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MILITARY CONSTRUCTION AND VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATION BILL, 2015

MAY 22, 2014.—Ordered to be printed

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

REPORT

[To accompany H.R. 4486]

The Committee on Appropriations, to which was referred the bill (H.R. 4486) making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2015, 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	$168,438,803,000
Amount of 2014 appropriations [1]	159,160,796,000
Amount of 2015 budget estimate	168,437,946,000
Amount of House allowance	168,039,751,000
Bill as recommended to Senate compared to—	
Amount of 2014 appropriations	+9,278,007,000
Amount of 2015 budget estimate	+857,000
House allowance	+399,052,000

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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 $165,410,828,000 for fiscal year 2015 military construction, family housing, base closure, veterans healthcare and benefits, including fiscal year 2016 advance appropriations for veterans medical care, and related agencies. This includes $93,512,828,000 in mandatory funding and $71,898,000,000 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 2015 request.

APPROPRIATIONS FOR FISCAL YEAR 2015

	Budget request	Senate recommendation
New budget authority	$168,437,946,000	$168,438,803,000
Previous advances provided for fiscal year 2015	55,634,227,000	55,634,227,000
Less advances provided for fiscal year 2016	−58,662,202,000	−58,662,202,000
Total appropriations for fiscal year 2015	165,409,971,000	165,410,828,000

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 2015 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 2015 budget request for military construction and family housing totals $6,557,447,000. The Committee recommends $6,559,000,000, which is equal to the Congressional Budget Office's reestimate of the President's 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 2015, the Committee recommends incremental funding for the following project: Medical Center Replacement, increment 4, Rhine Ordinance 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 $4,100,000,000 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, invest 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.

European Infrastructure Consolidation [EIC] Study.—The Committee is aware that the Department of Defense is conducting an EIC study in an effort to reduce excess DOD infrastructure in Europe. However, the study has not yet been finalized, nor have the recommendations been presented to Congress or to the host nations. Moreover, the timeline for completing that process remains uncertain.

As noted last year, the Committee continues to question the rationale for funding certain projects in Europe before DOD has determined the overall outcome of this study.

In particular, the Committee is interested in the savings-to-investment ratio of the EIC. The fiscal year 2015 budget request includes $92,223,000 for the first of a three-phase Joint Intelligence Analysis Center at Royal Air Force Base Croughton in the United Kingdom. The project would consolidate U.S. intelligence gathering operations for the European [EUCOM] and Africa [AFRICOM] Commands and establish a NATO Intelligence Fusion Center. The overall cost of this three-phase project is estimated to be in excess of $300,000,000.

The Committee is concerned that reliance on new construction to consolidate facilities as a means to reduce excess infrastructure can come with a heavy price tag. This is particularly troubling during a time in which the Defense Department is strapped for cash, and the military construction budget request for fiscal year 2015 plunged 40 percent from the fiscal year 2014 request.

While the Committee recognizes the importance of having a modernized intelligence center in Europe, it is concerned about the full cost and scope of this project, the rationale for an AFRICOM component when the AFRICOM headquarters in Stuttgart, Germany, is still being analyzed, and the associated costs of significantly expanding the U.S. military and family population at RAF Croughton, which is likely to require additional family housing, schools, health facilities, commissaries, and exchange facilities.

For this reason, the Committee has fenced funding for the Croughton project until the European Infrastructure Consolidation Study is transmitted to Congress and the Secretary of Defense certifies in writing to the Committees on Appropriations of both Houses of Congress the requirement for this project. This restriction is consistent with the restrictions on funding included in the fiscal year 2014 Military Construction and Veterans Affairs, and Related Agencies Appropriations bill for projects in Germany and England associated with the EIC.

The Committee further believes that the Department's request for another round of base closures within the United States is premature until DOD 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 Infrastructure 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.

The Committee also directs the Department to provide to the Committees on Appropriations of both Houses of Congress a savings-to-investment report on the EIC proposal, detailing the metrics and assumptions used to determine the savings associated with the EIC. This report should accompany the submission of the final EIC recommendations to Congress.

Pacific Resiliency Study.—The Committee remains concerned that the Pacific Command [PACOM] has not completed a resiliency plan for the laydown of forces in the Pacific Area of Responsibility [AOR]. It is imperative that as DOD rebalances forces in the Pacific region, PACOM develop a prioritized resiliency plan to protect, disperse and/or repair U.S. military assets within the AOR. The Committee urges PACOM to include robust, permanent ballistic missile defense as part of this plan, particularly on Guam. The temporary deployment of a Terminal High Altitude Area Defense battery to Guam is a positive first step, but given the planned U.S. military build-up in Guam, a permanent missile defense capability is needed. The Committee urges DOD to expedite its efforts to finalize the resiliency plan for the beddown of forces in the Pacific AOR and directs DOD to report its recommendations to the Committees on Appropriations of both houses of Congress upon completion, or within 90 days of enactment of this act, whichever occurs first.

Department of Defense Studies.—The Committee notes that the Department of Defense frequently fails to complete and deliver to Congress significant studies in a timely manner. The European Consolidation Study is now overdue, and the Pacific Resiliency Study has been delayed nearly a year. As a result, the Committee is handicapped in its ability to adequately evaluate the Department's request for additional projects due to the realignment of forces, consolidation of facilities, or major force structure changes. The Committee is supportive of the Department's efforts to re-evaluate its long range overseas mission and basing strategy, but notes that premature requests to fund projects that could be impacted by the results of the re-evaluation before the studies have been completed and provided to Congress for review are not in the best interests of either the Department or the American taxpayer.

Afghanistan Military Construction.—With the ongoing drawdown of U.S. forces from Afghanistan, the Committee is concerned about the status of unfinished military construction projects in the country and plans for the divestment of these and other military construction facilities that will no longer be required to support U.S. military operations.

The Committee recognizes that military construction decisions during contingency operations are difficult for several reasons: timeframes are often unclear or subject to unanticipated change; troop and equipment levels fluctuate; enemy activity may compel changes in force protection measures; and the relative permanence of structures may signal misleading intent on the part of U.S. forces. Nonetheless, in order to provide security and support for our

troops and associated personnel, military leaders must make decisions about military construction during contingencies, all of which are funded by American taxpayers. However, the Committee is aware of instances in which military construction projects in Afghanistan continued to be funded and executed even though local commanders had determined there was no longer a need for those facilities, potentially wasting millions of dollars.

The Government Accountability Office, the Congressional Research Service, and several non-governmental organizations have issued reports on the cost of the wars in Iraq and Afghanistan and have highlighted, among other things, the costs associated with building and maintaining structures in a contingency environment. While these reports have provided great insights into the broader DOD processes and related costs for supporting contingency operations, they have not focused specifically on the means by which the Department makes decisions about construction in a contingency environment or the challenges faced when making those decisions. In light of the recent end of the war in Iraq and the continued drawdown of forces in Afghanistan, the Committee recommends a comprehensive review of this issue with the intent that any lessons learned could be applied in future contingencies. Therefore, the committee directs the Comptroller General to conduct a review of the following:

—The processes Department of Defense officials used to make decisions about military construction in Iraq and Afghanistan, to include procedures for determining whether a structure should be permanent, enduring, or temporary;

—The costs associated with decisions made about military construction in Iraq and Afghanistan, to include the source or sources of funding;

—Any lessons the Department has learned about military construction during contingency operations based on the experiences of Iraq and Afghanistan; and

—Any other issues related to the military construction in a contingency environment that may come to light during the course of the review.

The Committee directs that the Comptroller General provide a briefing to the Committee on this work no later than March 1, 2015, with a report to follow.

The Committee also directs the Department of Defense to provide to the congressional defense committees a quarterly report on the status of all active military construction projects in Afghanistan, including the fiscal year and appropriations act in which the funding was provided, amount of appropriation, scheduled completion date, contract award date, contract award amount, and percent complete. The report shall also include the disposition of all major military construction projects at installations that the Department has determined will not be enduring U.S. locations following the end of major combat operations in Afghanistan. This assessment should include the cost, by project and quarter, of maintaining or demolishing any facilities that will not be returned to the host nation, as well as the cost of repairing or renovating any facilities that will be turned over to the Afghan government. The initial report should be provided at the end of the first quarter following en-

actment of this act, and each quarter thereafter until the Department has determined the disposition of all major military construction projects at non-enduring locations in Afghanistan.

Payment-in-Kind Funds.—The Committee remains concerned over the use of payment-in-kind [PIK] funds derived from residual value compensation for overseas military construction. An April 15, 2013, Senate Armed Services Committee report (Committee Report 113–12) found that Installation Management Command-Europe's [IMCOM–E] use of PIK funds was in some cases inconsistent with the intent of Congress. Specific concerns identified in the report include the opaque residual value assessments of overseas U.S. facilities, the use of "advance PIK" for military construction, the selection process for PIK projects, and lapses in required Congressional notifications before beginning residual value negotiations for in-kind payments used for military construction projects.

In response to these findings, the Senate Appropriations Committee included language in the report accompanying the Senate fiscal year 2014 Military Construction and Veterans Affairs, and Related Agencies Appropriations bill directing the Secretary of Defense to establish procedures to enhance oversight of the PIK program. The language also directed the Secretary to provide a report within 90 days of enactment of the act on the steps the Department is taking to address the concerns raised by both Committees, and to provide quarterly reports on the status of approved and pending PIK projects.

The Committee understands that in response to the directive, the Department is undertaking a comprehensive review of the PIK process to develop a revised PIK project submission and approval process. According to the Department, the new procedures will result in projects being prioritized by a Combatant Command and submitted for inclusion in the President's budget request instead of being funded outside of normal budget channels. The Committee is aware that this redesign is still in the early stages, and urges the Department to move forward as quickly as possible to finalize and implement the new procedures. The Committee further directs the Secretary to provide a report to the congressional defense committees within 90 days of enactment of this act on the status of the PIK program reorganization.

Missile Defense.—The Committee continues to support implementation of the European Phased Adaptive Approach [EPAA] to protect our deployed forces and European NATO allies from ballistic missile attacks. Last October the Missile Defense Agency broke ground on the first Aegis Ashore missile defense site in Deveselu, Romania. Construction continues at the site, and the project is under budget and on schedule with a planned completion date of December 2014. Activation of this site will begin to provide the United States and our European allies with a defensive capability against the growing threat of Iranian ballistic missiles. The Committee is encouraged by the significant progress made to date and urges the Department to aggressively pursue opportunities to expedite construction and deployment of the second Aegis Ashore system in Redzikowo, Poland. The Committee expects the fiscal year 2016 budget request to include full funding for the expedited construction of this second site.

MDA Long Range Discrimination Radar.—The Committee fully funds the President's request of $29,000,000 for planning and design for the Missile Defense Agency [MDA] Long Range Discrimination Radar [LRDR] in the Pacific Region. The Committee understands that the Administration intends to seek funds for the construction of the LRDR in its fiscal year 2016 military construction program, with the objective of delivering the LRDR by the end of 2019 to meet 2020 MDA Enhanced Homeland Defense Capability goals. The LRDR will serve as a midcourse sensor to mitigate threat evolution and improve discriminating capability in the Ballistic Missile Defense System architecture focused on threats in the Pacific. The Committee encourages the Department of Defense to remain on course to deliver the system in line with the program's schedule.

While a site determination has not yet been made, MDA indicates that the LRDR will likely be located in Alaska, where assuring one-hundred percent reliable, secure, and cost effective power generation is a key concern. The Committee is concerned that sufficient and reliable power generation be available to support both the LRDR and the candidate installations' current and expected future mission needs. Accordingly, when determining different energy supply options and upgrades needed to support the LRDR, MDA should coordinate with the services to assess current power generation capabilities at the candidate installations, and to determine the cost of any expansion or enhancements required to ensure that future power needs are taken into consideration.

Defense Access Roads.—Nationwide, there are immediate and significant transportation needs in many States and communities that are experiencing substantial population growth as a result of defense activities. The Department of Defense's Office of Economic Adjustment estimates that there are a considerable number of mission critical transportation projects in need of funding. Providing Department of Defense funding in conjunction with State transportation improvement programs to address defense-related transportation projects, including those required as a result of Base Realignment and Closure development, would enhance the ability of work on these projects to begin promptly. By including mission growth transportation projects as eligible infrastructure projects for Federal defense funding, important improvements can be made while creating jobs and strengthening national security. The Committee supports adjustment in Defense Access Road eligibility thresholds and requirements for installations of strategic importance, and a separate Defense Access Road funding source to offset the impacts of base expansion and resultant traffic congestion.

The Committee further urges the Secretary of Defense to prioritize the construction of Defense Access Roads to relieve traffic congestion associated with mission growth and base realignment activities.

U.S. Special Operations Command [USSOCOM].—The Committee commends the Department of Defense for following through on previous Committee direction to prioritize SOCOM's long-range training plan for bases in the continental United States [CONUS]. Accordingly, the Committee fully funds the President's fiscal year 2015 request for CONUS Special Operations Forces projects, and

urges the Department of Defense to execute the fiscal year 2015 SOCOM projects as expeditiously as possible.

Redevelopment Potential for Military Properties and Facilities.—The Committee directs the Department of Defense to report to Congress within 120 days after enactment of this act on steps DOD could take to assess the local redevelopment potential for military properties and facilities. Prior to approving new construction or upgrades, the Department should consider local interest, property value, and related cost savings that could result from the transfer and disposal of facilities or properties.

Military Construction Funding Initiatives.—The bill includes funding for military construction initiatives to address important quality-of-life and unfunded priorities of the services. The fiscal year 2015 military construction budget request is 40 percent below last year's request. The Department of Defense and all of the services have acknowledged that they are taking risk in their military construction programs to provide additional funding for readiness. The Committee fully understands the importance of providing adequate funding for readiness, but believes that infrastructure plays a major role in the morale and readiness of military forces.

The Committee notes, as it has in the past, that military construction is the foundation of military readiness, but it is too often the go-to bill payer in constrained budget environments, resulting in the sometimes indefinite deferral of many meritorious construction projects. As the Department and each of the services noted in testimony before the Committee, the fiscal year 2015 military construction budget is targeted almost exclusively at new mission and life, safety, and health investments. A major concern of the Committee is that important quality-of-life projects, such as troop housing, child care centers, and troop and family physical fitness centers, tend to be the first casualties of budget constraints. The scandals surrounding revelations of deplorable troop housing conditions at Fort Bragg, North Carolina, and Walter Reed Army Medical Center in Washington, DC, that emerged a few years ago underscore the consequences of neglecting quality-of-life military construction projects.

For this reason, the Committee includes an additional $315,000,000 for quality-of-life projects for the Navy, Air Force and Air Force Reserve. These projects are among those included in the President's fiscal year 2015 Opportunity, Growth and Security Initiative budget request. An additional $60,000,000 is provided for Army quality-of-life projects, and $90,000,000 is provided for unfunded requirements of the Army National Guard and Reserve. This funding is reserved for projects that were included in the Army's Unfunded Priority Requirements list provided to Congress on April 1, 2014.

The Committee notes that the funding for these initiatives comes from prior year bid savings, incremental funding, cancelled projects and prior year projects that are either unexecutable or are no longer required. No funding was diverted from the military construction readiness or life, safety, and health projects in the fiscal year 2015 budget request.

Rescissions.—The Committee recommends administrative provisions which rescind prior year unobligated funds due primarily to

project bid savings and the slow execution of projects. In addition, these provisions rescind fiscal year 2011 funds appropriated in the "Military Construction, Navy" and "Military Construction, Air Force" accounts due to the lack of host nation approval to proceed with construction projects at Isa Air Base in Bahrain. Further, the recommendation rescinds fiscal year 2012 and 2013 funds appropriated in the "Military Construction, Army" account due to Gray Eagle Unmanned Aerial Vehicle program changes and scope adjustments. The Committee also rescinds fiscal year 2014 funds appropriated in the "Military Construction, Air Force" account to develop an aircraft divert and training exercise capability within the Commonwealth of the Northern Mariana Islands [CNMI]. These funds are rescinded due to the lack of a site plan and poor synchronization with the U.S. Marine Corps to potentially realize efficiencies in the activities and infrastructure requirements in the CNMI. Finally, the Committee rescinds funds previously appropriated in the "Military Construction, Defense-wide" account in response to overseas construction project savings.

MILITARY CONSTRUCTION, ARMY

Appropriations, 2014	$1,104,875,000
Budget estimate, 2015	539,427,000
House allowance	526,427,000
Committee recommendation	539,427,000

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 $539,427,000 for the Army for fiscal year 2015. This amount is $565,448,000 below the fiscal year 2014 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, 2014	$1,629,690,000
Budget estimate, 2015	1,018,772,000
House allowance	998,772,000
Committee recommendation	1,018,772,000

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 $1,018,772,000 for Navy and Marine Corps military construction for fiscal year 2015. This amount is $610,918,000 below the fiscal year 2014 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, AIR FORCE

Appropriations, 2014	$1,052,796,000
Budget estimate, 2015	811,774,000
House allowance	719,551,000
Committee recommendation	811,774,000

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 $811,774,000 for the Air Force in fiscal year 2015. This amount is $241,022,000 below the fiscal year 2014 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.

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.

MILITARY CONSTRUCTION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014	$3,445,423,000
Budget estimate, 2015	2,061,890,000
House allowance	2,021,690,000
Committee recommendation	1,961,890,000

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 $1,961,890,000 for projects considered within the "Defense-Wide" account in fiscal year 2015. This amount is $1,483,533,000 below the fiscal year 2014 enacted level and $100,000,000 below the budget request. Further detail of the Committee's recommendation is provided in the State table at the end of this report.

ENERGY CONSERVATION INVESTMENT PROGRAM

The Committee recommends the requested level of $150,000,000 for the Energy Conservation Investment Program [ECIP], and $10,000,000 for ECIP Planning and Design [P&D]. The Committee commends DOD for including a separate line item for ECIP planning and design in its fiscal year 2015 budget justification materials, and fully funds the request to help ensure that adequate funds are available for future ECIP project design.

In an era of declining defense budgets, and in an environment in which energy efficiency, security, and renewable energy investments are mission-critical requirements, ECIP is an important component of the Department of Defense's [DOD] energy strategy, and its only dedicated stream of funding for energy projects. DOD is the largest consumer of energy in the Federal Government, accounting for nearly 80 percent of the government's total energy consumption. Currently, the Department spends nearly $4,000,000,000 per year on facility energy, or almost a quarter of its total energy costs. The Committee encourages the transition of ECIP from funding small, rapid pay-back projects, such as isolated heating, cooling and lighting efficiencies, to playing a central role in leveraging larger energy security and renewable energy projects. As such, the Committee urges DOD and the services to compete projects that will produce significant "game-changing" improvements to reduce carbon emissions, energy consumption, and energy costs, as well as projects to enhance installation energy security.

Projects such as energy security microgrids, net-zero facilities, and renewable energy projects have the potential to offer long term pay-back that far exceeds initial investment, while concurrently driving innovation. In an environment of heightened security risks

and growing concern over carbon emissions, it is more important than ever for DOD to maintain robust investment in ECIP to reduce installation energy expenses, limit carbon emissions, and enhance installation energy security.

While the Committee strongly supports ECIP, it also believes that an updated evaluation of the program's impact on DOD energy consumption and efforts to reduce energy costs is warranted. Therefore, the Committee directs the Comptroller General of the Government Accountability Office [GAO] to examine DOD's use of ECIP funding for energy-related projects and the extent to which ECIP investments reduce the Department's use of energy and energy costs. DOD selects ECIP projects in part based on their projected Savings-to-Investment Ratio, an estimate of a project's return on investment within a 10-year payback period. DOD estimates that ECIP investment has resulted in a cost savings of approximately $2,000,000,000 since 2001. As DOD continues to make ECIP investments in projects to reduce energy consumption, save money, and increase the use of renewable energy, the Committee directs the Comptroller General to verify the energy savings associated with ECIP by addressing the following issues: (1) to what extent have ECIP funded projects reduced the Department's use of energy or its energy costs; (2) how does DOD's estimated return on investment and energy savings for ECIP projects compare with actual savings; (3) to what extent has DOD realized the projected return on investment, energy savings, or cost savings of ECIP projects during the 10-year payback period, and (4) to what extent do renewable energy projects funded by ECIP conform to the 10-year payback period. The Committee directs GAO to provide this assessment, using a representative sample of ECIP funded projects, no later than 180 days after enactment of this act.

Medical Military Construction Program.—The Committee provides funding for five projects to upgrade or modernize medical treatment facilities within the Department of Defense. Investments in medical infrastructure projects are crucial to ensuring that quality healthcare is delivered to service members and their families in the future. Therefore, the Committee is concerned that the Future Years Defense Program [FYDP] accompanying the fiscal year 2015 budget submission proposes indefinite deferral of a number of planned medical military construction projects. For example, the Fort Leonard Wood, Missouri, hospital replacement project, which was programmed for fiscal year 2016, is deferred in the new FYDP to fiscal year 2020 or later. The Committee notes that the Surgeon General of the United States Army testified before the Senate Appropriations Subcommittee on Defense on April 9, 2014, that this hospital replacement project is the Army's top priority for medical military construction projects. The existing hospital at Fort Leonard Wood last underwent a major renovation nearly 40 years ago. Due to the quality of life importance of these medical facilities, the Committee strongly encourages the Department to prioritize and restore medical military construction projects within the FYDP submitted for fiscal year 2016. In addition, the Committee encourages the Department to continue collaborating with the Department of Veterans Affairs to pursue Joint DOD/VA medical facility projects.

CONTINGENCY CONSTRUCTION

The Committee has provided $9,000,000 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.

