

114TH CONGRESS
2^D SESSION

H. R. 5936

AN ACT

To authorize the Secretary of Veterans Affairs to enter into certain leases at the Department of Veterans Affairs West Los Angeles Campus in Los Angeles, California, to make certain improvements to the enhanced-use lease authority of the Department, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “West Los Angeles
5 Leasing Act of 2016”.

6 **SEC. 2. AUTHORITY TO ENTER INTO CERTAIN LEASES AT**
7 **THE DEPARTMENT OF VETERANS AFFAIRS**
8 **WEST LOS ANGELES CAMPUS.**

9 (a) IN GENERAL.—The Secretary of Veterans Affairs
10 may carry out leases described in subsection (b) at the
11 Department of Veterans Affairs West Los Angeles Cam-
12 pus in Los Angeles, California (hereinafter in this section
13 referred to as the “Campus”).

14 (b) LEASES DESCRIBED.—Leases described in this
15 subsection are the following:

16 (1) Any enhanced-use lease of real property
17 under subchapter V of chapter 81 of title 38, United
18 States Code, for purposes of providing supportive
19 housing, as that term is defined in section 8161(3)
20 of such title, that principally benefit veterans and
21 their families.

22 (2) Any lease of real property for a term not to
23 exceed 50 years to a third party to provide services
24 that principally benefit veterans and their families

1 and that are limited to one or more of the following
2 purposes:

3 (A) The promotion of health and wellness,
4 including nutrition and spiritual wellness.

5 (B) Education.

6 (C) Vocational training, skills building, or
7 other training related to employment.

8 (D) Peer activities, socialization, or phys-
9 ical recreation.

10 (E) Assistance with legal issues and Fed-
11 eral benefits.

12 (F) Volunteerism.

13 (G) Family support services, including
14 child care.

15 (H) Transportation.

16 (I) Services in support of one or more of
17 the purposes specified in subparagraphs (A)
18 through (H).

19 (3) A lease of real property for a term not to
20 exceed 10 years to The Regents of the University of
21 California, a corporation organized under the laws of
22 the State of California, on behalf of its University of
23 California, Los Angeles (UCLA) campus (herein-
24 after in this section referred to as “The Regents”),
25 if—

1 (A) the lease is consistent with the master
2 plan described in subsection (g);

3 (B) the provision of services to veterans is
4 the predominant focus of the activities of The
5 Regents at the Campus during the term of the
6 lease;

7 (C) The Regents expressly agrees to pro-
8 vide, during the term of the lease and to an ex-
9 tent and in a manner that the Secretary con-
10 siders appropriate, additional services and sup-
11 port (for which The Regents is not compensated
12 by the Secretary or through an existing medical
13 affiliation agreement) that—

14 (i) principally benefit veterans and
15 their families, including veterans that are
16 severely disabled, women, aging, or home-
17 less; and

18 (ii) may consist of activities relating
19 to the medical, clinical, therapeutic, die-
20 tary, rehabilitative, legal, mental, spiritual,
21 physical, recreational, research, and coun-
22 seling needs of veterans and their families
23 or any of the purposes specified in any of
24 subparagraphs (A) through (I) of para-
25 graph (2); and

1 (D) The Regents maintains records docu-
2 menting the value of the additional services and
3 support that The Regents provides pursuant to
4 subparagraph (C) for the duration of the lease
5 and makes such records available to the Sec-
6 retary.

7 (c) LIMITATION ON LAND-SHARING AGREEMENTS.—
8 The Secretary may not carry out any land-sharing agree-
9 ment pursuant to section 8153 of title 38, United States
10 Code, at the Campus unless such agreement—

11 (1) provides additional health-care resources to
12 the Campus; and

13 (2) benefits veterans and their families other
14 than from the generation of revenue for the Depart-
15 ment of Veterans Affairs.

16 (d) REVENUES FROM LEASES AT THE CAMPUS.—
17 Any funds received by the Secretary under a lease de-
18 scribed in subsection (b) shall be credited to the applicable
19 Department medical facilities account and shall be avail-
20 able, without fiscal year limitation and without further ap-
21 propriation, exclusively for the renovation and mainte-
22 nance of the land and facilities at the Campus.

