

113TH CONGRESS
1ST SESSION

H. R. 3521

IN THE SENATE OF THE UNITED STATES

DECEMBER 11, 2013

Received

DECEMBER 20, 2013

Read twice and referred to the Committee on Veterans' Affairs

AN ACT

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

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Department of Vet-
3 erans Affairs Major Medical Facility Lease Authorization
4 Act of 2013”.

5 **SEC. 2. AUTHORIZATION OF MAJOR MEDICAL FACILITY**
6 **LEASES.**

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

12 (1) For a clinical research and pharmacy co-
13 ordinating center, Albuquerque, New Mexico, an
14 amount not to exceed \$9,560,000.

15 (2) For a community-based outpatient clinic,
16 Brick, New Jersey, an amount not to exceed
17 \$7,280,000.

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

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

24 (5) For the Leeward Outpatient Healthcare Ac-
25 cess Center, Honolulu, Hawaii, including a co-lo-
26 cated clinic with the Department of Defense and the

1 co-location of the Honolulu Regional Office of the
2 Veterans Benefits Administration and the Kapolei
3 Vet Center of the Department of Veterans Affairs,
4 an amount not to exceed \$15,887,370.

5 (6) For a community-based outpatient clinic,
6 Johnson County, Kansas, an amount not to exceed
7 \$2,263,000.

8 (7) For a replacement community-based out-
9 patient clinic, Lafayette, Louisiana, an amount not
10 to exceed \$2,996,000.

11 (8) For a community-based outpatient clinic,
12 Lake Charles, Louisiana, an amount not to exceed
13 \$2,626,000.

14 (9) For outpatient clinic consolidation, New
15 Port Richey, Florida, an amount not to exceed
16 \$11,927,000.

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

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

21 (12) For a community-based outpatient clinic,
22 San Diego, California, an amount not to exceed
23 \$11,946,100.

24 (13) For an outpatient clinic, Tyler, Texas, an
25 amount not to exceed \$4,327,000.

1 (14) For the Errera Community Care Center,
2 West Haven, Connecticut, an amount not to exceed
3 \$4,883,000.

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

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

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

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

15 (19) For a community-based outpatient clinic,
16 Chula Vista, California, an amount not to exceed
17 \$3,714,000.

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

20 (21) For a replacement research lease, Hous-
21 ton, Texas, an amount not to exceed \$6,142,000.

22 (22) For a community-based outpatient clinic,
23 Lincoln, Nebraska, an amount not to exceed
24 \$7,178,400.

1 (23) For a community-based outpatient clinic,
2 Lubbock, Texas, an amount not to exceed
3 \$8,554,000.

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

7 (25) For a community-based outpatient clinic,
8 Phoenix, Arizona, an amount not to exceed
9 \$20,757,000.

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

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

16 **SEC. 3. BUDGETARY TREATMENT OF DEPARTMENT OF VET-**
17 **ERANS AFFAIRS MAJOR MEDICAL FACILITIES**
18 **LEASES.**

19 (a) FINDINGS.—Congress finds the following:

20 (1) Title 31, United States Code, requires the
21 Department of Veterans Affairs to record the full
22 cost of its contractual obligation against funds avail-
23 able at the time a contract is executed.

24 (2) Office of Management and Budget Circular
25 A–11 provides guidance to agencies in meeting the

1 statutory requirements under title 31, United States
2 Code, with respect to leases.

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

10 (b) REQUIREMENT FOR OBLIGATION OF FULL
11 COST.—Subject to the availability of appropriations pro-
12 vided in advance, in exercising the authority of the Sec-
13 retary of Veterans Affairs to enter into leases provided
14 in this Act, the Secretary shall record, pursuant to section
15 1501 of title 31, United States Code, as the full cost of
16 the contractual obligation at the time a contract is exe-
17 cuted either—

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

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

24 (c) TRANSPARENCY.—

1 (1) COMPLIANCE.—Subsection (b) of section
2 8104 of title 38, United States Code, is amended by
3 adding at the end the following new paragraph:

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

11 “(A) an analysis of the classification of the
12 lease as a ‘lease-purchase’, ‘capital lease’, or
13 ‘operating lease’ as those terms are defined in
14 Office of Management and Budget Circular A-
15 11;

16 “(B) an analysis of the obligation of budg-
17 etary resources associated with the lease; and

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

21 (2) SUBMITTAL TO CONGRESS.—Such section
22 8104 is further amended by adding at the end the
23 following new subsection:

24 “(h)(1) Not less than 30 days before entering into
25 a major medical facility lease, the Secretary shall submit

1 to the Committees on Veterans' Affairs of the Senate and
2 the House of Representatives—

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

5 “(B) a copy of the proposed lease;

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

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

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

18 “(3) Not more than 30 days after entering into a
19 major medical facility lease, the Secretary shall submit to
20 each committee described in paragraph (1) a report on
21 any material differences between the lease that was en-
22 tered into and the proposed lease described under such
23 paragraph, including how the lease that was entered into
24 changes the previously submitted scoring analysis de-
25 scribed in subparagraph (D) of such paragraph.”.

1 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
2 tion, or the amendments made by this section, shall be
3 construed to in any way relieve the Department of Vet-
4 erans Affairs from any statutory or regulatory obligations
5 or requirements existing prior to the enactment of this
6 section and such amendments.

7 **SEC. 4. BUDGETARY EFFECTS OF THIS ACT.**

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

Passed the House of Representatives December 10,
2013.

Attest:

KAREN L. HAAS,

Clerk.