extended care facilities; and \$46,000,000 for Grants for the construction of State veterans cemeteries.

GENERAL ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 .....	\$424,176,000
Budget estimate, 2014 .....	403,023,000
House allowance .....	393,023,000
Committee recommendation .....	415,885,000

PROGRAM DESCRIPTION

The General administration account provides funding for the Office of the Secretary, six assistant secretaries, and three independent staff offices.

COMMITTEE RECOMMENDATION

The Committee recommends \$415,885,000 for General administration. This amount is \$8,291,000 below the fiscal year 2013 enacted level and \$12,862,000 above the budget request. The Department's budget request includes reductions below the fiscal year 2013 enacted level for all General Administration offices. The Committee recommendation supports those reductions except for the Board of Veterans Appeals. The Board is responsible for making final decisions on behalf of the Department for appealed veterans benefits claims. The Committee strongly believes that the wait time and backlog at the Board of Veterans Appeals are unacceptable and that the budget request is insufficient to address the number of benefits claims on appeal. Therefore, the Committee recommendation includes an additional \$12,862,000 for the Board of Veterans Appeals. The Committee believes that the same energy being put into reducing the current backlog and average adjudication time of benefits claims must also be applied at the appellate level. The Department is directed to develop and submit to the Committees on Appropriations of both Houses of Congress a strategic plan that outlines how it intends to reduce the number of appeals pending at the Board of Veterans Appeals. The strategic plan shall also address how the Board intends to improve the timeliness

and accuracy of decisions. The plan shall contain an explanation of the projection model used by the Board in calculating future workload, a staffing model to address future workloads, and descriptions to include performance results of any ongoing or planned initiatives designed to speed the processing of appeals and improve the accuracy of decisions.

The Committee has included bill language to make available through September 30, 2015, up to \$20,151,150 for General administration. The funding recommendation for each line office is provided in the table below.

GENERAL ADMINISTRATION

[In thousands of dollars]

Department	Fiscal year 2013 enacted level	Fiscal year 2014 budget request	Committee recommendation
Office of the Secretary .....	10,072	10,032	10,032
Board of Veterans Appeals .....	85,892	75,432	88,294
Office of General Counsel .....	82,989	80,365	80,365
Office of Management .....	45,538	44,098	44,098
Office of Human Resources and Administration .....	70,286	68,064	68,064
Office of Policy and Planning .....	25,980	25,009	25,009
Office of Operations, Security, and Preparedness .....	18,486	17,901	17,901
Office of Public and Intergovernmental Affairs .....	23,007	22,279	22,279
Office of Congressional and Legislative Affairs .....	6,294	5,969	5,969
Office of Acquisition, Logistics and Construction .....	55,632	53,874	53,874
Total .....	424,176	403,023	415,885

*Franchise Fund.*—The Franchise Fund was established in 1997 as a pilot program and made permanent in fiscal year 2006 under Public Law 109–114. The Committee directs the Department to provide a report on the Franchise Fund’s business plan for fiscal year 2013. This plan should include a list of services, customers, overhead expenses, funds collected for services, and the unobligated balance from the previous fiscal year. The VA shall submit this report to the Committees on Appropriations of both Houses of Congress no later than 60 days following enactment of this act.

*Oversight of Construction Activities.*—The Committee believes that VA Central Office needs to strengthen its oversight of all construction activities in the field. Therefore, no later than 60 days after enactment of this act, the Office of the Secretary is directed to provide to the Committees on Appropriations of both Houses of Congress a report outlining processes that are in place to ensure proper oversight of construction. This report should identify which components of central oversight are performed outside of the various VA administrations and whether spot audits are performed in the field.

*Veterans Outreach.*—The Committee commends the Department for its ongoing efforts to measure the overall quality of life for veterans. The Committee also encourages communication with veterans to increase awareness of the services available to them, particularly those veterans whose circumstances might be greatly enhanced by the utilization of veteran programs. The Committee encourages the utilization of outreach and awareness best practices, including the study of multi-channel outreach methods, to find and communicate more effectively with veterans.

GENERAL OPERATING EXPENSES, VETERANS BENEFITS  
ADMINISTRATION

Appropriations, 2013 .....	\$2,161,218,000
Budget estimate, 2014 .....	2,455,490,000
House allowance .....	2,455,490,000
Committee recommendation .....	2,465,490,000

PROGRAM DESCRIPTION

The General operating expenses, veterans benefits administration account provides funding for the Veterans Benefits Administration to administer entitlement programs such as service-connected disability compensation, education benefits, and vocational rehabilitation services.

COMMITTEE RECOMMENDATION

The Committee recommends \$2,465,490,000 for General operating expenses, veterans benefits administration, which is \$304,272,000 above fiscal year 2013 enacted level and \$10,000,000 above the budget request. The Committee has included bill language to make available through September 30, 2015, up to \$123,000,000 for General operating expenses, veterans benefits administration.

*Claims Processing.*—The recommendation includes an additional \$10,000,000 for the General operating expenses, veterans benefits administration account. The additional funds are provided for targeted overtime and increased training programs for Regional Offices that the Secretary determines need additional resources in order to enhance claims processing production and quality. While much of the national spotlight has been focused on eliminating the unacceptable number of backlogged claims, quality cannot be sacrificed in this endeavor. The Committee is aware that over the past year, the Department has established Quality Review Teams [QRT] and expanded training programs. QRTs are charged with assessing the performance of claims processing operations and bridging the gap between local standards and national standards to ensure that quality metrics are maintained. The Committee believes that it is critical that QRTs perform follow-up spot audits in Regional Offices that have undergone challenge training to ensure that national quality standards are being followed. Additionally, the VA must ensure that all training programs for claims processors are routinely followed-up with testing and monitoring at regular intervals. Moreover, when it is determined that a poorly performing Regional Office is in need of supplemental enrichment or challenge training, the VA must have a clearly defined action plan to minimize operational disruptions at the Regional Office during the supplemental training. In order to provide better oversight of quality reviews and training, bill language is included requiring the Secretary to submit quarterly reports which are to include the number and results of QRT review audits conducted, corrective actions taken to address quality deficiencies, and training programs provided. The Committee will utilize this material to assess whether the VA's quality control and training programs are adequate to ensure both timeliness and accuracy in the claims process.

In addition to the quarterly reports, the Committee directs the Department to provide monthly reports to the Committees on Appropriations of both Houses of Congress on performance measures for each Regional Office, including the number of backlogged claims, the average number of days to complete a claim, the accuracy rate, and the origination date of the oldest claim in each Regional Office’s inventory. The report may be submitted electronically and in spreadsheet format. Each report is due no later than 10 calendar days after the last calendar day of the previous month, and that report shall reflect the previous month’s data. The first report should be submitted to the Committees on Appropriations of both Houses of Congress no later than 10 days after the first full month of enactment of this act and continue for the remainder of fiscal year 2014.

*Centers of Excellence.*—Over the course of the next year, the VA will be migrating from a largely paper-based process to an electronic system. This transformation will bring with it the opportunity for multiple claims personnel to work a single, complex, multiple condition claim simultaneously from anywhere in the country. For instance, 10 years ago large paper files had to be copied and sent via mail to another Regional Office in order for this to occur. This process would tack on days, if not weeks, to the adjudication of the claim. In a real time, electronic environment it will be possible for different claims processors with different skill sets to simultaneously work one complex claim. Therefore, the Committee directs the Department to establish a pilot to create Centers of Excellence for highly complex, multiple condition claims. The pilot should focus on those Regional Offices with highly trained specialists in complex conditions which will allow the VA to leverage expertise across the Nation. The Department is directed to provide a report to the Committees on Appropriations of both Houses of Congress no later than 180 days after enactment of this act outlining a plan to create these centers.

*Rural Veterans and Access to the Internet.*—The Committee finds that access to broadband data transmission service in rural communities is frequently lacking and poses an impediment to rural veterans who are working to file fully developed claims electronically. The Committee urges the VA to work with State, local, and tribal governments to find ways to accommodate veterans in rural areas who want to submit fully developed claims but do not have adequate access to the Internet. In many rural communities, public libraries are the only provider of free Internet access. As such, the Committee also urges the VA to work with the Institute of Museum and Library Services and local libraries on ways to help veterans access online VA resources.

INFORMATION TECHNOLOGY SYSTEMS

Appropriations, 2013 <sup>1</sup> .....	\$3,323,584,000
Budget estimate, 2014 .....	3,683,344,000
House allowance .....	3,693,344,000
Committee recommendation .....	3,703,344,000

<sup>1</sup> Includes emergency funding of \$531,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

## PROGRAM DESCRIPTION

The Information Technology [IT] appropriation, along with reimbursements, funds the costs of all IT staff salaries and expenses, the operations and maintenance of all existing information technology systems, and the development of new projects and programs designed to improve the delivery of service to veterans. This appropriation also funds the costs associated with the Office of Information and Technology, which oversees the functions highlighted above.

## COMMITTEE RECOMMENDATION

The Committee recommends \$3,703,344,000 for the Information technology systems account. This amount is \$379,760,000 above the fiscal year 2013 enacted level and \$20,000,000 above the budget request. The Committee recommendation includes \$1,011,400,000 for staff salaries and expenses, \$2,196,653,000 for operation and maintenance of existing programs, and \$495,291,000 for program development, all according to the Department's fiscal year 2014 budget submission.

The Committee has appropriated the Information technology systems account as three subaccounts, with funding levels consistent with the Department's budget submission. This funding structure will enhance the Committee's ability to ensure that funds are executed in a manner consistent with the Department's budget submission. The Committee has provided sufficient flexibility within the subaccounts by way of authorized carryover amounts and reprogramming authority to give the Office of Information Technology as much flexibility as possible to accomplish its mission and goals, while ensuring proper accountability and oversight. The Committee will continue to work with the Department to ensure that the IT projects currently underway, as well as the projects planned for the future, have the resources the VA needs to make them successful.

The Committee has included bill language that restricts the obligation of development funds until the Secretary of Veterans Affairs or the Chief Information Officer submits to the Committees on Appropriations of both Houses of Congress a certification of the amounts, in parts or in full, that will be obligated and expended for each development project. Further, the Office of Information Technology is directed to provide an IT expenditure report, by project, to the Committees on Appropriations of both Houses of Congress on a monthly basis.

*Transformation of Claims Processing.*—The Committee supports the Department's efforts to rapidly transform from an antiquated paper-based claims processing system to one that utilizes modern technology to process claims. To this end, the Committee has fully supported every request for the development and deployment of the Veterans Benefits Management System [VBMS]. The Committee is aware that the Department has accelerated its efforts to deploy initial VBMS capability to all Regional Offices by the end of June 2013. In order to minimize the risk of performance problems, the Committee recommendation includes an additional \$20,000,000 in the Information Technology System's operation and maintenance

subaccount for VBA to increase server capacity and provide other hardware upgrades at the 56 Regional Offices. The Department is directed to provide quarterly updates to the Committee on the implementation of VBMS and to provide details of how this implementation has increased the efficiency and timeliness of the VBA claims process

Additionally, the Committee is aware that the Department of Veterans Affairs and the Department of Defense [DOD] have entered into an agreement for DOD to provide all records to the VA in an electronic format by the end of 2014. The Committee supports this effort but strongly believes that this timeline needs to be accelerated. Therefore, the Committee directs the VA to accelerate this effort by being prepared to receive these documents electronically by the end of calendar year 2013. Similarly, the DOD fiscal year 2014 appropriations bill will carry a directive instructing DOD to accelerate this program. In order to track progress, the Committee directs the VA to submit a report to the Committees on Appropriations of both Houses of Congress no later than February 1, 2014, on the percentage of all records, including “late and loose flowing” records, transmitted electronically to VA from the DOD.

The chart below reflects the Administration’s budget request for development projects and includes the Committee recommendation for each. This chart will serve as the Department’s approved list of development projects, and all requested changes are subject to the reprogramming guidelines as outlined in the accompanying act.

#### INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS

[In thousands of dollars]

Project	Fiscal year 2014 budget request	Committee recommendation
Access to Healthcare .....	3,645	3,645
Integrated Electronic Health Record [iEHR] & VLER Health .....	251,882	251,882
New Models of Care .....	32,647	32,647
Veterans Benefits Management System [VBMS] .....	32,834	32,834
Virtual Lifetime Electronic Record [VLER] .....	11,352	11,352
Veterans Relationship Management [VRM] .....	120,157	120,157
Health Informatics .....	7,774	7,774
International Classification of Diseases—10 .....	4,600	4,600
Other .....	30,400	30,400
<b>Total, All Development .....</b>	<b>495,291</b>	<b>495,291</b>

*Integrated Electronic Health Record [iEHR].*—The Committee is frustrated with the disappointing effort displayed over the past year by the Departments of Veterans Affairs and Defense to continue development of an integrated Electronic Health Record [iEHR]. Nearly 20 years ago, the issue of incompatible electronic records was documented for the Departments. Five years ago, full interoperability of electronic records was mandated by the Congress. In 2011, the Departments decided to replace their respective existing legacy electronic health record systems and agreed to jointly develop an electronic health record through the Interagency Program Office [IPO]. The original schedule estimated operating capability for iEHR by 2017.

