

Union Calendar No. 47

103D CONGRESS
1ST SESSION

H. R. 2034

[Report No. 103-92]

A BILL

To amend title 38, United States Code, to revise and improve veterans' health programs, and for other purposes.

May 13, 1993

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1993

Mr. ROWLAND (for himself and Mr. SMITH of New Jersey) introduced the following bill; which was referred to the Committee on Veterans' Affairs

MAY 13, 1993

Additional sponsors: Mr. KENNEDY, and Mr. BISHOP

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A BILL

To amend title 38, United States Code, to revise and improve veterans' health programs, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNIT-**
 2 **ED STATES CODE; TABLE OF CONTENTS.**

3 (a) SHORT TITLE.—This Act may be cited as the
 4 “Veterans’ Health Programs Amendments of 1993”.

5 (b) REFERENCES TO TITLE 38, UNITED STATES
 6 CODE.—Except as otherwise expressly provided, whenever
 7 in this Act an amendment or repeal is expressed in terms
 8 of an amendment to, or repeal of, a section or other provi-
 9 sion, the reference shall be considered to be made to a
 10 section or other provision of title 38, United States Code.

11 (c) TABLE OF CONTENTS.—The table of contents of
 12 this Act is as follows:

Sec. 1. Short title; references to title 38, United States Code; table of contents.

TITLE I—HEALTH CARE PLANNING AND PROGRAMS

Sec. 101. Health care facilities missions.

Sec. 102. Pilot program for noninstitutional alternatives to nursing home care.

TITLE II—MEDICAL FACILITIES ACQUISITION

Sec. 201. Major construction projects authorization.

Sec. 202. Revision to prospectus requirements.

Sec. 203. Prioritization methodology.

Sec. 204. Assessment of need for nursing home beds in Chesapeake network
 area.

TITLE III—ADMINISTRATION

Sec. 301. Authority for expedited reorganization of medical facilities in event of
 a life-threatening emergency.

Sec. 302. Clarification of contracting limitation.

TITLE IV—STATE HOME PROGRAM

Sec. 401. Per diem for adult day health care.

Sec. 402. Construction assistance program.

Sec. 403. Sharing of resources with State homes.

TITLE V—MISCELLANEOUS

Sec. 501. Department of Veterans Affairs research advisory committees.

Sec. 502. Limitation on claims for copayments.

Sec. 503. Child care services.

TITLE I—HEALTH CARE PLANNING AND PROGRAMS

SEC. 101. HEALTH CARE FACILITIES MISSIONS.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall prescribe a specific, detailed statement of the mission of, and the clinical programs to be operated at, each health care facility of the Department, determined based upon a requirement that each such facility operate within a network of Department facilities in the same geographic area which, taken together, provide a full range of services for veterans.

(b) PURPOSES OF MISSION STATEMENTS.—The mission statements shall be designed so as to permit—

- (1) effective planning;
- (2) reduction in duplication of services and programs in the same geographic area;
- (3) realignment of services among facilities within each network;
- (4) improved means of resource distribution;
- and
- (5) more efficient delivery of needed services.

(c) REVIEW OF CURRENT MISSIONS.—In preparing the mission statements under subsection (a), the Secretary shall review the existing missions and clinical programs at each health care facility of the Department.

1 (d) DEADLINE AND REPORT.—The Secretary, not
2 later than nine months after the date of the enactment
3 of this Act, shall—

4 (1) prescribe the mission statements required
5 by subsection (a); and

6 (2) submit to the Committees on Veterans' Af-
7 fairs of the Senate and House of Representatives a
8 report on the implementation of this section and on
9 the timetable and projected milestones for imple-
10 menting actions to enable each such facility to carry
11 out fully its prescribed missions.

12 **SEC. 102. PILOT PROGRAM FOR NONINSTITUTIONAL AL-**
13 **TERNATIVES TO NURSING HOME CARE.**

14 (a) EXTENSION OF PROGRAM.—Subsection (a) of
15 section 1720C is amended by striking out “During the
16 four-year period beginning on October 1, 1990,” and in-
17 serting in lieu thereof “During the period through Sep-
18 tember 30, 1997,”.

