



COMMITTEE ON APPROPRIATIONS

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SUMMARY: 2008 MILITARY CONSTRUCTION AND VETERANS AFFAIRS APPROPRIATIONS AS PASSED BY THE HOUSE 6/15/07

This bill works to fulfill our nation's obligation to America's servicemen and women, their families and our veterans. It provides the largest increase in funding for veterans health care in the VA's 77-year history, adding over 1,000 new claims processors to reduce the backlog of 400,000 benefits claims. It also increases funding to address the VA's repair and maintenance needs to prevent a Walter Reed type scandal from occurring in the VA system.

Military construction also faces a historic funding increase largely due to costs associated with Base Realignment and Closure and plans to increase the size of the Army and Marine Corps. The bill fully funds BRAC and increases funding for military construction to improve training and quality of life facilities for active duty troops and Members of the Guard and Reserves.

Bill Total	Discretionary
2007 Enacted:	\$52.9 billion (Includes \$3.1 billion in supplemental funding for BRAC)
President's Request:	\$60.7 billion
Committee Mark:	\$64.7 billion

KEY INVESTMENTS

DEPARTMENT OF VETERANS AFFAIRS: \$43.2 billion, \$6.7 billion above 2007 and \$3.8 billion over the President's request for veterans medical care, claims processing personnel, and facility improvements.

Veterans Health Administration, \$37.1 billion, \$2.5 billion over the President's request and \$4.4 billion over 2007 for veterans medical care. The Veterans Health Administration estimates they will treat more than 5.8 million patients in 2008 including more than 263,345 veterans of Iraq and Afghanistan, 54,000 more than fiscal year 2007. This funding includes:

- **Medical Services:** \$29 billion, \$1.9 billion above the President request and \$3.5 billion above 2007 to improve access to medical services for all veterans.
 - **New Initiatives to Improve Access to Vital Services:** \$600 million for new initiative for mental health and PTSD, including funding to ensure the five Level I Polytrauma Centers and the three Centers of Excellence for Mental Health and PTSD are fully operational in 2008. These Centers treat the signature injuries for veterans of Iraq and Afghanistan,

including traumatic brain injury, and provide vital services to these veterans and their families as they transition back to their communities.

- **Mental Health and Substance Abuse:** \$2.9 billion, \$100 million over 2007, matching the President's request for specialty mental health care and \$429 million, \$70 million above the President's request and \$72 million above 2007 for the Substance Abuse Program. The President's request did not even provide for inflation within the Department's Substance Abuse Program and cut the number of psychiatric inpatient beds.
- **Assistance for Homeless Vets:** \$130 million, \$23 million above the President's request and \$38 million over 2007 for the homeless grants and per diem program to help care for an 2,300 additional homeless veterans.
- **Health Care Sharing Incentive Fund:** a minimum of \$15 million, to be used for joint programs with the Department of Defense to increase research, improve access to care, and ensure a more seamless transition for our veterans, particularly in the areas of greatest concern for veterans of Iraq and Afghanistan: traumatic brain injury, post-traumatic stress disorder, increased survival of severe burns, and amputation.
- **Medical Administration:** \$3.5 billion, \$69 million above the President's request and \$333 million above 2007 to ensure the efficient operation of the Department's health care system.
- **Medical Facilities:** \$4.1 billion, \$508 million above the President's request and \$530 million above 2007 for on-going maintenance and renovations of existing facilities to address identified shortfalls and to ensure the Department's facilities remain capable of delivering world class medicine. The Department currently estimates a maintenance backlog of over \$5 billion.
- **Medical and Prosthetic Research:** \$480 million, \$69 million above the President's request and \$66 million above 2007 for research to improve the quality of life for injured and aging veterans. The increase will help to attack the emerging issues facing those returning from Iraq and Afghanistan.

Major Construction: \$1.4 billion, \$683 million above the President's request, to fulfill the Department's commitment to fund recommendations made by the Capitol Asset Realignment for Enhanced Services (CARES) Commission, which was established to look at facilities and determine their construction needs.