In February 2013, because of cost and schedule issues, both Secretaries decided to take iEHR in a different strategic direction: fo-

cusing on creating an interoperable system and a subsequent integrated health record, rather than building a single integrated core system as previously agreed. The Committee understands both Departments believe this new approach will result in a lower overall cost of development and an accelerated timeline for completion. However, the Committee remains concerned by the lack of a well articulated plan forward and the lack of results of development to date. For instance, the Committee has yet to receive a detailed plan, including a timeline, benchmarks, or total cost for this major project. The Committee wants to be very clear with both Departments: the current environment of fragmented and stove-piped systems is not an acceptable option. The Departments must develop and convey to the Committee a coherent path forward for the successful deployment of an interoperable system and integrated electronic health record. Further, the IPO must be more transparent regarding day-to-day functioning, including articulating a clear governance structure and a detailed plan to manage and maintain accountability on behalf of both Departments. In short, the IPO must prove to the Committee that it can produce substantial achievements and adhere to a defined plan forward within the budget estimates.

Included in Public Law 113–6 is a prohibition on obligation or expenditure of fiscal year 2013 funds for the development of iEHR until the Departments submit to the Appropriations subcommittees of jurisdiction a plan for expenditure that meets the outlined requirements. To date, no such a plan has been submitted and therefore VA and DOD have been limited to obligating only 25 percent of the fiscal year 2013 appropriated funds. Due to the Departments' inability to obligate fiscal year 2013 iEHR development funds and the lack of compliance with the requirements outlined in the bill, the Committee continues to include bill language limiting the obligation or expenditure of funds to 25 percent for the development of iEHR in fiscal year 2014 until both Departments provide the subcommittees of jurisdiction an expenditure plan including a long-term roadmap for the life of the project, with annual and total spending for each Department and quarterly milestones. The expenditure plan should also be submitted to the Government Accountability Office [GAO] for review.

The Committee continues to expect briefings from the IPO on a quarterly basis providing a detailed explanation of the cost and schedule of iEHR development, including milestones, knowledge points, and acquisition timelines as it impacts both Departments, as well as quarterly obligation reports. Due to concerns about electronic data security, the Committee encourages the Department to utilize technologies like those developed at the Department of Homeland Security's Center of Innovation to protect and secure VA's electronic health record system as it gains interoperability with the system maintained by the Department of Defense.

*Common Framework for Injury Registries.*—The Committee supports the development of joint registries shared by the Departments of Veterans Affairs and Defense [DOD] to track the diagnosis, treatment, and outcomes of particular injuries and other medical conditions, such as significant eye injuries that occur while on active duty service. Currently, most registries are developed and

administered individually, and the Committee is encouraged by DOD plans to establish a common framework to operate the various injury registries as a single portfolio for both DOD and VA. A common platform will standardize data and reporting; allow clinicians to identify patients with multiple injuries to coordinate and improve treatment; and provide an integrated and comprehensive dataset to more effectively analyze medical care strategies and long-term outcomes. The Committee directs VA to review DOD’s joint registry consolidation plan and report to the Committee within 180 days after enactment of this act on the feasibility of such a plan and how VA would work with DOD to execute a common framework.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2013 .....	\$114,848,000
Budget estimate, 2014 .....	116,411,000
House allowance .....	116,411,000
Committee recommendation .....	121,411,000

PROGRAM DESCRIPTION

The Office of Inspector General [OIG] was established by the Inspector General Act of 1978 and is responsible for the audit, investigation, and inspection of all Department of Veterans Affairs programs and operations.

COMMITTEE RECOMMENDATION

The Committee recommends \$121,411,000 for the Office of Inspector General. This is \$6,563,000 above the fiscal year 2013 enacted level and \$5,000,000 above the budget request. The OIG recently issued a report outlining problems veterans face in receiving timely access to mental health services. In light of the OIG’s findings, the Committee has provided an increase for the Inspector General to increase audits of the Veterans Health Administration and field activities. The Committee has included bill language to make available through September 30, 2015, up to \$6,000,000 for the Office of the Inspector General.

*Collaboration With the Department of Defense.*—While the Department of Veterans Affairs and the Department of Defense [DOD] may have different missions they are at their core, bound together in a mutual mission to support those who have served in the defense of the country. Over the past several years, collaboration between the Departments has significantly increased and the number of joint projects and services has expanded. The Committee applauds these efforts and believes that future information sharing between DOD and VA must strengthen in order to ensure a seamless transition from Active Duty and timely access to VA benefits.

Nowhere is this more evident than in the transmission of service treatment records from DOD to VA. These records are essential in the VA’s process of making accurate and timely determinations of benefits to which a veteran may be entitled. The Committee has been deeply concerned that while cooperation between the two Departments has significantly increased, delays in information sharing still plague the system. In order to increase the oversight of this process, the recommendation includes bill language directing

the VA OIG to work in coordination with the DOD Inspector General to assess the time it takes for service treatment records to be transmitted to VA, impediments to providing the records in a useable, electronic format, and recommendations to streamline this process. The Committee further directs that this report be submitted to the Committees on Appropriations of both Houses of Congress no later than July 31, 2014. The DOD appropriations bill will contain a similar directive to the DOD Inspector General.

#### CONSTRUCTION, MAJOR PROJECTS

Appropriations, 2013 <sup>1</sup> .....	\$738,767,000
Budget estimate, 2014 .....	342,130,000
House allowance .....	342,130,000
Committee recommendation .....	342,130,000

<sup>1</sup> Includes emergency funding of \$207,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

#### PROGRAM DESCRIPTION

The Construction, major projects account provides for constructing, altering, extending, and improving any of the facilities (including parking projects) under the jurisdiction or for the use of the VA, including planning, architectural and engineering services, needs assessment, and site acquisition where the estimated cost of a project is more than the amount set forth in 38 U.S.C. 8104(a)(3)(A). Proceeds realized from Enhanced Use Lease activities may be deposited into the Construction, major projects and Construction, minor projects accounts.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$342,130,000 for the construction of major projects. This is \$396,637,000 below the fiscal year 2013 enacted level and equal to the budget request.

The following table reflects the President's budget request for major construction projects and activities, and the corresponding Committee recommendations.

#### CONSTRUCTION, MAJOR PROJECTS

[In thousands of dollars]

Location and description	Fiscal year 2014 budget request	Committee recommendation
Veterans Health Administration [VHA]:		
Seattle, Washington—Mental Health Clinic and Research Facility .....	149,130	149,130
Advance Planning Fund—Various Locations .....	33,000	33,000
Asbestos—Various Locations .....	5,000	5,000
Major Construction Staff—Various Locations .....	21,000	21,000
Claims Analysis—Various Locations .....	2,000	2,000
Hazardous Waste—Various Locations .....	5,000	5,000
<b>Total, VHA .....</b>	<b>215,130</b>	<b>215,130</b>
National Cemetery Administration [NCA]:		
Central East Florida .....	40,000	40,000
Tallahassee, Florida .....	40,000	40,000
Omaha, Nebraska .....	36,000	36,000
Advance Planning Fund—Various Locations .....	5,000	5,000

## CONSTRUCTION, MAJOR PROJECTS—Continued

[In thousands of dollars]

Location and description	Fiscal year 2014 budget request	Committee recommendation
Total, NCA .....	121,000	121,000
Veterans Benefits Administration (VBA):		
Advance Planning Fund .....	1,000	1,000
Total, VBA .....	1,000	1,000
General Administration—Staff Offices, Advance Planning Fund .....	5,000	5,000
Total Construction, Major Projects .....	342,130	342,130

*DOD/VA Joint Medical Facilities.*—The Committee understands the National Defense Authorization Act [NDAA] for Fiscal Year 2003 directed the Secretaries of Veterans Affairs and Defense to establish a joint incentives program to identify and provide incentives to implement, fund, and evaluate creative healthcare coordination and sharing initiatives between DOD and VA. In August 2004, 12 projects were selected and approved for implementation. Today, 3 of the 12 are still awaiting funding. The Committee intends to monitor the VA's progress on the implementation of approved DOD/VA joint medical facility projects. Therefore, the VA is directed to provide the Committees on Appropriations of both Houses of Congress an update on the progress and status of the remaining three projects that were selected and approved for implementation. The study shall include an explanation of the VA Strategic Capital Investment Planning [SCIP] process and methodology for ranking of capital investment priorities, as well as any potential recommendations by VA to resolve the implementation of SCIP priorities that have been pending for 3 or more years.

The fiscal year 2012 Military Construction and Veterans Affairs, and Related Agencies Appropriations bill included report language instructing the VA and General Services Administration [GSA] to complete a report by March 2012 on more timely and cost-effective solutions for addressing the VA's enormous physical infrastructure needs. Despite the urgency of this problem, the report has yet to be submitted to the Committee. Therefore, the Committee directs the VA and GSA to complete and submit the final report within 45 days of enactment of this act.

## CONSTRUCTION, MINOR PROJECTS

Appropriations, 2013 .....	\$606,728,000
Budget estimate, 2014 .....	714,870,000
House allowance .....	714,870,000
Committee recommendation .....	714,870,000

## PROGRAM DESCRIPTION

The Construction, minor projects account provides for constructing, altering, extending, and improving any of the facilities (including parking) under the jurisdiction or for the use of the VA, including planning, assessment of needs, architectural and engineering services, and site acquisition, where the estimated cost of

a project is equal to or less than \$10,000,000. Public Law 106–117, the Veterans Millennium Health Care and Benefits Act of 1999, gave the VA the authority to make capital contributions from minor construction in enhanced-use leases. Proceeds realized from enhanced-use lease activities may be deposited into the Construction, major projects and Construction, minor projects accounts.

COMMITTEE RECOMMENDATION

The Committee recommends \$714,870,000 for minor construction. This is \$108,142,000 above the fiscal year 2013 enacted level and equal to the budget request.

The recommendation includes \$541,879,000 for the Veterans Health Administration, \$89,426,000 for the National Cemetery Administration, \$25,067,000 for General Administration—Staff Offices, and \$58,498,000 for the Veterans Benefits Administration. The Committee directs the Department to provide an expenditure plan within 30 days of enactment of this act for the amount appropriated for minor construction.

The Committee is aware that capital improvement projects at VA medical centers may result in a hospital or clinic having to find alternatives for delivering care during the duration of the renovation or construction project. Depending on the alternative chosen, the total cost of the project could be affected. For example, the cost of fee care is not built into the cost of a renovation or construction project. Conversely, if the hospital chooses to provide a temporary solution on the hospital grounds, such as a mobile surgical unit, the costs are built into the renovation or construction project. Due to the limitation of \$10,000,000 for minor construction projects, this may result in medical centers opting for fee care rather than providing a temporary solution at the hospital, regardless of whether the temporary solution is more cost effective. Therefore, if a business case or cost benefit analysis determines that providing a temporary hospital-based solution is more cost effective overall, the Secretary may exercise his authority to waive the policy that requires temporary solutions be built into the cost of the renovation or construction project.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriations, 2013 .....	\$84,888,000
Budget estimate, 2014 .....	82,650,000
House allowance .....	82,650,000
Committee recommendation .....	85,000,000

PROGRAM DESCRIPTION

This account is used to provide grants to assist States in acquiring or constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel, or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the project. Public Law 102–585 granted permanent authority for this program, and Public Law 106–117 provided greater specificity in directing VA to prescribe regulations for the number of beds for which grant assistance may be furnished. This program has been a successful partnership be-

tween the States and the VA in meeting the long-term care needs of elderly veterans for decades.

COMMITTEE RECOMMENDATION

The Committee recommends \$85,000,000 for grants for the construction of State extended care facilities. This is \$2,350,000 above the budget request.

The Committee is aware that many State Veterans Homes are operating at or near the capacity allowed under the VA’s regulations for the maximum number of nursing home and domiciliary care beds for veterans. To ensure VA regulations appropriately provide for individual State needs, the Committee directs the VA to conduct the review required under 38 U.S.C. 8134 in fiscal year 2014, and in carrying out that review, take into consideration the demonstrated significant need in any State, as evidenced by the high occupancy rate of such States’ veterans homes, and allocate additional beds for any State demonstrating such significant need.

GRANTS FOR CONSTRUCTION OF VETERANS CEMETERIES

Appropriations, 2013 .....	\$45,939,000
Budget estimate, 2014 .....	44,650,000
House allowance .....	44,650,000
Committee recommendation .....	46,000,000

PROGRAM DESCRIPTION

Public Law 105–368 amended title 38 U.S.C. 2408 and established authority to provide aid to States for establishment, expansion, and improvement of State veterans cemeteries, which are operated and permanently maintained by the States. This statutory change increased the maximum Federal share from 50 percent to 100 percent in order to fund construction costs and the initial equipment expenses when the cemetery is established. The States remain responsible for providing the land and for paying all costs related to the operation and maintenance of the State cemeteries, including the costs for subsequent equipment purchases.