23 (e) EASEMENTS.—

24 (1) IN GENERAL.—Notwithstanding any other
25 provision of law (other than Federal laws relating to

1 environmental and historic preservation), pursuant
2 to section 8124 of title 38, United States Code, the
3 Secretary may grant easements or rights-of-way on,
4 above, or under lands at the Campus to—

5 (A) any local or regional public transpor-
6 tation authority to access, construct, use, oper-
7 ate, maintain, repair, or reconstruct public
8 mass transit facilities, including, fixed guideway
9 facilities and transportation centers; and

10 (B) the State of California, County of Los
11 Angeles, City of Los Angeles, or any agency or
12 political subdivision thereof, or any public util-
13 ity company (including any company providing
14 electricity, gas, water, sewage, or telecommuni-
15 cation services to the public) for the purpose of
16 providing such public utilities.

17 (2) IMPROVEMENTS.—Any improvements pro-
18 posed pursuant to an easement or right-of-way au-
19 thorized under paragraph (1) shall be subject to
20 such terms and conditions as the Secretary considers
21 appropriate.

22 (3) TERMINATION.—Any easement or right-of-
23 way authorized under paragraph (1) shall be termi-
24 nated upon the abandonment or nonuse of the ease-
25 ment or right-of-way and all right, title, and interest

1 in the land covered by the easement or right-of-way
2 shall revert to the United States.

3 (f) PROHIBITION ON SALE OF PROPERTY.—Notwith-
4 standing section 8164 of title 38, United States Code, the
5 Secretary may not sell or otherwise convey to a third party
6 fee simple title to any real property or improvements to
7 real property made at the Campus.

8 (g) CONSISTENCY WITH MASTER PLAN.—The Sec-
9 retary shall ensure that each lease carried out under this
10 section is consistent with the draft master plan approved
11 by the Secretary on January 28, 2016, or successor mas-
12 ter plans.

13 (h) COMPLIANCE WITH CERTAIN LAWS.—

14 (1) LAWS RELATING TO LEASES AND LAND
15 USE.—If the Inspector General of the Department of
16 Veterans Affairs determines, as part of an audit re-
17 port or evaluation conducted by the Inspector Gen-
18 eral, that the Department is not in compliance with
19 all Federal laws relating to leases and land use at
20 the Campus, or that significant mismanagement has
21 occurred with respect to leases or land use at the
22 Campus, the Secretary may not enter into any lease
23 or land-sharing agreement at the Campus, or renew
24 any such lease or land-sharing agreement that is not
25 in compliance with such laws, until the Secretary

1 certifies to the Committees on Veterans' Affairs of
2 the Senate and House of Representatives, the Com-
3 mittees on Appropriations of the Senate and House
4 of Representatives, and each Member of the Senate
5 and the House of Representatives who represents
6 the area in which the Campus is located that all rec-
7 ommendations included in the audit report or eval-
8 uation have been implemented.

9 (2) COMPLIANCE OF PARTICULAR LEASES.—

10 Except as otherwise expressly provided by this sec-
11 tion, no lease may be entered into or renewed under
12 this section unless the lease complies with chapter
13 33 of title 41, United States Code, and all Federal
14 laws relating to environmental and historic preserva-
15 tion.

16 (i) VETERANS AND COMMUNITY OVERSIGHT AND EN-
17 GAGEMENT BOARD.—

18 (1) IN GENERAL.—Not later than 180 days
19 after the date of the enactment of this Act, the Sec-
20 retary shall establish a Veterans and Community
21 Oversight and Engagement Board (in this sub-
22 section referred to as the “Board”) for the Campus
23 to coordinate locally with the Department of Vet-
24 erans Affairs to—

1 (A) identify the goals of the community
2 and veteran partnership;

3 (B) provide advice and recommendations
4 to the Secretary to improve services and out-
5 comes for veterans, members of the Armed
6 Forces, and the families of such veterans and
7 members; and

8 (C) provide advice and recommendations
9 on the implementation of the draft master plan
10 approved by the Secretary on January 28,
11 2016, and on the creation and implementation
12 of any successor master plans.