19 (b) VETERANS ELIGIBLE TO PARTICIPATE IN PRO-
20 GRAM.—Such subsection is further amended by striking
21 out “care and who—” and inserting in lieu thereof “care.
22 The Secretary shall give priority for participation in such
23 program to veterans who—”.

1 (c) PROGRAM FUNDING.—Such section is further
 2 amended by adding at the end the following new sub-
 3 section:

4 “(f) The Secretary shall carry out the pilot program
 5 under this section using funds available for the community
 6 nursing home program under section 1720 of this title.”.

7 (d) REPORT DEADLINES.—Section 201(b) of the De-
 8 partment of Veterans Affairs Nurse Pay Act of 1990
 9 (Public Law 101–366; 104 Stat. 438) is amended—

10 (1) by striking out “February 1, 1994,” and in-
 11 serting in lieu thereof “February 1, 1997,”; and

12 (2) by striking out “September 30, 1993,” and
 13 inserting in lieu thereof “September 30, 1996,”.

14 **TITLE II—MEDICAL FACILITIES** 15 **ACQUISITION**

16 **SEC. 201. AUTHORIZATION OF MAJOR MEDICAL FACILITY** 17 **PROJECTS AND MAJOR MEDICAL FACILITY** 18 **LEASES.**

19 (a) AUTHORIZATION OF PROJECTS AND LEASES IN
 20 BUDGET.—Except as provided in subsection (b), the Sec-
 21 retary of Veterans Affairs may carry out the major medi-
 22 cal facility projects for the Department of Veterans Af-
 23 fairs, and may carry out the major medical facility leases
 24 for that Department, for which funds are requested in the
 25 budget of the President for fiscal year 1994.

1 (b) NONAUTHORIZED PROJECTS.—The Secretary is
2 not authorized to carry out the project for which funds
3 are requested in the budget of the President for fiscal year
4 1994 for the construction of a nursing home facility in
5 Baltimore, Maryland.

6 (c) AUTHORIZATION OF DESIGN FOR CERTAIN FU-
7 TURE PROJECTS.—In addition to the projects authorized
8 in subsection (a), the Secretary may carry out design of
9 the following major medical facility projects, in the
10 amounts specified:

11 (1) Construction of an outpatient care addition
12 at the Department of Veterans Affairs Medical Cen-
13 ter in San Juan, Puerto Rico, \$3,970,000.

14 (2) Construction of a spinal cord injury unit
15 and energy center at the Department of Veterans
16 Affairs Medical Center in Tampa, Florida,
17 \$4,490,000.

18 (3) Construction of an outpatient care addition
19 at the Department of Veterans Affairs Medical Cen-
20 ter in West Haven, Connecticut, \$4,860,000.

21 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
22 hereby authorized to be appropriated to the Secretary of
23 Veterans Affairs for fiscal year 1994—

24 (1) \$110,420,000 for the major medical facility
25 projects authorized in subsections (a) and (c); and

1 (2) \$50,123,105 for the major medical facility
2 leases authorized in subsection (a).

3 (e) LIMITATION.—The projects authorized in sub-
4 sections (a) and (c) may only be carried out using—

5 (1) funds appropriated for fiscal year 1994 pur-
6 suant to the authorization of appropriations in sub-
7 section (d);

8 (2) funds appropriated for Construction, Major
9 Projects for a fiscal year before fiscal year 1994 that
10 remain available for obligation; and

11 (3) funds appropriated for Construction, Major
12 Projects for fiscal year 1994 for a category of activ-
13 ity not specific to a project.

14 **SEC. 202. REVISION TO PROSPECTUS REQUIREMENTS.**

15 (a) ADDITIONAL INFORMATION.—Section 8104(b) is
16 amended—

17 (1) by striking out “shall include—” and insert-
18 ing in lieu thereof “shall include.”;

19 (2) in paragraph (1)—

20 (A) by striking out “a detailed” and insert-
21 ing in lieu thereof “A detailed”; and

22 (B) by striking out the semicolon at the
23 end and inserting in lieu thereof a period;

24 (3) in paragraph (2)—

1 (A) by striking out “an estimate” and in-
2 serting in lieu thereof “An estimate”; and

3 (B) by striking out “; and” and inserting
4 in lieu thereof a period;

5 (4) in paragraph (3), by striking out “an esti-
6 mate” and inserting in lieu thereof “An estimate”;
7 and

8 (5) by adding at the end the following new
9 paragraphs:

10 “(4) Demographic data applicable to the
11 project.