COMMITTEE RECOMMENDATION

The Committee recommends \$46,000,000 for grants for the construction of State veterans cemeteries. This is \$1,350,000 above the budget request.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 201. The Committee includes a provision which outlines re-programming authority and responsibilities for the Veterans Benefits Administration.

SEC. 202. The Committee includes a provision which outlines re-programming authority and responsibilities for the Veterans Health Administration.

SEC. 203. The Committee includes a provision which outlines the use of the Salaries and expenses account.

SEC. 204. The Committee includes a provision mandating that only construction funds may be used for land procurement.

SEC. 205. The Committee includes a provision allowing for reimbursements to the Medical services account.

SEC. 206. The Committee includes a provision allowing for payments of prior year obligations.

SEC. 207. The Committee includes a provision which allows for the use of fiscal year 2013 funds for prior year obligations.

SEC. 208. The Committee includes a provision which allows for payments from the National Service Life Insurance Fund.

SEC. 209. The Committee includes a provision which outlines the use of funds from enhanced-use lease proceeds.

SEC. 210. The Committee includes a provision which provides for funds for the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication.

SEC. 211. The Committee includes a provision which sets a limit on new leases without congressional approval.

SEC. 212. The Committee includes a provision which requires disclosure of third-party reimbursement information.

SEC. 213. The Committee includes a provision which allows for the transfer of revenue derived from enhanced-use leases into the construction accounts.

SEC. 214. The Committee includes a provision which outlines authorized uses for medical services funds.

SEC. 215. The Committee includes a provision which allows funds in the Medical Care Collection Fund to be transferred into the Medical services and Medical facilities accounts.

SEC. 216. The Committee includes a provision which allows eligible veterans in the State of Alaska to obtain medical care services.

SEC. 217. The Committee includes a provision which allows for the transfer of funds into the construction accounts.

SEC. 218. The Committee includes a provision which allows for outreach and marketing to enroll new veterans.

SEC. 219. The Committee includes a provision requiring the Secretary of Veterans Affairs to submit quarterly financial reports on the Veterans Health Administration.

SEC. 220. The Committee includes a provision outlining transfer authority for the Information technology systems account.

SEC. 221. The Committee includes a provision prohibiting any funds to be used to contract out any functions performed by more than 10 employees without a fair competition process.

SEC. 222. The Committee includes a provision limiting the amount of nonrecurring maintenance funds that can be obligated during the last 2 months of the fiscal year.

SEC. 223. The Committee includes a provision allowing for the transfer of funds from certain accounts to the Joint Department of Defense/Department of Veterans Affairs Medical Facility Demonstration Fund, as authorized by Public Law 111-84.

SEC. 224. The Committee includes a provision allowing for the transfer of certain funds deposited in the Medical Care Collections Fund to the Joint Department of Defense/Department of Veterans Affairs Medical Facility Demonstration Fund, as authorized by Public Law 111-84.

SEC. 225. The Committee includes a provision directing a minimum of \$15,000,000 be transferred from Medical services, Medical support and compliance, and Medical facilities to the Department

of Defense/Department of Veterans Affairs Health Care Sharing Incentive Fund, as authorized by section 8111 of title 38, United States Code.

SEC. 226. The Committee includes a provision rescinding funds from certain accounts and appropriating additional amounts with 2-year authority.

SEC. 227. The Committee includes a provision requiring notification of all bid savings for major construction projects.

SEC. 228. The Committee includes a provision restricting scope increases for major construction projects above that specified in the original project justification.

SEC. 229. The Committee includes a provision prohibiting the use of funds in the act for any contract using procedures that do not give to small business concerns owned and controlled by veterans any preference with respect to such contract, except for a preference given to small business concerns owned and controlled by service-disabled veterans.

SEC. 230. The Committee includes a provision requiring the Department to submit reports relating to the Veterans Benefits Administration on claims processing at Regional Offices.

TITLE III  
RELATED AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

PROGRAM DESCRIPTION

The American Battle Monuments Commission [ABMC] is responsible for the following: the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 1917 (the date of the United States entry into World War I); the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military memorial cemeteries and 31 monuments, memorials, and markers in 15 countries around the world, including three memorials on U.S. soil.

SALARIES AND EXPENSES

Appropriations, 2013 <sup>1</sup> .....	\$61,225,000
Budget estimate, 2014 .....	58,200,000
House allowance .....	57,980,000
Committee recommendation .....	63,200,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

COMMITTEE RECOMMENDATION

The Committee recommends \$63,200,000 for the Salaries and expenses account. This amount is \$1,975,000 above the fiscal year 2013 enacted level and \$5,000,000 above the budget request. The Committee has provided additional funds to support ABMC's interpretive program and nonrecurring maintenance needs.

FOREIGN CURRENCY FLUCTUATIONS

Appropriations, 2013 <sup>1</sup> .....	\$14,788,000
Budget estimate, 2014 .....	14,100,000
House allowance .....	14,100,000
Committee recommendation .....	14,100,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

COMMITTEE RECOMMENDATION

The Committee recommends an estimated \$14,100,000 for the Foreign currency fluctuation account. This amount is equal to the budget request.

The Committee has again included language in the accompanying act, as proposed by the administration, that would allow funding for this account on a "such sums as necessary" basis. Funding the account in this manner allows the Commission to

maintain cemeteries regardless of the volatility of foreign currency fluctuations.

## UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

### OVERVIEW

The United States Court of Appeals for Veterans Claims was established by the Veterans' Judicial Review Act of 1988. The Court is an independent judicial tribunal with exclusive jurisdiction to review decisions of the Board of Veterans Appeals. It has the authority to decide all relevant questions of law; interpret constitutional, statutory, and regulatory provisions; and determine the meaning or applicability of the terms of an action by the Secretary of Veterans Affairs. It is authorized to compel action by the Secretary. It is authorized to hold unconstitutional or otherwise unlawful and set aside decisions, findings, conclusions, rules, and regulations issued or adopted by the Secretary of Veterans Affairs, the Board of Veterans Appeals, or the Chairman of the Board that are found to be arbitrary or capricious. The Court's principal office location is Washington, DC; however, it is a national court, empowered to sit anywhere in the United States.

### SALARIES AND EXPENSES

Appropriations, 2013 <sup>1</sup> .....	\$31,601,000
Budget estimate, 2014 .....	35,408,000
House allowance .....	35,272,000
Committee recommendation .....	35,408,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

### COMMITTEE RECOMMENDATION

The Committee recommends \$35,408,000 for the U.S. Court of Appeals for Veterans Claims. This amount is \$3,807,000 above the fiscal year 2013 enacted level and equal to the budget request.

## DEPARTMENT OF DEFENSE—CIVIL

### CEMETERIAL EXPENSES, ARMY

#### OVERVIEW

The Secretary of the Army is responsible for the administration, operation and maintenance of Arlington National Cemetery and the Soldiers' and Airmen's Home National Cemetery. In addition to its principal function as a national cemetery, Arlington is the site of approximately 3,000 nonfuneral ceremonies each year and has approximately 4 million visitors annually.

### SALARIES AND EXPENSES

Appropriations, 2013 <sup>1</sup> .....	\$64,018,000
Budget estimate, 2014 .....	45,800,000
House allowance .....	70,685,000
Committee recommendation .....	70,800,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

COMMITTEE RECOMMENDATION

The Committee recommends \$70,800,000 for Salaries and expenses. This amount is \$6,782,000 above the fiscal year 2013 enacted level and \$25,000,000 above the budget request. The Committee is aware that Arlington National Cemetery currently has a backlog of infrastructure repairs totaling \$56,996,561. As it did last year, the administration's budget submission for the Department of Defense's military construction programs contains an Administrative Provision which would allow the Secretary of the Army to transfer funds appropriated to the Army's Operation and Maintenance account to Arlington National Cemetery. The justification material accompanying the budget submission estimated that the transfer would not exceed \$25,000,000 in fiscal year 2014. However, this was merely an estimate, and the proposed language did not seek to cap the amount that could be transferred, nor did it provide any mechanism for reporting to Congress the amounts transferred, thus limiting the budgetary oversight provided by the Committee. The Committee believes that funding for the operation of Arlington National Cemetery should be provided within this account and not spread across multiple accounts in different appropriation bills. In order to address the shortfall and provide greater visibility of budgetary resources and oversight, the recommendation includes an additional \$25,000,000 within this account and does not provide the transfer authority from the Army's Operation and Maintenance account. In the future, the Committee strongly encourages the Department of Defense to budget the appropriate resources within the Cemeterial Expenses, Army, Salaries and Expenses account rather than seeking broad transfer authority from the Army's Operation and Maintenance account.

The Committee directs the Executive Director of Arlington National Cemetery to continue the office's audits of past contracts and outstanding financial obligations, and update the Committee on its findings along with quarterly reports on unexpended prior year funding, status updates on the upgrading of the information technology systems, and reports on ANC's expansion plans. The Committee encourages cemetery officials and the Department of the Army to work with the Department of Veterans Affairs in the development of a common architecture software for the information technology system for Arlington National Cemetery.

CONSTRUCTION

Appropriations, 2013 <sup>1</sup> .....	\$100,211,000
Budget estimate, 2014 .....	
House allowance .....	
Committee recommendation .....	

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

COMMITTEE RECOMMENDATION

The administration did not request, and the Committee does not recommend, any funding for the Cemeterial Expenses, Army, Construction account. In fiscal year 2013, the Committee provided full funding for the Millennium Project and funding for initial planning and design for the future expansion of Arlington National Ceme-

tery to the Navy Annex site. The Committee anticipates future construction requests once initial planning and design is complete.

#### ARMED FORCES RETIREMENT HOME

##### TRUST FUND

Appropriations, 2013 <sup>1</sup> .....	\$65,760,000
Budget estimate, 2014 .....	67,800,000
House allowance .....	67,400,000
Committee recommendation .....	67,800,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

##### COMMITTEE RECOMMENDATION

The Committee recommends authority to expend \$67,800,000 from the Armed Forces Retirement Home [AFRH] Trust Fund to operate and maintain the Armed Forces Retirement Home—Washington, DC, and the Armed Forces Retirement Home—Gulfport, Mississippi.

TITLE IV  
GENERAL PROVISIONS

SEC. 401. The Committee includes a provision that prohibits the obligation of funds beyond the current fiscal year unless expressly so provided.

SEC. 402. The Committee includes a provision that prohibits the use of funds for programs, projects, or activities not in compliance with Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 403. The Committee includes a provision that requires pay raises to be absorbed within the levels appropriated.

SEC. 404. The Committee includes a provision that prohibits the use of funds to support or defeat legislation pending before Congress.

SEC. 405. The Committee includes a provision that encourages the expansion of E-commerce technologies and procedures.

SEC. 406. The Committee includes a provision that specifies the congressional committees that are to receive all reports and notifications.

SEC. 407. The Committee includes a provision that limits funds from being transferred from this appropriations measure to any instrumentality of the United States Government without authority from an appropriations act.

SEC. 408. The Committee includes a provision regarding the posting of congressional reports on agency Web sites.

SEC. 409. The Committee includes a provision prohibiting the use of funds to establish or maintain a computer network unless such network blocks the viewing, downloading, and exchanging of pornography, except for law enforcement investigation, prosecution, or adjudication activities.

SEC. 410. The Committee includes a provision limiting the construction of facilities for the purposes of housing individuals detained at Guantánamo Bay, Cuba.

SEC. 411. The Committee includes a provision prohibiting the use of funds to pay for attendance of more than 50 employees at any single conference outside the United States.

SEC. 412. The Committee includes a provision requiring agencies to report conference spending to the Inspectors General and prohibiting the use of funds made available in this act for travel and conference expenses not in compliance with Office of Management and Budget memorandum M-12-12 dated May 11, 2012.

SEC. 413. The Committee includes a provision regarding the fiscal year 2014 budget conference.

## PROGRAM, PROJECT, AND ACTIVITY

In fiscal year 2014, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) or the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119), the following information provides the definition of the term “program, project, and activity” for departments, agencies and programs under the jurisdiction of the Military Construction and Veterans Affairs, and Related Agencies subcommittee. The term “program, project, and activity” shall include the most specific level of budget items identified in the Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2014, the House and Senate Committee reports, and the conference report and accompanying joint explanatory statement of managers of the committee of conference.

If a sequestration order is necessary, in implementing the Presidential order, departments, and agencies shall apply any percentage reduction required for fiscal year 2013 pursuant to the provisions of Public Law 99–177 or Public Law 100–119 to all items specified in the justifications submitted to the Committees on Appropriations of the Senate and House of Representatives in support of the fiscal year 2014 budget estimates, as amended, for such departments and agencies, as modified by congressional action, and in addition, for the Department of Defense, Military Construction, the definition shall include specific construction locations as identified in the explanatory notes.

### COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports accompanying general appropriations bills identify each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

The Committee recommends funding for the following programs which currently lack authorization:

#### *Title I: Department of Defense*

- Military Construction, Army
- Military Construction, Navy and Marine Corps
- Military Construction, Air Force
- Military Construction, Defense-Wide
- Military Construction, Army National Guard
- Military Construction, Air National Guard
- Military Construction, Army Reserve
- Military Construction, Navy Reserve
- Military Construction, Air Force Reserve

North Atlantic Treaty Organization Security Investment Program

Family Housing Construction, Army  
 Family Housing Operation and Maintenance, Army  
 Family Housing Construction, Navy and Marine Corps  
 Family Housing Operation and Maintenance, Navy and Marine Corps

Family Housing Construction, Air Force  
 Family Housing Operation and Maintenance, Air Force  
 Family Housing Operation and Maintenance, Defense-Wide  
 Department of Defense, Family Housing Improvement Fund  
 Chemical Demilitarization Construction, Defense-Wide  
 Department of Defense Base Closure Account

*Title II: Department of Veterans Affairs*

Veterans Benefits Administration  
 Veterans Health Administration  
 National Cemetery Administration  
 Departmental Administration

*Title III: Related Agencies*

American Battle Monuments Commission  
 U.S. Court of Appeals for Veterans Claims  
 Cemeterial Expenses, Army  
 Armed Forces Retirement Home

COMPLIANCE WITH PARAGRAPH 7(c), RULE XXVI OF THE  
 STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on June 27, 2013, the Committee ordered favorably reported the bill (H.R. 2216), making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2014, and for other purposes, subject to amendment, by a recorded vote of 23–6, a quorum being present. The vote was as follows:

Yeas	Nays
Chairwoman Mikulski	Mr. Shelby
Mr. Leahy	Mr. McConnell
Mr. Harkin	Mr. Alexander
Mrs. Murray	Mr. Graham
Mrs. Feinstein	Mr. Coats
Mr. Durbin	Mr. Johanns
Mr. Johnson	
Ms. Landrieu	
Mr. Reed	
Mr. Pryor	
Mr. Tester	
Mr. Udall	
Mrs. Shaheen	
Mr. Merkley	
Mr. Begich	
Mr. Cochran	
Ms. Collins	

Ms. Murkowski  
 Mr. Kirk  
 Mr. Blunt  
 Mr. Moran  
 Mr. Hoeven  
 Mr. Boozman

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE  
 STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

The Committee bill as recommended contains no such provisions.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.  
 308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee guidance <sup>1</sup>	Amount in bill	Committee guidance	Amount in bill
Comparison of amounts in the bill with Committee guidance to its subcommittees of amounts for 2014: Subcommittee on Military Construction and Veterans Affairs, and Related Agencies:				
Mandatory .....	NA	81,475	NA	<sup>2</sup> 81,172
Discretionary .....	74,366	74,366	NA	<sup>2</sup> 76,510
Security .....	10,688	10,688	NA	NA
Nonsecurity .....	63,678	63,678	NA	NA
Projections of outlays associated with the recommendation:				
2014 .....	.....	.....	.....	<sup>3</sup> 87,076
2015 .....	.....	.....	.....	5,964
2016 .....	.....	.....	.....	4,349
2017 .....	.....	.....	.....	1,895
2018 and future years .....	.....	.....	.....	1,440
Financial assistance to State and local governments for 2014 .....	NA	144	NA	- 8

<sup>1</sup> There is no section 302(a) allocation to the Committee on Appropriations for fiscal year 2014.

<sup>2</sup> Includes outlays from prior-year budget authority.

<sup>3</sup> Excludes outlays from prior-year budget authority.

NA: Not applicable.

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION

[In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
ALABAMA					
ARMY NATIONAL GUARD: DECATUR: NATIONAL GUARD READINESS CENTER ADD/ALT .....	4,000	4,000	4,000		
AIR NATIONAL GUARD: BIRMINGHAM IAF: ADD TO AND ALTER DISTRIBUTED GROUND STATION F .....	8,500	8,500	8,500		
TOTAL, ALABAMA .....	12,500	12,500	12,500		
ALASKA					
ARMY: FORT WAINWRIGHT: AVIATION BATTALION COMPLEX .....	45,000	45,000	45,000		
AVIATION STORAGE HANGAR .....	58,000	58,000	58,000		
DEFENSE-WIDE: CLEAR AFS: BMDS UPGRADE EARLY WARNING RADAR .....	17,204	17,204	17,204		
FORT GREELY: MECHANICAL-ELECTRICAL BUILDING MISSILE FIELD #1 .....	82,000	82,000	82,000		
TOTAL, ALASKA .....	202,204	202,204	202,204		
ARIZONA					
AIR FORCE: LUKE AFB: F-35 FIELD TRAINING DETACHMENT .....	5,500	5,500	5,500		
F-35 SQ OPS/AIRCRAFT MAINTENANCE UNIT #3 .....	21,400	21,400	21,400		
TOTAL, ARIZONA .....	26,900	26,900	26,900		

ARMS NATIONAL GUARD:					
FORT CHAFFEE:					
SCOUT/RECE GUNNERY COMPLEX .....	21,000	21,000	21,000	21,000	21,000
TOTAL, ARKANSAS .....	21,000	21,000	21,000	21,000	21,000
CALIFORNIA					
NAVY:					
BARSTOW:					
ENGINE DYNAMOMETER FACILITY .....	14,998	14,998	14,998	14,998	14,998
CAMP PENDLETON:					
AMMUNITION SUPPLY POINT UPGRADE .....	13,124	13,124	13,124	13,124	13,124
CORONADO:					
H-60 TRAINER FACILITY .....	8,910	8,910	8,910	8,910	8,910
POINT MUGU:					
AIRCRAFT ENGINE TEST PADS .....	7,198	7,198	7,198	7,198	7,198
BAMS CONSOLIDATED MAINTENANCE HANGAR .....	17,469	17,469	17,469	17,469	17,469
PORT HUENEME:					
UNACCOMPANIED HOUSING CONVERSION .....	33,600	33,600	33,600	33,600	33,600
SAN DIEGO:					
STEAM PLANT DECENTRALIZATION .....	34,331	34,331	34,331	34,331	34,331
TWENTYNINE PALMS:					
CAMP WILSON INFRASTRUCTURE UPGRADES .....	33,437	33,437	33,437	33,437	33,437
AIR FORCE:					
BEALE AFB:					
DISTRIBUTED COMMON GROUND STATION OPERATIONS BUILDING .....	62,000	62,000	62,000	62,000	62,000
DEFENSE-WIDE:					
BRAWLEY:					
SOF DESERT WARFARE TRAINING CENTER .....	23,095	23,095	23,095	23,095	23,095
DEFENSE DISTRIBUTION DEPOT—TRACY:					
GENERAL PURPOSE WAREHOUSE .....	37,554	37,554	37,554	37,554	37,554
MIRAMAR:					
REPLACE FUEL PIPELINE .....	6,000	6,000	6,000	6,000	6,000
ARMY RESERVE:					
CAMP PARKS:					
ARMY RESERVE CENTER .....	17,500	17,500	17,500	17,500	17,500
FORT HUNTER LIGGETT:					
TASS TRAINING CENTER [TTC] .....	16,500	16,500	16,500	16,500	16,500

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
NAVY RESERVE: MARCH AFB: NOSC MORENO VALLEY RESERVE TRAINING CENTER .....	11,086	11,086	11,086	.....	.....
AIR FORCE RESERVE: MARCH AFB: JOINT REGIONAL DEPLOYMENT PROCESSING CENTER .....	19,900	19,900	19,900	.....	.....
TOTAL, CALIFORNIA .....	356,702	356,702	356,702	.....	.....
COLORADO					
ARMY: FORT CARSON: AIRCRAFT MAINTENANCE HANGAR .....	73,000	73,000	73,000	.....	.....
AIRCRAFT MAINTENANCE HANGAR .....	66,000	66,000	66,000	.....	.....
CENTRAL ENERGY PLANT .....	34,000	34,000	34,000	.....	.....
FIRE STATION .....	12,000	12,000	12,000	.....	.....
HEADQUARTERS BUILDING .....	33,000	33,000	33,000	.....	.....
RUNWAY .....	12,000	12,000	12,000	.....	.....
SIMULATOR BUILDING .....	12,200	12,200	12,200	.....	.....
DEFENSE-WIDE: FORT CARSON: SOF GROUP SUPPORT BATTALION .....	22,282	22,282	22,282	.....	.....
TOTAL, COLORADO .....	264,482	264,482	264,482	.....	.....
FLORIDA					
ARMY: EGLIN AFB: AUTOMATED SNIPER FIELD FIRE RANGE .....	4,700	4,700	4,700	.....	.....



MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
DEFENSE-WIDE:					
FORT BENNING:					
FAITH MIDDLE SCHOOL ADDITION .....	6,031	6,031	6,031		
WHITE ELEMENTARY SCHOOL REPLACEMENT .....	37,304	37,304	37,304		
FORT STEWART:					
DIAMOND ELEMENTARY SCHOOL REPLACEMENT .....	44,504	44,504	44,504		
HUNTER ARMY AIRFIELD:					
REPLACE FUEL ISLAND .....	13,500	13,500	13,500		
MOODY AFB:					
REPLACE GROUND VEHICLE FUELING FACILITY .....	3,800	3,800	3,800		
TOTAL, GEORGIA .....	244,466	244,466	244,466		
HAWAII					
ARMY:					
FORT SHAFTER:					
COMMAND AND CONTROL FACILITY—ADMIN .....	75,000	65,000	75,000		+ 10,000
NAVY:					
KANEHOE BAY:					
3RD RADIO BN MAINTENANCE/OPERATIONS COMPLEX .....	25,336	25,336	25,336		
AIRCRAFT MAINTENANCE EXPANSION .....	16,968	16,968	16,968		
AIRCRAFT MAINTENANCE HANGAR UPGRADES .....	31,820	31,820	31,820		
ARMORY ADDITION AND RENOVATION .....	12,952	12,952	12,952		
AVIATION SIMULATOR MODERNIZATION/ADDITION .....	17,724	17,724	17,724		
MV-22 HANGAR .....	57,517	57,517	57,517		
MV-22 PARKING APRON AND INFRASTRUCTURE .....	74,665	74,665	74,665		
PEARL CITY:					
WATER TRANSMISSION LINE .....	30,100	30,100	30,100		
PEARL HARBOR:					
DRYDOCK WATERFRONT FACILITY .....	22,721	22,721	22,721		
SUBMARINE PRODUCTION SUPPORT FACILITY .....	35,277	35,277	35,277		



MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
AIR FORCE:					
FORT CAMPBELL:					
19TH AIR SUPPORT OPERATIONS SQUADRON EXPANSION .....	8,000	8,000	8,000		
DEFENSE-WIDE:					
BLUE GRASS ARMY DEPOT:					
AMMUNITION DEMILITARIZATION FACILITY, PHASE XIV .....	122,536	122,536	122,536		
FORT CAMPBELL:					
FORT CAMPBELL HIGH SCHOOL REPLACEMENT .....	59,278	59,278	59,278		
MARSHALL ELEMENTARY SCHOOL REPLACEMENT .....	38,591	38,591	38,591		
SOF GROUP SPECIAL TROOPS BATTALION .....	26,342	26,342	26,342		
FORT KNOX:					
AMBULATORY HEALTH CENTER .....	265,000	265,000	215,000	-50,000	-50,000
CONSERVATIVE VAN VOORHIS-MUDGE ELEMENTARY SCHOOLS .....	38,023	38,023	38,023		
TOTAL, KENTUCKY .....	562,570	562,570	512,570	-50,000	-50,000
TOTAL, MAINE .....					
TOTAL, KENTUCKY AND MAINE .....					
NAVY:					
BANGOR:					
NCTAMS VLF COMMERCIAL POWER CONNECTION .....	13,800	13,800	13,800		
KITTEERY:					
STRUCTURAL SHOPS CONSOLIDATION .....	11,522	11,522	11,522		
TOTAL, MAINE .....	25,322	25,322	25,322		
TOTAL, MAINE AND BANGOR .....					
TOTAL, MAINE, BANGOR AND KITTEERY .....					
ARMY:					
ABERDEEN PROVING GROUND:					
OPERATIONS AND MAINTENANCE FACILITIES .....	21,000	21,000	21,000		
FORT DETRICK:					
ENTRY CONTROL POINT .....	2,500	2,500	2,500		

HAZARDOUS MATERIAL STORAGE BUILDING .....	4,600	4,600	4,600	.....	.....	.....
NAVY:						
FORT MEADE:						
WARFORCYBERCOM HQ-OPS BUILDING .....	83,988	.....	.....	.....	.....	+ 83,988
AIR FORCE:						
FORT MEADE:						
CYBERCOM JOINT OPERATIONS CENTER, INCREMENT 1 .....	85,000	85,000	85,000	.....	.....	.....
JOINT BASE ANDREWS:						
HELICOPTER OPERATIONS FACILITY .....	30,000	30,000	30,000	.....	.....	.....
DEFENSE-WIDE:						
ABERDEEN PROVING GROUND:						
PUBLIC HEALTH COMMAND LAB REPLACEMENT .....	210,000	110,000	210,000	.....	.....	+ 100,000
BETHESDA (WRNMMCI):						
MECHANICAL AND ELECTRICAL IMPROVEMENTS .....	46,800	46,800	46,800	.....	.....	.....
PARKING GARAGE .....	20,000	20,000	20,000	.....	.....	.....
FORT DETRICK:						
USAMRIID REPLACEMENT STAGE 1, INCR 8 .....	13,000	.....	13,000	.....	.....	+ 13,000
FORT MEADE:						
HIGH PERFORMANCE COMPUTING CENTER INC 3 .....	431,000	431,000	431,000	.....	.....	.....
NSAW RECAPITALIZE BUILDING #1/SITE M INC 2 .....	58,000	58,000	58,000	.....	.....	.....
JOINT BASE ANDREWS:						
AMBULATORY CARE CENTER INC 2 .....	76,200	63,800	76,200	.....	.....	+ 12,400
AIR NATIONAL GUARD:						
FORT MEADE:						
175TH NETWORK WARFARE SQUADRON FACILITY .....	4,000	.....	4,000	.....	.....	+ 4,000
MARTIN STATE AIRPORT:						
CYBER/SR FACILITY .....	8,000	.....	8,000	.....	.....	+ 8,000
ARMY RESERVE:						
BOWIE:						
ARMY RESERVE CENTER .....	25,500	25,500	25,500	.....	.....	.....
TOTAL, MARYLAND .....	1,119,588	898,200	1,119,588	.....	.....	+ 221,388
MASSACHUSETTS						
DEFENSE-WIDE:						
HANSCOM AFB:						
HANSCOM PRIMARY SCHOOL REPLACEMENT .....	36,213	36,213	36,213	.....	.....	.....