MILITARY CONSTRUCTION, RESERVE COMPONENTS

Appropriations, 2014	$665,759,000
Budget estimate, 2015	426,549,000
House allowance	426,549,000
Committee recommendation	426,549,000

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 $426,549,000 for military construction projects for the Guard and Reserve components for fiscal year 2015. This amount is $239,210,000 below the fiscal year 2014 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	$126,920,000	$126,920,000
Air National Guard	94,663,000	94,663,000
Army Reserve	103,946,000	103,946,000
Navy Reserve	51,528,000	51,528,000
Air Force Reserve	49,492,000	49,492,000
Total	426,549,000	426,549,000

NORTH ATLANTIC TREATY ORGANIZATION

SECURITY INVESTMENT PROGRAM

Appropriations, 2014	$199,700,000
Budget estimate, 2015	199,700,000
House allowance	199,700,000
Committee recommendation	199,700,000

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 $199,700,000 for the North Atlantic Treaty Organization Security Investment Program [NSIP] for fiscal year 2015 as requested. This amount is equal to the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING OVERVIEW

Appropriations, 2014	$1,515,713,000
Budget estimate, 2015	1,190,535,000
House allowance	1,190,535,000
Committee recommendation	1,190,535,000

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 $1,190,535,000 for Family Housing Construction, Operations and Maintenance, and the Department's family housing improvement fund for fiscal year 2015. This amount is $325,178,000 below the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING CONSTRUCTION, ARMY

Appropriations, 2014	$27,408,000
Budget estimate, 2015	78,609,000
House allowance	78,609,000
Committee recommendation	78,609,000

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 $78,609,000 for Army Family Housing Construction in fiscal year 2015, an amount equal to the budget request and $51,201,000 above the fiscal year 2014 enacted level.

U.S. Military Family Housing in Korea.—The relocation of a large number of U.S. forces from Yongsan Garrison in the Republic of Korea to the Camp Humphreys U.S. Army base south of Seoul is one of the largest construction projects the Department of Defense has undertaken in recent years. The Army's planned public-private venture to build family housing units, the Humphreys Housing Opportunity Program [HHOP], specified that a private developer would build, operate, and maintain on-base family housing that service members could rent using their overseas housing allowance [OHA]. The goal was to fill a family housing deficit of over 600 units.

However, from the outset, expected rents far surpassed the OHA for accompanied service members in Korea, and the Department of Defense repeatedly denied the Army's requests for a "special circumstances" adjustment to the OHA rate. As a result, the HHOP has been stalled for several years, with no resolution in sight.

The Committee is deeply concerned that the Army and the Department of Defense have not developed an alternative plan to the HHOP that will meet the on-base housing requirements of the U.S. Forces Korea [USFK] commander, nor conducted adequate analysis into potential alternative family housing arrangements to reduce expected costs. The Administration's fiscal year 2015 budget request includes $57,800,000 to construct a 90-unit family housing project at Camp Walker, Korea. The Committee fully funds this request; however, the high cost of construction raises concerns about future costs associated with family housing initiatives in Korea, including Camp Humphreys.

The Committee therefore directs the Department to provide an updated assessment of options to provide military family housing at Camps Walker, Humphreys and Daegu within 120 days of enactment of this act. The assessment should include an analysis of the number of personnel required to live on base, the potential of adjusting the OHA rate for Korea, and the potential cost and timeline of using military construction funding to meet the family housing requirement at the three installations.

NEW CONSTRUCTION

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

ARMY FAMILY HOUSING NEW CONSTRUCTION

[In thousands of dollars]

Location	Installation	Project	Budget request	Committee recommendation
Illinois	Rock Island	Family Housing New Construction	19,500	19,500
Korea	Camp Walker	Family Housing New Construction	57,800	57,800
Total			77,300	77,300

FAMILY HOUSING OPERATION AND MAINTENANCE, ARMY

Appropriations, 2014	$512,871,000
Budget estimate, 2015	350,976,000
House allowance	350,976,000
Committee recommendation	350,976,000

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 $350,976,000 for family housing operation and maintenance, Army for fiscal year 2015. This amount is $161,895,000 below the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

Appropriations, 2014	$73,407,000
Budget estimate, 2015	16,412,000
House allowance	16,412,000
Committee recommendation	16,412,000

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 $16,412,000 for Family Housing Construction, Navy and Marine Corps, for construction improvements at Marine Corps Air Station Iwakuni, Japan, in fiscal year 2015, and for Family Housing Advance Planning and Design. This amount is $56,995,000 below the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING OPERATION AND MAINTENANCE, NAVY AND MARINE CORPS

Appropriations, 2014	$379,444,000
Budget estimate, 2015	354,029,000
House allowance	354,029,000
Committee recommendation	354,029,000

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 $354,029,000 for family housing operation and maintenance, Navy and Marine Corps, in fiscal year 2015. This amount is $25,415,000 below the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING CONSTRUCTION, AIR FORCE

Appropriations, 2014	$76,360,000
Budget estimate, 2015	.....
House allowance	.....
Committee recommendation	.....

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 no funding for Family Housing Construction, Air Force, in fiscal year 2015 in accordance with the budget request.

FAMILY HOUSING OPERATION AND MAINTENANCE, AIR FORCE

Appropriations, 2014	$388,598,000
Budget estimate, 2015	327,747,000
House allowance	327,747,000
Committee recommendation	327,747,000

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 $327,747,000 for family housing operation and maintenance, Air Force, in fiscal year 2015. This amount is $60,851,000 below the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE

Appropriations, 2014	$55,845,000
Budget estimate, 2015	61,100,000
House allowance	61,100,000
Committee recommendation	61,100,000

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 $61,100,000 for family housing operation and maintenance, Defense-Wide, for fiscal year 2015. This amount is $5,255,000 above the fiscal year 2014 enacted level and equal to the budget request.

FAMILY HOUSING IMPROVEMENT FUND

Appropriations, 2014	$1,780,000
Budget estimate, 2015	1,662,000
House allowance	1,662,000
Committee recommendation	1,662,000

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 $1,662,000 for the Family Housing Improvement Fund for fiscal year 2015. This amount is $118,000 below the fiscal year 2014 enacted level and equal to the budget request.

CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE-WIDE

Appropriations, 2014	$122,536,000
Budget estimate, 2015	38,715,000
House allowance	38,715,000
Committee recommendation	38,715,000

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 $38,715,000 for chemical demilitarization construction projects for fiscal year 2015, a decrease of $83,821,000 below the fiscal year 2014 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.

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT

Appropriations, 2014	$451,357,000
Budget estimate, 2015	270,085,000
House allowance	270,085,000
Committee recommendation	380,085,000

PROGRAM DESCRIPTION

Section 2711 of the National Defense Authorization Act for Fiscal Year 2014 (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 $380,085,000 for the Department of Defense Base Closure Account for fiscal year 2015, $110,000,000 above the budget request. Funds provided for fiscal year 2015 are for environmental cleanup and ongoing operations and maintenance.

BASE CLOSURE ACCOUNT ENVIRONMENTAL AND MAINTENANCE OVERVIEW

The Committee recommends $380,085,000 for the Base Closure Account for fiscal year 2015. This is $110,000,000 above the Administration's request and is intended to expedite the environmental remediation of military installations closed or realigned through the BRAC process. The current cost to complete environmental remediation of military installations closed under the five previous BRAC rounds totals nearly $3,000,000,000, yet the budget request included only $270,000,000 for BRAC clean up, 40 percent below the fiscal year 2014 enacted level.

The Committee is aware of the lengthy process involved in cleaning up environmental contamination at military installations due to the highly toxic and unique nature of some of the contaminants. However, environmental remediation remains a major impediment to the transfer and reuse of property. The Committee believes that it is essential for the Department of Defense to expedite where possible the environmental cleanup of closed bases. The additional funding provided in this account includes $25,000,000 for the Army, $60,000,000 for the Navy and $25,000,000 for the Air Force.

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 providing additional funds for unfunded quality-of-life military construction projects for the Department of the Army.

SEC. 128. The Committee includes a provision providing additional funds for unfunded military construction projects for the Army National Guard.

SEC. 129. The Committee includes a provision providing additional funds for unfunded military construction projects for the Army Reserve.

SEC. 130. The Committee includes a provision providing additional funds for quality-of-life military construction projects for the Department of the Navy.

SEC. 131. The Committee includes a provision providing additional funds for quality-of-life military construction projects for the Department of the Air Force.

SEC. 132. The Committee includes a provision providing additional funds for quality-of-life military construction projects for the Air Force Reserve.

SEC. 133. The Committee includes a provision rescinding unobligated balances from various Military Construction accounts.

SEC. 134. The Committee includes a provision rescinding unobligated balances from the Homeowners Assistance Program.

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 2015 Department of Veterans Affairs [VA] budget request on March 25, 2014. The subcommittee heard testimony from the Honorable Eric Shinseki, Secretary of the Department of Veterans Affairs.

SUMMARY OF COMMITTEE RECOMMENDATIONS

The Committee recommendation includes $158,613,053,000 for the Department of Veterans Affairs for fiscal year 2015, including $93,512,828,000 in mandatory spending and $65,100,225,000 in discretionary spending. The Committee also recommends $58,662,202,000 in advance appropriations for veterans medical care for fiscal year 2016.

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, 2013, there were an estimated 22 million living veterans, with 21.9 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 575,000 survivors of deceased veterans receiving VA survivor benefits in the United States and Puerto Rico. Thus, more than 49 million people, or 15.3 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, Veterans

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 151 hospitals, 1,207 outpatient clinics and Vet Centers, 133 nursing homes, and 102 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 133 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.

VA PATIENT SCHEDULING DELAYS

The Committee is deeply troubled over allegations that have recently emerged regarding deliberate attempts to cover up outpatient scheduling delays at a number of VA medical centers across the country, including Arizona, Illinois, New Mexico, North Carolina, Washington, and Colorado, raising the possibility of deadly consequences in some cases. If substantiated, these allegations constitute not only fraud and malfeasance, but also point to the more chilling conclusion that maintaining a false front of efficiency for the hospital trumped its mission of maintaining the health and well-being of the patients it was built to serve.

Scheduling delays resulting from such factors as outdated and unwieldy scheduling systems, staffing shortages, and insufficient telephone capacity have plagued the VA for years, and have been amply documented by the Government Accountability Office and

the VA Inspector General. But the current cascade of accusations that some VA medical centers keep secret or falsified waiting lists to mask lengthy delays in patient scheduling portends a far more troubling problem with the very culture of the Veterans Health Administration [VHA].

The Committee commends the VA Inspector General [IG] for launching an immediate investigation and consultation with Federal criminal prosecutors into allegations that employees at the Phoenix, Arizona, VA medical center used secret wait lists to conceal long scheduling delays, resulting in the deaths of some veterans waiting to get an appointment. While these allegations have not been substantiated, and the outcome of the IG investigation should not be pre-judged, it is becoming increasingly evident that long wait times and scheduling discrepancies are not limited to one or even a handful of VA facilities.

For this reason, the Committee provides an additional $5,000,000 in funding for the Office of Inspector General and directs the IG to conduct a systemwide review of scheduling procedures, wait times for appointments, and management practices at VA medical centers across all Veterans Integrated Service Networks [VISNs].

The Committee also includes bill language restricting the VA from awarding performance bonuses to medical directors, assistant medical directors, and Senior Executive Service employees of the VHA until the audit is complete, the IG has provided Congress with a report on the findings, and the Secretary provides Congress an implementation plan to address the findings and recommendations of the IG audit.

The Committee also recognizes the hard work and dedication of the vast majority of employees at VA clinics and medical centers throughout the Nation. Their contributions to the health and well-being of America's veterans must not be overshadowed by the alleged misconduct a small fraction of the VA workforce.

DISABILITY CLAIMS BACKLOG

The backlog in VA disability claims processing remains a major concern of the Committee. While significant progress has been made to reduce the backlog, more work remains to be done. Therefore the Committee has provided additional funding for claims processing and additional oversight requirements in this bill to ensure that the VA's focus and momentum on reducing the claims backlog will not be lost.

Last year, the backlog of veterans disability compensation claims reached crisis proportions. For too long, the focus of this problem has been narrowly viewed as a VA problem only. However, the claims process is highly dependent on receiving timely and accurate information from a host of other Federal agencies. In order to address this, on May 22, 2013, the Committee brought together an interagency working group including the Secretary of Defense; the Secretary of Veterans Affairs; the Acting Commissioner of the Social Security Administration; and the Deputy Commissioner of the Internal Revenue Service to discuss the unacceptable delays in the processing of disability claims. This unprecedented meeting resulted in the implementation of a number of intergovernmental initiatives across the Federal Government aimed at speeding the

transfer of information to the VA and eliminating the backlog. Among these initiatives were:

—The development by the Social Security Administration [SSA] of the Government-to-Government Services Online [GSO] secure messaging system, which allows VA employees to request and SSA to transmit electronic records associated with veterans' claims. In October of 2013, 36 percent of records VA requested were transmitted electronically via GSO. As of March 2014, 74 percent are being transmitted electronically. National rollout will be fully implemented by the end of fiscal year 2014, eliminating the old process of requesting records by fax and having encrypted compact discs mailed.

—A new agreement among VA, SSA and the Internal Revenue Service [IRS], which matches earned and unearned income to new VA pension claims and returns the information to the VA electronically.

—The electronic transfer from the Department of Defense [DOD] to the VA, beginning on January 1, 2014, of certified and complete Service Treatment Records [STR] for separating servicemembers via the Health Artifact and Image Management System [HAIMS]. These electronic folders load directly into the Veterans Benefits Management System, the VA's new electronic claims processing system. This ends most transfers of paper STRs via mail. This has streamlined the exchange of a significant amount of data between DOD and VA and shortened the amount of time it takes for VA claims adjudicators to receive critical information from DOD.

While these efforts are to be commended, more work remains to improve the intergovernmental exchange of information to assist the VA in processing disability claims. For example, VA and DOD are currently working to standardize a process for the transmission of Guard and Reserve records, which are among the most complicated of records to aggregate given the nature of intermittent assignments to active duty and the dual State and Federal role of the Guard. The Committee will continue to press VA, DOD and other Federal agencies to expedite the flow of interagency information so that veterans do not experience an unnecessary delay due to lost or late delivery of critical documents.

The fiscal year 2014 Military Construction and Veterans Affairs, and Related Agencies appropriations bill addressed issues raised at the May 2013 roundtable by including a 10-point plan, which implemented specific measures to eliminate the claims backlog while bolstering oversight and transparency of the process. As a result of this plan and initiatives launched by the Department, the claims backlog has fallen from a height of 611,000 in March 2013 to 300,620 as of May 10, 2014. Oversight has also increased as the VA is required to provide monthly updates to the Committee on performance measures for each Regional Office. In addition, top officials of VA, DOD, SSA, and IRS meet with the Committee every 60 days to discuss current and potential collaborative efforts aimed at speeding the evidence-gathering phase of disability claims processing. The 10-point plan also required the VA and DOD Inspectors General to examine the process and procedures involved in the transmission of STRs from DOD to VA, with an emphasis on Guard

and Reserve records, and to identify problem areas and make recommendations for improvements. This report is scheduled to be submitted to the Committee this summer. Upon receipt of the report, the Committee will take the appropriate steps to ensure that these recommendations are incorporated into the fiscal year 2015 Military Construction and Veterans Affairs, and Related Agencies Appropriations Act as the bill makes its way through the appropriations process.

This year's recommendations maintain the oversight and reporting requirements contained in the 10-point plan and builds on them with an eye toward the future by laying the groundwork for enduring systemic and business process changes so that the Veterans Benefit Administration [VBA] does not face a similar backlog in future years. In short, with every effort underway to eliminate the current backlog, VBA must also be positioning itself to protect against a future backlog. To this end, the Committee recommendation includes numerous new reforms and initiatives and calls for an independent review to be conducted by the National Academy of Public Administration of VBA's business processes, management structure, training programs and workforce allocation strategy, and to provide to the Committee recommendations for any structural changes to the current system. Moreover, the Committee recommendation also directs the VBA, working in conjunction with the Office of Policy and Planning, to conduct a workforce analysis by Regional Office, and to undertake a detailed review of VBA's Resources Allocation Model.

The bill also provides focus and resources on the lengthy appeals process and the increasing number of disability decisions on appeal. The fiscal year 2015 justification accompanying the VA's budget request notes that appeals received by the Board of Veterans Appeals are projected to increase 52 percent, from 47,763 in 2011 to 72,786 by the end of 2015. To help alleviate the impact of this surge in appeals, the bill includes increases above the request for VBA to hire additional personnel at Regional Offices, including Decision Review Officers, the Board of Veterans Appeals and the United States Court of Appeals for Veterans Claims.

To help accomplish the goals described above, the Committee has provided an increase of $30,000,000 above the budget request for a claims processing hiring and training initiative, $10,000,000 over the request to bolster VBA's migration to electronic claims processing systems, including scanning and hardware upgrades at Regional Offices, and $5,000,000 over the request for the Board of Veterans Appeals to address the backlog of appeals pending before the Board.

The Committee recognizes that eliminating the current claims backlog is only the first step in addressing the long term need to transform claims processing to a modern, streamlined and efficient system. The initiatives, funding and oversight contained in this bill will help the VA undertake such a transformation, ensure that quality of claims processing does not suffer in the effort to eliminate the backlog, and establish fundamental reforms that will lead to the sustained efficiency and responsiveness of the disability claims process.

INFRASTRUCTURE

The Committee remains concerned about a lack of investment in current and future VA infrastructure. In 2010, the Department undertook a strategic review of current facilities and future capital investment needed to close gaps across the Veterans Health Administration [VHA]. The Department-wide planning process, known as the Strategic Capital Investment Planning process [SCIP], resulted in the creation of a single integrated, prioritized list of projects from all capital investment accounts (major construction, minor construction, and VHA non-recurring maintenance). SCIP was designed to improve the delivery of services and benefits to veterans, their families and survivors by addressing VA's most critical needs. The prioritized list was to be a blueprint of wise investments that needed to be made in VA's future and current facilities, in order to continue to provide high quality healthcare. The original SCIP estimated that a total cost of between $50,000,000,000 and $60,000,000,000 needed to be invested over 10 years to address the problem of aging hospitals and clinics across the country. The Committee was encouraged that the Department undertook such a long range view at its infrastructure needs and assumed that adequate budget submissions would follow. However, requests for major and minor construction have remained stagnant over the past several years, and requests for non-recurring maintenance have decreased since fiscal year 2013.

As part of the review of current infrastructure, the VA undertakes a Facility Condition Assessment [FCA] in which the Department estimates its current maintenance backlog at hospitals across the country. Each building in use at Veterans Affairs Medical Center campuses are graded from A through F based on their condition, with Ds and Fs being considered deficiencies that should have been addressed in previous years. At the same time that the most current FCA estimates that the total cost of deficiencies across the VHA system totals between $9,800,000,000 and $10,700,000,000, the fiscal year 2015 budget estimate for non-recurring maintenance totals $460,600,000, down $861,557,000 from fiscal year 2013.

The Committee understands that the current budget environment has caused tough choices to be made across the entire Federal Government. However, safe and modern infrastructure is paramount to delivering world class healthcare. Ignoring or deferring wise infrastructure investments today can cause costs to escalate tomorrow, and will likely drive policy decisions over how care is to be delivered in the future. Therefore, the Committee has included a number of actions within the bill to help the VA address some of its most pressing infrastructure needs. These include: an additional $125,000,000 for non-recurring maintenance, as well as authority for the Secretary to transfer up to $250,000,000 from the Medical Care Collections Fund into the Medical Facilities account to address critical infrastructure repairs; an additional $45,000,000 for minor construction projects at hospitals across the country; and specific directions concerning how major construction projects are prioritized year-to-year. While these investments only scratch the surface of current and future budget needs, the Committee feels strongly that any additional funding that can be provided should

be allocated to high-priority programs and urges the Department to rethink its budgeting model with respect to infrastructure and to provide more realistic budget requests in the future.

ITEMS OF SPECIAL INTEREST

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. Last year, the Committee recommended several changes that future justifications should include. While the Department has adopted many of those changes, some were not contained in the fiscal year 2015 Congressional budget justifications. The Committee reiterates the need for more detailed budget explanations so that timely evaluation of requested funding and proper oversight are not hindered, and has included specific directions in the appropriate place within this report outlining the type of details future justifications should include.

Medical Facilities Realignments.—The Committee remains concerned that VA medical care realignments are being approached in an ad hoc manner by each individual Veterans Integrated Service Network [VISN] rather than on a comprehensive basis by VA Central Office. This soda straw approach to the realignment process could lead to an inequitable and inefficient distribution of medical care resources throughout the Nation. The Committee believes that before VA makes a decision to relocate, close or diminish services at an existing medical facility, consideration must be given to the impact the proposed relocation would have on veterans, particularly those veterans that reside in rural or highly rural areas. Without a clearly articulated national strategy for realignments, the Committee is concerned that selected decisions are being made by individual VISNs without stakeholder involvement and without engagement or guidance from senior level policymakers before potentially irreversible decisions are made. For example, VISN directors contemplating a realignment could begin to make decisions years in advance about what services to offer or which vacancies to fill, with no guidance from the Central Office and no visibility of the national strategy. Such decisions could diminish the level of care in an area to the point that realignment becomes a foregone conclusion before the Central Office has an opportunity to review or weigh in on the merits of the proposed realignment.