12 “(5) Current and projected workload and utili-
13 zation data.

14 “(6) The relationship between the mission of
15 the facility and the missions and capabilities of other
16 nearby Department facilities and, as applicable, the
17 availability or lack of availability of alternative
18 sources of service in the community and the cost-ef-
19 fectiveness of using such alternative sources.

20 “(7) Current and projected operating costs of
21 the facility.

22 “(8) The raw score assigned to the proposal
23 under the Department’s prioritization methodology
24 and, if the project is being proposed for funding
25 ahead of a project with a higher score, a comprehen-

1 sive explanation of the specific factors on the basis
2 of which the project is being proposed for funding
3 ahead of each such higher-scored project.

4 “(9) A listing of each alternative to construc-
5 tion of the facility that has been considered.”.

6 (b) APPLICABILITY.—The amendments made by sub-
7 section (a) shall apply with respect to any prospectus sub-
8 mitted by the Secretary of Veterans Affairs after the date
9 of the enactment of this Act.

10 **SEC. 203. PRIORITIZATION METHODOLOGY.**

11 (a) REVIEW OF METHODOLOGY.—The Secretary of
12 Veterans Affairs shall conduct a review of the methodology
13 used by the Department for establishing the relative prior-
14 ity for major construction projects under consideration in
15 the Department.

16 (b) REVISION.—Based upon the review under sub-
17 section (a), the Secretary shall revise the prioritization
18 methodology so as to give additional weight, as determined
19 appropriate by the Secretary taking into consideration
20 particularly the needs of the aging veteran population, to
21 projects intended to expand long-term care and ambula-
22 tory care programs.

23 (c) REPORT.—Not later than 120 days after the date
24 of the enactment of this Act, the Secretary shall submit
25 to the Committees on Veterans’ Affairs of the Senate and

1 House of Representatives a report on the actions of the
2 Secretary in carrying out this section.

3 **SEC. 204. ASSESSMENT OF NEED FOR NURSING HOME BEDS**
4 **IN CHESAPEAKE NETWORK AREA.**

5 (a) ASSESSMENT.—The Secretary of Veterans Affairs
6 shall conduct an assessment of the need for nursing home
7 beds operated by the Secretary in the area (referred to
8 as the “Chesapeake network”) served by the Department
9 of Veterans Affairs medical centers in Baltimore, Mary-
10 land; Fort Howard, Maryland; Martinsburg, West Vir-
11 ginia; Perry Point, Maryland; and Washington, DC.

12 (b) MATTERS TO BE DETERMINED BY SEC-
13 RETARY.—In conducting the assessment, the Secretary
14 shall determine—

15 (1) what the specific mission of each medical
16 center operated by the Secretary in the Chesapeake
17 network should be to achieve the purposes identified
18 in section 101;

19 (2) whether there is a need for expansion and
20 modernization of the nursing home care unit at the
21 medical center at Fort Howard, Maryland; and

22 (3) what effect the construction of nursing
23 home beds in Baltimore, Maryland, as proposed in
24 the President’s budget for the Department of Veter-
25 ans Affairs for fiscal year 1994, would have for the

1 missions of each of the other medical centers oper-
2 ated by the Secretary in the Chesapeake network.

3 (c) REPORT ON ASSESSMENT.—Not later than 90
4 days after the date of the enactment of this Act, the Sec-
5 retary shall submit to the Committees on Veterans’ Affairs
6 of the Senate and House of Representatives a report on
7 the assessment under subsection (a). The Secretary shall
8 include in the report a statement of each determination
9 made by the Secretary under subsection (b).

10 **TITLE III—ADMINISTRATION**

11 **SEC. 301. AUTHORITY FOR EXPEDITED REORGANIZATION** 12 **OF MEDICAL FACILITIES IN EVENT OF A LIFE-** 13 **THREATENING EMERGENCY.**

14 Section 510 is amended—

15 (1) by redesignating subsections (e) and (f) as
16 subsections (f) and (g), respectively; and

17 (2) by inserting after subsection (d) the follow-
18 ing new subsection (e):

19 “(e)(1) The limitation in subsection (b) does not
20 apply with respect to an administrative reorganization at
21 a medical facility if the Secretary determines that the reor-
22 ganization is necessary to respond to an emergency situa-
23 tion at that facility.