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
ARMY NATIONAL GUARD: CAMP EDWARDS: ENLISTED BARRACKS, TRANSIENT TRAINING ADD .....	19,000	19,000	19,000		
TOTAL, MASSACHUSETTS .....	55,213	55,213	55,213		
MICHIGAN					
ARMY NATIONAL GUARD: CAMP GRAYLING: ENLISTED BARRACKS, TRANSIENT TRAINING .....	17,000	17,000	17,000		
TOTAL, MICHIGAN .....	17,000	17,000	17,000		
MINNESOTA					
ARMY NATIONAL GUARD: STILLWATER: READINESS CENTER .....	17,000	17,000	17,000		
TOTAL, MINNESOTA .....	17,000	17,000	17,000		
MISSISSIPPI					
ARMY NATIONAL GUARD: CAMP SHELBY: WATER SUPPLY/TREATMENT BUILDING, POTABLE .....	3,000	3,000	3,000		
PASCAGOULA: READINESS CENTER .....	4,500	4,500	4,500		
TOTAL, MISSISSIPPI .....	7,500	7,500	7,500		

MISSOURI					
ARMY:					
	FORT LEONARD WOOD:				
	ADV INDIVIDUAL TRAINING BARRACKS COMPLEX, PHASE 1 .....	86,000	86,000	86,000	86,000
	SIMULATOR BUILDING .....	4,700	4,700	4,700	4,700
AIR FORCE:					
	WHITEMAN AFB:				
	W5A MOP IGLOOS AND ASSEMBLY FACILITY .....	5,900	5,900	5,900	5,900
ARMY NATIONAL GUARD:					
	MACON:				
	VEHICLE MAINTENANCE SHOP .....	9,100	9,100	9,100	9,100
	WHITEMAN AFB:				
	AIRCRAFT MAINTENANCE HANGAR .....	5,000	5,000	5,000	5,000
NAVY RESERVE:					
	KANSAS CITY:				
	RESERVE TRAINING CENTER—BELTON, MISSOURI .....	15,020	15,020	15,020	15,020
	TOTAL, MISSOURI .....	125,720	125,720	125,720	125,720
MONTANA					
AIR NATIONAL GUARD:					
	GREAT FALLS IAP:				
	INTRA-THEATER AIRLIFT CONVERSION .....	22,000	22,000	22,000	22,000
	TOTAL, MONTANA .....	22,000	22,000	22,000	22,000
NEBRASKA					
AIR FORCE:					
	OFFUTT AFB:				
	USSTRATCOM REPLACEMENT FACILITY, INCR 3 .....	136,000	136,000	136,000	136,000
	TOTAL, NEBRASKA .....	136,000	136,000	136,000	136,000
NEVADA					
NAVY:					
	FALLON:				
	WASTEWATER TREATMENT PLANT .....	11,334	11,334	11,334	11,334
AIR FORCE:					
	NELLIS AFB:				
	ADD RPA WEAPONS SCHOOL FACILITY .....	20,000	20,000	20,000	20,000

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
DORMITORY (240 RM) .....	35,000	35,000	35,000		
F-35 ALT MISSION EQUIPMENT (AME) STORAGE .....	5,000	5,000	5,000		
F-35 FUEL CELL HANGAR .....	9,400	9,400	9,400		
F-35 PARTS STORE .....	9,100	9,100	9,100		
TOTAL, NEVADA .....	89,834	89,834	89,834		
NEW JERSEY					
DEFENSE-WIDE:					
JOINT BASE MCGUIRE-DIX-LAKEHURST:					
REPLACE FUEL DISTRIBUTION COMPONENTS .....	10,000	10,000	10,000		
ARMY RESERVE:					
JOINT BASE MCGUIRE-DIX-LAKEHURST:					
AUTOMATED MULTIPURPOSE MACHINE GUN (MPMG) .....	9,500	9,500	9,500		
CENTRAL ISSUE FACILITY .....	7,900	7,900	7,900		
CONSOLIDATED DINING FACILITY .....	13,400	13,400	13,400		
MODIFIED RECORD FIRE RANGE .....	5,400	5,400	5,400		
TOTAL, NEW JERSEY .....	46,200	46,200	46,200		
NEW MEXICO					
AIR FORCE:					
CANNON AFB:					
AIRMAN AND FAMILY READINESS CENTER .....	5,500	5,500	5,500		
DORMITORY (144 RM) .....	22,000	22,000	22,000		
SATELLITE DINING FACILITY .....	6,600	6,600	6,600		
HOLLOWMAN AFB:					
F-16 AIRCRAFT COVERED WASHRACK AND PAD .....	2,250	2,250	2,250		
KIRTLAND AFB:					
NUCLEAR SYSTEMS WING AND SUSTAINMENT CENTER PHASE 2 .....	30,500	30,500	30,500		



MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
DEFENSE-WIDE:					
CAMP LEJEUNE:					
SOF PERFORMANCE RESILIENCY CENTER .....	14,400		14,400		+ 14,400
SOF SUSTAINMENT TRAINING COMPLEX .....	28,977	28,977	28,977		
FORT BRAGG:					
CONSOLIDATE/REPLACE POPE HOLBROOK ELEMENTARY .....	37,032	37,032	37,032		
SOF CIVIL AFFAIRS BATTALION ANNEX .....	37,689	37,689	37,689		
SOF COMBAT MEDIC SKILLS SUSTAIN COURSE BUILDING .....	7,600	7,600	7,600		
SOF ENGINEER TRAINING FACILITY .....	10,419	10,419	10,419		
SOF LANGUAGE AND CULTURAL CENTER .....	64,606	64,606	64,606		
SOF UPGRADE TRAINING FACILITY .....	14,719	14,719	14,719		
ARMY RESERVE:					
FORT BRAGG:					
ARMY RESERVE CENTER .....	24,500	24,500	24,500		
TOTAL, NORTH CAROLINA .....	369,704	355,304	369,704		+ 14,400
NORTH DAKOTA					
AIR FORCE:					
MINOT AFB:					
B-52 ADAL AIRCRAFT MAINTENANCE UNIT .....	15,530	15,530	15,530		
B-52 MUNITIONS STORAGE IGLOOS .....	8,300	8,300	8,300		
DEFENSE-WIDE:					
MINOT AFB:					
REPLACE FUEL PIPELINE .....	6,400	6,400	6,400		
TOTAL, NORTH DAKOTA .....	30,230	30,230	30,230		

OHIO				
ARMY NATIONAL GUARD:				
RAVENNA ARMY AMMUNITION PLANT:				
SANITARY SEWER .....	5,200	5,200	5,200	5,200
AIR NATIONAL GUARD:				
SPRINGFIELD BECKLEY -MAP:	7,200	7,200	7,200	7,200
ALTER INTELLIGENCE OPERATIONS FACILITY .....				
TOTAL, OHIO .....	12,400	12,400	12,400	12,400
OKLAHOMA				
NAVY:				
TINKER AFB:				
TACAMO E-6B HANGAR .....	14,144	14,144	14,144	14,144
AIR FORCE:				
TINKER AFB:				
KC-46A LAND ACQUISITION .....	8,600	8,600	8,600	8,600
DEFENSE-WIDE:				
ALTUS AFB:				
REPLACE REFUELER PARKING .....	2,100	2,100	2,100	2,100
TINKER AFB:				
REPLACE FUEL DISTRIBUTION FACILITIES .....	36,000	36,000	36,000	36,000
AIR FORCE RESERVE:				
TINKER AFB:				
AIR CONTROL GROUP SQUADRON OPERATIONS .....	12,200	12,200	12,200	12,200
TOTAL, OKLAHOMA .....	73,044	73,044	73,044	73,044
PENNSYLVANIA				
DEFENSE-WIDE:				
DEF DISTRIBUTION DEPOT NEW CUMBERLAND:				
UPGRADE HAZARDOUS MATERIAL WAREHOUSE .....	3,100	3,100	3,100	3,100
UPGRADE PUBLIC SAFETY FACILITY .....	5,900	5,900	5,900	5,900
ARMY NATIONAL GUARD:				
FORT INDIANTOWN GAP:				
AIRCRAFT MAINTENANCE INSTRUCTIONAL BUILDING .....	40,000	40,000	40,000	40,000
AIR NATIONAL GUARD:				
FORT INDIANTOWN GAP:				
COMMUNICATIONS OPERATIONS AND TRAINING FACILITY .....	7,700	7,700	7,700	7,700

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
TOTAL, PENNSYLVANIA .....	56,700	56,700	56,700		
RHODE ISLAND .....					
NAVY:					
NEWPORT:					
HEWITT HALL RESEARCH CENTER .....	12,422	12,422	12,422		
AIR NATIONAL GUARD:					
QUONSET STATE AIRPORT:					
C-130J FLIGHT SIMULATOR TRAINING FACILITY .....	6,000	6,000	6,000		
TOTAL, RHODE ISLAND .....	18,422	18,422	18,422		
SOUTH CAROLINA .....					
NAVY:					
CHARLESTON:					
NUCLEAR POWER OPERATIONAL TRAINING FACILITY .....	73,932	73,932	73,932		
DEFENSE-WIDE:					
BEAUFORT:					
BOLDEN ELEMENTARY/MIDDLE SCHOOL REPLACEMENT .....	41,324	41,324	41,324		
ARMY NATIONAL GUARD:					
GREENVILLE:					
READINESS CENTER .....	13,000	13,000	13,000		
VEHICLE MAINTENANCE SHOP .....	13,000	13,000	13,000		
TOTAL, SOUTH CAROLINA .....	141,256	141,256	141,256		
TENNESSEE .....					
DEFENSE-WIDE:					
ARNOLD AIR FORCE BASE:					
REPLACE GROUND VEHICLE FUELING FACILITY .....	2,200	2,200	2,200		

AIR NATIONAL GUARD:							
MCGHEE-TYSON AIRPORT:	18,000	18,000	18,000				
TEC EXPANSION—DORMITORY AND CLASSROOM FACILITY				18,000			
NAVY RESERVE:							
MEMPHIS:	4,330	4,330	4,330	4,330			
RESERVE BOAT MAINTENANCE AND STORAGE FACILITY					4,330		
TOTAL, TENNESSEE	24,530	24,530	24,530	24,530			
TEXAS							
ARMY:							
FORT BLISS:							
CONTROL TOWER	10,800	10,800	10,800	10,800			
UNMANNED AERIAL VEHICLE COMPLEX	36,000	36,000	36,000	36,000			
AIR FORCE:							
FORT BLISS:	3,350	3,350	3,350	3,350			
F-16 BAK 12/14 AIRCRAFT ARRESTING SYSTEM					3,350		
DEFENSE-WIDE:							
FORT BLISS:	252,100	152,100	152,100	202,100		-50,000	+50,000
HOSPITAL REPLACEMENT INCR 5							
JOINT BASE SAN ANTONIO:	12,600	12,600	12,600	12,600			
SAWMC HYPERBARIC FACILITY ADDITION							
ARMY NATIONAL GUARD:							
FORT WORTH:	14,270	14,270	14,270	14,270			
ARMED FORCES RESERVE CENTER ADD							
TOTAL, TEXAS	329,120	229,120	279,120	279,120		-50,000	+50,000
UTAH							
AIR FORCE:							
HILL AFB:	13,500	13,500	13,500	13,500			
F-35 AIRCRAFT MX UNIT HANGAR 45E OPS #1							
FIRE CRASH RESCUE STATION	18,500	18,500	18,500	18,500			
TOTAL, UTAH	32,000	32,000	32,000	32,000			
VIRGINIA							
ARMY:							
JOINT BASE LANGLEY-EUSTIS:	50,000	50,000	50,000	50,000			
ADV INDIVIDUAL TRAINING BARRACKS COMPLEX, PHASE 3							