13 (2) MEMBERS.—The Board shall be comprised
14 of a number of members that the Secretary deter-
15 mines appropriate, of which not less than 50 percent
16 shall be veterans. The nonveteran members shall be
17 family members of veterans, veteran advocates, serv-
18 ice providers, real estate professionals familiar with
19 housing development projects, or stakeholders.

20 (3) COMMUNITY INPUT.— In carrying out para-
21 graph (1), the Board shall—

22 (A) provide the community opportunities to
23 collaborate and communicate with the Board,
24 including by conducting public forums on the
25 Campus; and

1 (B) focus on local issues regarding the De-
2 partment that are identified by the community,
3 including with respect to health care, implemen-
4 tation of the draft master plan and any subse-
5 quent plans, benefits, and memorial services at
6 the Campus.

7 (j) NOTIFICATION AND REPORTS.—

8 (1) CONGRESSIONAL NOTIFICATION.—With re-
9 spect to each lease or land-sharing agreement in-
10 tended to be entered into or renewed at the Campus,
11 the Secretary shall notify the Committees on Vet-
12 erans' Affairs of the Senate and House of Rep-
13 resentatives, the Committees on Appropriations of
14 the Senate and House of Representatives, and each
15 Member of the Senate and the House of Representa-
16 tives who represents the area in which the Campus
17 is located of the intent of the Secretary to enter into
18 or renew the lease or land-sharing agreement not
19 later than 45 days before entering into or renewing
20 the lease or land-sharing agreement.

21 (2) ANNUAL REPORT.—Not later than one year
22 after the date of the enactment of this Act, and not
23 less frequently than annually thereafter, the Sec-
24 retary shall submit to the Committees on Veterans'
25 Affairs of the Senate and House of Representatives,

1 the Committees on Appropriations of the Senate and
2 House of Representatives, and each Member of the
3 Senate and the House of Representatives who rep-
4 represents the area in which the Campus is located an
5 annual report evaluating all leases and land-sharing
6 agreements carried out at the Campus, including—

7 (A) an evaluation of the management of
8 the revenue generated by the leases; and

9 (B) the records described in subsection
10 (b)(3)(D).

11 (3) INSPECTOR GENERAL REPORT.—

12 (A) IN GENERAL.—Not later than each of
13 two years and five years after the date of the
14 enactment of this Act, and as determined nec-
15 essary by the Inspector General of the Depart-
16 ment of Veterans Affairs thereafter, the Inspec-
17 tor General shall submit to the Committees on
18 Veterans' Affairs of the Senate and House of
19 Representatives and the Committees on Appro-
20 priations of the Senate and House of Rep-
21 resentatives, and each Member of the Senate
22 and the House of Representatives who rep-
23 represents the area in which the Campus is located
24 a report on all leases carried out at the Campus
25 and the management by the Department of the

1 use of land at the Campus, including an assess-
2 ment of the efforts of the Department to imple-
3 ment the master plan described in subsection
4 (g) with respect to the Campus.

5 (B) CONSIDERATION OF ANNUAL RE-
6 PORT.—In preparing each report required by
7 subparagraph (A), the Inspector General shall
8 take into account the most recent report sub-
9 mitted to Congress by the Secretary under
10 paragraph (2).

11 (k) RULE OF CONSTRUCTION.—Nothing in this sec-
12 tion shall be construed as a limitation on the authority
13 of the Secretary to enter into other agreements regarding
14 the Campus that are authorized by law and not incon-
15 sistent with this section.

16 (l) PRINCIPALLY BENEFIT VETERANS AND THEIR
17 FAMILIES DEFINED.—In this section the term “prin-
18 cipally benefit veterans and their families”, with respect
19 to services provided by a person or entity under a lease
20 of property or land-sharing agreement—

21 (1) means services—

22 (A) provided exclusively to veterans and
23 their families; or

24 (B) that are designed for the particular
25 needs of veterans and their families, as opposed

1 to the general public, and any benefit of those
2 services to the general public is distinct from
3 the intended benefit to veterans and their fami-
4 lies; and

5 (2) excludes services in which the only benefit
6 to veterans and their families is the generation of
7 revenue for the Department of Veterans Affairs.