Extended Care Facilities: \$165 million, \$80 million above 2007, for grants to states for construction and modification of extended care facilities. The funding level will satisfy all currently identified life/safety needs and still provide funding for construction of three new facilities.

General Operating Expenses: \$1.6 billion, \$127 million over the President's request and \$117 million above 2007 to enable the Department to hire roughly 1,100 additional claims processors to work-down the backlog of benefits claims and to reduce the time to process new claims. The most recent VA Quarterly Status Report estimates that nearly 400,000 claims have exceeded the 160 day goal for processing.

Information Technology, \$1.9 billion, \$645 million above 2007, matching the President's request to improve the health records system to help ensure that medical information follows patients as they transition from the Department of Defense health system to the VA health system.

Phone and Web Assistance: \$5 million is included within General Operating Expenses for the Department to establish a toll-free telephone number and web page to make it easier for veterans to get assistance and provide feedback.

Inspector General: \$76.5 million, \$5.9 million above 2007 and \$3.9 million over the President's request, reversing a three-year decline in staffing for the Office. This funding will enable the Office to hire 50 people to provide necessary oversight of departmental operations, ensuring that resources are spent wisely and that veterans receive the quality care they deserve.

MILITARY CONSTRUCTION: \$21.4 billion, \$207 million over the Administration's request, and \$5.1 billion above 2007 (including BRAC in the supplemental). The historic increase is largely due to costs associated with Base Realignment and Closure and plans to increase the size of the Army and Marine Corps.

2005 Base Realignment and Closure (BRAC) and Re-stationing: \$8.2 billion, \$2.5 billion above 2007 (including BRAC in the supplemental) and matching the President's request to implement base closures and realignments, as well as the re-stationing of 70,000 troops and their families from overseas to the United States. It also funds planning for the eventual relocation of 8,000 marines and 9,000 dependents from Okinawa to Guam.

1990 BRAC: \$271 million, \$18 million above 2007 and \$50 million above the President's request to address an estimated \$3.5 billion backlog in needed environmental cleanup for bases closed during the four previous BRAC rounds identified in most recent [Defense Environmental Programs Annual Report](#).

Military Housing: \$2.9 billion, fully funding the President's request for military housing, supporting the elimination of a further 13,727 inadequate family housing units.

Growing the Force: \$2.8 billion to support the Administration's proposal to increase the size of the Army by 65,000, the Marine Corps by 27,000, and the Guard and Reserve by 9,200 over the next five years. The bill requires GAO to study the adequacy of the Administration's planning and budgeting process for construction of housing and operational facilities to support this growth.

RELATED AGENCIES

American Battle Monuments Commission: \$54.5 million, \$1.4 million above the President's request for military monuments and cemeteries around the world.

United States Court of Appeals for Veterans Claims: \$21.4 million, \$180,000 above the President's request and \$1.2 million above 2007 to review appeals from veterans denied benefits.

Cemeterial Expenses: \$30.6 million, \$3.7 million above the President's request and \$592,000 above 2007 to improve the safety and appearance of Arlington cemetery.

Armed Forces Retirement Home: \$55.7 million from the Trust Fund, the same as the President's request for operation and maintenance of the Armed Forces Retirement Home. The bill does not include a requested Federal payment of \$5.1 million to the Trust Fund, instead providing \$800,000 for a study of its long-term viability and whether a Federal payment is necessary.

OTHER IMPORTANT POLICY ITEMS

Increased Oversight: Requires multiple reports how funds are spent and additional Congressional notifications and approvals of transfers and reprogrammings.

Future Planning: Directs the Congressional Budget Office to report on future funding needs for the Department to provide medical care. The Administration's budget predicts that the Veterans Health Administration will need less funding in future years.

Improving Records: Requires VA's Electronic Medical Records be interoperable with the Department of Defense's medical records system.

Psychiatric Care: Prevents inpatient beds from being decreased at facilities with a waiting list for inpatient psychiatric care.