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
NAVY:					
DAM NECK:					
AERIAL TARGET OPERATION CONSOLIDATION .....	10,587	10,587	10,587		
NORFOLK:					
PIER 11 POWER UPGRADES FOR CVN-78 .....	3,380	3,380	3,380		
QUANTICO:					
ACADEMIC INSTRUCTION FACILITY TECOM SCHOOLS .....	25,731	25,731	25,731		
ATC TRANSMITTER/RECEIVER RELOCATION .....	3,630	3,630	3,630		
FULLER ROAD IMPROVEMENTS .....	9,013	9,013	9,013		
YORKTOWN:					
SMALL ARMS RANGES .....	18,700	18,700	18,700		
AIR FORCE:					
JOINT BASE LANGLEY-EUSTIS:					
4-BAY CONVENTIONAL MUNITIONS INSPECTION BUILDING .....	4,800	4,800	4,800		
DEFENSE-WIDE:					
DAM NECK:					
SOF HUMAN PERFORMANCE CENTER .....	11,147		11,147		+ 11,147
DEF DISTRIBUTION DEPOT RICHMOND:					
OPERATIONS CENTER PHASE I .....	87,000	87,000	87,000		
JOINT EXPEDITIONARY BASE LITTLE CREEK-STORY:					
SOF LOGSU TWO OPERATIONS FACILITY .....	30,404	30,404	30,404		
PENTAGON:					
ARMY NAVY DRIVE TOUR BUS DROP OFF .....	1,850	1,850		-1,850	-1,850
BOUNDARY CHANNEL ACCESS CONTROL POINT .....	6,700	6,700	6,700		
PPFA SUPPORT OPERATIONS CENTER .....	14,800	14,800	14,800		
RAVEN ROCK ADMINISTRATIVE FACILITY UPGRADE .....	32,000	32,000	32,000		
RAVEN ROCK EXTERIOR COOLING TOWER .....	4,100	4,100	4,100		
QUANTICO:					
QUANTICO MIDDLE/HIGH SCHOOL REPLACEMENT .....	40,586	40,586	40,586		
TOTAL, VIRGINIA .....	354,428	343,281	352,578	-1,850	+ 9,297

WASHINGTON					
ARMY:	JOINT BASE LEWIS-MCGCHORD:				
	AIRCRAFT MAINTENANCE HANGAR .....	79,000	79,000	79,000	79,000
	AIRFIELD OPERATIONS COMPLEX .....	37,000	37,000	37,000	37,000
	AVIATION BATTALION COMPLEX .....	28,000	28,000	28,000	28,000
	YAKIMA:				
	AUTOMATED MULTIPURPOSE MACHINE GUN RANGE .....	9,100	9,100	9,100	9,100
	NAVY:				
	BREMERTON:				
	INTEGRATED WATER TREATMENT SYSTEM DRY DOCKS 3 AND 4 .....	18,189	18,189	18,189	18,189
	KITSAP:				
	EXPLOSIVES HANDLING WHARF #2 (INC) .....	24,880	24,880	24,880	24,880
	WHIDBEY ISLAND:				
	EA-18G FACILITY IMPROVEMENTS .....	32,482	32,482	32,482	32,482
	P-8A HANGAR AND TRAINING FACILITIES .....	85,167	85,167	85,167	85,167
	DEFENSE-WIDE:				
	WHIDBEY ISLAND:				
	REPLACE FUEL PIER BREAKWATER .....	10,000	10,000	10,000	10,000
	TOTAL, WASHINGTON .....	323,818	323,818	323,818	323,818
	WISCONSIN				
ARMY RESERVE:	FORT MCGOY:				
	ACCESS CONTROL POINT/MAIL/FREIGHT CENTER .....	17,500	17,500	17,500	17,500
	NGO ACADEMY DINING FACILITY .....	5,900	5,900	5,900	5,900
	TOTAL, WISCONSIN .....	23,400	23,400	23,400	23,400
	WYOMING				
ARMY NATIONAL GUARD:	AFTON:				
	NATIONAL GUARD READINESS CENTER .....	10,200	10,200	10,200	10,200
	TOTAL, WYOMING .....	10,200	10,200	10,200	10,200

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued

[In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
<b>BAHRAIN ISLAND</b>					
DEFENSE-WIDE:					
SW ASIA:					
MEDICAL/DENTAL CLINIC REPLACEMENT .....	45,400	45,400	45,400		
TOTAL, BAHRAIN ISLAND .....	45,400	45,400	45,400		
<b>BELGIUM</b>					
DEFENSE-WIDE:					
BRUSSELS:					
NATO HEADQUARTERS FACILITY .....	38,513	38,513	38,513		
NATO HEADQUARTERS FIT-OUT .....	29,100	29,100	29,100		
TOTAL, BELGIUM .....	67,613	67,613	67,613		
<b>DJIBOUTI</b>					
NAVY:					
CAMP LEMONIER:					
ARMORY .....	6,420	6,420	6,420		
UNACCOMPANIED HOUSING .....	22,580	22,580	22,580		
TOTAL, DJIBOUTI .....	29,000	29,000	29,000		
<b>GERMANY</b>					
DEFENSE-WIDE:					
KAISERLAUTERN AB:					
KAISERLAUTERN ELEMENTARY SCHOOL REPLACEMENT .....	49,907	49,907	49,907		
RAMSTEIN AB:					
RAMSTEIN HIGH SCHOOL REPLACEMENT .....	98,762	98,762	98,762		
RHINE ORDANCE BARRACKS:					
MEDICAL CENTER REPLACEMENT, INCR 3 .....	151,545	151,545	101,545	-50,000	-50,000

WIESBADEN:							
HAINBERG ELEMENTARY SCHOOL REPLACEMENT .....	58,899	58,899	58,899	58,899			
WIESBADEN MIDDLE SCHOOL REPLACEMENT .....	50,756	50,756	50,756	50,756			
TOTAL, GERMANY .....	409,869	409,869	409,869	359,869	-50,000	-50,000	
GREENLAND							
AIR FORCE:							
THULE AB:							
THULE CONSOLIDATION, PHASE 2 .....	43,904	43,904	43,904	43,904			
TOTAL, GREENLAND .....	43,904	43,904	43,904	43,904			
GUAM							
NAVY:							
JOINT REGION MARIANAS:							
AIRCRAFT MAINTENANCE HANGAR—NORTH RAMP .....	85,673	85,673	85,673		-85,673	-85,673	
BAMS FORWARD OPERATIONAL AND MAINTENANCE HANGAR .....	61,702	61,702	61,702	61,702			
DEHUMIDIFIED SUPPLY STORAGE FACILITY .....	17,170	17,170	17,170	17,170			
EMERGENT REPAIR FACILITY EXPANSION .....	35,860	35,860	35,860	35,860			
MODULAR STORAGE MAGAZINES .....	63,382	63,382	63,382	63,382			
SIERRA WHARF IMPROVEMENTS .....	1,170	1,170	1,170	1,170			
XRAY WHARF IMPROVEMENTS .....	53,420	53,420	53,420	53,420			
AIR FORCE:							
JOINT REGION MARIANAS:							
PAR—FUEL SYSTEM HARDENED BUILDINGS .....	20,000	20,000	20,000	20,000			
PAR—STRIKE TACTICAL MISSILE IWS FACILITY .....	10,530	10,530	10,530	10,530			
PAR—TANKER GP MX HANGAR/AMUSQD OPS .....	132,600	132,600	132,600	132,600			
PRTC REDHORSE AIRFIELD OPERATIONS FACILITY .....	8,500	8,500	8,500	8,500			
PRTC SF FIRE RESCUE AND EMERGENCY MANAGEMENT .....	4,600	4,600	4,600	4,600			
TOTAL, GUAM .....	494,607	494,607	494,607	408,934	-85,673	-85,673	
JAPAN							
NAVY:							
CAMP BUTLER:							
AIRFIELD SECURITY UPGRADES .....	5,820	5,820	5,820	5,820			
YOKOSUKA:							
COMMUNICATION SYSTEM UPGRADE .....	7,568	7,568	7,568	7,568			

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
DEFENSE-WIDE:					
ATSUGI:					
REPLACE GROUND VEHICLE FUELING FACILITY .....	4,100	4,100	4,100		
IWAKUNI:					
CONSTRUCT HYDRANT FUEL SYSTEM .....	34,000	34,000	34,000		
KADEWA AB:					
KADENA MIDDLE SCHOOL ADDITION/RENOVATION .....	38,792	38,792	38,792		
TORRI COMMO STATION:					
SOF FACILITY AUGMENTATION .....	71,451	63,621	71,451		+ 7,830
YOKOSUKA:					
UPGRADE FUEL PUMPS .....	10,600	10,600	10,600		
TOTAL, JAPAN .....	172,331	164,501	172,331		+ 7,830
KOREA					
DEFENSE-WIDE:					
CAMP WALKER:					
DAEGU MIDDLE/HIGH SCHOOL REPLACEMENT .....	52,164	52,164	52,164		
TOTAL, KOREA .....	52,164	52,164	52,164		
KWAJALEIN					
ARMY:					
KWAJALEIN ATOLL:					
PIER .....	63,000	63,000	63,000		
TOTAL, KWAJALEIN .....	63,000	63,000	63,000		

MARIANA ISLANDS					
AIR FORCE:					
SAIPAN:					
PAR—AIRPORT POL/BULK STORAGE AST .....	18,500	.....	.....	.....	+ 18,500
PAR—HAZARDOUS CARGO PAD .....	8,000	.....	.....	.....	+ 8,000
PAR—MAINTENANCE FACILITY .....	2,800	.....	.....	.....	+ 2,800
TOTAL, MARIANA ISLANDS .....	29,300	.....	.....	.....	+ 29,300
PUERTO RICO					
ARMY NATIONAL GUARD:					
CAMP SANTIAGO:					
MANUEVER AREA TRAINING AND EQUIPMENT SITE ADDITION .....	5,600	5,600	.....	.....	.....
TOTAL, PUERTO RICO .....	5,600	5,600	.....	.....	.....
ROMANIA					
DEFENSE-WIDE:					
DEVESELL:					
AEGIS ASHORE MISSILE DEF SYS COMPLEX, INCREM 2 .....	85,000	80,000	.....	.....	+ 5,000
TOTAL, ROMANIA .....	85,000	80,000	.....	.....	+ 5,000
UNITED KINGDOM					
AIR FORCE:					
RAF CROUGHTON:					
MAIN GATE COMPLEX .....	12,000	12,000	.....	.....	.....
RAF LAKEHEATH:					
GUARDIAN ANGEL OPERATIONS FACILITY .....	22,047	22,047	.....	.....	.....
DEFENSE-WIDE:					
RAF LAKEHEATH:					
LAKENHEATH HIGH SCHOOL REPLACEMENT .....	69,638	69,638	.....	.....	.....
RAF MILDENHALL:					
REPLACE FUEL STORAGE .....	17,732	17,732	.....	.....	.....
SOF AIRFIELD PAVEMENTS .....	24,077	.....	-24,077	.....	.....
SOF HANGAR/AMU .....	24,371	.....	-24,371	.....	.....
SOF AIRFIELD PAVEMENTS AND HANGAR/AMU .....	48,448	.....	.....	.....	-48,448
SOF MRSP AND PARTS STORAGE .....	6,797	6,797	.....	.....	-6,797
SOF SQUADRON OPERATIONS FACILITY .....	11,652	11,652	.....	.....	-11,652

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
TOTAL, UNITED KINGDOM .....	188,314	188,314	121,417	-66,897	-66,897
NATO SECURITY INVESTMENT PROGRAM .....	239,700	199,700	239,700		+40,000
WORLDWIDE CLASSIFIED					
ARMY:					
CLASSIFIED LOCATION:					
COMPANY OPERATIONS COMPLEX .....	33,000	33,000	33,000		
DEFENSE-WIDE:					
CLASSIFIED LOCATION:					
AMTPY-2 RADAR SITE .....	15,000	15,000	15,000		
TOTAL, WORLDWIDE CLASSIFIED .....	48,000	48,000	48,000		
WORLDWIDE UNSPECIFIED					
ARMY:					
HOST NATION SUPPORT .....	33,000	23,000	33,000		+10,000
MINOR CONSTRUCTION .....	25,000	25,000	25,000		
PLANNING AND DESIGN .....	41,575	41,575	41,575		
NAVY:					
PLANNING AND DESIGN .....	89,830	89,830	89,830		
MINOR CONSTRUCTION .....	19,740	19,740	19,740		
AIR FORCE:					
KC-46A FTU FACILITY PROJECTS .....	63,000	63,000	31,000	-32,000	-32,000
KC-46A MOB #1 FACILITY PROJECTS .....	192,700	192,700	219,080	+26,380	+26,380
PLANNING AND DESIGN .....	11,314	11,314	14,321	+3,007	+3,007
UNSPECIFIED MINOR CONSTRUCTION .....	20,448	20,448	20,448		
DEFENSE-WIDE:					
CONTINGENCY CONSTRUCTION .....	10,000		10,000		+10,000
ENERGY CONSERVATION INVESTMENT PROGRAM .....	150,000	150,000	150,000		
PLANNING AND DESIGN:					
DEFENSE-WIDE .....	50,192	50,192	40,192	-10,000	-10,000