24 “(2) The Secretary may determine that there is an
25 emergency situation at a medical facility for purposes of

1 paragraph (1) only if the Secretary determines (A) that
2 circumstances at the facility are such that patients and
3 employees at the facility face imminent danger because of
4 conditions at the facility that are permanent in nature,
5 and (B) that those conditions are not susceptible to repair
6 or that it is not feasible to repair those conditions.

7 “(3) For purposes of this subsection, an emergency
8 situation may not be considered to exist in anticipation
9 of, but before the occurrence of an event giving rise to
10 any consideration of an administrative reorganization.

11 “(4) Whenever the Secretary determines under para-
12 graph (1) that it is necessary to carry out an administra-
13 tive reorganization at a medical facility without regard to
14 the limitation in subsection (b), the Secretary shall
15 promptly submit to the Committees on Veterans’ Affairs
16 of the Senate and House of Representatives a report de-
17 scribing the administrative reorganization. The report
18 shall provide the same information as is provided in a de-
19 tailed plan and justification under subsection (g)(2). The
20 Secretary shall include in the report an explanation of
21 each alternative to the proposed administrative organiza-
22 tion that was considered and each factor that was consid-
23 ered in the decision to reject each such alternative.”.

24 **SEC. 302. CLARIFICATION OF CONTRACTING LIMITATION.**

25 Section 8110(c)(3) is amended—

1 (1) by striking out “or” at the end of subpara-
2 graph (A);

3 (2) by redesignating subparagraph (B) as sub-
4 paragraph (C) and in that subparagraph striking
5 out “section 213 or 4117” and inserting in lieu
6 thereof “section 7409”; and

7 (3) by inserting after subparagraph (A) the fol-
8 lowing new subparagraph (B):

9 “(B) to a contract under section 513 of this
10 title if the Under Secretary for Health certifies to
11 the Secretary in writing, before the contract is en-
12 tered into, that the contract is necessary in order to
13 provide services to eligible veterans at a Department
14 health-care facility that could not otherwise be pro-
15 vided at such facility; or”.

16 **TITLE IV—STATE HOME**
17 **PROGRAM**

18 **SEC. 401. PER DIEM FOR ADULT DAY HEALTH CARE.**

19 (a) IN GENERAL.—Subsection (a) of section 1741 is
20 amended to read as follows:

21 “(a)(1) The Secretary shall pay to each State a per
22 diem amount for each veteran receiving domiciliary care,
23 nursing home care, hospital care, or adult day health care
24 in a State home if the veteran is eligible to receive that
25 care in a Department facility.

1 “(2) The per diem rate to be paid under this sub-
2 section is as follows:

3 “(A) For domiciliary care, \$11.79 for each day.

4 “(B) For nursing home care and hospital care,
5 \$27.61 for each day.

6 “(C) For adult day health care, \$16.50 for each
7 day.”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) shall apply with respect to adult day health
10 care provided in a State home after September 30, 1993.

11 **SEC. 402. CONSTRUCTION ASSISTANCE PROGRAM.**

12 (a) IN GENERAL.—Subchapter III of chapter 81 is
13 amended as follows:

14 (1) Section 8131(3) is amended by inserting
15 “or adult day health care” after “hospital care”.

16 (2) Section 8132 is amended by inserting
17 “adult day health care” after “hospital care”.

18 (3) Section 8135(a)(4) is amended by inserting
19 “and, in the case of adult day health care, not more
20 than 25 percent of the number of patients partici-
21 pating in that program,” after “occupancy”.

22 (4) Section 8135(b) is amended—

23 (A) in paragraph (2)(C), by inserting “or
24 adult day health care facilities” after “domi-
25 ciliary beds”; and

1 (B) in paragraph (3)(A), by inserting “, or
2 would involve expansion, remodeling, or alter-
3 ation of existing buildings for the furnishing of
4 adult day health care” after “buildings”.

