STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON HEALTH
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
THE DEPARTMENT OF VETERANS AFFAIRS REAL PROPERTY AND FACILITIES MANAGEMENT IMPROVEMENT ACT OF 2004

JUNE 22, 2004

Mr. Chairman and Members of the Subcommittee:

Thank you for this opportunity to present The American Legion's view on the Department of Veterans Affairs Real Property and Facilities Management Improvement Act of 2004 being considered by the Subcommittee today. The American Legion commends the Subcommittee for holding a hearing to discuss this important legislation.

This bill would amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into certain capital leases, to authorize the Secretary to transfer real property subject to certain limitations, and for other purposes.

SEC. 2. Capital Leases
This provision authorizes the Secretary of Veterans Affairs to enter into leases for Community Based Outpatient Clinics (CBOCs) in seventeen different locations nationwide. This would be the first implementation of the Capital Asset Realignment for Enhanced Services (CARE) decision.

The American Legion has long supported the development of CBOCs that meet established criteria as a means of improving veterans' access to health care. As VA attempts to improve accessibility to health care for veterans, the establishment of these facilities will help ensure that veterans receive the health care they have earned through their service. The American Legion is pleased to see that each of the CBOCs considered "priority" within the FY 2005 Budget Request are included in this legislation. The American Legion fully supports this provision's enhanced services.

SEC. 3. Department of Veterans Affairs Capital Asset Fund
8117. Authority for transfer of real property; Capital Asset Fund
This section authorizes the Secretary to transfer real property to another Department or Agency, State, or any public or private entity to include an Indian tribe and all funds received as a result of that transfer will be deposited in the newly established Department of Veterans Affairs Capital Asset Fund.

This section would also eliminate the Nursing Home Revolving Fund as outlined in the Administration's FY 2005 VA Budget Request. The Nursing Home Revolving Fund currently provides for construction, alteration, and acquisition of nursing home facilities and may be used only as provided for in appropriations acts.

The American Legion does not support the elimination of the Nursing Home Revolving Fund. Currently, the funds contained in the Nursing Home Revolving Fund are specifically targeted to construct new nursing home facilities and improve existing long-term care services. Creating the Capital Asset Revolving Fund without earmarking funds for long-term care facilities may have a detrimental effect to the quality and accessibility of long-term care within VA. While The American Legion agrees with the purposes for which the Capital Asset Revolving Fund would be expended, it is extremely important that funds are specifically allocated for VA to meet the long-term care requirements mandated in the Millennium Health Care Bill.

Additionally, The American Legion is concerned that any funds received from the transfer of real property would be significantly reduced once the cost of demolition, environmental cleanup, maintenance and repair, improvements to facilitate transfer, and any other costs associated with Federal requirements are met. It should not cost the VA more to transfer a property than the true value of the property. The new owner or Federal agency should absorb those additional costs.

(e) Procedures Applicable To Transfers
This section establishes procedures that the Secretary of Veterans Affairs must comply with in the transfer of any real property.

The American Legion supports the requirement to hold public hearings to allow stakeholders to comment on the impact of any proposed sale of VA properties. Since the beginning of the CARES process, The American Legion has stressed the importance of veterans' community involvement in any proposals affecting VA facilities.

(f) Contingent Effectiveness
This section requires the Secretary to submit to Congress an update on VA's compliance with subsection (b) of Section 1710B of Title 38.

The American Legion supports any additional congressional oversight that ensures VA meets the mandates outlined in the Millennium Health Care Bill.

SEC. 4. Authority to use project funds to construct or relocate surface parking incidental to a construction or non-recurring maintenance project.
This authorizes the use of construction or non-recurring maintenance funds to construct or relocate surface parking lots incidental to the projects. In its visits to numerous VA healthcare facilities, The American Legion notes that the current moratorium on new parking space has resulted in congestion and inconvenience to veterans, families and employees. In some instances, facilities have resorted to contracting valet parking services to address the short-term problem. The American Legion supports measures that will create greater ease of access to VHA facilities.

SEC. 7. Extension of authority to provide care under long-term care pilot program.
This section extends the long-term care pilot program as mandated in the Millennium Health Care Bill.

The American Legion has long been a strong supporter of long-term care within VA for eligible veterans. Any language extending the pilot program should state that the Secretary "shall continue to provide" services provided under the pilot program as opposed to "may continue to provide" services. Once VA assumes the responsibility to provide long-term care for a veteran, that obligation should not be subjective, but rather a commitment.

Mr. Chairman, that concludes my testimony. Again, I thank the Subcommittee for this opportunity to present testimony. The American Legion looks forward to working with each of you on these important issues.