ENERGY CONSERVATION INVESTMENT PROGRAM .....	75,905	75,905	10,000	+ 10,000	+ 10,000
DEPARTMENT OF DEFENSE DEPENDENT EDUCATION .....	57,053	57,053	75,905	.....	.....
NATIONAL SECURITY AGENCY .....	36,866	36,866	57,053	.....	.....
SPECIAL OPERATIONS COMMAND .....	6,931	6,931	36,866	.....	.....
WASHINGTON HEADQUARTERS SERVICE .....	10,891	10,891	6,931	.....	.....
MISSILE DEFENSE AGENCY .....	237,838	237,838	10,891	.....	.....
SUBTOTAL, PLANNING AND DESIGN .....	237,838	237,838	237,838	.....	.....
UNSPECIFIED MINOR CONSTRUCTION:					
DEFENSE-WIDE .....	3,000	3,000	3,000	.....	.....
DEFENSE LOGISTICS AGENCY .....	7,430	7,430	7,430	.....	.....
DEPARTMENT OF DEFENSE DEPENDENT EDUCATION .....	5,409	5,409	5,409	.....	.....
MISSILE DEFENSE AGENCY .....	2,000	2,000	2,000	.....	.....
NATIONAL SECURITY AGENCY .....	1,500	1,500	1,500	.....	.....
JOINT CHIEFS OF STAFF .....	9,730	9,730	9,730	.....	.....
SPECIAL OPERATIONS COMMAND .....	5,170	5,170	5,170	.....	.....
TRICARE MANAGEMENT ACTIVITY .....	9,578	9,578	9,578	.....	.....
SUBTOTAL, UNSPECIFIED MINOR CONSTRUCTION .....	43,817	43,817	43,817	.....	.....
ARMY NATIONAL GUARD:					
PLANNING AND DESIGN .....	29,005	24,005	29,005	.....	+ 5,000
MINOR CONSTRUCTION .....	12,240	12,240	12,240	.....	.....
AIR NATIONAL GUARD:					
PLANNING AND DESIGN .....	13,400	13,400	13,400	.....	.....
MINOR CONSTRUCTION .....	13,000	13,000	13,000	.....	.....
ARMY RESERVE:					
PLANNING AND DESIGN .....	14,212	14,212	14,212	.....	.....
MINOR CONSTRUCTION .....	1,748	1,748	1,748	.....	.....
NAVY RESERVE:					
PLANNING AND DESIGN .....	2,540	2,540	2,540	.....	.....
AIR FORCE RESERVE:					
PLANNING AND DESIGN .....	2,229	2,229	2,229	.....	.....
MINOR CONSTRUCTION .....	1,530	1,530	1,530	.....	.....
FAMILY HOUSING, ARMY .....					
FAMILY HOUSING NEW CONSTRUCTION (56 UNITS) .....	23,000	23,000	23,000	.....	.....
WISCONSIN:					
FORT MCGOY:					
FAMILY HOUSING NEW CONSTRUCTION (56 UNITS) .....	23,000	23,000	23,000	.....	.....

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
GERMANY:					
SOUTH CAMP VILSECK:					
FAMILY HOUSING NEW CONSTRUCTION (29 UNITS) .....	16,600	16,600	.....	-16,600	-16,600
PLANNING AND DESIGN .....	4,408	4,408	4,408		
SUBTOTAL, CONSTRUCTION .....	44,008	44,008	27,408	-16,600	-16,600
OPERATION AND MAINTENANCE:					
UTILITIES ACCOUNT .....	96,907	96,907	96,907		
SERVICES ACCOUNT .....	13,536	13,536	13,536		
MANAGEMENT ACCOUNT .....	54,433	54,433	54,433		
MISCELLANEOUS ACCOUNT .....	646	646	646		
FURNISHINGS ACCOUNT .....	33,125	33,125	33,125		
LEASING .....	180,924	180,924	180,924		
MAINTENANCE OF REAL PROPERTY .....	107,639	107,639	107,639		
PRIVATIZATION SUPPORT COSTS .....	25,661	25,661	25,661		
SUBTOTAL, OPERATION AND MAINTENANCE .....	512,871	512,871	512,871		
CONSTRUCTION IMPROVEMENTS					
FAMILY HOUSING, NAVY AND MARINE CORPS					
CONSTRUCTION IMPROVEMENTS .....	68,969	68,969	68,969		
PLANNING AND DESIGN .....	4,438	4,438	4,438		
SUBTOTAL, CONSTRUCTION .....	73,407	73,407	73,407		
OPERATION AND MAINTENANCE:					
UTILITIES ACCOUNT .....	94,313	94,313	94,313		
SERVICES ACCOUNT .....	20,596	20,596	20,596		
MANAGEMENT ACCOUNT .....	60,782	60,782	60,782		
MISCELLANEOUS ACCOUNT .....	362	362	362		
FURNISHINGS ACCOUNT .....	21,073	21,073	21,073		
LEASING .....	74,962	74,962	74,962		

MAINTENANCE OF REAL PROPERTY .....	90,122	90,122	90,122	90,122	.....
PRIVATIZATION SUPPORT COSTS .....	27,634	27,634	27,634	27,634	.....
SUBTOTAL, OPERATION AND MAINTENANCE .....	389,844	389,844	389,844	389,844	.....
FAMILY HOUSING, AIR FORCE .....					.....
CONSTRUCTION IMPROVEMENTS .....	72,093	72,093	72,093	72,093	.....
PLANNING AND DESIGN .....	4,267	4,267	4,267	4,267	.....
SUBTOTAL, CONSTRUCTION .....	76,360	76,360	76,360	76,360	.....
OPERATION AND MAINTENANCE:					.....
UTILITIES ACCOUNT .....	70,532	70,532	70,532	70,532	.....
MANAGEMENT ACCOUNT .....	53,044	53,044	53,044	53,044	.....
SERVICES ACCOUNT .....	16,862	16,862	16,862	16,862	.....
FURNISHINGS ACCOUNT .....	39,470	39,470	39,470	39,470	.....
MISCELLANEOUS ACCOUNT .....	1,954	1,954	1,954	1,954	.....
LEASING .....	54,514	54,514	54,514	54,514	.....
MAINTENANCE .....	110,786	110,786	110,786	110,786	.....
PRIVATIZATION SUPPORT COSTS .....	41,436	41,436	41,436	41,436	.....
SUBTOTAL, OPERATION AND MAINTENANCE .....	388,598	388,598	388,598	388,598	.....
FAMILY HOUSING, DEFENSE-WIDE .....					.....
OPERATION AND MAINTENANCE:					.....
NATIONAL SECURITY AGENCY:					.....
UTILITIES .....	12	12	12	12	.....
FURNISHING .....	67	67	67	67	.....
LEASING .....	10,994	10,994	10,994	10,994	.....
MAINTENANCE OF REAL PROPERTY .....	74	74	74	74	.....
DEFENSE INTELLIGENCE AGENCY:					.....
FURNISHINGS .....	3,196	3,196	3,196	3,196	.....
LEASING .....	40,433	40,433	40,433	40,433	.....
DEFENSE LOGISTICS AGENCY:					.....
UTILITIES .....	288	288	288	288	.....
FURNISHINGS .....	20	20	20	20	.....
SERVICES .....	32	32	32	32	.....
MANAGEMENT .....	418	418	418	418	.....
MAINTENANCE OF REAL PROPERTY .....	311	311	311	311	.....
SUBTOTAL, OPERATION AND MAINTENANCE .....	55,845	55,845	55,845	55,845	.....

MILITARY CONSTRUCTION PROJECT LISTING BY LOCATION—Continued  
 [In thousands of dollars]

Installation and project	Budget estimate	House allowance	Committee recommendation	Committee recommendation compared with (+ or -)	
				Budget estimate	House allowance
DOD FAMILY HOUSING IMPROVEMENT FUND .....	1,780	1,780	1,780		
BASE REALIGNMENT AND CLOSURE .....					
BASE REALIGNMENT AND CLOSURE ACCOUNT .....	451,357	451,357	451,357		
RESCISSIONS FROM PRIOR YEAR UNOBLIGATED BALANCES .....					
ARMY .....					
NAVY AND MARINE CORPS .....		-89,000			+ 89,000
DEFENSE-WIDE .....		-49,920			+ 49,920
MILITARY CONSTRUCTION, ARMY, PLANNING AND DESIGN FISCAL YEAR 2012 .....		-358,400			+ 358,400
MILITARY CONSTRUCTION, DEFENSE-WIDE, UNSPECIFIED MINOR CONSTRUCTION FISCAL YEAR 2009 AND FISCAL YEAR 2010 .....		-50,000			+ 50,000
MILITARY CONSTRUCTION, AIR NATIONAL GUARD, UNSPECIFIED MINOR CONSTRUCTION FISCAL YEAR 2009 AND FISCAL YEAR 2010 .....		-16,470			+ 16,470
42 USC 3374 (SECTION 132) .....		-45,623			+ 45,623
REDUCTION OF FUNDS (SECTION 133) .....		-50,000			+ 50,000
MILITARY CONSTRUCTION, NAVY AND MARINE CORPS (SECTION 135) .....		-4,668			+ 4,668
RECAP .....		75,000			-75,000
ARMY .....	1,119,875	1,099,875	1,119,875		+ 20,000
RESCISSION .....		-139,000			+ 139,000
NAVY AND MARINE CORPS .....	1,700,269	1,616,281	1,614,596		-1,685
RESCISSION .....		-49,920			+ 49,920
AIR FORCE .....	1,156,573	1,127,273	1,153,960		+ 26,687
RESCISSION .....					-2,613
DEFENSE-WIDE .....	3,985,300	3,707,923	3,766,553		+ 58,630
RESCISSION .....		-374,870			+ 374,870
ARMY NATIONAL GUARD .....	320,815	315,815	320,815		+ 5,000
RESCISSION .....					
AIR NATIONAL GUARD .....	119,800	107,800	119,800		+ 12,000
RESCISSION .....		-45,623			+ 45,623

ARMY RESERVE	174,060	174,060	174,060			
RESCISSION						
NAVY RESERVE	32,976	32,976	32,976			
RESCISSION						
AIR FORCE RESERVE	45,659	45,659	45,659			
RESCISSION						
NATO	239,700	199,700	239,700			+ 40,000
RESCISSION						
CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE-WIDE	122,536	122,536	122,536			
RESCISSION						
DOD FAMILY HOUSING IMPROVEMENT FUND	1,780	1,780	1,780			
RESCISSION						
HOMEOWNERS ASSISTANCE PROGRAM						
RESCISSION						
FAMILY HOUSING, ARMY	556,879	556,879	540,279			-16,600
CONSTRUCTION	(44,008)	(44,008)	(27,408)			(-16,600)
OPERATION AND MAINTENANCE	(512,871)	(512,871)	(512,871)			
RESCISSION						
FAMILY HOUSING, NAVY AND MARINE CORPS	463,251	463,251	463,251			
CONSTRUCTION	(73,407)	(73,407)	(73,407)			
OPERATION AND MAINTENANCE	(389,844)	(389,844)	(389,844)			
RESCISSION						
FAMILY HOUSING, AIR FORCE	464,958	464,958	464,958			
CONSTRUCTION	(76,360)	(76,360)	(76,360)			
OPERATION AND MAINTENANCE	(388,598)	(388,598)	(388,598)			
RESCISSION						
FAMILY HOUSING, DEFENSE-WIDE	55,845	55,845	55,845			
OPERATION AND MAINTENANCE	(55,845)	(55,845)	(55,845)			
RESCISSION						
BRAC	451,357	451,357	451,357			
RESCISSION						
GRAND TOTAL	11,011,633	9,954,887	10,688,000			+ 733,113
					-323,633	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2014  
 (In thousands of dollars)