5 (5) Section 8136 is amended by inserting
6 “adult day health care” after “hospital care”.

7 (6) The heading of such subchapter is amended
8 to read as follows:

9 “SUBCHAPTER III—STATE HOME FACILITIES
10 FOR FURNISHING DOMICILIARY CARE,
11 NURSING HOME CARE, ADULT DAY HEALTH
12 CARE, AND HOSPITAL CARE”.

13 (b) CLERICAL AMENDMENT.—The item relating to
14 subchapter III in the table of sections at the beginning
15 of chapter 81 is amended to read as follows:

“SUBCHAPTER III—STATE HOME FACILITIES FOR FURNISHING
DOMICILIARY CARE, NURSING HOME CARE, ADULT DAY
HEALTH CARE, AND HOSPITAL CARE”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 subsection (a) shall apply with respect to grants made to
18 States using funds appropriated after the date of the en-
19 actment of this Act.

20 **SEC. 403. SHARING OF RESOURCES WITH STATE HOMES.**

21 (a) PURPOSE.—Section 8151 is amended by adding
22 at the end the following: “It is further the purpose of this
23 subchapter to improve the provision of care to veterans

1 under this title by authorizing the Secretary to enter into
2 agreements with State veterans facilities for the sharing
3 of health-care resources.”.

4 (b) DEFINITION.—Section 8152 is amended—

5 (1) by redesignating paragraph (3) as para-
6 graph (4); and

7 (2) by inserting after paragraph (2) the follow-
8 ing new paragraph (3):

9 “(3) The term ‘health-care resource’ includes
10 hospital care, medical services, and rehabilitative
11 services, as those terms are defined in paragraphs
12 (5), (6), and (8), respectively, of section 1701 of this
13 title, any other health-care service, and any health-
14 care support or administrative resource.”.

15 (c) SHARING OF HEALTH-CARE RESOURCES.—Sec-
16 tion 8153(a) is amended—

17 (1) by inserting “(1)” after “(a)”; and

18 (2) by striking out “other form of agreement,”
19 and all that follows and inserting in lieu thereof
20 “other form of agreement for the mutual use, or exchange
21 of use, of—

22 “(A) specialized medical resources between De-
23 partment health-care facilities and other health-care
24 facilities (including organ banks, blood banks, or

1 similar institutions), research centers, or medical
2 schools; and

3 “(B) health-care resources between Department
4 health-care facilities and State home facilities recog-
5 nized under section 1742(a) of this title.

6 “(2) The Secretary may execute a contract or other
7 agreement under paragraph (1) only if (A) such an agree-
8 ment will obviate the need for a similar resource to be
9 provided in a Department health care facility, or (B) the
10 Department resources which are the subject of the agree-
11 ment and which have been justified on the basis of
12 veterans’ care are not used to their maximum effective
13 capacity.”.

14 **TITLE V—MISCELLANEOUS**

15 **SEC. 501. DEPARTMENT OF VETERANS AFFAIRS RESEARCH** 16 **ADVISORY COMMITTEES.**

17 (a) STATUTORY BASIS FOR RESEARCH ADVISORY
18 COMMITTEES.—Chapter 5 is amended by adding at the
19 end of subchapter III the following new section:

20 **“§ 544. Veterans research advisory committees**

21 “(a) Congress declares that each of the veterans re-
22 search advisory committees specified in subsection (c)
23 (previously established by the Secretary in carrying out
24 the duties of the Secretary under section 7303 of this title)
25 has a continuing, ongoing function that is integrally relat-

1 ed to the successful completion by the Department of its
2 statutory duties. Each such committee shall, for all pur-
3 poses, operate as though such committee had been estab-
4 lished by, and chartered pursuant to, law. The objectives
5 and scope of the activities of each such committee and the
6 duties for which the committee is responsible, as specified
7 by the Secretary as of March 1, 1993, shall be those in
8 effect as of that date.