The Committee understands that VA must keep up with demographic changes. However, the VA must establish a clear and transparent process that engages all parties from the beginning. Therefore, the Committee recommendation includes an Administrative Provision suspending the proposed realignment of services in VISN 23 until such time as the Department transmits to the Committee a report that outlines the following: (1) a national realignment strategy that includes a detailed description of realignment plans within each VISN; (2) an explanation of the process by which those plans were developed and coordinated within the VISN; (3) a cost vs. benefit analysis of each planned realignment, including

the cost of replacing Veterans Health Administration services with contract care or other outsourced services; (4) an analysis of how any such planned realignment of services will impact access to care for veterans living in rural or highly rural areas, including travel distances and transportation costs to access a VA medical facility and availability of local specialty and primary care; (5) an inventory of VA buildings with historic designation and the methodology used to determine the buildings condition and utilization; (6) a description of how any realignment will be consistent with requirements under the National Historic Preservation Act; and (7) consideration given for reuse of historic buildings.

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.

Intergovernmental Information.—The Committee recognizes that many services provided by the VA are contingent upon getting timely information from other Government agencies and Departments. As noted earlier in this report, since the Committee convened a roundtable in May of 2013 with the heads of several Departments and agencies, information flow from these agencies to the VA has been handled in a timelier manner. However, to ensure that this cooperation continues, the Committee directs the Secretary of the VA to submit an annual report beginning January 1, 2015, detailing the average number of days it took during the previous fiscal year for the VA to receive information it requested from other Federal agencies.

Integrated Disability Evaluation System.—The Secretary of Veterans Affairs, in consultation with the Secretary of Defense, shall develop a plan to improve the sharing of information necessary to predict and address surges in workload within the Integrated Disability Evaluation System. Further, the Departments shall integrate information technology systems to ensure that an end-to-end information technology solution is in place for both the transfer and management of Integrated Disability Evaluation System cases between the Department of Veterans Affairs and the military services no later than December 31, 2014.

Victims of Mass Shootings on Military Bases.—The Committee is concerned that military and veteran victims of the mass shootings at Fort Hood, Texas, in 2009 and 2014, and at the Navy Yard in Washington, DC in 2013 receive the maximum VA benefits available to soldiers or veterans who were wounded in the line of duty. To better understand the benefits and care these victims are entitled to now and into the future, the Committee directs the VA to submit a report to the Committees on Appropriations of both Houses of Congress no later than July 15, 2014, that provides a detailed analysis of the benefits and care victims of workplace violence are eligible, and how these compare to benefits and care they

would receive if wounded in battle or as a result of a terrorist attack.

Legal Training.—The Committee is aware of several law school based programs designed to help veterans more efficiently navigate the Department's benefits process. These programs leverage significant volunteer, private sector, and other non-Federal resources that combine to produce better outcomes for veterans and significant cost-savings and efficiencies for the Department. The Committee encourages the VA to explore ways in which the Department might partner with these programs.

Agent Orange Registry.—The VA maintains an Agent Orange Registry for veterans who served in Vietnam. The Committee is aware, however, of a number of instances where U.S. veterans may have been exposed to chemicals including Agent Orange during training activities and missions outside of Vietnam. The Committee urges the Secretary of Veterans Affairs to explore the feasibility of establishing a registry of U.S. veterans who served or trained outside of Vietnam and have subsequently experienced health issues, which may have resulted from exposure to these chemicals, and directs the Secretary to provide a report to the Committees on Appropriations of both Houses of Congress no later than 180 days after enactment of this act detailing any plans the Department may be considering on establishing a policy regarding presumed exposure for these veterans.

VETERANS BENEFITS ADMINISTRATION

Appropriations, 2014	$84,849,467,000
Budget estimate, 2015	93,675,210,000
House allowance	93,675,210,000
Committee recommendation	93,675,210,000

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 $93,675,210,000 for the Veterans Benefits Administration. This amount is composed of $78,687,709,000 for Compensation and Pensions; $14,761,862,000 for Readjustment Benefits; $63,257,000 for Veterans Insurance and Indemnities; $160,881,000 for the Veterans Housing Benefit Program Fund administrative expenses; $10,000 for the Vocational Rehabilitation Loans Program account, with $361,000 for administrative expenses; and $1,130,000 for the Native American Veteran Housing Loan Program account.

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014	$71,476,104,000
Budget estimate, 2015	78,687,709,000
House allowance	78,687,709,000
Committee recommendation	78,687,709,000

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 2015, the Department estimates it will obligate $72,563,561,000 for payments to 4,186,547 veterans, 382,080 survivors, and 1,190 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 2015, the Department estimates that the Pensions program will provide benefits to 308,715 veterans and 210,635 survivors totaling $5,860,010,000.

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 2015, the Department estimates the Compensation and Pensions program will obligate $264,138,000 providing burial benefits. This funding will provide 64,049 burial allowances, 32,823 burial plot allowances, 27,891 service-connected death awards, 497,644 burial flags, 362,885 headstones or markers, and 98,903 graveliners or reimbursement for privately purchased outer burial receptacles.

COMMITTEE RECOMMENDATION

The Committee recommends $78,687,709,000 for Compensation and pensions. This is an increase of $7,211,605,000 above the fiscal year 2014 enacted level and equal to the budget request.

The appropriation includes $15,430,000 in payments to the General operating expenses, veterans benefits administration; 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.

READJUSTMENT BENEFITS

Appropriations, 2014	$13,135,898,000
Budget estimate, 2015	14,761,862,000
House allowance	14,761,862,000
Committee recommendation	14,761,862,000

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 $14,761,862,000 for Readjustment benefits. This is an increase of $1,625,964,000 above the fiscal year 2014 enacted level and equal to the budget request.

VETERANS INSURANCE AND INDEMNITIES

Appropriations, 2014	$77,567,000
Budget estimate, 2015	63,257,000
House allowance	63,257,000
Committee recommendation	63,257,000

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 $63,257,000 for Veterans insurance and indemnities. This is a decrease of $14,310,000 below the fiscal year 2014 enacted level and equal to the budget request. The Department estimates there will be 6,652,777 policies in force in fiscal year 2015 with a value of $1,320,249,600,000.

VETERANS HOUSING BENEFIT PROGRAM FUND

	Program account	Administrative expenses
Appropriations, 2014	.....	$158,430,000
Budget estimate, 2015	.....	160,881,000
House allowance	.....	160,881,000
Committee recommendation	.....	160,881,000

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 $160,881,000 for administrative expenses for fiscal year 2015. 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, 2014	$5,000	$354,000
Budget estimate, 2015	10,000	361,000
House allowance	10,000	361,000
Committee recommendation	10,000	361,000

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 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 $10,000 for program costs and $361,000 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 $2,877,000. It is estimated that the VA will make 3,099 loans in fiscal year 2015, with an average amount of $929.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

Appropriations, 2014	$1,109,000
Budget estimate, 2015	1,130,000
House allowance	1,130,000
Committee recommendation	1,130,000

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 $1,130,000 for administrative expenses associated with this program. This is $21,000 above the fiscal year 2014 enacted level and equal to the budget request.

VETERANS HEALTH ADMINISTRATION

Appropriations, 2014	$55,122,664,000
Advance appropriations, 2015	55,634,227,000
Budget estimate, 2015	956,807,000
House allowance, 2015	588,922,000
Committee recommendation, 2015	813,922,000
Budget estimate, advance appropriation, 2016	58,662,202,000
House allowance, advance appropriation, 2016	58,662,202,000
Committee recommendation, advance appropriation, 2016	58,662,202,000

ADMINISTRATION OVERVIEW

The Veterans Health Administration [VHA] operates the largest Federal medical care delivery system in the country, with 151 hospitals, 1,207 outpatient clinics and Vet Centers, 133 nursing homes, and 102 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 2014, the Committee provided $55,634,227,000 in advance appropriations for the VA's medical care accounts for fiscal year 2015. This included $45,015,527,000 for Medical services; $5,879,700,000 for Medical support and compliance; and $4,739,000,000 for Medical facilities. The Committee also includes an Administrative Provision allowing the Department to carry forward into fiscal year 2016 certain amounts provided as an advance for fiscal year 2015. For fiscal year 2015, the Committee recommends an additional $100,000,000 for Medical services and $125,000,000 for Medical facilities. Additionally, the Committee recommendation includes $588,922,000 for Medical and prosthetic research. Medical care collections are expected to be $2,456,000,000. The recommendation also includes an advance appropriation of $58,662,202,000 for veterans medical care for fiscal year 2016.

AREAS OF INTEREST

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 2015 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 $367,885,000 for the Medical Services account. However, the justification accompanying the budget request did not provide all of the requested information regarding what data was modified and what actual operational savings were achieved over the past fiscal year. The Committee is aware that the Department routinely has significant end of year balances which become available for the following fiscal year. Due to this lack of detailed budget information coupled with large carryover balances, the Committee recommendation includes an additional $100,000,000 for the Medical Services account and shifts the remaining balance to other high priority veteran programs. This includes providing additional funding to help address the unacceptable number of code violations and safety deficiencies at existing hospitals and clinics. The Committee will continue to closely monitor the fiscal condition of all VHA accounts and will take action to realign funding as the appropriation process moves forward should circumstances dictate that such action is needed.

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.

VA Transparency.—The Committee notes that the VA maintains a Hospital Compare Web site in which it rates the quality of care at every VA medical center in a number of fields, including surgical procedures, process of care, mortality rates, and readmission for selected diagnoses. In order to provide greater transparency into the quality of care at VA medical centers, the Committee directs the Secretary of Veterans Affairs to include the following information in the Hospital Compare Web site:

—Aggregate assessments of outcomes for individual surgical procedures to include the type and number of complications, mortality rate, average length of inpatient care, patient safety issues, description of any hospital-acquired medical condition, and rate of readmission within 30 days of discharge;

—Assessment of in-patient mental health treatment, including patient safety issues and suicide rate of patients following discharge;

—Assessment of incidents affecting the safety of patients receiving nursing home treatment;
—Average wait times for emergency room treatment; and
—Average wait time to schedule outpatient appointments as certified by the VA Medical Center Director.

Security at Veterans Affairs Medical Facilities.—Robust physical security is integral to the Department's ability to provide high quality patient care across the Veterans Health Administration's integrated healthcare system. This security is provided by the largest uniformed Federal police agency in the country. The VA Police Service is composed of approximately 4,000 officers, which provide law enforcement and security support to VHA's 151 hospitals. The Committee is aware that the VA's Office of Security and Law Enforcement is currently undertaking a systemwide security review which will assess the physical security vulnerabilities of hospitals in order to help inform policy decisions which will ensure greater security. The Committee commends the VA for undertaking this review and encourages the Department to incorporate into this review how future plans will leverage integrated technologies and real time data analytics to adopt smart policing techniques being used more frequently by other Federal, State and local law enforcement.

VA Dialysis.—The Committee requests the VA to obtain an independent and full evaluation of the four-site dialysis pilot program by September 30, 2015. In the interim, in an effort to improve efficiencies and save taxpayer funds, the VA should not create duplicate contract-provided dialysis capacity. An independent evaluation of the four-pilot program will give the Committee the opportunity to consider the findings and determine if such findings justify expanding VA-operated dialysis clinics.

Office of Inspector General Findings.—The Committee is concerned with past investigations and findings by the Office of Inspector General at the Department's healthcare facilities. In particular, past findings at the G.V. (Sonny) Montgomery VA Medical Center [VAMC] in Jackson, Mississippi, were not appropriately resolved and have caused concern among patients and families regarding the quality of care and management provided at the facility, which is not acceptable. The Committee commends the Department for establishing new leadership at the Medical Center to make necessary changes, but urges the Department to continue to oversee the implementation of the corrective action plan at the Jackson VAMC. The Committee is hopeful that past issues will not perpetuate distrust among the veterans it serves and asks the Department to work diligently with VA centers across the country to resolve cases of delay, mismanagement and inappropriate activity in an expeditious manner.

The Committee also directs the Secretary to develop a process subsequent to any investigations by the Office of Inspector General for reviewing progress on findings through collaboration with the Office of the Under Secretary for Health. Furthermore, the Committee directs the Secretary to provide the Committee with a report detailing this process within 180 days of enactment of this act.

Prompt Payment Rule.—The Committee is concerned that fee and contract providers continue to be saddled with millions of dollars

of uncollected payments. The Committee expects the VA to adhere to the Prompt Payment Rule which states that the period available to an agency to make a timely payment without incurring an interest penalty begins on the date of receipt of a proper invoice.

Healthcare Training and Medical Residencies Specific to Rural Healthcare.—The Committee believes that the Veterans Health Administration would benefit from increased partnerships with university medical institutions to promote healthcare training and medical residencies specific to rural healthcare. The Committee urges the Secretary to increase VA partnerships with university medical centers that serve rural and highly rural areas, in order to develop courses and programs to better train professionals to meet the healthcare needs of veterans living in rural and highly rural areas. In addition, the Secretary is urged to work with university medical centers in these areas to develop continuing education programs to instill increased professionalism and opportunities for continuing education among rural medical practitioners.

Drug Diversion.—The Committee is concerned with ensuring veterans receive adequate, but not excessive medication. Therefore the Committee directs the Department to report on how the Department is using new technology platforms and services necessary to ensure the dispensation of medication to veterans in a safe and transparent way. The report should include, but should not be limited to, how the Department currently uses or can use a unified information portal administered by the VA which would collect and hold critical patient information. The assessment should include diversion classifications and aberrancy categories. The Committee directs the Department to provide this report to the Committees on Appropriations of both Houses of Congress, within 90 days of enactment of this act, including the feasibility of implementing a pilot program to test such technology.

Major Medical Facility Leases.—The Committee notes that legislation is pending before the Senate that would authorize major medical facilities leases for a total of 27 VA community based outpatient clinics and other facilities. However, some of these projects have been awaiting authorization for several years due to technical congressional scorekeeping issues. A number of the pending clinics are to be located in underserved areas of the country, where veterans are forced to either travel long distances to access VA medical care or, in some cases, to forego treatment. To address the shortfall in VA medical care available in these and other areas, the Committee urges the VA to move quickly to activate all of the requested leases once they are authorized.

As an interim measure, the Committee has included a provision in this act that would permit the transfer of funds from VA's Medical Facilities account to the Medical Services account to be used to provide contract care services through existing authorities for veterans living in the catchment areas of the pending clinics until the clinics are activated. This provision is in no way intended to replace planned VA clinics with contract care service, but is provided to bridge the gap in services until the major medical facility leases are authorized and the clinics activated. To ensure that the VA does not interpret this provision as a blanket endorsement of

contract care, the language specifies the facilities for which the transfer authority is provided.

MEDICAL SERVICES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014	$43,597,000,000
Advance appropriations, 2015	45,015,527,000
Budget estimate, 2015	367,885,000
House allowance	.....
Committee recommendation, 2015	100,000,000
Budget estimate, advance appropriation, 2016	47,603,202,000
House allowance, advance appropriation, 2016	47,603,202,000
Committee recommendation, advance appropriation, 2016	47,603,202,000

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 2014, the Committee provided an advance appropriation of $45,015,527,000 for fiscal year 2015. The recommendation for fiscal year 2015 includes an additional $100,000,000 instead of $367,885,000 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 funding carried forward from fiscal year 2014 be applied to unanticipated needs. In addition, the VA has the authority to retain co-payments and third-party collections, estimated to total $2,456,000,000 in fiscal year 2015.

The Committee recommendation also includes an advance appropriation of $47,603,202,000 for medical services for fiscal year 2016. This is $2,587,675,000 above the level for fiscal year 2015 and equal to the fiscal year 2016 budget request.

The fiscal year 2015 appropriation includes $7,177,600,000 for mental healthcare; $132,821,000 for suicide prevention; $4,204,500,000 to provide medical care to Afghanistan and Iraq war veterans; $237,544,000 for readjustment counseling services at Vet Centers; $2,577,000,000 for prosthetics; $403,200,000 in gender specific healthcare for women veterans; and $1,641,000,000 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.

Office of Rural Health.—Currently, 3.2 million rural veterans are enrolled in the VA system. This represents 36 percent of the total enrolled veteran population based on the 2010 U.S. Census. Men and women veterans from geographically rural areas make up a disproportionate share of servicemembers and comprise approximately 31 percent of the enrolled Operation Enduring Freedom and Operation Iraqi Freedom [OEF/OIF] veterans; many of whom are returning to their rural communities. Through collaborations with other VA program offices, Federal partners, State partners, and rural communities, the Office of Rural Health [ORH] works to optimize the use of available and emerging technologies, establish new access points to care, and employ strategies to increase healthcare options for all rural veterans. In response to the unique needs of rural veterans, in fiscal year 2009 the Committee established the Rural Health Initiative with an initial investment of $250,000,000. The Committee notes that this funding has been incorporated into the VA's base budget, and commends the VA for recognizing the needs of rural veterans. The Committee maintains its strong support for the Office of Rural Health and fully supports the $250,000,000 estimate for fiscal year 2015.

Currently, ORH identifies and implements initiatives that support rural clinics and rural home-based primary care, address barriers to access and quality of healthcare delivery in rural areas, develop workforce recruitment and retention initiatives, and accelerate and expand telehealth. ORH also operates Rural Health Resource Centers and works with Federal and non-Federal community partners to share resources and expand access to care for rural veterans. To better understand future needs and what impacts veterans residing in rural and highly rural areas are having on the delivery of VHA's healthcare, the Committee expects the VA to assess the growing population of rural and highly rural veterans and report back to the Committees on Appropriations of both Houses of Congress no later than 180 days after enactment of this act, on future year requirements for initiatives and programs administered by the ORH. The VA must be poised to account for this growing population of veterans and to implement new methods to close the gap in healthcare in these areas.

As part of this report, VA shall provide the Committee with a summary of full time equivalent [FTE] personnel dedicated to ORH and a summary of ORH programs that align with VA Major Initiatives and Minor Initiatives in the fiscal year 2015 request, including any programs addressing the unique needs of homeless veterans, minority veterans, and female veterans who reside in rural America. Additionally, VA should include potential courses of action to amend the current reporting construct of the ORH. In particular, the VA should review the organizational construct of the U.S. Department of Health and Human Services whereby the Office of Rural Health Policy [ORHP] reports directly to the Secretary and the head of Health Resources and Services Administration [HRSA] and consider whether shifting ORH to report directly to the head of VHA is advisable.

VA Recruitment and Retention.—The Committee recognizes that staffing recruitment and retention remain a problem for primary and specialty care across VHA's system, and is particularly a prob-

lem at many rural CBOCs. For example, the Committee notes the high number of vacant mental health provider positions across the VHA system. To help the Committee better understand current and potential recruitment and retention strategies, the Department is directed to provide to the Committees on Appropriations of both Houses of Congress no later than 180 days after enactment of this act, a report detailing steps VHA has taken to fill healthcare professional vacancies, especially in rural areas, and Health Professional Shortage Areas with the greatest need. The Committee notes that additional flexibilities or legislative authorities may be needed to address hard to fill vacancies throughout the Nation. For instance, it has been suggested that the Department requires authority to requisition Public Health Service commissioned personnel for extended periods of time. Therefore, the Committee also directs VHA to report on additional authorities that would allow VHA to more effectively recruit healthcare professionals, and to ensure existing and future VA facilities are adequately staffed. To the extent practicable, the report should compare private sector and VA compensation and benefits of primary care providers and develop potential courses of action to address competitive, disparate findings.

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, 2015, (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 report 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 2014; the number of veterans who actually traveled to that facility during fiscal and calendar year 2014; 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 2015 and 2016. 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 2014 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.

Access to Care for New Hampshire Veterans.—New Hampshire is the only State that does not have a full service VHA hospital within the State, which presents a unique challenge for VA in delivering timely healthcare. For instance, if VA does not provide a particular healthcare service within the limited VHA system in New Hampshire, veterans are often directed to drive hundreds of miles to a VA hospital in another State, regardless of whether adequate healthcare may exist within New Hampshire through a local provider. The Committee remains concerned that the extensive travel requirements, coupled with lengthy delays scheduling this travel, create unusual hardships on New Hampshire veterans. The Committee therefore encourages VA to explore ways to provide in-State access to care for New Hampshire veterans, including care through local providers, and directs the Department to provide a report to the Committees on Appropriations of both Houses of Congress on the number of New Hampshire veterans who were directed to travel to a VA facility in another State for medical care in fiscal and calendar year 2014; the number of veterans who actually traveled to that facility during fiscal and calendar year 2014; and the Department's plans and goals for reducing the number of New Hampshire veterans directed to travel to another State for medical care in fiscal years 2015 and 2016. In addition, the report should describe the criteria used in determining whether to purchase medical care for a New Hampshire veteran within the State 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 New Hampshire, and an explanation of why contract care was not provided in New Hampshire. This report shall be provided no later than February 1, 2015, and subsequently thereafter with the submission of future budget requests.

Homeless Veterans.—Between 2010 and 2013, VA and its partners have reduced the estimated number of homeless veterans by 24 percent. The 2013 "Point in Time Count" prepared by the Department of Housing and Urban Development estimates that there were 57,849 homeless veterans in the U.S. on a single night in January 2013. While significant progress has been made, more needs to be done. As such, the Committee supports the Department's budget estimate of $1,641,000,000 for specific homeless veterans programs. The Committee notes that the Department has routinely had end-of-year unobligated balances in excess of $400,000,0000 in the Medical Services account and directs the VA to utilize these balances should additional funds be needed.

In order to better identify the homeless population in rural and highly rural areas, the Committee directs the Secretary of Veterans Affairs to conduct a comprehensive needs assessment of veterans in these areas who are homeless or at risk of becoming homeless. This assessment shall also include any recommendations the Secretary

may have to improve the housing stability of these veterans, and to strengthen community partnerships in order to achieve these goals. The Secretary shall submit this assessment to the Committees on Appropriations of both Houses of Congress no later than December 31, 2014.