8 (m) CONFORMING AMENDMENTS.—

9 (1) PROHIBITION ON DISPOSAL OF PROP-
10 ERTY.—Section 224(a) of the Military Construction
11 and Veterans Affairs and Related Agencies Appro-
12 priations Act, 2008 (Public Law 110–161; 121 Stat.
13 2272) is amended by striking “The Secretary of
14 Veterans Affairs” and inserting “Except as author-
15 ized under the Los Angeles Homeless Veterans
16 Leasing Act of 2016, the Secretary of Veterans Af-
17 fairs”.

18 (2) ENHANCED-USE LEASES.—Section 8162(c)
19 of title 38, United States Code, is amended by in-
20 sserting “, other than an enhanced-use lease under
21 the Los Angeles Homeless Veterans Leasing Act of
22 2016,” before “shall be considered”.

1 **SEC. 3. IMPROVEMENTS TO ENHANCED-USE LEASE AU-**
2 **THORITY OF DEPARTMENT OF VETERANS AF-**
3 **FAIRS.**

4 (a) PROHIBITION ON WAIVER OF OBLIGATION OF
5 LESSEE.—Paragraph (3) of section 8162(b) of title 38,
6 United States Code, is amended by adding at the following
7 new subparagraph:

8 “(D) The Secretary may not waive or postpone the
9 obligation of a lessee to pay any consideration under an
10 enhanced-use lease, including monthly rent.”.

11 (b) CLARIFICATION OF LIABILITY OF FEDERAL GOV-
12 ERNMENT TO THIRD PARTIES.—Section 8162 of such title
13 is amended by adding at the end the following new sub-
14 section:

15 “(d)(1) Nothing in this subchapter authorizes the
16 Secretary to enter into an enhanced-use lease that pro-
17 vides for, is contingent upon, or otherwise authorizes the
18 Federal Government to guarantee a loan made by a third
19 party to a lessee for purposes of the enhanced-use lease.

20 “(2) Nothing in this subchapter shall be construed
21 to abrogate or constitute a waiver of the sovereign immu-
22 nity of the United States with respect to any loan, financ-
23 ing, or other financial agreement entered into by the lessee
24 and a third party relating to an enhanced-use lease.”.

25 (c) TRANSPARENCY.—

1 (1) NOTICE.—Section 8163(c)(1) of such title
2 is amended—

3 (A) by inserting “, the Committees on Ap-
4 propriations of the House of Representatives
5 and the Senate, and the Committees on the
6 Budget of the House of Representatives and the
7 Senate” after “congressional veterans’ affairs
8 committees”;

9 (B) by striking “and shall publish” and in-
10 sserting “, shall publish”;

11 (C) by inserting before the period at the
12 end the following: “, and shall submit to the
13 congressional veterans’ affairs committees a
14 copy of the proposed lease”; and

15 (D) by adding at the end the following new
16 sentence: “With respect to a major enhanced-
17 use lease, upon the request of the congressional
18 veterans’ affairs committees, not later than 30
19 days after the date of such notice, the Secretary
20 shall testify before the committees on the major
21 enhanced-use lease, including with respect to
22 the status of the lease, the cost, and the plans
23 to carry out the activities under the lease. The
24 Secretary may not delegate such testifying
25 below the level of the head of the Office of

1 Asset Enterprise Management of the Depart-
2 ment or any successor to such office.”.

3 (2) ANNUAL REPORTS.—Section 8168 of such
4 title is amended—

5 (A) by striking “to Congress” each place it
6 appears and inserting “to the congressional vet-
7 erans’ affairs committees, the Committees on
8 Appropriations of the House of Representatives
9 and the Senate, and the Committees on the
10 Budget of the House of Representatives and the
11 Senate”;

12 (B) in subsection (a)—

13 (i) by striking “Not later” and insert-
14 ing “(1) Not later”;

15 (ii) by striking “a report” and all that
16 follows through the period at the end and
17 inserting “a report on enhanced-use
18 leases.”; and

19 (iii) by adding at the end the fol-
20 lowing new paragraph:

21 “(2) Each report under paragraph (1) shall include
22 the following:

23 “(A) Identification of the actions taken by the
24 Secretary to implement and administer enhanced-use
25 leases.