9 “(b) The Secretary may not terminate a veterans’ re-
10 search advisory committee specified in subsection (c) un-
11 less the Secretary finds that the committee is no longer
12 needed. Not less than 120 days before terminating such
13 a committee, the Secretary shall submit to the congres-
14 sional veterans’ affairs committees a report on the pro-
15 posed termination. The report shall include an explanation
16 of (1) the basis for the Secretary’s determination that
17 such committee is no longer needed, and (2) the manner
18 in which the Secretary will carry out the Secretary’s re-
19 sponsibilities under section 7303 of this title in the ab-
20 sence of the committee.

21 “(c) For purposes of this section, each of the follow-
22 ing committees and boards, as established by the Sec-
23 retary as of March 1, 1993, shall be considered to be a
24 veterans’ research advisory committee:

25 “(1) The Career Development Committee.

1 “(2) The Department of Veterans Affairs Coop-
2 erative Studies Evaluation Committee.

3 “(3) The Merit Review Board for Basic
4 Sciences Programs.

5 “(4) The Merit Review Board for Cardio-
6 vascular Programs.

7 “(5) The Merit Review Board for Clinical Phar-
8 macology, Alcoholism, and Drug Dependence Pro-
9 grams.

10 “(6) The Merit Review Board for Endocrinol-
11 ogy Programs.

12 “(7) The Merit Review Board for Gastro-
13 enterology Programs.

14 “(8) The Merit Review Board for Hematology
15 Programs.

16 “(9) The Merit Review Board for Immunology
17 Programs.

18 “(10) The Merit Review Board for Infectious
19 Diseases Programs.

20 “(11) The Merit Review Board for Mental
21 Health and Behavioral Sciences Programs.

22 “(12) The Merit Review Board for Nephrology
23 Programs.

24 “(13) The Merit Review Board for
25 Neurobiology Programs.

1 “(14) The Merit Review Board for Oncology
2 Programs.

3 “(15) The Merit Review Board for Respiration
4 Programs.

5 “(16) The Merit Review Board for Surgery
6 Programs.

7 “(17) The Scientific Review Evaluation Board
8 for Health Services Research and Development.

9 “(18) The Scientific Review Evaluation Board
10 for Rehabilitation Research and Development.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 at the beginning of chapter 5 is amended by inserting
13 after the item relating to section 543 the following new
14 item:

“544. Veterans research advisory committees.”.

15 **SEC. 502. LIMITATION ON CLAIMS FOR COPAYMENTS.**

16 (a) HOSPITAL CARE AND NURSING HOME CARE.—
17 Section 1710(f) is amended by adding at the end the fol-
18 lowing new paragraph:

19 “(6) A veteran may not be required to make a pay-
20 ment under this subsection for any day of care if the Sec-
21 retary does not notify the veteran in writing of the amount
22 owed for that care before the end of the two-year period
23 beginning on the date on which the care is provided, unless
24 the reason the Secretary did not notify the veteran within
25 such period was due to reliance by the Secretary on infor-

1 mation furnished by the veteran to the Secretary which
2 was subsequently determined to be erroneous.”.

3 (b) OUTPATIENT MEDICAL SERVICES.—Section
4 1712(f) is amended by adding at the end the following
5 new paragraph:

6 “(5) A veteran may not be required to make a pay-
7 ment under this subsection for any medical services if the
8 Secretary does not notify the veteran in writing of the
9 amount owed for those services before the end of the two-
10 year period beginning on the date on which the services
11 were provided, unless the reason the Secretary did not no-
12 tify the veteran within such period was due to reliance
13 by the Secretary on information furnished by the veteran
14 to the Secretary which was subsequently determined to be
15 erroneous.”.

16 (c) MEDICATIONS.—Section 1722A(a) is amended by
17 adding at the end the following new paragraph:

18 “(3) A veteran may not be required to make a pay-
19 ment under this subsection for any supply of medication
20 if the Secretary does not notify the veteran in writing of
21 the amount owed for that medication before the end of
22 the two-year period beginning on the date on which the
23 medication is supplied, unless the reason the Secretary did
24 not notify the veteran within such period was due to reli-
25 ance by the Secretary on information furnished by the vet-

1 eran to the Secretary which was subsequently determined
2 to be erroneous.”.