While the Committee commends the efforts and progress made on the VA's goal of "Getting to Zero," the Committee is increasingly concerned with the coordination and delivery of mental health and employment services to homeless veterans. The Committee directs the Department to ensure that veterans residing in facilities designated for homeless veterans be provided both adequate behavioral counseling and employment services in order to facilitate successful readjustment and reentry.

Access Received Closer to Home [ARCH].—The Committee notes that the ARCH pilot program has been successful in benefitting rural and highly rural veterans in the States in which it operates. Current Veteran Integrated Service Network analysis demonstrates that more than 90 percent of veterans who received primary care services through the ARCH program were "completely satisfied" with the care, and cited significantly shortened travel times. According to the VA, however, recommendations with respect to the future of the program will not be issued until after the end of fiscal year 2014. The Committee is concerned that the Project ARCH pilot program expires at the end of 2014, and that programs intended to replace the types of healthcare and coverage provided by the ARCH program will not be fully implemented or mature enough to provide substitute care during fiscal year 2015. Project ARCH was specifically designed to close gaps in rural areas where VA often has no presence. Little information has been provided to Congress on how the Department will ensure that veterans currently served in the program will not see a lapse in care or be forced to travel long distances to receive care. The Committee strongly supports Project ARCH, but pending its reauthorization has included an Administrative Provision directing the Department to utilize existing authorities to continue this program at no less than $35,000,000 in fiscal year 2015. This level of funding will allow the VA to continue the program so that veterans depending on the services provided by Project ARCH do not experience any lapse in service until follow-on programs are proven adequate. In addition, it will provide for the expansion of the program to other rural and highly rural areas.

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. Last year, the Committee included an additional $3,000,000 for the VA's National Centers for Post-Traumatic Stress Disorder to support two new programs: a brain tissue bank to facilitate PTSD research, and a PTSD outreach program to provide consultation and training for VA clinicians and other groups on evidence-based PTSD treatment. This program would improve access to and quality of PTSD treatment for rural veterans that may not be near to or otherwise avail themselves of VA PTSD serv-

ices under normal circumstances. The Committee strongly believes these programs will keep the National Centers for PTSD on the cutting edge and will promulgate research-informed therapies to veterans communities at a time of very great need. The Committee therefore recommends that the National Centers for Post-Traumatic Stress Disorder be funded at no less than the fiscal year 2014 level in order to continue this important work.

Post-Traumatic Stress Disorder Study.—The Committee understands that new technologies using magnetic resonance therapy have successfully treated veterans with PTSD. Recent clinical trials and pilot studies have produced promising results in the evolution of treatment for PTSD. The Committee encourages the VA to report to the Committee about whether it uses magnetic resonance therapy to treat PTSD and if not, whether it would be appropriate to conduct a study on use of the technology.

Vet Centers.—The Committee recognizes the critical role Vet Centers play in helping veterans readjust to civilian life. Established by Congress in 1979, Vet Centers provide a broad range of counseling, outreach and referral services to combat veterans and their families. In fiscal year 2015, the VA estimates that it will obligate $237,544,000 to support 300 Vet Centers and 80 mobile Vet Centers across the country. This is an increase of $16,245,000 over the current estimate for fiscal year 2014. While the Committee supports this increase, it remains concerned that in many cases the critical services provided through Vet Centers and mobile Vet Centers may not be readily accessible to all veterans. Moreover, the Committee understands that many centers are operating at full capacity and cannot meet emerging needs. As such, the Committee urges the VA to formulate a multiyear plan to expand the Vet Center program to include, but not be limited to, efforts to deploy additional mobile Vet Centers.

Caregivers.—The Committee notes the robust usage of the post-9/11 Caregiver Program, with its more than 14,000 approved applications, as well as the consistent reviews by caregiver families noting that the program's stipend, respite care, formal training and support structure are critical components to its success. Given the demonstrated success of the program, the Committee encourages the VA to ensure that the caregiver coordinators at each VA medical center are fully resourced and, to the maximum extent possible, assigned designated caregiver duties as their chief responsibility. In addition, the Committee encourages the VA to examine expansion of the program beyond the post-9/11 population. Noting the conclusions of the recent RAND Military Caregivers Study indicating the significant hardship borne by those caring for military personnel prior to separation, the Committee encourages the Department to engage in a lessons-learned dialogue with the Department of Defense in order to share best practices.

The Committee recognizes that many caregivers for severely wounded veterans are working dramatically reduced hours outside the home or have left the workforce completely, leading to financial hardship. This reduction in outside earnings results in difficulties meeting financial obligations, including student loan debt held by the caregiver. The Committee directs the VA to survey all caregivers currently in the program to identify the number possessing

outstanding student loan debt and develop a plan to monitor this issue. The Department is directed to report the survey findings to the Committees on Appropriations of both Houses of Congress within 120 days of enactment of this act.

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 outdated operating rooms. This capital improvement effort has been a crucial 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.

Orthotics and Prosthetics Workforce.—The Committee is concerned about the sustainability of the orthotics and prosthetics workforce treating veterans, particularly given an aging workforce with imminent retirements as well as a lack of availability of advanced degree programs necessary to train new professionals. Reports indicate up to 20 percent of the field's 7,100 clinicians nationwide are either past retirement age or within 5 years of retiring. 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 skill set necessary to provide the increasingly complex, state-of-the-art orthotics and prosthetics care for OEF/OIF 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 report findings to the Committee within 180 days of enactment.

In addition, the Committee encourages the Department to work with institutions of higher education to develop partnerships for the establishment or expansion of programs of advanced degrees in prosthetics and orthotics in order to improve and enhance the

availability of high quality prosthetic and orthotic care for veterans. Any plan should be done in consultation with institutions of higher education with accredited degree programs in prosthetics and orthotics as well as representatives of the prosthetic and orthotic field. Not later than 1 year after the date of the enactment of this act, the Department is directed to report to the Committees on Appropriations of both Houses of Congress on efforts made to establish a partnership between the Department and education institutions.

Grants for Transportation of Veterans in Highly Rural Areas.—The Committee recognizes that Public Law 111–163, the Caregivers and Veterans Omnibus Health Services Act of 2010, took a number of meaningful steps to enhance care for veterans, including authorization of a grant program that allows State veterans agencies and Veterans Service Organizations to provide better transportation options for rural veterans seeking care at a VA facility. The Committee notes, however, that some VA medical centers take an inordinate amount of time to process and approve the application of volunteer drivers. The Committee is concerned that such delays could lead to veterans that rely on such services, especially elderly veterans and those who reside in rural areas, to be forced to forgo healthcare services. In an effort to address hindrances to recruitment and to streamline the approval process, the Committee directs the Department to review VHA's regulations concerning qualifications recruitment efforts for volunteer drivers.

Patient Centered Medical Home Initiative.—The Committee supports the VA's Patient Centered Medical Home initiative and urges the adoption and usage of metrics that will enable the VA to monitor outcomes and correct deficiencies. The Committee directs the VA to provide quarterly reports for the first year, and then annually thereafter, on post-acute and rehabilitation outcomes for patients with neurological conditions.

Veteran Suicide.—The Committee remains concerned about the alarming prevalence of suicide among veterans. Therefore, the Committee directs the Veterans Health Administration to submit a report, not later than 180 days from the date of enactment of this act and each year thereafter, to the Committees on Appropriations of both Houses of Congress on the number of veterans enrolled in the VA system who commit suicide; the factors which contribute to the rate of suicide among veterans; the method used by veterans to commit suicide; efforts by mental health professionals and others to prevent suicide; and any pertinent recommendations for legislative changes which would assist in addressing this problem. Further, the Department is directed to provide a report to the Committee no later than 30 days after enactment of this act identifying a detailed expenditure plan for all suicide outreach programs.

Home and Community Based Services [HCBS].—The Committee supports the Department's efforts to broaden veterans options regarding long-term care support and services. As the average age of the veterans being served by the Department increases, providing alternative care options that deliver quality services and are cost efficient will ease the burden on, and the cost associated with, maintaining long term care facilities, in addition to providing veterans with increased flexibility regarding their care options. The

Committee notes the positive results of pilot programs such as the Veterans Independence Program, a Veterans-Directed, Home and Community Based Services grant program administered jointly by the Department of Veterans Affairs and the Department of Health and Human Services, and encourages enhanced cooperation with the Department of Health and Human Services to expand and grow these programs. Further, the Committee understands that the VHA Central Office has recently begun to take actions to expand non-institutional care across the VA system. The Department is directed to provide regular updates to the Committee on its efforts to rebalance institutional and home and community based care, including what metrics have been developed to track VISN implementation, as well as those VISNs which are meeting national targets and those which are not.

Further, the Committee directs the Department to submit a report to the Committees on Appropriations of both Houses of Congress no later than January 1, 2015, on the cost avoidance associated with the various non-institutional care programs. The report should include the demand for HCBS among the veteran population, the number of veterans currently being served, as well as the Department's plans to expand the size and scope of HCBS. Given the success of current HCBS pilot programs, the Department should include an economic analysis of the cost-effectiveness of growing the existing pilot program, and the coordination efforts underway with the Department of Health and Human Services. Given that mandatory eligibility for certain types of care is associated with disability levels adjudicated by the Veterans Benefits Administration, this report should offer strategies for streamlining the claims process for veterans requiring long-term care.

Complementary and Alternative Medicine.—The Committee recognizes the importance of integrating various methodologies into the treatment for veterans. Complementary and alternative medicine provide significant additional treatment options for those veterans requiring treatment who are not sufficiently responsive to medications. Additionally, the Committee recognizes that there could be significant cost savings through appropriate integration of complementary and alternative medicines. Within 180 days of enactment of this act, the Department is directed to report to the Committees on Appropriations of both Houses of Congress the courses of action being taken to integrate complementary and alternative medicine into treatment and care provided at VA medical facilities. The report should also include a description of what actions the Department has taken to work with the Director of the Office of Personnel Management to establish the necessary coding for VA to hire providers to deliver complementary and alternative medicine therapies.

Community Based Outpatient Clinic Staffing.—The Community Based Outpatient Clinic [CBOC] at Wasilla, Alaska, serves a significant veteran population in the fastest growing region of Alaska. Since its opening, this clinic has been plagued by security issues and a series of stressful incidents including the suicide of a veteran in the clinic's parking lot. The Committee understands that these issues coupled with a lack of staffing at the clinic to support a large caseload have resulted in staff attrition, including the recent res-

ignation of the clinic's only medical provider. While the Department of Veterans Affairs may be moving diligently to fill staff vacancies using all available incentives, the Committee directs the Department to provide to the Committees on Appropriations of both Houses of Congress a report no later than February 1, 2015, on the staffing challenges it has faced at Wasilla from the inception of the clinic, the appropriate level of staffing in relation to patient loads, and the actions being taken to achieve the appropriate level of staffing.

Assessment of Rural Community-Based Outpatient Clinics.—Last year, the Committee directed 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 Department is currently undertaking this assessment and the Committee looks forward to receiving these results this summer.

Mental Health Provider Training.—The Committee is aware that the VA has recently begun to explore options to support licensed professional mental health counselors [LPMHCs] and marriage and family therapists [MFTs] training programs and understands that the Department is planning to incorporate these options as part of VHA's expansion of mental health training. The Committee supports the decision to implement a pilot program in the 2015 academic year and understands that VHA is currently consulting on accreditation regarding standards and requirements to develop pilot training programs. The Committee directs the Department to report to the Committees on Appropriations of both Houses of Congress no later than 90 days after the enactment of this act on progress in establishing this program and the determination of funding for trainees. The Committee also notes that VA has made progress in disseminating information about LPMHCs and MFTs with local VHA human resource staff, and encourages the VA to continue to provide educational information so that local VHA medical centers understand that LPMHCs and MFTs are eligible for employment by VA.

Radiologic Technologist Accreditation.—The Committee notes that in 1995, the American Registry of Radiologic Technologists [ARRT] recognized six regional accreditation agencies utilized by colleges and universities throughout the United States for accreditation. Of those six, the VA chose the Joint Review Committee on Education in Radiologic Technology [JRCERT] as the required accreditation in order to be hired by the VA. However, not all of our Nation's college-based radiography programs are certified by JRCERT. The Committee believes the VA's hiring policies may not have evolved with industry standards as the VA continues to mandate only JRCERT accreditation. Even though graduates of other accredited radiography programs take the same certification examination as graduates of JRCERT accredited programs, they are not eligible for VA employment. Non-JRCERT graduates pass the same national boards and complete clinical rotations just like JRCERT graduates. The Committee is concerned that non-JRCERT graduates cannot get a job at the VA when they graduate, despite the fact that they attended institutions accredited by a nationally rec-

ognized organization, especially during a time of shortfalls in the VA's health professionals workforce.

Pharmacy Dispensing Process for Specialized Medicines.—The Committee urges the VA to consider a pilot program to study the use of specialized automated pharmacy workflow systems that manage the entire intravenous and oral liquid dose preparation and dispensing process within the VHA in order to promote intravenous and oral liquid dose preparation safety, reduce waste, and improve health system pharmacy productivity. The Committee believes that a pilot program focused on the specialized field of intravenous and oral dose preparation would improve staffing productivity and patient safety.

Nursing Handbook.—The Committee understands that the VHA Nursing Handbook is currently under review. The Committee encourages the VHA to seek input from internal VA program offices and external professional stakeholders prior to possible regulatory action and submission to the Under Secretary for Health for final approval. The Committee believes all possible outreach efforts should be used to communicate the proposed changes, to gather public comment, and to collaborate with Congress, stakeholders, VA nursing staff, and external organizations. The Committee also requests that the VHA ensure that any changes to handbooks within the VHA do not conflict with other handbooks already in place within the VHA.

Assisted Living Services for Veterans with Traumatic Brain Injury.—The Committee urges the Secretary to utilize any existing authority the Department has to continue the pilot program on assisted living services for veterans with traumatic brain injury [TBI]. The extension of this program is critical to treating veterans with moderate to severe TBI and increasing scientific know-how in treating TBI. The Committee believes the program must have more time to demonstrate the effectiveness of its ability to treat and assist these veterans, especially given that the program did not officially launch until almost 3 years after it was authorized in 2008.

Virtual Lifetime Electronic Record Health Exchange.—The Virtual Lifetime Electronic Record [VLER] Health Exchange, allows VA providers to request and share certain parts of veteran health records with the Department of Defense and selected private healthcare providers in a secure electronic environment. The majority of veterans receive a portion of their medical care from non-VA healthcare providers. In order eliminate the need for veterans to carry health records between providers it is essential that VA have the ability to electronically share portions of a veterans health record. The VA has piloted this effort in several areas throughout the country. The Committee commends this effort and urges the VA to continue to expand this capability and to consider prioritizing expansion efforts by developing partnerships with State designated Regional Health Information Organizations.

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.

Antimicrobial Stewardship Programs.—The Committee strongly supports the VA's efforts to implement antimicrobial stewardship programs at all its medical facilities. The Committee strongly recommends the VA develop consistent ways to collect and analyze data on antibiotic usage, healthcare outcomes (such as Clostridium difficile infections), and antimicrobial resistance trends in order to evaluate how well these programs are improving patient care and reducing inappropriate antibiotic use. The Committee also strongly encourages the VA to provide antibiotic usage and antimicrobial resistance data to the Centers for Disease Control and Prevention's National Healthcare Safety Network.

Open Air Burn Pits Registry.—The Committee is concerned over the pace of implementation of the Open Air Burn Pits Registry and urges the Secretary to expedite the implementation of the registry. The Committee notes that the Department of Veterans Affairs has fallen behind on the registry's implementation and has not provided sufficient information regarding the nature of the delay. Furthermore, the Committee urges the Secretary to work with the Committees on Appropriations of both Houses of Congress regarding the VA's plan to use the data from the burn pits registry to improve the diagnosis of illnesses related to exposure to open air burn pits, and to effectively treat and care for veterans suffering from illnesses related to exposure.

Safety Needles for Diabetic Veterans.—The Committee is concerned that the Department of Veterans Affairs is not required to provide Occupational Safety and Health Administration [OSHA] compliant safety needles to long-term care facilities that provide care to veterans who are diabetic and insulin-dependent. However, long-term care facilities are required to follow OSHA rules regarding safety needles. The Committee believes that in cases where the Department provides needles to veterans who are diabetic and insulin-dependent and are being cared for at a nursing home facility that is not a VA facility, the safety needles should be in compliance with regulations promulgated by OSHA for use in providing care to such veterans. The Committee directs the Department to provide a report to the Committees on Appropriations of both Houses of Congress no later than 60 days after enactment of this act detailing steps being taken to ensure that diabetic veterans who receive long-term care in facilities not operated by the VA receive OSHA compliant safety needles.

MEDICAL SUPPORT AND COMPLIANCE

Appropriations, 2014	$5,983,000,000
Advance appropriations, 2015	5,879,700,000
Budget estimate, advance appropriation, 2016	6,144,000,000
House allowance, advance appropriation, 2016	6,144,000,000
Committee recommendation, advance appropriation, 2016	6,144,000,000

PROGRAM DESCRIPTION

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 2015 and 2016 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 2014, the Committee provided an advance appropriation of $5,879,700,000 for fiscal year 2015 for the Medical Support and Compliance account. The Committee recommendation includes an advance appropriation of $6,144,000,000 for Medical support and compliance for fiscal year 2016.

Last year, the Committee provided explicit direction to VHA to include detailed budget explanations for several components within the Medical Support and Compliance account. While the budget justifications accompanying the fiscal year 2015 budget and 2016 advance appropriation request did include more detail with respect to certain components and offices funded through the Medical Support and Compliance account, the Committee remains concerned about how these budget requests are developed and executed. For instance, the budget justification accompanying the fiscal year 2014 budget estimated that VHA Central Office would expend $911,000,000 in fiscal year 2014. However, this year's budget justification shows the current estimate for fiscal year 2014 to be $613,500,000. While the Committee notes that VHA's Central Office plays an important role in management of a healthcare system the size of VA's, it is concerning that year-to-year estimates can vary so drastically yet little information is provided as to the reason for this wide variance or how funds originally budgeted for these functions are being redirected. In order to provide greater oversight of budget development and execution, the Committee directs the Department to continue to refine the accompanying budget justifications and provide detailed budget build-outs for those functions that are not developed solely through an actuarial model.

MEDICAL FACILITIES

Appropriations, 2014	$4,957,000,000
Advance appropriations, 2015	4,739,000,000
Budget estimate, 2015	.....
Committee recommendation, 2015	125,000,000
Budget estimate, advance appropriation, 2016	4,915,000,000
House allowance, advance appropriation, 2016	4,915,000,000
Committee recommendation, advance appropriation, 2016	4,915,000,000

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 2014, the Committee provided an advance appropriation of $4,739,000,000 for fiscal year 2015 for the Medical Facilities account. The Committee recommendation also includes an additional $125,000,000 for the Medical Facilities account for fiscal year 2015. 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 $4,915,000,000 for Medical Facilities for fiscal year 2016. This is $176,000,000 above the level for fiscal year 2015 and equal to the budget request.

Leases.—The Committee notes that VA leases for outpatient clinics have been unacceptably delayed as a result of the Congressional Budget Office scoring them as capital leases versus operating leases as well as concerns regarding "opt out clauses" required by the Office of Management and Budget. As a result of the new treatment of these leases, the VA has had to postpone the opening of several new outpatient clinics. Further, current facility leases which are reaching their expiration dates may also be in jeopardy of being closed. The Committee is very concerned that these delays are having detrimental consequences on the delivery of healthcare to veterans across the country and could drive future policy decisions of how that care is to be delivered to veterans. The Committee understands that discussions among VA, the General Services Administration, the Office of Management and Budget, and the Congressional Budget Office continue. As such the Committee directs the Secretary to provide a revised timeline including an estimated completion date for every VA facility lease impacted by these new requirements.

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 the 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, 2014	$585,664,000
Budget estimate, 2015	588,922,000
House allowance	588,922,000
Committee recommendation	588,922,000

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 $588,922,000 for Medical and Prosthetic Research. This is $3,258,000 above the fiscal year 2014 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.

Post-Traumatic Stress Disorder/Traumatic Brain Injury.—The Committee is aware that the VA is conducting innovative research on neurological conditions, including the relationship between traumatic brain injury [TBI] and 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 TBI and PTSD. Recent studies show that 1 of 6 veterans returning from war zones and 1 of 4 stroke survivors have symptoms of PTSD. The Committee encourages the VA to include stroke survivors in its TBI and PTSD research. Including stroke victims in these initiatives could help establish a national standard of care for survivors of neurological disorders and injuries by improving the health and outcomes of this population.

The Committee also encourages the VA to evaluate the effectiveness of prophylactic treatments for TBI involving the development of new drugs administered via intranasal application. In addition, the VA is encouraged to identify opportunities to initiate or expe-

dite clinical trials or chronic toxicity studies needed to get these treatments into the field faster. Where appropriate, the VA should work with FDA and other Federal agencies to prepare accelerated treatment protocols.

Prostate Cancer.—The Committee is aware that prostate cancer is the second leading cause of cancer death among men and recognizes the promising research activities being conducted through the VA's research program. The Committee urges the VA to identify opportunities to collaborate and coordinate with the Department of Defense and the National Cancer Institute on ongoing prostate cancer research efforts to accelerate the progress in diagnosis and treatment of prostate cancer.

VA/DOD Research Collaboration.—Military research is currently focused on improving and reducing costs for human battlefield support and care for injured warfighters. Many of these technologies already in use and under development may have cross application in the treatment of veterans. Particularly promising technologies are under development by the Department of Defense and the Department of Veterans Affairs, although rarely collaboratively. The Committee encourages the Departments to collaborate, including with the Defense Centers of Excellence, on research activities that have the potential to reduce VA healthcare costs and improve patient care.

