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113TH CONGRESS
2D SESSION

H. R. 5042

To direct the Secretary of Veterans Affairs to carry out a pilot program under which the Secretary enters into partnership agreements with non-Federal entities for the construction of major medical facility projects.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2014

Mr. MCNERNEY introduced the following bill; which was referred to the Committee on Veterans' Affairs

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A BILL

To direct the Secretary of Veterans Affairs to carry out a pilot program under which the Secretary enters into partnership agreements with non-Federal entities for the construction of major medical facility projects.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Jumpstart VA Construction Act''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The buildings of the Department of Veterans Affairs have an average age of 60 years.

(2) Since 2004, use of Department facilities has grown from 80 percent to 120 percent, while the condition of these facilities has eroded from 81 percent to 71 percent over that same period of time.

(3) The Department currently manages and maintains more than 5,600 buildings and almost 34,000 acres of land.

(4) More than 3,900 infrastructure gaps remain that will cost between $54,000,000,000 and $66,000,000,000 to close, including $10,000,000,000 in activation costs.

(5) The Veterans Health Administration has 21 major construction projects dating to 2007 that have been only partially funded.

(6) The total unobligated amount for all currently budgeted major construction projects exceeds $2,900,000,000.

(7) To finish existing projects and to close current and future gaps, the Department will need to invest at least $23,200,000,000 over the next 10 years.

(8) At current requested funding levels, it will take more than 67 years to complete the 10-year capital investment plan of the Department.

SEC. 3. PILOT PROGRAM FOR THE CONSTRUCTION OF DEPARTMENT OF VETERANS AFFAIRS MAJOR MEDICAL FACILITY PROJECTS BY NON-FEDERAL ENTITIES UNDER PARTNERSHIP AGREEMENTS.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall carry out a 10-year pilot program under which the Secretary shall enter into partnership agreements on a competitive basis with appropriate non-Federal entities for the construction of major construction projects authorized by law.

(b) SELECTION OF PROJECTS.—

(1) IN GENERAL.—The Secretary shall select 10 major construction projects for completion by non-Federal entities under the pilot program. Each project selected shall be a major medical facility project authorized by law for the construction of a new facility for which—

(A) Congress has appropriated any funds;

(B) the design and development phase is complete; and

(C) construction has not begun, as of the date of the enactment of this Act.

(2) TYPE OF PROJECTS.—In selecting major construction projects under paragraph (1), the Secretary shall select—

(A) four seismic-related projects;

(B) four community based outpatient clinic-related projects; and

(C) two other projects.

(c) AGREEMENTS.—Each partnership agreement for a construction project under the pilot program shall provide that—

(1) the non-Federal entity shall obtain any permits required pursuant to Federal and State laws before beginning to carry out construction; and

(2) if requested by the non-Federal entity, the Secretary shall provide technical assistance for obtaining any necessary permits for the construction project.

(d) RESPONSIBILITIES OF SECRETARY.—The Secretary shall—

(1) appoint a non-Department of Veterans Affairs entity as the project manager of each major construction project for which the Secretary enters

into a partnership agreement under the pilot program;

(2) ensure that the project manager appointed under paragraph (1) develops and implements a project management plan to ensure concise and consistent communication of all parties involved in the project;

(3) work in cooperation with each non-Federal entity with which the Secretary enters into a partnership agreement to minimize multiple change orders;

(4) develop metrics to monitor change order process times, with the intent of expediting any change order; and

(5) monitor any construction project carried out by a non-Federal entity under the pilot program to ensure that such construction is in compliance with the Federal Acquisition Regulations and Department of Veterans Affairs acquisition regulations and that the costs are reasonable.

(e) REIMBURSEMENT.—

(1) IN GENERAL.—The Secretary shall reimburse, without interest, a non-Federal entity that carries out work pursuant to a partnership agreement under the pilot program in an amount equal

to the estimated Federal share of the cost of such work. Any costs that exceed the amount originally agreed upon between the Secretary and the non-Federal entity shall be paid by the non-Federal entity. The Secretary may commence making payments to a non-Federal entity under this subsection upon entering into a partnership agreement with the entity under this section.

(2) LIMITATION.—The Secretary may not make any reimbursement payment under this subsection until the Secretary determines that the work for which the reimbursement is requested has been performed in accordance with applicable permits and approved plans.

(3) BUDGET REQUESTS.—The Secretary shall budget for reimbursement under this section on a schedule that is consistent with the budgeting process of the Department and the ongoing Strategic Capital Investment Planning priorities list.

(f) COMPTROLLER GENERAL REPORT.—The Comptroller General of the United States shall submit to Congress a biennial report on the partnership agreements entered into under the pilot program.

(g) DEADLINE FOR IMPLEMENTATION.—The Secretary shall begin implementing the pilot program under this section by not later than 180 days after the date of the enactment of this Act.

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