3 **SEC. 503. CHILD CARE SERVICES.**

4 (a) REVISED CHILD CARE AUTHORITY.—Chapter 81
5 is amended by inserting after section 8116 the following
6 new section:

7 **“§ 8117. Child care centers**

8 “(a) The Secretary may provide for the operation of
9 child care centers at Department facilities. The operation
10 of such centers under this section shall be carried out to
11 the extent that the Secretary determines, based on the de-
12 mand of employees of the Department for the care in-
13 volved, that such operation is in the best interest of the
14 Department and that it is practicable to do so.

15 “(b)(1) In offering child care services under this sec-
16 tion, the Secretary shall give priority (in the following
17 order) to employees of—

18 “(A) the Department;

19 “(B) other departments and agencies of the
20 Federal Government, and

21 “(C) schools affiliated with the Department and
22 corporations created under section 7361 of this title.

23 “(2) To the extent that space is available, the Sec-
24 retary may provide child care services to members of the
25 public at a child care center operated under this section

1 if the Secretary determines that to do so is necessary to
2 assure the financial success of that center.

3 “(c)(1) The Secretary shall establish reasonable
4 charges for child care services provided at each child care
5 center operated under this section. Such charges may be
6 established at different rates for different centers.

7 “(2) In establishing charges for child care services
8 provided at a center, the Secretary—

9 “(A) shall (except as provided in paragraph (3))
10 establish the charges so as to ensure that the sum
11 of all charges for child care services at that center
12 is sufficient to meet the staffing expenses of that
13 center; and

14 “(B) may also consider the expenses of con-
15 structing or acquiring space for the center, the ex-
16 penses of converting existing space into the center,
17 and the expenses of equipment and services fur-
18 nished to the center under subsection (d)(2).

19 “(3) The Secretary may establish charges for child
20 care services provided at a center at rates less than those
21 necessary to ensure that the sum of all charges for child
22 care services at that center is sufficient to meet the staff-
23 ing expenses of that center if the Secretary determines
24 (with respect to a particular facility of the Department)
25 that—

1 “(A) the operation of a child care center at that
2 facility would help overcome serious recruitment or
3 retention problems;

4 “(B) adherence to the requirement to establish
5 charges for child care services at that center at rates
6 sufficient to meet the staffing expenses of that cen-
7 ter would make the operation of a child care center
8 at that facility unfeasible; and

9 “(C) there are no other practical alternatives to
10 meeting the needs of employees at that facility for
11 child care services.

12 “(4) Proceeds from charges for child care services
13 shall be credited to the applicable Department of Veterans
14 Affairs account and shall be allotted to the facility served
15 by the child care center and shall remain available until
16 expended.

17 “(d) In connection with the establishment and oper-
18 ation of a child care center under this section, the Sec-
19 retary—

20 “(1) may construct or alter space in any De-
21 partment facility, and may lease space in a non-De-
22 partment facility for a term not to exceed 20 years,
23 for use as a child care center;

24 “(2) may provide, out of operating funds, other
25 items and services necessary for the operation of the

1 center, including furniture, office machines and
2 equipment, utility and custodial services, and other
3 necessary services and amenities;

4 “(3) shall provide for the participation (directly
5 or through a parent advisory committee) of parents
6 of children receiving care in the center in the estab-
7 lishment of policies to govern the operation of the
8 center and in the oversight of the implementation of
9 such policies;

10 “(4) shall require the development and use of a
11 process for determining the fitness and suitability of
12 prospective employees of or volunteers at the center;
13 and

14 “(5) shall require in connection with the oper-
15 ation of the center compliance with all State and
16 local laws, ordinances, and regulations relating to
17 health and safety and the operation of child care
18 centers.

19 “(e) The Secretary shall prescribe guidelines to carry
20 out this section.

21 “(f) For the purpose of this section, the term ‘parent
22 advisory committee’ means a committee comprised of, and
23 selected by, the parents of children receiving care in a
24 child care center operated under this section.”.

1 (b) CONFORMING REPEAL.—Section 7809 is re-
2 pealed.

3 (c) CLERICAL AMENDMENTS.—(1) The table of sec-
4 tions at the beginning of chapter 81 is amended by insert-
5 ing after the item relating to section 8116 the following
6 new item:

“8117. Child care centers.”.

7 (2) The table of sections at the beginning of chapter
8 78 is amended by striking out the item relating to section
9 7809.

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