Toxic Exposures.—The Committee encourages the VA to bolster efforts into research on the residual impact to veterans of Agent Orange and other toxic exposures such as oil well fires and burn pits.

Million Veteran Program.—The Committee recognizes the growth of diabetes in the country and the burden it places on our Nation's veterans. The VA Office of Research and Development is doing valuable work through the Million Veteran Program to enhance VA's analytical activities in looking at the risk for complications of diseases, including diabetes. According to VA, there are currently 192,000 participants in the program. The Committee urges VA to continue their efforts to reach the goal of 1 million participants as having a larger cohort of participants will speed up discovery and further efforts to promote veterans' health.

MEDICAL CARE COST RECOVERY COLLECTIONS

MEDICAL CARE COLLECTION FUND

Appropriations, 2014	$2,485,000,000
Budget estimate, 2015	2,456,000,000
House allowance	2,456,000,000
Committee recommendation	2,456,000,000

MEDICAL CARE COLLECTION FUND—REVENUES APPLIED

Appropriations, 2014	−$2,485,000,000
Budget estimate, 2015	−2,456,000,000
House allowance	−2,456,000,000
Committee recommendation	−2,456,000,000

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 $2,456,000,000 in fiscal year 2015. 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.

Third Party Billing.—The Committee remains concerned over potential discrepancies in the VA's billing process and continues to hear from veterans regarding improper billing. Additionally, the Committee again this year notes the large amount of third party health billings that go uncollected each year. The Committee believes that procedures to provide for correct billing and prompt collection must improve at the VA. Therefore, the Committee directs the Department to submit a report to the Committees on Appropriations of both Houses of Congress no later than 180 days after the enactment of this act identifying the amount of third party health billings that were owed to the VA in fiscal year 2014 and the amount collected. Additionally, the report should include current efforts underway to increase VA's efficiency, accuracy and collection process, as well as what management practices are in place to provide proper oversight of the billing process so as to eliminate unnecessary and duplicative functions.

NATIONAL CEMETERY ADMINISTRATION

Appropriations, 2014	$250,000,000
Budget estimate, 2015	256,800,000
House allowance	256,800,000
Committee recommendation	256,800,000

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 $256,800,000 for the National Cemetery Administration. This is an increase of $6,800,000 above the fiscal year 2014 enacted level and equal to the budget request.

The Committee has included bill language to make available through September 30, 2016, up to $25,600,000 of the National Cemetery Administration appropriation.

DEPARTMENTAL ADMINISTRATION

Appropriations, 2014	$7,894,130,000
Budget estimate, 2015	8,116,894,000
House allowance	8,103,603,000
Committee recommendation	8,232,894,000

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 $8,232,894,000 for Departmental Administration. The amount is composed of $321,591,000 for General administration; $99,294,000 for the Board of Veterans Appeals; $2,524,254,000 for General operating expenses, veterans benefits administration; $3,913,344,000 for Information technology systems; $126,411,000 for the Office of the Inspector General; $561,800,000 for Construction, major projects; $540,200,000 for Construction, minor projects; $100,000,000 for Grants for construction of State extended care facilities; and $46,000,000 for Grants for the construction of State veterans cemeteries.

Independent Review of Veterans Benefits Administration.—Over the past year, the Department has implemented a number of initiatives specifically aimed at eliminating the claims backlog. Two of these initiatives, mandatory overtime and adjudicating the oldest claims first have been significant in lowering the number of claims in the backlog. However, these are temporary measures aimed at dealing with the problem today. While the Committee appreciates all of the efforts the Department has taken to reduce the backlog, these initiatives do not address potential systemic and business process changes that may need to be made to protect against a future backlog. The Committee believes that now is the time for VBA to be planning strategically to position itself for the future. Therefore, the Committee directs the Department to enter into a contract with the congressionally chartered National Academy of Public Administration [NAPA] to ensure that VA has the business processes in place to prevent the occurrence of a future backlog. The review shall be conducted in consultation with VA and its stakeholders and include the following: (1) an assessment of VA's current progress in reducing the backlog and its preparation for future disability claims processing; (2) current business processes and management structures and specific changes that need to be made to

accommodate increasing claim complexity; (3) the identification of specific procedures that must transform as VBA migrates to an electronic, paperless environment; (4) an identification of future circumstances that would likely lead to another backlog; and (5) proposed mitigation strategies, including short-term, medium-term, and long-term, that VA should utilize to reduce the backlog while improving service to veterans and their families. The Academy shall submit a final report to the Committees on Appropriations of Both Houses of Congress no later than 1 year after the Department has contracted with the Academy.

Appeals Process Strategic Plan.—The Committee directs the VA to refresh the Department of Veterans Affairs Strategic Plan to Transform the Appeal Process. The refreshed plan shall include how the Board of Veterans Appeals intends to improve the timeliness and accuracy of appellate decisions and contain an explanation of the projection model used by the Board in calculating future workload. In addition, the plan should include a staffing model that corresponds to the projection model to address future workload, and the feasibility and advisability of increasing the number of Members serving on the Board of Veterans Appeals. The plan should also provide descriptions, and objective metrics and performance results, of any ongoing or planned initiative designed to speed the processing of appeals and improve the accuracy of decisions.

GENERAL ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014 [1]	$327,591,000
Budget estimate, 2015	321,591,000
House allowance	306,876,000
Committee recommendation	321,591,000

[1] $88,294,000 included in this account in fiscal year 2014 for the Board of Veterans Appeals is reflected in the new Board of Veterans Appeals account for comparison purposes.

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 $321,591,000 for General Administration. This amount is $6,000,000 below the fiscal year 2014 enacted level and equal to the budget request.

The Committee has included bill language to make available through September 30, 2016, up to $12,141,000 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 2015 budget request	Committee recommendation
Office of the Secretary	10,032	10,032

GENERAL ADMINISTRATION—Continued

[In thousands of dollars]

Department	Fiscal year 2015 budget request	Committee recommendation
Office of General Counsel	80,365	80,365
Office of Management	44,098	44,098
Office of Human Resources and Administration	62,064	62,064
Office of Policy and Planning	25,009	25,009
Office of Operations, Security, and Preparedness	17,901	17,901
Office of Public and Intergovernmental Affairs	22,279	22,279
Office of Congressional and Legislative Affairs	5,969	5,969
Office of Acquisition, Logistics and Construction	53,874	53,874
Total	321,591	321,591

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 2015. 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.

Outreach to Separating Veterans.—The ability of the VA to connect with newly separated veterans is consistently identified by both the VA and Veterans Service Organizations as a critical challenge. As such, the Committee directs the Department to provide to the Committees on Appropriations of both Houses of Congress no later than 180 days after enactment of this act, a report which includes the following: (1) a description of the VA's strategy to use technology, including social media, to improve its outreach to new veterans; (2) the challenges the VA faces in determining where newly separated veterans live once they leave the military; and (3) how the VA can partner with Veterans Service Organizations, State governments departments of veterans affairs, and other nonprofit and community organizations interested in assisting veterans transition to civilian life to determine how best to successfully connect with new veterans.

BOARD OF VETERANS APPEALS

Appropriations, 2014[1]	$88,294,000
Budget estimate, 2015	94,294,000
House allowance	94,294,000
Committee recommendation	99,294,000

[1] Funding for the Board of Veterans Appeals was provided within the General Administration account for fiscal year 2014, however, this funding is reflected here for comparison purposes.

PROGRAM DESCRIPTION

As set forth in section 7101(a) of title 38 United States Code, the Board of Veterans Appeals is responsible for making final decisions on claims for veterans benefits that are presented to the Board for appellate review. The vast majority of the Board's workload derives from benefit claims initiated by the Veterans Benefits Administration's Regional Offices. The appellate process has multiple steps, most of which occur at the local Regional Office level. If a veteran

is not satisfied with the Regional Office determination, he or she may appeal to the Board for a final agency decision. The Board adjudicates appeals covering all areas of veterans benefits, including: service connection; increased disability ratings; total disability ratings; pensions; insurance benefits; educational benefits; home loan guaranties; vocational rehabilitation; waivers of indebtedness; fee basis medical care; and dependency and indemnity compensation.

COMMITTEE RECOMMENDATION

The Committee recommends $99,294,000 for the Board of Veterans Appeals, which is $11,000,000 above fiscal year 2014 enacted level and $5,000,000 above the request. For fiscal year 2015, the Administration has proposed to fund the Board of Veterans Appeals in a new account, separate from the General Administration account. The Committee concurs with this recommendation. The Committee believes that differences in the mission and purpose of the Department's executive offices and the activities and direct services to veterans provided by the Board of Veterans appeals justify providing funding in two separate accounts. Further separating the executive offices and the Board will provide the Congress with greater visibility of budgetary resources and oversight of expenditures for appellate activities.

GENERAL OPERATING EXPENSES, VETERANS BENEFITS ADMINISTRATION

Appropriations, 2014	$2,465,490,000
Budget estimate, 2015	2,494,254,000
House allowance	2,524,254,000
Committee recommendation	2,524,254,000

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 $2,524,254,000 for General Operating Expenses, Veterans Benefits Administration, which is $58,764,000 above fiscal year 2014 enacted level and $30,000,000 above the budget request. The Committee has included bill language to make available through September 30, 2016, up to $124,700,000 for General Operating Expenses, Veterans Benefits Administration.

Claims Processing.—The recommendation includes an additional $30,000,000 for the General Operating Expenses, Veterans Benefits Administration account. These additional resources are to be utilized to hire additional claims and support personnel at Regional Offices. The Committee believes that the effort to eliminate the backlog through a number of initiatives, including mandatory overtime, has highlighted the need for additional personnel at Regional Offices. The Committee recommendation also directs the VBA, working in conjunction with the Office of Policy and Planning, to

conduct a workforce analysis by Regional Office and to undertake a detailed review of VBA's Resources Allocation Model. The analysis should be developed in the framework of a multi-year, strategic assessment that should include a plan for how to measure and incorporate the increasing number of claimed conditions and complexity of claims into the systematic approach VA utilizes to distribute resources to the Regional Offices. VA shall also report on how the National Work Queue will be integrated with the Resource Allocation Model. The Department is directed to provide this analysis to the Committees on Appropriations of both Houses of Congress no later than February 2, 2015.

The Committee continues to believe that quality cannot be sacrificed in the pursuit of eliminating the claims backlog. As such, the Department must continue the efforts of the Quality Review Teams [QRT] in assessing the performance of claims processing operations and bridging the gap between local and national standards. It is critical that QRTs perform follow-up spot audits in Regional Offices that have undergone challenge training to ensure that quality standards are being met. Additionally, the VA must ensure that all training programs for claims processors are routinely followed up with testing and monitoring at regular intervals.

In order to continue 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 2015.

Vocational Rehabilitation and Employment.—The Secretary of Veterans Affairs shall conduct an assessment of the Vocational Rehabilitation and Employment resource allocation model to determine the total number of staff needed across the Regional Offices. Further, the Secretary shall obtain information, including the time necessary to complete key tasks on the Regional Offices approaches to managing their caseloads in order to determine an appropriate counselor ratio and identify best practices no later than December 31, 2014.

Rehabilitation and Training for Veterans with Difficult Employment Circumstances.—The Committee encourages the VA to ex-

pand its partnerships with non-profit employment and training organizations with experience in assisting veterans with difficult employment circumstances, such as prior substance abuse or criminal records, to find long-term employment.

Military Sexual Trauma [MST].—The Committee notes the VBA's training initiatives and procedural developments for PTSD claims related to MST and encourages the VA to continue to publicize benefits veterans may be entitled to as a result of MST. The Committee also notes that in recent Congressional testimony, the VBA recognized that some victims of sexual assault may not have the minimal circumstantial evidence of a stressor required in order to schedule a VA examination and to request that the examiner provide an opinion as to whether the stressor occurred. Within 120 days of enactment of this act, the Committee directs the VBA to submit a report on the current standard of proof for service-connection under chapter 11 of title 38, U.S.C., for covered mental health conditions based on military sexual trauma. The VBA shall include in the report any recommendations it considers appropriate to improve the adjudication of claims for compensation based on MST, including recommendations for an appropriate standard of proof for such claims if the Secretary considers such recommendations advisable and recommendations for legislative action, if necessary, to carry out such improvement.

Disability Progression.—The Committee encourages the Department to conduct a study that will analyze data regarding the statistical progression of disabilities over time based on the Department's historical data of veteran disabilities. The study should consider statistics and information related to the progressive nature of a service-connected disability, in terms of increased impairment of earning capacity caused by the disability and whether this data could be utilized to faster adjudicate claims for increased compensation from lasting and intensifying injuries. The Department is directed to report back to the Committee on whether this type of analysis is feasible.

eBenefits.—The Committee commends the VA and DOD with the development of the joint eBenefits Web site. The Web site is a central location for veterans, servicemembers and their families to research, find and access benefits and services to which they are entitled. The Committee believes this powerful tool could be better utilized to help inform servicemembers and veterans by sending an automatic email outlining the benefits of filing a Fully Developed Claim and transition assistance program curriculum to any servicemember who creates a username and password on eBenefits.

Uniform Mail Processing.—The Committee directs the Department to develop a plan to execute a uniform mail processing and scanning system throughout the 56 ROs no later than 1 year from the date of enactment of this act.

Individual Placement and Support Counselors.—The Committee recognizes that successful transition from active duty to civilian life for veterans suffering from mental health injuries often requires assistance with their efforts to find stable employment. The Committee believes integrating individual placement and support services would greatly benefit veterans with mental health needs, and complement the Department's existing Vocational Rehabilitation

and Employment program. The Committee directs the Department to provide a report to the Committees on Appropriations of both Houses of Congress detailing what efforts have been made to implement these types of services into existing vocational programs.

Housing Management Training.—The Committee notes the positive return on investment to the taxpayers when veterans are trained for management positions in often troubled public and federally assisted housing communities. Veterans possess unique leadership and management skills that are particularly well-suited to this role. The Committee is aware that VA participated in a similar program during the 1990s. Consistent with government-wide efforts to streamline programs, the Committee urges the Department of Veterans Affairs to explore ways to coordinate with the Department of Housing and Urban Development and the Department of Labor to focus existing resources on a comprehensive program for training veterans in public and federally assisted housing management, maintenance management, occupancy management, financial management, and security and drug reduction management.

INFORMATION TECHNOLOGY SYSTEMS

Appropriations, 2014	$3,703,344,000
Budget estimate, 2015	3,903,344,000
House allowance	3,873,768,000
Committee recommendation	3,913,344,000

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 $3,913,344,000 for the Information Technology Systems account. This amount is $210,000,000 above the fiscal year 2014 enacted level and $10,000,000 above the budget request. The Committee recommendation includes $1,039,000,000 for staff salaries and expenses, $2,343,217,000 for operation and maintenance of existing programs, and $531,127,000 for program development, all according to the Department's fiscal year 2015 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 enhances 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 funded the request for continued development and deployment of increased functionality for the Veterans Benefits Management System [VBMS]. The Committee has increased the IT request by $10,000,000 for additional hardware upgrades at Regional Offices to ensure that increased VBMS functionality can be supported in the field. The Committee directs the Department to submit an expenditure plan for this funding within 60 days after enactment of this act. 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.

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 2015 budget request	Committee recommendation
Access to Healthcare	9,686	9,686
Healthcare Efficiency IT Development	10,723	10,723
Electronic Health Record [EHR] Interoperability and VLER Health	32,000	32,000
VistA Evolution	179,922	179,922
New Models of Care	30,551	30,551
Veterans Benefits Management System [VBMS]	63,500	63,500
Virtual Lifetime Electronic Record [VLER]	18,600	18,600
Veterans Relationship Management [VRM]	76,600	76,600
Health Management Platform	5,746	5,746
Other IT Systems Development	103,799	103,799
Total Development	531,127	531,127

Electronic Health Records.—On March 24, 2014, under the conditions placed on the Department in Public Law 113–76, the VA transmitted to the Committee the VistA Evolution Program plan which included a roadmap for interoperability with the Department of Defense's planned acquisition of a new electronic health record.

Given the history of program changes to develop integrated/interoperable electronic health records between the two Departments, the Committee remains cautious about this plan and has included bill language limiting the obligation or expenditure of funds to 25 percent for the development of the VistA Evolution program until certain conditions are met. One of these conditions mandates that the Department establish a detailed governance structure which establishes a single program manager/integrator who will have sole responsibility for ensuring that all projects funded under the VistA Evolution umbrella meet performance measures and timeline benchmarks and are compatible with DOD's current and future electronic health record systems. The Committee believes that a clearly defined governance structure and a single point of accountability within the Department will provide program discipline and protect against continuous expansion of scope.

In addition to the conditions and restriction contained in the bill, the Department is directed to provide quarterly briefings to the Committees on Appropriations of both Houses of Congress regarding schedule, milestones, and obligations. The Committee understands that the VA is committed to developing VistA Evolution under the Project Management Accountability System [PMAS], which is focused on incremental development with deliverable milestones every 6 months. Therefore, the quarterly briefing should clearly define the 6 month PMAS delivery schedule so that the Committees can create a tracking mechanism to provide better oversight of whether the Department is delivering the functionality laid out in its VistA Evolution Program plan.

Furthermore, the Interagency Program Office shall continue to provide the Committees briefings on a quarterly basis regarding standards development and how those standards are being incorporated by both VA and DOD. In an effort to ensure government-wide accountability, the Committee also directs the VA in coordination with the DOD to provide the Federal Chief Information Officer of the United States with monthly updates on progress made by the two Departments to reach interoperability and modernize their respective electronic health records.

Electronic Health Record Data Security.—As the VA continues its efforts to modernize the current electronic health record, the Committee notes that the future system should include robust data security measures. In order to ensure interoperability with the Department of Defense and to protect veterans electronic medical data, the Committee directs the Department to report to the Committees on Appropriations of both Houses of Congress within 90 days of enactment of this act, on the process VA and DOD will follow to establish security standards, incorporate security measures, and identify or develop relevant technology to secure data as the two Departments develop interoperability between current and future electronic health record systems.

Information Technology Exchange Program.—The Committee is aware that the Department of Defense recently launched the Information Technology Exchange Program [ITEP] which allows for the temporary exchange of information technology personnel between DOD and the private sector. This program provides a unique opportunity for DOD and private sector organizations to share best prac-

tices and gain a better understanding of each other's information technology practices. The Committee encourages the VA to evaluate whether a similar program would benefit the Department's information technology program and to report back to the Committees on Appropriations of both Houses of Congress no later than 90 days after enactment of this act on the advisability and feasibility of establishing such a program within the VA. The report should also include any legislative changes that must be made before such a program could be established.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2014	$121,411,000
Budget estimate, 2015	121,411,000
House allowance	122,411,000
Committee recommendation	126,411,000

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 $126,411,000 for the Office of Inspector General. This is $5,000,000 above the fiscal year 2014 enacted level and $5,000,000 above the budget request. The Committee has included bill language to make available through September 30, 2016, up to $12,411,000 for the Office of the Inspector General.

CONSTRUCTION, MAJOR PROJECTS

Appropriations, 2014	$342,130,000
Budget estimate, 2015	561,800,000
House allowance	561,800,000
Committee recommendation	561,800,000

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 $561,800,000 for the construction of major projects. This is $219,670,000 above the fiscal year 2014 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 2015 budget request	Committee recommendation
Veterans Health Administration [VHA]:		
West Los Angeles, California—Seismic Corrections	35,000	35,000
Long Beach, California—Seismic Corrections, Mental Health and Community Living Center Replacements	101,900	101,900
Canandaigua, New York—Community Living Center, Outpatient Clinic and Domiciliary	122,400	122,400
San Diego, California—Spinal Cord Injury and Seismic Deficiency Correction	187,500	187,500
Advance Planning Fund—Various Locations	69,000	69,000
Major Construction Staff—Various Locations	24,000	24,000
Claims Analysis—Various Locations	2,000	2,000
Hazardous Waste—Various Locations	6,000	6,000
Total, VHA	547,800	547,800
National Cemetery Administration [NCA]:		
Advance Planning Fund	2,500	2,500
NCA Land Acquisition Fund	7,500	7,500
Total, NCA	10,000	10,000
General Administration—Staff Offices, Advance Planning Fund	4,000	4,000
Total Construction, Major Projects	561,800	561,800

Collaborative VA/DOD Medical Facility Projects.—The Committee remains supportive of executing collaborative joint VA/DOD medical facility projects which are supported and approved by both agencies for implementation. The Committee notes, however, that none of the four major construction VHA projects proposed in the fiscal year 2015 budget submission include collaboration with DOD. In fact, the VA's Strategic Capital Investment Plan [SCIP] submitted with the fiscal year 2015 budget request removes a collaborative VA/DOD medical facility planned for Wichita, Kansas. The current SCIP did not score or rank the project, removing it from consideration to attain resources in fiscal year 2015. As such, the Committee directs the VA to submit a report, no later than 180 days after the enactment of this act, detailing the reasons this project was not scored and pulled from consideration in 2015. In addition, the report should provide an assessment of collaborative VA/DOD projects planned in the SCIP's list of Future Years Above-Threshold Potential Projects to include an implementation timeline and cost estimate for each project. The Committee also encourages the VA to adopt and implement a 5-year construction plan similar to DOD's annual submission of a Future Years Defense Program which details planned construction projects by location and funding amount for each of the next 5 fiscal years.