1 “(B) For the most recent fiscal year covered by
2 the report, the amounts deposited into the Medical
3 Care Collection Fund account that were derived
4 from enhanced-use leases.

5 “(C) Identification of the actions taken by the
6 Secretary using the amounts described in subpara-
7 graph (B).

8 “(D) Documents of the Department supporting
9 the contents of the report described in subpara-
10 graphs (A) through (C).”; and

11 (C) in subsection (b)—

12 (i) by striking “Each year” and in-
13 serting “(1) Each year”;

14 (ii) by striking “this subchapter,” and
15 all that follows through the period at the
16 end and inserting “this subchapter.”; and

17 (iii) by adding at the end the fol-
18 lowing new paragraph:

19 “(2) Each report under paragraph (1) shall include
20 the following with respect to each enhanced-use lease cov-
21 ered by the report:

22 “(A) An overview of how the Secretary is using
23 consideration received by the Secretary under the
24 lease to support veterans.

1 “(B) The amount of consideration received by
2 the Secretary under the lease.

3 “(C) The amount of any revenues collected by
4 the Secretary relating to the lease not covered by
5 subparagraph (B), including a description of any in-
6 kind assistance or services provided by the lessee to
7 the Secretary or to veterans under an agreement en-
8 tered into by the Secretary pursuant to any provi-
9 sion of law.

10 “(D) The costs to the Secretary of carrying out
11 the lease.

12 “(E) Documents of the Department supporting
13 the contents of the report described in subpara-
14 graphs (A) through (D).”.

15 (d) **ADDITIONAL DEFINITIONS.**—Section 8161 of
16 such title is amended by adding at the end the following
17 new paragraphs:

18 “(4) The term ‘lessee’ means the party with
19 whom the Secretary has entered into an enhanced-
20 use lease under this subchapter.

21 “(5) The term ‘major enhanced-use lease’
22 means an enhanced-use lease that includes consider-
23 ation consisting of an average annual rent of more
24 than \$10,000,000.”.

25 (e) **COMPTROLLER GENERAL AUDIT.**—

1 (1) REPORT.—Not later than 270 days after
2 the date of the enactment of this Act, the Comp-
3 troller General of the United States shall submit to
4 the appropriate congressional committees a report
5 containing an audit of the enhanced-use lease pro-
6 gram of the Department of Veterans Affairs under
7 subchapter V of chapter 81 of title 38, United
8 States Code.

9 (2) MATTERS INCLUDED.—The report under
10 paragraph (1) shall include the following:

11 (A) The financial impact of the enhanced-
12 use lease authority on the Department of Vet-
13 erans Affairs and whether the revenue realized
14 from such authority and other financial benefits
15 would have been realized without such author-
16 ity.

17 (B) The use by the Secretary of such au-
18 thority and whether the arrangements made
19 under such authority would have been made
20 without such authority.

21 (C) An identification of the controls that
22 are in place to ensure accountability and trans-
23 parency and to protect the Federal Govern-
24 ment.

1 (D) An overall assessment of the activities
2 of the Secretary under such authority to ensure
3 procurement cost avoidance, negotiated cost
4 avoidance, in-contract cost avoidance, and rate
5 reductions.

6 (3) APPROPRIATE CONGRESSIONAL COMMIT-
7 TEES DEFINED.—In this subsection, the term “ap-
8 propriate congressional committees” means—

9 (A) the Committees on Veterans’ Affairs of
10 the House of Representatives and the Senate;

11 (B) the Committees on Appropriations of
12 the House of Representatives and the Senate;
13 and

14 (C) the Committees on the Budget of the
15 House of Representatives and the Senate.

Passed the House of Representatives September 12,
2016.

Attest:

Clerk.

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