Item	2013 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)		
					2013 appropriation	Budget estimate	House allowance
<b>TITLE I—DEPARTMENT OF DEFENSE</b>							
Military construction, Army .....	1,682,100	1,119,875	1,099,875	1,119,875	-562,225	.....	+ 20,000
Military construction, Navy and Marine Corps .....	1,547,120	1,700,269	1,616,281	1,614,596	+ 67,476	.....	- 1,685
Military construction, Air Force .....	322,117	1,156,573	1,127,273	1,153,960	+ 831,843	.....	+ 26,687
Military construction, Defense-Wide .....	3,577,695	3,985,300	3,707,923	3,766,553	+ 188,658	.....	+ 58,630
Total, Active components .....	7,129,032	7,962,017	7,551,352	7,654,984	+ 525,952	.....	+ 103,632
<b>Military construction, Army National Guard</b>							
Supplemental (Public Law 113-2) (emergency) .....	612,989	320,815	315,815	320,815	- 292,174	.....	+ 5,000
Subtotal .....	24,235	.....	.....	.....	- 24,235	.....	.....
<b>Military construction, Air National Guard</b>							
Military construction, Army Reserve .....	42,330	119,800	107,800	119,800	+ 77,470	.....	+ 12,000
Military construction, Navy Reserve .....	305,442	174,060	174,060	174,060	- 131,382	.....	.....
Military construction, Air Force Reserve .....	49,467	32,976	32,976	32,976	- 16,491	.....	.....
Subtotal .....	10,965	45,659	45,659	45,659	+ 34,694	.....	.....
Total, Reserve components .....	1,045,428	693,310	676,310	693,310	- 352,118	.....	+ 17,000
Total, Military construction .....	8,174,460	8,655,327	8,227,662	8,348,294	+ 173,834	.....	+ 120,632
<b>North Atlantic Treaty Organization Security Investment Program</b>							
Family housing construction, Army .....	253,828	239,700	199,700	239,700	- 14,128	.....	+ 40,000
Family housing operation and maintenance, Army .....	4,635	44,008	44,008	27,408	+ 22,773	.....	- 16,600
Family housing construction, Navy and Marine Corps .....	529,352	512,871	512,871	512,871	- 16,481	.....	.....
Family housing operation and maintenance, Navy and Marine Corps .....	102,047	73,407	73,407	73,407	- 28,640	.....	.....
Family housing construction, Air Force .....	377,731	389,844	389,844	389,844	+ 12,113	.....	.....
Family housing operation and maintenance, Air Force .....	83,713	76,360	76,360	76,360	- 7,353	.....	.....
Family housing operation and maintenance, Defense-Wide .....	497,172	388,598	388,598	388,598	- 108,574	.....	.....
Subtotal .....	52,169	55,845	55,845	55,845	+ 3,676	.....	.....

	1,784	1,780	1,780	1,780	1,780	— 4		
Department of Defense Family Housing Improvement Fund .....								
Total, Family housing .....	1,648,603	1,542,713	1,542,713	1,526,113	1,526,113	- 16,600	- 16,600	- 16,600
Chemical demilitarization construction, Defense-Wide .....								
Base realignment and closure:								
Base realignment and closure account, 1990 .....	150,801	122,536	122,536	122,536	122,536	- 28,265		
Base realignment and closure account, 2005 .....	408,856					- 408,856		
Base realignment and closure account, 2005 .....	126,530					- 126,530		
Base realignment and closure account .....		451,357	451,357	451,357	451,357	+ 451,357		
Total, Base realignment and closure .....	535,386	451,357	451,357	451,357	451,357	- 84,029		
Military construction, Army (Sec. 126) .....								+ 89,000
Military construction, Navy and Marine Corps (Sec. 127) .....								+ 49,920
Military construction, Defense-Wide (Sec. 128) .....								+ 358,400
Rescission (Public Law 113-6):								
Base Realignment and Closure, 2005 .....								
Fiscal year 2012 (Sec. 129) .....								+ 50,000
Military construction, Defense-Wide, unspecified minor construction fiscal year 2009 and fiscal year 2010 (Sec. 130) .....								+ 16,470
Military construction, Air National Guard, unspecified minor construction fiscal year 2009 and fiscal year 2010 (Sec. 131) .....								+ 45,623
42 USC 3374 (Sec. 132) .....								+ 50,000
Reduction of funds (Sec. 133) .....								+ 4,668
Navy Land Transfer (Public Law 113-6) .....	10,985							
Military construction, Navy and Marine Corps (Sec. 135) .....								- 75,000
Total, title I, Department of Defense .....	10,621,550	11,011,633	9,954,887	10,688,000	10,688,000	+ 66,450	- 323,633	+ 733,113
Appropriations .....	(10,749,828)	(10,514,300)	(10,514,300)	(10,688,000)	(10,688,000)	(- 61,828)	(- 323,633)	(+ 73,700)
Rescissions .....	(- 152,513)		(- 659,413)			(+ 152,513)		(+ 659,413)
Emergency appropriations .....	(24,235)					(- 24,235)		
TITLE II—DEPARTMENT OF VETERANS AFFAIRS								
Veterans Benefits Administration								
Compensation and pensions .....	60,599,855	71,248,171	71,248,171	71,248,171	71,248,171	+ 10,648,316		
Readjustment benefits .....	12,023,458	13,135,898	13,135,898	13,135,898	13,135,898	+ 1,112,440		
Veterans insurance and indemnities .....	104,600	77,567	77,567	77,567	77,567	- 27,033		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2014—Continued

[In thousands of dollars]

Item	2013 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)		
					2013 appropriation	Budget estimate	House allowance
Veterans housing benefit program fund:							
(indefinite) .....	184,859	.....	.....	.....	- 184,859	.....	.....
(Limitation on direct loans) .....	(500)	(500)	(500)	(500)	.....	.....	.....
Administrative expenses .....	157,606	158,430	158,430	158,430	+ 824	.....	.....
Vocational rehabilitation loans program account .....	19	5	5	5	- 14	.....	.....
(Limitation on direct loans) .....	(2,729)	(2,500)	(2,500)	(2,500)	(- 229)	.....	.....
Administrative expenses .....	346	354	354	354	+ 8	.....	.....
Native American veteran housing loan program account .....	1,088	1,109	1,109	1,109	+ 21	.....	.....
Total, Veterans Benefits Administration .....	73,071,831	84,621,534	84,621,534	84,621,534	+ 11,549,703	.....	.....
Veterans Health Administration							
Medical services:							
Advance from prior year .....	(41,340,767)	(43,557,000)	(43,557,000)	(43,557,000)	(+ 2,216,233)	.....	.....
Current year request .....	154,795	157,500	.....	25,000	- 129,795	.....	+ 25,000
Advance appropriation, fiscal year 2015 .....	43,557,000	45,015,527	45,015,527	45,015,527	+ 1,458,527	.....	.....
Supplemental (Public Law 113-2) (emergency) .....	21,000	.....	.....	.....	- 21,000	.....	.....
Subtotal .....	43,732,795	45,173,027	45,015,527	45,040,527	+ 1,307,732	- 132,500	+ 25,000
Medical support and compliance:							
Advance from prior year .....	(5,744,161)	(6,033,000)	(6,033,000)	(6,033,000)	(+ 288,839)	.....	.....
Advance appropriation, fiscal year 2015 .....	6,033,000	5,879,700	5,879,700	5,879,700	- 153,300	.....	.....
Subtotal .....	6,033,000	5,879,700	5,879,700	5,879,700	- 153,300	.....	.....
Medical facilities:							
Advance from prior year .....	(5,439,259)	(4,872,000)	(4,872,000)	(4,872,000)	(- 567,259)	.....	.....
Current year request .....	.....	4,739,000	4,739,000	100,000	+ 100,000	+ 100,000	+ 100,000
Advance appropriation, fiscal year 2015 .....	4,872,000	4,739,000	4,739,000	4,739,000	- 133,000	.....	.....



COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2014—Continued

[In thousands of dollars]

Item	2013 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)		
					2013 appropriation	Budget estimate	House allowance
Grants for construction of State extended care facilities .....	84,888	82,650	82,650	85,000	+ 112	+ 2,350	+ 2,350
Grants for the construction of veterans cemeteries .....	45,939	44,650	44,650	46,000	+ 61	+ 1,350	+ 1,350
Total, Departmental Administration .....	7,500,148	7,842,568	7,842,568	7,894,130	+ 393,982	+ 51,562	+ 51,562
Emergency appropriations .....	(207,531)	.....	.....	.....	(- 207,531)	.....	.....
Administrative Provisions							
Fiscal year 2014 advance rescission (Sec. 230) .....	.....	.....	- 156,000	.....	.....	.....	+ 156,000
Fiscal year 2014 current reduction (Sec. 230) .....	.....	.....	- 24,000	.....	.....	.....	+ 24,000
Section 225							
Medical services .....	1,498,020	1,400,000	1,400,000	1,500,000	+ 1,980	+ 100,000	+ 100,000
(Rescission of advance appropriation) .....	- 1,500,000	- 1,400,000	- 1,400,000	- 1,500,000	.....	- 100,000	- 100,000
Medical support and compliance .....	199,736	100,000	100,000	150,000	- 49,736	+ 50,000	+ 50,000
(Rescission of advance appropriation) .....	- 200,000	- 100,000	- 100,000	- 200,000	.....	- 100,000	- 100,000
Medical facilities .....	249,670	250,000	250,000	250,000	+ 330	.....	.....
(Rescission of advance appropriation) .....	- 250,000	- 250,000	- 250,000	- 250,000	.....	.....	.....
Total, Administrative Provisions .....	- 2,574	.....	- 180,000	- 50,000	- 47,426	- 50,000	+ 130,000
Total, title II .....	136,055,148	149,091,493	148,753,993	149,060,555	+ 13,005,407	- 30,938	+ 306,562
Appropriations .....	(83,306,517)	(95,207,266)	(95,025,766)	(95,376,328)	(+ 12,069,811)	(+ 169,062)	(+ 350,562)
Emergency appropriations .....	(236,631)	.....	.....	.....	(- 236,631)	.....	.....
Rescissions of advance appropriations .....	(- 1,950,000)	(- 1,750,000)	(- 1,906,000)	(- 1,950,000)	.....	(- 200,000)	(- 44,000)
Advance appropriations, fiscal year 2015 .....	(54,462,000)	(55,634,227)	(55,634,227)	(55,634,227)	(+ 1,172,227)	.....	.....
Advances from prior year appropriations .....	(52,524,187)	(54,462,000)	(54,462,000)	(54,462,000)	(+ 1,937,813)	.....	.....
(Limitation on direct loans) .....	(3,229)	(3,000)	(3,000)	(3,000)	(- 229)	.....	.....

TITLE III—RELATED AGENCIES									
American Battle Monuments Commission									
Salaries and expenses .....	58,200	57,980	63,200	+ 1,975	+ 5,000	+ 5,220			
Foreign currency fluctuations account .....	14,100	14,100	14,100	- 688					
Total, American Battle Monuments Commission .....	72,300	72,080	77,300	+ 1,287	+ 5,000	+ 5,220			
U.S. Court of Appeals for Veterans Claims									
Salaries and expenses .....	35,408	35,272	35,408	+ 3,807		+ 136			
Department of Defense—Civil									
Cemeterial Expenses, Army									
Salaries and expenses .....	45,800	70,685	70,800	+ 6,782	+ 25,000	+ 115			
Construction program .....	100,211			- 100,211					
Total, Cemeterial Expenses, Army .....	164,229	70,685	70,800	- 93,429	+ 25,000	+ 115			
Armed Forces Retirement Home—Trust Fund									
Operation and maintenance .....	66,800	66,400	66,800	+ 2,986		+ 400			
Capital program .....	1,946	1,000	1,000	- 946					
Total, Armed Forces Retirement Home—Trust Fund .....	65,760	67,400	67,800	+ 2,040		+ 400			
Armed Forces Retirement Home—General Fund									
Capital program .....									
Total, Armed Forces Retirement Home .....	65,760	67,400	67,800	+ 2,040		+ 400			
Total, title III .....	337,603	245,437	251,308	- 86,295	+ 30,000	+ 5,871			
TITLE IV—OVERSEAS CONTINGENCY OPERATIONS									
Military construction, Army .....									
Military construction, Navy and Marine Corps .....	150,768			- 150,768					
Rescission (Public Law 112-10) .....	- 150,768			+ 150,768					

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2014—Continued

[In thousands of dollars]

Item	2013 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)		
					2013 appropriation	Budget estimate	House allowance
Total, title IV							
Grand total	147,014,301	160,324,434	158,954,317	159,999,863	+ 12,985,562	- 324,571	+ 1,045,546
Appropriations	(94,393,948)	(106,440,207)	(105,885,503)	(106,315,636)	(+ 11,921,688)	(- 124,571)	(+ 430,133)
Rescissions	(- 152,513)		(- 659,413)		(+ 152,513)		(+ 659,413)
Rescissions of advance appropriations	(- 1,950,000)	(- 1,750,000)	(- 1,906,000)	(- 1,950,000)		(- 200,000)	(- 44,000)
Emergency appropriations	(260,866)				(- 260,866)		
Advance appropriations, fiscal year 2015	(54,462,000)	(55,634,227)	(55,634,227)	(55,634,227)	(+ 1,172,227)		
Advances from prior year appropriations	(52,524,187)	(54,462,000)	(54,462,000)	(54,462,000)	(+ 1,937,813)		
(By transfer)	(280,000)	(269,257)	(286,000)	(269,257)	(- 10,743)		
(Limitation on direct loans)	(3,229)	(3,000)	(3,000)	(3,000)	(- 229)		(- 16,743)