VA Medical Center Construction.—The Committee is concerned about construction delays, contracting disputes, and cost overruns associated with VA's major construction program. Currently, major medical center construction projects in Denver, Colorado, and Orlando, Florida, are embroiled in contracting disputes concerning design changes and delays in processing and paying change orders, which have led to cost overruns, unacceptable delays in completion of the facilities, and potential litigation. The Committee recognizes

that contracting disputes are a two-way street, and that medical advances can require reconfiguration of a hospital design at any stage of construction. However, the Committee remains concerned about VA's management of these challenging major construction projects and urges the VA to explore an interagency agreement with the U.S. Army Corps of Engineers to conduct a construction design evaluation of currently troubled projects, and to implement any recommendations stemming from that evaluation on current and future construction projects. The Department is directed to report to the Committees on Appropriations of both Houses of Congress within 90 days of enactment of this act on the feasibility of entering into such an agreement with the Corps of Engineers.

The Committee also urges the VA to re-evaluate the way it processes change orders, and to develop and implement a management strategy to streamline and expedite the process. The Committee directs the Department to provide a report to the Committees on Appropriations of both Houses of Congress within 90 days of enactment of this act describing the actions the Department has taken to improve its construction management processes.

Alternative Financing.—The Committee recognizes the need for access to high quality veterans healthcare facilities, including in rural areas where access to facilities, including clinics and hospitals, is more limited. The Committee directs the Department of Veterans Affairs to work collaboratively with other executive branch agencies with substantial construction portfolios, private sector contractors, and other non-governmental experts, together with the appropriate congressional committees, to explore the feasibility of employing new funding mechanisms to meet the need for such facilities, including but not limited to private development lease-back arrangements, and to provide a report on their conclusions to the Committee no later than September 30, 2014.

Facility Construction Prioritization.—The Committee is aware that the VA undertakes a complex process each year to prioritize all the facility projects that are eligible for funding. But the Committee is disturbed that the priorities assigned to particular projects have changed from 1 year to the next without explanation. The Committee requests that the Department prepare each year no later than 30 days after the release of the budget request a comprehensive report describing the process used to identify that year's project priority listing, any changes in methodology or priority criteria, and the architectural design elements that must be in place before a project is considered ready for the priority list.

CONSTRUCTION, MINOR PROJECTS

Appropriations, 2014	$714,870,000
Budget estimate, 2015	495,200,000
House allowance	495,200,000
Committee recommendation	540,200,000

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 engi-

neering 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 $540,200,000 for minor construction. This is $174,670,000 below the fiscal year 2014 enacted level and 45,000,000 above the budget request.

The recommendation includes $424,000,000 for the Veterans Health Administration, $60,000,000 for the National Cemetery Administration, $11,200,000 for General Administration—Staff Offices, and $45,000,000 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, 2014	$85,000,000
Budget estimate, 2015	80,000,000
House allowance	80,000,000
Committee recommendation	100,000,000

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

COMMITTEE RECOMMENDATION

The Committee recommends $100,000,000 for grants for the construction of State extended care facilities. This is $20,000,000 above the budget request.

The Committee recognizes that Public Law 106–117 took an important step in directing the Department of Veterans Affairs to define regulations for the number of beds for which grants may be provided to States. The Committee notes that, although this legislation was signed into law 5 years ago, the regulations defining "great, significant, or limited" unmet need have not been updated since implementation. The Committee is concerned that by not reforming these requirements, States with a small maximum number of State home, nursing home, and domiciliary beds will never rate high enough on the Secretary's priority funding list to receive new construction grants. As such, the Committee directs the Department to conduct a review as required under 38 U.S.C. 8134 to examine the criteria for determining the formula for unmet need, taking into account those States with an overall maximum number of beds allowed of fewer than 999 and report to the Committee on the progress made in revising this rule no later than 90 days after enactment of this act.

Additionally, the Committee is concerned that the process for identifying and prioritizing State veterans home construction does not make the best use of available resources to meet the current and future needs of the veteran population. In particular, efforts toward expanding capacity through new facilities are often subordinated to other projects, leaving a great unmet need for care. The Department's various funding, environmental impact, and land-transfer timelines can be impossible for new facility projects to meet, even after being identified and prioritized by the program. Moreover, many State governments are still recovering from the economic downturn sparked by the financial crisis of 2008 and are unable to contribute the requisite 35 percent of total construction costs needed to obtain Federal matching funds. The Committee urges VA to review its process for selecting and awarding State extended care grants and to identify ways to make funding more flexible to assist States in the construction process. Further, the Committee requests a detailed report 60 days after the enactment of this act on alternative financing mechanisms to ensure that a sufficient number of State veterans homes are available to meet the needs of future patients.

GRANTS FOR CONSTRUCTION OF VETERANS CEMETERIES

Appropriations, 2014	$46,000,000
Budget estimate, 2015	45,000,000
House allowance	45,000,000
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 $1,000,000 above the budget request.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFERS AND RESCISSIONS OF FUNDS)

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

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

SEC. 203. The Committee includes a provision which outlines the use of funds appropriated for salaries and expenses.

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 2015 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 funds from certain advance appropriation accounts 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 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. 226. 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. 227. The Committee includes a provision rescinding funds from certain accounts and appropriating additional amounts with 2-year authority.

SEC. 228. The Committee includes a provision requiring notification of all bid savings for major construction projects.

SEC. 229. The Committee includes a provision restricting scope increases for major construction projects above that specified in the original project justification.

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.

SEC. 231. The Committee includes a provision limiting the funding from the Medical Services and Medical Support and Compli-

ance accounts for the VistA Evolution and electronic health record interoperability projects.

SEC. 232. The Committee includes a provision requiring VA to notify the Committee 15 days prior to any staff office relocations within VA of 25 or more FTE.

SEC. 233. The Committee includes a provision requiring the Secretary to report to the Committee each quarter about any single national outreach and awareness marketing campaign exceeding $2,000,000.

SEC. 234. The Committee includes a provision restricting funds from being used to close certain medical facilities in the absence of a national realignment strategy.

SEC. 235. The Committee includes a provision prohibiting the Department from replacing the current system by which diabetes monitoring equipment and supplies are contracted.

SEC. 236. The Committee includes a provision restricting performance bonuses for certain employees of the Veterans Health Administration.

SEC. 237. The Committee includes a provision allowing certain amounts to be utilized for contract care in rural and highly rural areas.

SEC. 238. The Committee includes a provision requiring the Medical Inspector of the Department of Veterans Affairs to submit to Congress a report on the programs and activities of the Veterans Health Administration.

SEC. 239. The Committee includes a provision regarding transfers between Medical Facilities and Medical Services accounts.

SEC. 240. The Committee includes a provision allowing the Secretary greater authority in personnel matters relating to the Senior Executive Service.

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, 2014	$63,200,000
Budget estimate, 2015	70,100,000
House allowance	75,000,000
Committee recommendation	73,285,000

COMMITTEE RECOMMENDATION

The Committee recommends $73,285,000 for the Salaries and expenses account. This amount is $10,085,000 above the fiscal year 2014 enacted level and $3,185,000 above the budget request. The Committee has provided additional funds to support ABMC's maintenance program and for ongoing assessment of Clark Veterans Cemetery.

National World War II Museum.—The Committee recognizes the contributions that the National World War II Museum in New Orleans, Louisiana, has made to informing and educating the public on the heroism and sacrifices of America's World War II veterans, and encourages ABMC to collaborate with the Museum where feasible to honor our fallen heroes and to ensure that their stories are made available to the public through interpretative and interactive programs to the fullest extent possible.

FOREIGN CURRENCY FLUCTUATIONS

Appropriations, 2014	$14,100,000
Budget estimate, 2015	1,900,000
House allowance	1,900,000
Committee recommendation	1,900,000

COMMITTEE RECOMMENDATION

The Committee recommends an estimated $1,900,000 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, 2014	$35,408,000
Budget estimate, 2015	31,386,000
House allowance	31,386,000
Committee recommendation	34,390,000

COMMITTEE RECOMMENDATION

The Committee recommends $34,390,000 for the U.S. Court of Appeals for Veterans Claims. This amount is $1,018,000 below the fiscal year 2014 enacted level and $3,004,000 above 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, 2014	$65,800,000
Budget estimate, 2015	45,800,000
House allowance	61,881,000
Committee recommendation	65,800,000

COMMITTEE RECOMMENDATION

The Committee recommends $65,800,000 for Salaries and Expenses. This amount is equal to the fiscal year 2014 enacted level and $20,000,000 above the budget request. As it has for the past 2 years, the Administration's budget submission for the Department of Defense's military construction programs contains an Administrative Provision that would allow the Secretary of the Army to transfer Army Operations and Maintenance [O&M] funds to Arlington National Cemetery [ANC]. Army O&M is funded in the Defense Appropriations bill, and therefore the Subcommittee on Military Construction and Veterans Affairs, and Related Agencies has no jurisdiction over the account. The Committee believes that in order to provide proper oversight and accountability, ANC's funding should be provided within the ANC account and not spread across multiple accounts and appropriations bills. Furthermore, the Committee is concerned about the requested provision's transparency, and Congress' corresponding ability to monitor and provide oversight of the use of Army O&M funds at ANC. For these reasons, the Committee provides an additional $20,000,000 within this account and does not provide the requested transfer from Army O&M funding. The Committee again urges the Administration to provide in future budget submissions 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.

Arlington National Cemetery Expansion.—The Committee recognizes the unique opportunity to enhance the future burial capacity of Arlington National Cemetery [ANC] that the closure and relocation of certain current roadways would provide. The Committee believes that the modification of the Columbia Pike/Washington Boulevard interchange, and the realignment of all associated utilities, would greatly increase capacity at ANC. The Committee believes that this work, which would be conducted by Arlington County, Virginia, and the Virginia Department of Transportation in concert with Arlington County's realignment of Columbia Pike to South Joyce Street, benefits ANC by removing all existing barriers to contiguous expansion in the area of the former Navy Annex site. The Committee urges the Secretary of the Army to provide the Committees on Appropriations of both Houses of Congress with an amended Master Plan and Navy Annex Area Development Plan, as well as the final Memorandum of Understanding between the Army and Arlington County, detailing how any land conveyed to the Cemetery will be utilized for internments and other Cemetery needs.

ARMED FORCES RETIREMENT HOME

TRUST FUND

Appropriations, 2014	$67,800,000
Budget estimate, 2015	63,400,000
House allowance	63,400,000
Committee recommendation	63,400,000

COMMITTEE RECOMMENDATION

The Committee recommends authority to expend $63,400,000 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.

PROGRAM, PROJECT, AND ACTIVITY

In fiscal year 2015, 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, 2015, 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 2014 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 2015 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 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 May 22, 2014, the Committee ordered favorably reported en bloc a bill (H.R. 4486) making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2015, and for other purposes, with an amendment in the nature of a substitute and an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2015, and for other purposes, provided, that the bills be subject to amendment (or further amendment) and that the bills be consistent with the subcommittee allocations, by a recorded vote of 30–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairwoman Mikulski	
Mr. Leahy	
Mr. Harkin	
Mrs. Murray	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson	
Ms. Landrieu	
Mr. Reed	
Mr. Pryor	
Mr. Tester	
Mr. Udall	
Mrs. Shaheen	

Mr. Merkley
Mr. Begich
Mr. Coons
Mr. Shelby
Mr. Cochran
Mr. McConnell
Mr. Alexander
Ms. Collins
Ms. Murkowski
Mr. Graham
Mr. Kirk
Mr. Coats
Mr. Blunt
Mr. Moran
Mr. Hoeven
Mr. Johanns
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."

In compliance with this rule, changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

TITLE 38—VETERANS' BENEFITS

CHAPTER 7—EMPLOYEES

CHAPTER 7—EMPLOYEES

Sec.
701. Placement of employees in military installations.

* * * * * * *

[712. Repealed.]
713. Senior Executive Service: removal based on performance.

* * * * * * *

[§ 712. Repealed. Pub. L. 107–103, title V, § 509(a)(1), Dec. 27, 2001, 115 Stat. 997]

§ 713. Senior Executive Service: removal based on performance

(a) IN GENERAL.—

(1) Notwithstanding subchapter V of chapter 35 of title 5, subchapter V of chapter 75 of title 5, or any other provision of law, the Secretary may remove any individual who is an employee of the Department from a Senior Executive Service position (as defined in section 3132(a) of title 5) if the Secretary determines the performance of the individual warrants such removal.

(2) If the Secretary so removes such an individual, the Secretary may—

(A) remove the individual from the civil service (as defined in section 2101 of title 5); or

(B) appoint the individual to a General Schedule position at any grade of the General Schedule the Secretary determines appropriate.

(b) NOTICE TO CONGRESS.—Not later than 30 days after removing an individual from the Senior Executive Service under subsection (a), the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives notice in writing of such removal and the reason for such removal.

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 allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the subcommittee allocation for 2015: Subcommittee on Military Construction and Veterans Affairs, and Related Agencies:				
Mandatory	86,821	86,821	86,519	[1] 86,519
Discretionary	71,898	71,898	76,447	[1] 76,411
Security	6,559	6,559	NA	NA
Nonsecurity	65,339	65,339	NA	NA
Projections of outlays associated with the recommendation:				
2015	.....	.....	.....	[2] 92,604
2016	.....	.....	.....	4,856
2017	.....	.....	.....	3,361
2018	.....	.....	.....	1,800
2019 and future years	.....	.....	.....	1,087
Financial assistance to State and local governments for 2015	NA	160	NA	−7

[1] Includes outlays from prior-year budget authority.
[2] 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
ALASKA					
AIR FORCE:					
CLEAR AFS:					
EMERGENCY POWER PLANT FUEL STORAGE	11,500	11,500	11,500		
TOTAL, ALASKA	11,500	11,500	11,500		
ARIZONA					
NAVY:					
YUMA:					
AVIATION MAINTENANCE AND SUPPORT COMPLEX	16,608	16,608	16,608		
AIR FORCE:					
LUKE AFB:					
F–35 AIRCRAFT MX HANGAR—SQDN #2	11,200	11,200	11,200		
F–35 FLIGHTLINE FILLSTANDS	15,600	15,600	15,600		
DEFENSE-WIDE:					
FORT HUACHUCA:					
JITC BUILDING 52120 RENOVATION	1,871	1,871	1,871		
TOTAL, ARIZONA	45,279	45,279	45,279		
CALIFORNIA					
ARMY:					
CONCORD:					
ACCESS CONTROL POINT	9,900	9,900	9,900		
GENERAL PURPOSE MAINTENANCE SHOP	5,300	5,300	5,300		
FORT IRWIN:					
UNMANNED AERIAL VEHICLE HANGAR	45,000	45,000	45,000		
NAVY:					
BRIDGEPORT:					
E–LMR COMMUNICATIONS TOWERS	16,180	16,180	16,180		

SAN DIEGO:					
STEAM DISTRIBUTION SYSTEM DECENTRALIZATION	47,110	47,110	47,110	.....	.....
DEFENSE-WIDE:					
CAMP PENDLETON:					
SOF COMM/ELEC MAINTENANCE FACILITY	11,841	11,841	11,841	.....	.....
CORONADO:					
SOF LOGISTICS SUPPORT UNIT 1 OPS FACILITY #1	41,740	41,740	41,740	.....	.....
SOF SUPPORT ACTIVITY OPS FACILITY #2	28,600	28,600	28,600	.....	.....
LEMOORE:					
REPLACE FUEL STORAGE & DISTRIBUTION FAC	52,500	52,500	52,500	.....	.....
ARMY RESERVE:					
FRESNO:					
ARMY RESERVE CENTER/AMSA	22,000	22,000	22,000	.....	.....
TOTAL, CALIFORNIA	280,171	280,171	280,171	.....	.....
COLORADO					
ARMY:					
FORT CARSON:					
AIRCRAFT MAINTENANCE HANGAR	60,000	60,000	60,000	.....	.....
UNMANNED AERIAL VEHICLE HANGAR	29,000	29,000	29,000	.....	.....
DEFENSE-WIDE:					
PETERSON AFB:					
DENTAL CLINIC REPLACEMENT	15,200	15,200	15,200	.....	.....
ARMY RESERVE:					
FORT CARSON:					
TRAINING BUILDING ADDITION	5,000	5,000	5,000	.....	.....
TOTAL, COLORADO	109,200	109,200	109,200	.....	.....
CONNECTICUT					
AIR NATIONAL GUARD:					
BRADLEY IAP:					
CONSTRUCT C–130 FUEL CELL AND CORROSION CONTR	16,306	16,306	16,306	.....	.....
TOTAL, CONNECTICUT	16,306	16,306	16,306	.....	.....

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
DISTRICT OF COLUMBIA					
NAVY:					
DISTRICT OF COLUMBIA:					
ELECTRONICS SCIENCE AND TECHNOLOGY LABORATORY	31,735	31,735	31,735	.....	.....
TOTAL, DISTRICT OF COLUMBIA	31,735	31,735	31,735	.....	.....
FLORIDA					
NAVY:					
JACKSONVILLE:					
MH–60 PARKING APRON	8,583	8,583	8,583	.....	.....
P–8A RUNWAY THRESHOLDS AND TAXIWAYS	21,652	21,652	21,652	.....	.....
MAYPORT:					
LCS OPERATIONAL TRAINING FACILITY	20,520	20,520	20,520	.....	.....
TOTAL, FLORIDA	50,755	50,755	50,755	.....	.....
GEORGIA					
DEFENSE-WIDE:					
HUNTER ARMY AIRFIELD:					
SOF COMPANY OPERATIONS FACILITY	7,692	7,692	7,692	.....	.....
ROBINS AFB:					
REPLACE HYDRANT FUEL SYSTEM	19,900	19,900	19,900	.....	.....
AIR FORCE RESERVE:					
ROBINS AFB:					
AFRC CONSOLIDATED MISSION COMPLEX, PH I	27,700	27,700	27,700	.....	.....
TOTAL, GEORGIA	55,292	55,292	55,292	.....	.....

HAWAII					
ARMY:					
FORT SHAFTER:					
COMMAND AND CONTROL FACILITY (SCIF)	96,000	83,000	96,000	.....	+ 13,000
NAVY:					
KANEOHE BAY:					
FACILITY MODIFICATIONS FOR VMU, MWSD, & CH–53E	51,182	51,182	51,182	.....	.....
ROAD AND INFRASTRUCTURE IMPROVEMENTS	2,200	2,200	2,200	.....	.....
PEARL HARBOR:					
SUBMARINE MANEUVERING ROOM TRAINER FACILITY	9,698	9,698	9,698	.....	.....
DEFENSE-WIDE:					
JOINT BASE PEARL HARBOR-HICKAM:					
REPLACE FUEL TANKS	3,000	3,000	3,000	.....	.....
UPGRADE FIRE SUPRESSION & VENTILATION SYS	49,900	49,900	49,900	.....	.....
TOTAL, HAWAII	211,980	198,980	211,980	.....	+ 13,000
IOWA					
AIR NATIONAL GUARD:					
DES MOINES MAP:					
REMOTELY PILOTED AIRCRAFT AND TARGETING GROUP	8,993	8,993	8,993	.....	.....
TOTAL, IOWA	8,993	8,993	8,993	.....	.....
KANSAS					
AIR FORCE:					
MCCONNELL AFB:					
KC–46A ADAL MOBILITY BAG STRG EXPANSION	2,300	2,300	2,300	.....	.....
KC–46A ADAL REGIONAL MX TNG FACILITY	16,100	16,100	16,100	.....	.....
KC–46A ALTER COMPOSITE MX SHOP	4,100	4,100	4,100	.....	.....
KC–46A ALTER TAXIWAY FOXTROT	5,500	5,500	5,500	.....	.....
KC–46A FUSELAGE TRAINER	6,400	6,400	6,400	.....	.....
TOTAL, KANSAS	34,400	34,400	34,400	.....	.....
KENTUCKY					
ARMY:					
FORT CAMPBELL:					
UNMANNED AERIAL VEHICLE HANGAR	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
DEFENSE-WIDE:					
BLUE GRASS ARMY DEPOT:					
AMMUNITION DEMILITARIZATION PH XV	38,715	38,715	38,715	.....	.....
FORT CAMPBELL:					
SOF SYSTEM INTEGRATION MAINTENANCE OFFICE FAC	18,000	18,000	18,000	.....	.....
TOTAL, KENTUCKY	79,715	79,715	79,715	.....	.....
MAINE					
ARMY NATIONAL GUARD:					
AUGUSTA:					
NATIONAL GUARD RESERVE CENTER	30,000	30,000	30,000	.....	.....
TOTAL, MAINE	30,000	30,000	30,000	.....	.....
MARYLAND					
NAVY:					
ANNAPOLIS:					
CENTER FOR CYBER SECURITY STUDIES BUILDING	120,112	100,112	120,112	.....	+20,000
INDIAN HEAD:					
ADVANCED ENERGETICS RESEARCH LAB COMPLEX PH 2	15,346	15,346	15,346	.....	.....
PATUXENT RIVER:					
ATLANTIC TEST RANGE FACILITY	9,860	9,860	9,860	.....	.....
AIR FORCE:					
FORT MEADE:					
CYBERCOM JOINT OPERATIONS CENTER, INCREMENT 2	166,000	166,000	166,000	.....	.....
DEFENSE-WIDE:					
FORT MEADE:					
NSAW CAMPUS FEEDERS PHASE 1	54,207	54,207	54,207	.....	.....
NSAW RECAPITALIZE BUILDING #1/SITE M INC 3	45,521	45,521	45,521	.....	.....

JOINT BASE ANDREWS:					
CONSTRUCT HYDRANT FUEL SYSTEM	18,300	18,300	18,300	.....	.....
ARMY NATIONAL GUARD:					
HAVRE DE GRACE:					
NATIONAL GUARD READINESS CENTER	12,400	12,400	12,400	.....	.....
TOTAL, MARYLAND	441,746	421,746	441,746	.....	+ 20,000
MASSACHUSETTS					
AIR FORCE:					
HANSCOM AFB:					
DORMITORY (72 RM)	13,500	13,500	13,500	.....	.....
TOTAL, MASSACHUSETTS	13,500	13,500	13,500	.....	.....
MICHIGAN					
DEFENSE-WIDE:					
SELFRIDGE ANGB:					
REPLACE FUEL DISTRIBUTION FACILITIES	35,100	35,100	35,100	.....	.....
AIR NATIONAL GUARD:					
W. K. KELLOGG REGIONAL AIRPORT:					
RPA BEDDOWN	6,000	6,000	6,000	.....	.....
TOTAL, MICHIGAN	41,100	41,100	41,100	.....	.....
MISSISSIPPI					
DEFENSE-WIDE:					
STENNIS:					
SOF APPLIED INSTRUCTION FACILITY	10,323	10,323	10,323	.....	.....
SOF LAND ACQUISITION WESTERN MANEUVER AREA	17,224	17,224	17,224	.....	.....
TOTAL, MISSISSIPPI	27,547	27,547	27,547	.....	.....
MONTANA					
ARMY NATIONAL GUARD:					
HELENA:					
NATIONAL GUARD READINESS CENTER ADD/ALT	38,000	38,000	38,000	.....	.....
TOTAL, MONTANA	38,000	38,000	38,000	.....	.....

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
NEBRASKA					
AIR FORCE:					
OFFUTT AFB:					
USSTRATCOM REPLACEMENT FACILITY—INCR 4	180,000	180,000	180,000	.....	.....
TOTAL, NEBRASKA	180,000	180,000	180,000	.....	.....
NEVADA					
NAVY:					
FALLON:					
AIR WING TRAINING FACILITY	27,763	27,763	27,763	.....	.....
FACILITY ALTERATION FOR F–35 TRAINING MISSION	3,499	3,499	3,499	.....	.....
AIR FORCE:					
NELLIS AFB:					
F–22 FLIGHT SIMULATOR FACILITY	14,000	14,000	14,000	.....	.....
F–35 AIRCRAFT MX UNIT—4 BAY HANGAR	31,000	31,000	31,000	.....	.....
F–35 WEAPONS SCHOOL FACILITY	8,900	8,900	8,900	.....	.....
DEFENSE-WIDE:					
FALLON:					
SOF TACTICAL GROUND MOB. VEHICLE MAINT FAC	20,241	20,241	20,241	.....	.....
TOTAL, NEVADA	105,403	105,403	105,403	.....	.....
NEW HAMPSHIRE					
AIR NATIONAL GUARD:					
PEASE INTERNATIONAL TRADE PORT:					
KC–46A ADAL AIRFIELD PAVEMENTS & HYDRANT SYST	7,100	7,100	7,100	.....	.....
KC–46A ADAL FUEL CELL BUILDING 253	16,800	16,800	16,800	.....	.....
KC–46A ADAL MAINT HANGAR BUILDING 254	18,002	18,002	18,002	.....	.....
TOTAL, NEW HAMPSHIRE	41,902	41,902	41,902	.....	.....

NEW JERSEY					
AIR FORCE:					
JOINT BASE MCGUIRE-DIX-LAKEHURST:					
FIRE STATION	5,900	5,900	5,900	.....	.....
ARMY RESERVE:					
JOINT BASE MCGUIRE-DIX-LAKEHURST:					
ARMY RESERVE CENTER	26,000	26,000	26,000	.....	.....
TOTAL, NEW JERSEY	31,900	31,900	31,900	.....	.....
NEW MEXICO					
DEFENSE-WIDE:					
CANNON AFB:					
SOF SQUADRON OPERATIONS FACILITY (STS)	23,333	23,333	23,333	.....	.....
TOTAL, NEW MEXICO	23,333	23,333	23,333	.....	.....
NEW YORK					
ARMY:					
FORT DRUM:					
UNMANNED AERIAL VEHICLE HANGAR	27,000	27,000	27,000	.....	.....
U.S. MILITARY ACADEMY:					
CADET BARRACKS, INCR 3	58,000	58,000	58,000	.....	.....
ARMY RESERVE:					
MATTYDALE:					
ARMY RESERVE CENTER/AMSA	23,000	23,000	23,000	.....	.....
TOTAL, NEW YORK	108,000	108,000	108,000	.....	.....
NORTH CAROLINA					
NAVY:					
CHERRY POINT MARINE CORPS AIR STATION:					
WATER TREATMENT PLANT REPLACEMENT	41,588	41,588	41,588	.....	.....
DEFENSE-WIDE:					
CAMP LEJEUNE:					
LEJEUNE HIGH SCHOOL ADDITION/RENOVATION	41,306	41,306	41,306	.....	.....
SOF INTEL/OPS EXPANSION	11,442	11,442	11,442	.....	.....
FORT BRAGG:					
SOF BATTALION OPERATIONS FACILITY	37,074	37,074	37,074	.....	.....
SOF TACTICAL EQUIPMENT MAINTENANCE FACILITY	8,000	8,000	8,000	.....	.....

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
SOF TRAINING COMMAND BUILDING	48,062	48,062	48,062	.....	.....
SEYMOUR JOHNSON AFB:					
REPLACE HYDRANT FUEL SYSTEM	8,500	8,500	8,500	.....	.....
AIR FORCE RESERVE:					
SEYMOUR JOHNSON AFB:					
KC–135 TANKER PARKING APRON EXPANSION	9,800	9,800	9,800	.....	.....
TOTAL, NORTH CAROLINA	205,772	205,772	205,772	.....	.....
NORTH DAKOTA					
ARMY NATIONAL GUARD:					
VALLEY CITY:					
NATIONAL GUARD VEHICLE MAINTENANCE SHOP	10,800	10,800	10,800	.....	.....
TOTAL, NORTH DAKOTA	10,800	10,800	10,800	.....	.....
OKLAHOMA					
AIR FORCE:					
TINKER AFB:					
KC–46A DEPOT MAINT COMPLEX SPT INFRASTR	48,000	48,000	48,000	.....	.....
KC–46A TWO–BAY DEPOT MX HANGAR	63,000	63,000	63,000	.....	.....
TOTAL, OKLAHOMA	111,000	111,000	111,000	.....	.....
PENNSYLVANIA					
ARMY:					
LETTERKENNY ARMY DEPOT:					
REBUILD SHOP	16,000	16,000	16,000	.....	.....
NAVY:					
PHILADELPHIA:					
OHIO REPLACEMENT POWER & PROPULSION FACILITY	23,985	23,985	23,985	.....	.....

AIR NATIONAL GUARD:					
WILLOW GROVE ARF:					
RPA OPERATIONS CENTER	5,662	5,662	5,662		
NAVY RESERVE:					
PITTSBURGH:					
RESERVE TRAINING CENTER	17,650	17,650	17,650		
TOTAL, PENNSYLVANIA	63,297	63,297	63,297		
SOUTH CAROLINA					
ARMY:					
FORT JACKSON:					
TRAINEE BARRACKS COMPLEX 3, PH1	52,000	52,000	52,000		
NAVY:					
CHARLESTON:					
NUCLEAR POWER OPERATIONAL SUPPORT FACILITY	35,716	35,716	35,716		
DEFENSE-WIDE:					
BEAUFORT:					
REPLACE FUEL DISTIBUTION FACILITIES	40,600	40,600	40,600		
TOTAL, SOUTH CAROLINA	128,316	128,316	128,316		
SOUTH DAKOTA					
DEFENSE-WIDE:					
ELLSWORTH AFB:					
CONSTRUCT HYDRANT SYSTEM	8,000	8,000	8,000		
TOTAL, SOUTH DAKOTA	8,000	8,000	8,000		
TEXAS					
AIR FORCE:					
JOINT BASE SAN ANTONIO:					
FIRE STATION	5,800	5,800	5,800		
DEFENSE-WIDE:					
FORT BLISS:					
HOSPITAL REPLACEMENT INCR 6	131,500	201,500	131,500		−70,000
JOINT BASE SAN ANTONIO:					
MEDICAL CLINIC REPLACEMENT	38,300	38,300	38,300		

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 RESERVE:					
FORT WORTH:					
EOD FACILITY	3,700	3,700	3,700		
TOTAL, TEXAS	179,300	249,300	179,300		−70,000
VERMONT					
ARMY NATIONAL GUARD:					
NORTH HYDE PARK:					
NATIONAL GUARD VEHICLE MAINTENANCE SHOP	4,400	4,400	4,400		
TOTAL, VERMONT	4,400	4,400	4,400		
VIRGINIA					
ARMY:					
JOINT BASE LANGLEY-EUSTIS:					
TACTICAL VEHICLE HARDSTAND	7,700	7,700	7,700		
NAVY:					
DAHLGREN:					
MISSILE SUPPORT FACILITY	27,313	27,313	27,313		
NORFOLK:					
EOD CONSOLIDATED OPS & LOGISTICS FACILITIES	39,274	39,274	39,274		
PORTSMOUTH:					
SUBMARINE MAINTENANCE FACILITY	9,743	9,743	9,743		
QUANTICO:					
AMMUNITION SUPPLY POINT EXPANSION	12,613	12,613	12,613		
YORKTOWN:					
BACHELOR ENLISTED QUARTERS	19,152	19,152	19,152		
FAST COMPANY TRAINING FACILITY	7,836	7,836	7,836		

DEFENSE-WIDE:					
CRANEY ISLAND:					
REPLACE & ALTER FUEL DISTIBUTION FACILITIES	36,500	36,500	36,500	.....	.....
DEF DISTRIBUTION DEPOT RICHMOND:					
REPLACE ACCESS CONTROL POINT	5,700	5,700	5,700	.....	.....
FORT BELVOIR:					
PARKING LOT	7,239	7,239	7,239	.....	.....
JOINT BASE LANGLEY-EUSTIS:					
HOPSITAL ADDITION/CUP REPLACEMENT	41,200	41,200	41,200	.....	.....
JOINT EXPEDITIONARY BASE LITTLE CREEK—STORY:					
SOF HUMAN PERFORMANCE CENTER	11,200	.....	11,200	.....	+ 11,200
SOF INDOOR DYNAMIC RANGE	14,888	14,888	14,888	.....	.....
SOF MOBILE COMM DET SUPPORT FACILITY	13,500	13,500	13,500	.....	.....
PENTAGON:					
REDUNDANT CHILLED WATER LOOP	15,100	15,100	15,100	.....	.....
ARMY RESERVE:					
FORT LEE:					
TASS TRAINING CENTER	16,000	16,000	16,000	.....	.....
TOTAL, VIRGINIA	284,958	273,758	284,958	.....	+ 11,200
WASHINGTON					
NAVY:					
BREMERTON:					
INTEGRATED WATER TREATMENT SYST. DD 1, 2, & 5	16,401	16,401	16,401	.....	.....
KITSAP:					
EXPLOSIVES HANDLING WHARF #2 (INC)	83,778	83,778	83,778	.....	.....
PORT ANGELES:					
TPS PORT ANGELES FORWARD OPERATING LOCATION	20,638	20,638	20,638	.....	.....
WHIDBEY ISLAND:					
P–8A AIRCRAFT APRON AND SUPPORTING FACILITIES	24,390	24,390	24,390	.....	.....
NAVY RESERVE:					
WHIDBEY ISLAND:					
C–40 AIRCRAFT MAINTENANCE HANGAR	27,755	27,755	27,755	.....	.....
TOTAL, WASHINGTON	172,962	172,962	172,962	.....	.....

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
AUSTRALIA					
DEFENSE-WIDE:					
GERALDTON:					
COMBINED COMMUNICATIONS GATEWAY GERALDTON	9,600	9,600	9,600	.....	.....
TOTAL, AUSTRALIA	9,600	9,600	9,600	.....	.....
BAHRAIN ISLAND					
NAVY:					
SW ASIA:					
P–8A HANGAR	27,826	27,826	27,826	.....	.....
TOTAL, BAHRAIN ISLAND	27,826	27,826	27,826	.....	.....
BELGIUM					
DEFENSE-WIDE:					
BRUSSELS:					
BRUSSELS ELEMENTARY/HIGH SCHOOL REPLACEMENT	41,626	41,626	41,626	.....	.....
NATO HEADQUARTERS FACILITY	37,918	37,918	37,918	.....	.....
TOTAL, BELGIUM	79,544	79,544	79,544	.....	.....
CUBA					
ARMY:					
GUANTANAMO BAY:					
DINING FACILITY	12,000	12,000	12,000	.....	.....
HEALTH CLINIC	11,800	11,800	11,800	.....	.....
DEFENSE-WIDE:					
GUANTANAMO BAY:					
REPLACE FUEL TANK	11,100	11,100	11,100	.....	.....

W.T. SAMPSON E/M AND HS CONSOLID/REPLACEMENT	65,190	65,190	65,190	.....	.....
TOTAL, CUBA	100,090	100,090	100,090	.....	.....
DJIBOUTI					
NAVY:					
CAMP LEMONNIER:					
ENTRY CONTROL POINT	9,923	9,923	9,923	.....	.....
TOTAL, DJIBOUTI	9,923	9,923	9,923	.....	.....
GERMANY					
DEFENSE-WIDE:					
RHINE ORDNANCE BARRACKS:					
MEDICAL CENTER REPLACEMENT INCR 4	259,695	189,695	159,695	−100,000	−30,000
TOTAL, GERMANY	259,695	189,695	159,695	−100,000	−30,000
GUAM					
NAVY:					
JOINT REGION MARIANAS:					
GSE SHOPS AT NORTH RAMP	21,880	21,880	21,880	.....	.....
MWSS FACILITIES AT NORTH RAMP	28,771	28,771	28,771	.....	.....
AIR FORCE:					
JOINT REGION MARIANAS:					
GUAM STRIKE FUEL SYSTEMS MAINT.HANGAR INC 2	64,000	64,000	64,000	.....	.....
PRTC—COMBAT COMM INFRASTR FACILITY	3,750	3,750	3,750	.....	.....
PRTC—RED HORSE LOGISTICS FACILITY	3,150	3,150	3,150	.....	.....
PRTC—SATELLITE FIRE STATION	6,500	6,500	6,500	.....	.....
TOTAL, GUAM	128,051	128,051	128,051	.....	.....
JAPAN					
ARMY:					
KADENA AB:					
MISSILE MAGAZINE	10,600	10,600	10,600	.....	.....
NAVY:					
IWAKUNI:					
SECURITY MODS DPRI MC167–T (CVW–5 E2D EA–18G)	6,415	6,415	6,415	.....	.....

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
KADENA AB:					
AIRCRAFT MAINT HANGAR ALTERATIONS AND SAP–F	19,411	19,411	19,411	.....	.....
MCAS FUTENMA:					
HANGAR & RINSE FACILITY MODERNIZATIONS	4,639	4,639	4,639	.....	.....
OKINAWA:					
LHD PRACTICE SITE IMPROVEMENTS	35,685	35,685	35,685	.....	.....
DEFENSE-WIDE:					
MISAWA AB:					
EDGREN HIGH SCHOOL RENOVATION	37,775	37,775	37,775	.....	.....
OKINAWA:					
KILLIN ELEMENTARY REPLACEMENT/RENOVATION	71,481	71,481	71,481	.....	.....
KUBASAKI HIGH SCHOOL REPLACEMENT/RENOVATION	99,420	99,420	99,420	.....	.....
SASEBO:					
E.J. KING HIGH SCHOOL REPLACEMENT/RENOVATION	37,681	37,681	37,681	.....	.....
TOTAL, JAPAN	323,107	323,107	323,107	.....	.....
SPAIN					
NAVY:					
ROTA:					
SHIP BERTHING POWER UPGRADES	20,233	20,233	20,233	.....	.....
TOTAL, SPAIN	20,233	20,233	20,233	.....	.....
UNITED KINGDOM					
AIR FORCE:					
CROUGHTON RAF:					
JIAC CONSOLIDATION—PHASE 1	92,223	.....	92,223	.....	+92,223
TOTAL, UNITED KINGDOM	92,223	.....	92,223	.....	+92,223
NATO SECURITY INVESTMENT PROGRAM	199,700	199,700	199,700	.....	.....

WORLDWIDE CLASSIFIED					
DEFENSE-WIDE:					
CLASSIFIED LOCATION:					
SOF SKILLS TRAINING FACILITY	53,073	53,073	53,073		
TOTAL, WORLDWIDE CLASSIFIED	53,073	53,073	53,073		
WORLDWIDE UNSPECIFIED					
ARMY:					
HOST NATION SUPPORT	33,000	33,000	33,000		
MINOR CONSTRUCTION	25,000	25,000	25,000		
PLANNING AND DESIGN	18,127	18,127	18,127		
NAVY:					
PLANNING AND DESIGN	33,366	33,366	33,366		
MINOR CONSTRUCTION	7,163	7,163	7,163		
F–35C FACILITY ADDITION AND MODIFICATION	16,594	16,594	16,594		
F–35C OPERATIONAL TRAINING FACILITY	22,391	22,391	22,391		
AIR FORCE:					
PLANNING AND DESIGN	10,738	10,738	10,738		
MINOR CONSTRUCTION	22,613	22,613	22,613		
DEFENSE-WIDE:					
CONTINGENCY CONSTRUCTION	9,000		9,000		+9,000
ENERGY CONSERVATION INVESTMENT PROGRAM	150,000	150,000	150,000		
PLANNING AND DESIGN:					
DEFENSE–WIDE	24,425	24,425	24,425		
DEFENSE INFORMATION SYSTEMS AGENCY	745	745	745		
DEPARTMENT OF DEFENSE DEPENDENT EDUCATION	42,387	42,387	42,387		
MISSLE DEFENSE AGENCY	38,704	18,704	38,704		+20,000
NATIONAL SECURITY AGENCY	599	599	599		
SPECIAL OPERATIONS COMMAND	24,197	24,197	24,197		
WASHINGTON HEADQUARTERS SERVICE	1,183	1,183	1,183		
ENERGY CONSERVATION INVESTMENT PROGRAM DESIGN	10,000	10,000	10,000		
SUBTOTAL, PLANNING AND DESIGN	142,240	122,240	142,240		+20,000
UNSPECIFIED MINOR CONSTRUCTION:					
DEFENSE–WIDE	2,700	2,700	2,700		
DEFENSE LOGISTICS AGENCY	5,932	5,932	5,932		
DEPARTMENT OF DEFENSE DEPENDENT EDUCATION	6,846	6,846	6,846		
MISSILE DEFENSE AGENCY	2,000	2,000	2,000		

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
NATIONAL SECURITY AGENCY	2,994	2,994	2,994	.....	.....
JOINT CHIEFS OF STAFF	8,581	8,581	8,581	.....	.....
SPECIAL OPERATIONS COMMAND	10,334	10,334	10,334	.....	.....
DEFENSE HEALTH AGENCY	4,100	4,100	4,100	.....	.....
SUBTOTAL, UNSPECIFIED MINOR CONSTRUCTION	43,487	43,487	43,487	.....	.....
ARMY NATIONAL GUARD:					
PLANNING AND DESIGN	17,600	17,600	17,600	.....	.....
MINOR CONSTRUCTION	13,720	13,720	13,720	.....	.....
AIR NATIONAL GUARD:					
PLANNING AND DESIGN	7,700	7,700	7,700	.....	.....
MINOR CONSTRUCTION	8,100	8,100	8,100	.....	.....
ARMY RESERVE:					
PLANNING AND DESIGN	8,337	8,337	8,337	.....	.....
MINOR CONSTRUCTION	3,609	3,609	3,609	.....	.....
NAVY RESERVE:					
PLANNING AND DESIGN	2,123	2,123	2,123	.....	.....
MINOR CONSTRUCTION	4,000	4,000	4,000	.....	.....
AIR FORCE RESERVE:					
PLANNING AND DESIGN	6,892	6,892	6,892	.....	.....
MINOR CONSTRUCTION	1,400	1,400	1,400	.....	.....
FAMILY HOUSING, ARMY					
ILLINOIS:					
ROCK ISLAND:					
FAMILY HOUSING NEW CONSTRUCTION (33 units)	19,500	19,500	19,500	.....	.....
KOREA:					
CAMP WALKER:					
FAMILIY HOUSING NEW CONSTRUCTION (90 units)	57,800	57,800	57,800	.....	.....
PLANNING AND DESIGN	1,309	1,309	1,309	.....	.....

SUBTOTAL, CONSTRUCTION	78,609	78,609	78,609		
OPERATION AND MAINTENANCE:					
UTILITIES ACCOUNT	82,686	82,686	82,686		
SERVICES ACCOUNT	9,108	9,108	9,108		
MANAGEMENT ACCOUNT	46,597	46,597	46,597		
MISCELLANEOUS ACCOUNT	700	700	700		
FURNISHINGS ACCOUNT	14,136	14,136	14,136		
LEASING	112,504	112,504	112,504		
MAINTENANCE OF REAL PROPERTY	65,245	65,245	65,245		
PRIVATIZATION SUPPORT COSTS	20,000	20,000	20,000		
SUBTOTAL, OPERATION AND MAINTENANCE	350,976	350,976	350,976		
FAMILY HOUSING, NAVY AND MARINE CORPS					
CONSTRUCTION IMPROVEMENTS	15,940	15,940	15,940		
PLANNING AND DESIGN	472	472	472		
SUBTOTAL, CONSTRUCTION	16,412	16,412	16,412		
OPERATION AND MAINTENANCE:					
UTILITIES ACCOUNT	71,092	71,092	71,092		
SERVICES ACCOUNT	18,079	18,079	18,079		
MANAGEMENT ACCOUNT	55,124	55,124	55,124		
MISCELLANEOUS ACCOUNT	366	366	366		
FURNISHINGS ACCOUNT	17,881	17,881	17,881		
LEASING	65,999	65,999	65,999		
MAINTENANCE OF REAL PROPERTY	97,612	97,612	97,612		
PRIVATIZATION SUPPORT COSTS	27,876	27,876	27,876		
SUBTOTAL, OPERATION AND MAINTENANCE	354,029	354,029	354,029		
OPERATION AND MAINTENANCE:					
UTILITIES ACCOUNT	42,322	42,322	42,322		
MANAGEMENT ACCOUNT	47,834	47,834	47,834		
SERVICES ACCOUNT	12,709	12,709	12,709		
FURNISHINGS ACCOUNT	38,543	38,543	38,543		
MISCELLANEOUS ACCOUNT	1,993	1,993	1,993		
LEASING	43,651	43,651	43,651		
MAINTENANCE	99,934	99,934	99,934		
PRIVATIZATION SUPPORT COSTS	40,761	40,761	40,761		

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
SUBTOTAL, OPERATION AND MAINTENANCE	327,747	327,747	327,747	.....	.....
FAMILY HOUSING, DEFENSE-WIDE					
OPERATION AND MAINTENANCE:					
NATIONAL SECURITY AGENCY:					
UTILITIES	659	659	659	.....	.....
FURNISHING	746	746	746	.....	.....
LEASING	11,179	11,179	11,179	.....	.....
MAINTENANCE OF REAL PROPERTY	2,128	2,128	2,128	.....	.....
DEFENSE INTELLIGENCE AGENCY:					
FURNISHINGS	3,362	3,362	3,362	.....	.....
LEASING	42,083	42,083	42,083	.....	.....
DEFENSE LOGISTICS AGENCY:					
UTILITIES	170	170	170	.....	.....
FURNISHINGS	20	20	20	.....	.....
SERVICES	31	31	31	.....	.....
MANAGEMENT	378	378	378	.....	.....
MAINTENANCE OF REAL PROPERTY	344	344	344	.....	.....
SUBTOTAL, OPERATION AND MAINTENANCE	61,100	61,100	61,100	.....	.....
DOD FAMILY HOUSING IMPROVEMENT FUND	1,662	1,662	1,662	.....	.....
BASE REALIGNMENT AND CLOSURE					
DOD BASE CLOSURE ACCOUNT	270,085	270,085	380,085	+110,000	+110,000
ADMINISTRATIVE PROVISIONS					
MILITARY CONSTRUCTION—FISCAL YEAR 2014 (SEC. 127)	.....	125,000	.....	.....	−125,000
MILITARY CONSTRUCTION—FISCAL YEAR 2015 (SEC. 128)	.....	245,000	.....	.....	−245,000
ARMY (SEC. 129)	.....	−79,577	.....	.....	+79,577
42 USC 3374 (SEC. 131)	.....	−100,000	.....	.....	+100,000
NATO SECURITY INVESTMENT PROGRAM (SEC. 130)	.....	−25,000	.....	.....	+25,000

MILITARY CONSTRUCTION, ARMY (SEC. 127)	.....	.....	60,000	+60,000	+60,000
MILITARY CONSTRUCTION, ARMY NATIONAL GUARD (SEC. 128)	.....	.....	40,000	+40,000	+40,000
MILITARY CONSTRUCTION, ARMY RESERVE (SEC. 129)	.....	.....	50,000	+50,000	+50,000
MILITARY CONSTRUCTION, NAVY (SEC. 130)	.....	.....	200,000	+200,000	+200,000
MILITARY CONSTRUCTION, AIR FORCE (SEC. 131)	.....	.....	100,000	+100,000	+100,000
MILITARY CONSTRUCTION, AIR FORCE RESERVE (SEC. 132)	.....	.....	15,000	+15,000	+15,000
RESCISSIONS (SEC. 133)	.....	.....	−423,447	−423,447	−423,447
RESCISSION (SEC. 134)	.....	.....	−50,000	−50,000	−50,000
TOTAL, ADMINISTRATIVE PROVISIONS	.....	165,423	−8,447	−8,447	−173,870
RECAP					
ARMY	539,427	526,427	539,427	.....	+13,000
RESCISSION	.....	−79,577	.....	.....	+79,577
NAVY AND MARINE CORPS	1,018,772	998,772	1,018,772	.....	+20,000
RESCISSION	.....	.....	.....	.....	.....
AIR FORCE	811,774	719,551	811,774	.....	+92,223
RESCISSION	.....	.....	.....	.....	.....
DEFENSE–WIDE	2,061,890	2,021,690	1,961,890	−100,000	−59,800
RESCISSION	.....	.....	.....	.....	.....
ARMY NATIONAL GUARD	126,920	126,920	126,920	.....	.....
RESCISSION	.....	.....	.....	.....	.....
AIR NATIONAL GUARD	94,663	94,663	94,663	.....	.....
RESCISSION	.....	.....	.....	.....	.....
ARMY RESERVE	103,946	103,946	103,946	.....	.....
RESCISSION	.....	.....	.....	.....	.....
NAVY RESERVE	51,528	51,528	51,528	.....	.....
RESCISSION	.....	.....	.....	.....	.....
AIR FORCE RESERVE	49,492	49,492	49,492	.....	.....
RESCISSION	.....	.....	.....	.....	.....
NATO	199,700	199,700	199,700	.....	.....
RESCISSION	.....	−25,000	.....	.....	+25,000
CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE–WIDE	38,715	38,715	38,715	.....	.....
RESCISSION	.....	.....	.....	.....	.....
DOD FAMILY HOUSING IMPROVEMENT FUND	1,662	1,662	1,662	.....	.....
RESCISSION	.....	.....	.....	.....	.....
HOMEOWNERS ASSISTANCE PROGRAM	.....	.....	.....	.....	.....
RESCISSION	.....	.....	.....	.....	.....
FAMILY HOUSING, ARMY	429,585	429,585	429,585	.....	.....
CONSTRUCTION	(78,609)	(78,609)	(78,609)	.....	.....

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
OPERATION AND MAINTENANCE	(350,976)	(350,976)	(350,976)	.....	.....
RESCISSION	.....	.....	.....	.....	.....
FAMILY HOUSING, NAVY AND MARINE CORP	370,441	370,441	370,441	.....	.....
CONSTRUCTION	(16,412)	(16,412)	(16,412)	.....	.....
OPERATION AND MAINTENANCE	(354,029)	(354,029)	(354,029)	.....	.....
RESCISSION	.....	.....	.....	.....	.....
FAMILY HOUSING, AIR FORCE	327,747	327,747	327,747	.....	.....
CONSTRUCTION	.....	.....	.....	.....	.....
OPERATION AND MAINTENANCE	(327,747)	(327,747)	(327,747)	.....	.....
RESCISSION	.....	.....	.....	.....	.....
FAMILY HOUSING, DEFENSE–WIDE	61,100	61,100	61,100	.....	.....
CONSTRUCTION	.....	.....	.....	.....	.....
OPERATION AND MAINTENANCE	(61,100)	(61,100)	(61,100)	.....	.....
RESCISSION	.....	.....	.....	.....	.....
DOD BASE CLOSURE ACCOUNT	270,085	270,085	380,085	+110,000	+110,000
RESCISSION	.....	.....	.....	.....	.....
42 USC 3374 (SEC. 135)	.....	−100,000	.....	.....	+100,000
ADMINSTRATIVE PROVISIONS	.....	165,423	465,000	+465,000	+299,577
RESCISSIONS	.....	.....	−473,447	−473,447	−473,447
GRAND TOTAL	6,557,447	6,557,447	6,559,000	+1,553	+1,553

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2014 appropriation	Budget estimate	House allowance
TITLE I—DEPARTMENT OF DEFENSE							
Military construction, Army	1,104,875	539,427	526,427	539,427	−565,448	.....	+13,000
Military construction, Navy and Marine Corps	1,629,690	1,018,772	998,772	1,018,772	−610,918	.....	+20,000
Military construction, Air Force	1,052,796	811,774	719,551	811,774	−241,022	.....	+92,223
Military construction, Defense-Wide	3,445,423	2,061,890	2,021,690	1,961,890	−1,483,533	−100,000	−59,800
Total, Active components	7,232,784	4,431,863	4,266,440	4,331,863	−2,900,921	−100,000	+65,423
Military construction, Army National Guard	314,740	126,920	126,920	126,920	−187,820	.....	.....
Military construction, Air National Guard	119,800	94,663	94,663	94,663	−25,137	.....	.....
Military construction, Army Reserve	156,560	103,946	103,946	103,946	−52,614	.....	.....
Military construction, Navy Reserve	29,000	51,528	51,528	51,528	+22,528	.....	.....
Military construction, Air Force Reserve	45,659	49,492	49,492	49,492	+3,833	.....	.....
Total, Reserve components	665,759	426,549	426,549	426,549	−239,210	.....	.....
Total, Military construction	7,898,543	4,858,412	4,692,989	4,758,412	−3,140,131	−100,000	+65,423
North Atlantic Treaty Organization Security Investment Program	199,700	199,700	199,700	199,700	.....	.....	.....
Family housing construction, Army	27,408	78,609	78,609	78,609	+51,201	.....	.....
Family housing operation and maintenance, Army	512,871	350,976	350,976	350,976	−161,895	.....	.....
Family housing construction, Navy and Marine Corps	73,407	16,412	16,412	16,412	−56,995	.....	.....
Family housing operation and maintenance, Navy and Marine Corps	379,444	354,029	354,029	354,029	−25,415	.....	.....
Family housing construction, Air Force	76,360	.....	.....	.....	−76,360	.....	.....
Family housing operation and maintenance, Air Force	388,598	327,747	327,747	327,747	−60,851	.....	.....
Family housing operation and maintenance, Defense-Wide	55,845	61,100	61,100	61,100	+5,255	.....	.....
Department of Defense Family Housing Improvement Fund	1,780	1,662	1,662	1,662	−118	.....	.....
Total, Family housing	1,515,713	1,190,535	1,190,535	1,190,535	−325,178	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2014 appropriation	Budget estimate	House allowance
Chemical demilitarization construction, Defense-Wide	122,536	38,715	38,715	38,715	−83,821	.....	.....
Department of Defense Base Closure Account	451,357	270,085	270,085	380,085	−71,272	+110,000	+110,000
ADMINISTRATIVE PROVISIONS							
Military Construction—fiscal year 2014 (Sec. 127)	.....	.....	125,000	.....	.....	.....	−125,000
Military Construction—fiscal year 2015 (Sec. 128)	.....	.....	245,000	.....	.....	.....	−245,000
Military Construction, Army (rescission) (Sec. 129)	−200,000	.....	−79,577	.....	+200,000	.....	+79,577
Military Construction, Navy and Marine Corps (rescission)	−12,000	.....	.....	.....	+12,000	.....	.....
Military Construction, Air Force (rescission)	−39,700	.....	.....	.....	+39,700	.....	.....
Military Construction, Defense-Wide (rescission)	−14,000	.....	.....	.....	+14,000	.....	.....
Military Construction, Air National Guard (rescission)	−14,200	.....	.....	.....	+14,200	.....	.....
42 USC 3374 (Sec. 131) (rescission)	−99,949	.....	−100,000	.....	+99,949	.....	+100,000
NATO Security Investment Program (rescission) (Sec. 130)	.....	.....	−25,000	.....	.....	.....	+25,000
Military construction, Army (Sec. 127)	.....	.....	.....	60,000	+60,000	+60,000	+60,000
Military construction, Army National Guard (Sec. 128)	.....	.....	.....	40,000	+40,000	+40,000	+40,000
Military construction, Army Reserve (Sec. 129)	.....	.....	.....	50,000	+50,000	+50,000	+50,000
Military construction, Navy (Sec. 130)	.....	.....	.....	200,000	+200,000	+200,000	+200,000
Military construction, Air Force (Sec. 131)	.....	.....	.....	100,000	+100,000	+100,000	+100,000
Military construction, Air Force Reserve (Sec. 132)	.....	.....	.....	15,000	+15,000	+15,000	+15,000
Rescissions (Secs. 133)	.....	.....	.....	−423,447	−423,447	−423,447	−423,447
Rescission (Secs. 134)	.....	.....	.....	−50,000	−50,000	−50,000	−50,000
Total, Administrative Provisions	−379,849	.....	165,423	−8,447	+371,402	−8,447	−173,870
Appropriations	.....	.....	(370,000)	(465,000)	(+465,000)	(+465,000)	(+95,000)
Rescissions	(−379,849)	.....	(−204,577)	(−473,447)	(−93,598)	(−473,447)	(−268,870)
Total, title I, Department of Defense	9,808,000	6,557,447	6,557,447	6,559,000	−3,249,000	+1,553	+1,553
Appropriations	(10,187,849)	(6,557,447)	(6,762,024)	(7,032,447)	(−3,155,402)	(+475,000)	(+270,423)
Rescissions	(−379,849)	.....	(−204,577)	(−473,447)	(−93,598)	(−473,447)	(−268,870)

TITLE II—DEPARTMENT OF VETERANS AFFAIRS							
Veterans Benefits Administration							
Compensation and pensions	71,476,104	78,687,709	78,687,709	78,687,709	+7,211,605		
Readjustment benefits	13,135,898	14,761,862	14,761,862	14,761,862	+1,625,964		
Veterans insurance and indemnities	77,567	63,257	63,257	63,257	−14,310		
Veterans housing benefit program fund:							
(Indefinite)							
(Limitation on direct loans)	(500)	(500)	(500)	(500)			
Administrative expenses	158,430	160,881	160,881	160,881	+2,451		
Vocational rehabilitation loans program account	5	10	10	10	+5		
(Limitation on direct loans)	(2,500)	(2,877)	(2,877)	(2,877)	(+377)		
Administrative expenses	354	361	361	361	+7		
Native American veteran housing loan program account	1,109	1,130	1,130	1,130	+21		
Total, Veterans Benefits Administration	84,849,467	93,675,210	93,675,210	93,675,210	+8,825,743		
Veterans Health Administration							
Medical services:							
Advance from prior year	(43,557,000)	(45,015,527)	(45,015,527)	(45,015,527)	(+1,458,527)		
Current year request	40,000	367,885		100,000	+60,000	−267,885	+100,000
Advance appropriation, fiscal year 2016	45,015,527	47,603,202	47,603,202	47,603,202	+2,587,675		
Subtotal	45,055,527	47,971,087	47,603,202	47,703,202	+2,647,675	−267,885	+100,000
Medical support and compliance:							
Advance from prior year	(6,033,000)	(5,879,700)	(5,879,700)	(5,879,700)	(−153,300)		
Advance appropriation, fiscal year 2016	5,879,700	6,144,000	6,144,000	6,144,000	+264,300		
Subtotal	5,879,700	6,144,000	6,144,000	6,144,000	+264,300		
Medical facilities:							
Advance from prior year	(4,872,000)	(4,739,000)	(4,739,000)	(4,739,000)	(−133,000)		
Current year request	85,000			125,000	+40,000	+125,000	+125,000
Advance appropriation, fiscal year 2016	4,739,000	4,915,000	4,915,000	4,915,000	+176,000		
Subtotal	4,824,000	4,915,000	4,915,000	5,040,000	+216,000	+125,000	+125,000
Medical and prosthetic research	585,664	588,922	588,922	588,922	+3,258		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2014 appropriation	Budget estimate	House allowance
Medical care cost recovery collections:							
Offsetting collections	−2,485,000	−2,456,000	−2,456,000	−2,456,000	+29,000	.....	.....
Appropriations (indefinite)	2,485,000	2,456,000	2,456,000	2,456,000	−29,000	.....	.....
Subtotal	.....	.....	.....	.....	.....	.....	.....
DOD–VA Joint Medical Funds (by transfer)	(254,257)	(269,366)	(252,366)	(269,366)	(+15,109)	.....	(+17,000)
DOD–VA Health Care Sharing Incentive Fund (by transfer)	(15,000)	(15,000)	(15,000)	(15,000)	.....	.....	.....
Total, Veterans Health Administration	56,344,891	59,619,009	59,251,124	59,476,124	+3,131,233	−142,885	+225,000
Appropriations	(710,664)	(956,807)	(588,922)	(813,922)	(+103,258)	(−142,885)	(+225,000)
Advance appropriations, fiscal year 2016	(55,634,227)	(58,662,202)	(58,662,202)	(58,662,202)	(+3,027,975)	.....	.....
Advances from prior year appropriations	(54,462,000)	(55,634,227)	(55,634,227)	(55,634,227)	(+1,172,227)	.....	.....
National Cemetery Administration							
National Cemetery Administration	250,000	256,800	256,800	256,800	+6,800	.....	.....
Departmental Administration							
General administration	327,591	321,591	306,876	321,591	−6,000	.....	+14,715
Board of Veterans Appeals	88,294	94,294	94,294	99,294	+11,000	+5,000	+5,000
General operating expenses, VBA	2,465,490	2,494,254	2,524,254	2,524,254	+58,764	+30,000	.....
Information technology systems	3,703,344	3,903,344	3,873,768	3,913,344	+210,000	+10,000	+39,576
Office of Inspector General	121,411	121,411	122,411	126,411	+5,000	+5,000	+4,000
Construction, major projects	342,130	561,800	561,800	561,800	+219,670	.....	.....
Construction, minor projects	714,870	495,200	495,200	540,200	−174,670	+45,000	+45,000
Grants for construction of State extended care facilities	85,000	80,000	80,000	100,000	+15,000	+20,000	+20,000
Grants for the construction of veterans cemeteries	46,000	45,000	45,000	46,000	.....	+1,000	+1,000
Total, Departmental Administration	7,894,130	8,116,894	8,103,603	8,232,894	+338,764	+116,000	+129,291

Administrative Provisions							
Prior Year rescissions (Sec. 233)	−182,000	.....	−38,000	.....	+182,000	.....	+38,000
Section 225							
Medical services	1,400,000	1,400,000	1,400,000	1,400,000	.....	.....	.....
(Rescission)	−1,400,000	−1,400,000	−1,400,000	−1,400,000	.....	.....	.....
Medical support and compliance	100,000	100,000	100,000	100,000	.....	.....	.....
(Rescission)	−150,000	−100,000	−100,000	−100,000	+50,000	.....	.....
Medical facilities	250,000	250,000	250,000	250,000	.....	.....	.....
(Rescission)	−250,000	−250,000	−250,000	−250,000	.....	.....	.....
Total, Administrative Provisions	−232,000	.....	−38,000	.....	+232,000	.....	+38,000
Total, title II	149,106,488	161,667,913	161,248,737	161,641,028	+12,534,540	−26,885	+392,291
Appropriations	(95,454,261)	(104,755,711)	(104,374,535)	(104,728,826)	(+9,274,565)	(−26,885)	(+354,291)
Rescissions	(−1,982,000)	(−1,750,000)	(−1,788,000)	(−1,750,000)	(+232,000)	.....	(+38,000)
Advance appropriations, fiscal year 2016	(55,634,227)	(58,662,202)	(58,662,202)	(58,662,202)	(+3,027,975)	.....	.....
Advances from prior year appropriations	(54,462,000)	(55,634,227)	(55,634,227)	(55,634,227)	(+1,172,227)	.....	.....
(Limitation on direct loans)	(3,000)	(3,377)	(3,377)	(3,377)	(+377)	.....	.....
TITLE III—RELATED AGENCIES							
American Battle Monuments Commission							
Salaries and expenses	63,200	70,100	75,000	73,285	+10,085	+3,185	−1,715
Foreign currency fluctuations account	14,100	1,900	1,900	1,900	−12,200	.....	.....
Total, American Battle Monuments Commission	77,300	72,000	76,900	75,185	−2,115	+3,185	−1,715
U.S. Court of Appeals for Veterans Claims							
Salaries and expenses	35,408	31,386	31,386	34,390	−1,018	+3,004	+3,004
Department of Defense—Civil							
Cemeterial Expenses, Army							
Salaries and expenses	65,800	45,800	61,881	65,800	.....	+20,000	+3,919
Armed Forces Retirement Home—Trust Fund							
Operation and maintenance	66,800	62,400	62,400	62,400	−4,400	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2014 appropriation	Budget estimate	House allowance
Capital program	1,000	1,000	1,000	1,000	.....	.....	.....
Total, Armed Forces Retirement Home	67,800	63,400	63,400	63,400	−4,400	.....	.....
Total, title III	246,308	212,586	233,567	238,775	−7,533	+26,189	+5,208
Grand total	159,160,796	168,437,946	168,039,751	168,438,803	+9,278,007	+857	+399,052
Appropriations	(105,888,418)	(111,525,744)	(111,370,126)	(112,000,048)	(+6,111,630)	(+474,304)	(+629,922)
Rescissions	(−2,361,849)	(−1,750,000)	(−1,992,577)	(−2,223,447)	(+138,402)	(−473,447)	(−230,870)
Advance appropriations, fiscal year 2015	(55,634,227)	(58,662,202)	(58,662,202)	(58,662,202)	(+3,027,975)	.....	.....
Advances from prior year appropriations	(54,462,000)	(55,634,227)	(55,634,227)	(55,634,227)	(+1,172,227)	.....	.....
(By transfer)	(269,257)	(284,366)	(267,366)	(284,366)	(+15,109)	.....	(+17,000)
(Limitation on direct loans)	(3,000)	(3,377)	(3,377)	(3,377)	(+377)	.....	.....

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