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Summary

The Department of Veterans Affairs (VA) provides a range of benefits and services to veterans and eligible dependents who meet certain criteria as authorized by law. These benefits include medical care, disability compensation and pensions, education, vocational rehabilitation and employment services, assistance to homeless veterans, home loan guarantees, administration of life insurance as well as traumatic injury protection insurance for servicemembers, and death benefits that cover burial expenses.

The President's FY2017 budget request for the VA was submitted to Congress on February 9, 2016. The President's FY2017 request for VA is approximately \$177.54 billion. This amount, which includes \$102.53 billion in mandatory funding and \$75.01 billion in discretionary appropriations, is a 9.14% increase over the FY2016-enacted level of \$162.67 billion.

On April 13, 2016, the House Appropriations Committee approved its version of the FY2017 Military Construction and Veterans Affairs, and Related Agencies (MILCON-VA) appropriations bill (H.R. 4974; H.Rept. 114-497). The House passed the measure on May 19. The House-passed measure provides a total of \$176.06 billion for the VA, a slight decrease (0.83%) from the President's request of \$177.54 billion and an 8.23% increase from the FY2016-enacted amount. This amount includes \$102.53 billion in mandatory appropriations and \$73.53 billion in discretionary appropriations.

On April 14, the Senate Appropriations Committee approved its version of the FY2017 MILCON-VA appropriations bill (S. 2806; S.Rept. 114-237). The Senate passed the FY2017 MILCON-VA appropriations bill on May 19 as an appropriations package that included the FY2017 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill (Division A); the FY2017 MILCON-VA appropriations bill (Division B), and the Zika Response appropriations bill (Title V of Division B). The Senate-passed version of the FY2017 MILCON-VA appropriations bill (Division B of H.R. 2577) provides a total of \$177.39 billion for VA, a 9.04% increase over the FY2016-enacted level of \$162.67 billion and slightly less than the President's request for FY2017. This amount includes \$102.53 billion in mandatory appropriations and \$74.85 in discretionary appropriations.

On May 26, 2016, the House concurred with the Senate amendment with an amendment consisting of the text of H.R. 4974, H.R. 5243, and H.R. 897, as passed by the House (H.Res. 751). On June 22, the Chairman of the House Appropriations Committee filed a conference agreement (H.R. 2577; H.Rept. 114-640). The Division A conference agreement (H.R. 2577; H.Rept. 114-640) contained the FY2017 MILCON-VA appropriations bill. The conference agreement would provide \$176.89 billion for VA for FY2017. Although the House passed the conference agreement the Senate has voted not to invoke cloture on the conference agreement.

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Department of Veterans Affairs Overview

The Department of Veterans Affairs (VA) provides a range of benefits and services to veterans and eligible dependents who meet certain criteria as authorized by law. These benefits include medical care, disability compensation and pensions, education, vocational rehabilitation and employment services, assistance to homeless veterans, home loan guarantees, administration of life insurance as well as traumatic injury protection insurance for servicemembers, and death benefits that cover burial expenses.¹

The VA carries out its programs nationwide through three administrations and the Board of Veterans Appeals (BVA).² The Veterans Benefits Administration (VBA) is responsible for, among other things, providing compensation, pensions, education assistance, and vocational rehabilitation and employment services.³ The National Cemetery Administration (NCA) is responsible for maintaining national veterans' cemeteries; providing grants to states for establishing, expanding, or improving state veterans' cemeteries; and providing headstones and markers for the graves of eligible persons, among other things.⁴ The Veterans Health Administration (VHA) is responsible for health care services and medical and prosthetic research programs. The VHA is primarily a direct service provider of primary care, specialized care, and related medical and social support services to veterans through the nation's largest integrated health care system. Inpatient and outpatient care are also provided in the private sector to eligible dependents of veterans under the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA).⁵

The VA Budget

The VA budget includes both mandatory⁶ and discretionary funding.⁷ Mandatory accounts fund disability compensation, pensions, vocational rehabilitation and employment, education, life insurance, housing, and burial benefits (such as graveliners, outer burial receptacles, and headstones), among other benefits and services. Discretionary accounts fund medical care,

¹ In general, payments of benefits made to, or on account of, a beneficiary under any law administered by the VA are exempt from federal taxation. Furthermore, benefits are exempt, in most cases, from "attachment, levy, or seizure by or under any legal or equitable process whatever, either before or after receipt by the beneficiary" (38 U.S.C. §5301(a)(1)).

² The BVA is part of the Department of Veterans Affairs, located in Washington, DC, and makes the final determination on an appeal within the VA. The BVA reviews all appeals for entitlement to veterans' benefits, including claims for service connection, increased disability ratings, pension, insurance benefits, educational benefits, home loan guaranties, vocational rehabilitation, dependency and indemnity compensation, health care services, and fiduciary matters.

³For more information, see CRS Report RL34626, *Veterans' Benefits: Disabled Veterans*.

⁴ For more information, see CRS Report R41386, *Veterans' Benefits: Burial Benefits and National Cemeteries*.

⁵ For more information, see CRS Report R42747, *Health Care for Veterans: Answers to Frequently Asked Questions*.

⁶ Mandatory programs funded through the annual appropriations process are commonly referred to as *appropriated entitlements*. In general, appropriators have little control over the amounts provided for appropriated entitlements; rather, the authorizing statute establishes the program parameters (e.g., eligibility rules, benefit levels) that entitle certain recipients to payments. If Congress does not appropriate the money necessary to meet these commitments, entitled recipients (e.g., individuals, states, or other entities) may have legal recourse. For an overview of mandatory spending, see CRS Report RL33074, *Mandatory Spending Since 1962*.

⁷ Funding for discretionary programs is provided and controlled through the annual appropriations process. For more information, see CRS Report R41726, *Discretionary Budget Authority by Subfunction: An Overview*.

medical research, construction programs, information technology, the Office of Inspector General, the Board of Veterans Appeals (BVA), and general operating expenses, among other things. These accounts are further supplemented by revolving funds, such as the Canteen Service Revolving Fund and the Pershing Hall Revolving Fund; trust funds, such as the Department of Veterans Affairs Cemetery Gift Fund and the General Post Fund; and special funds, such as the Medical Care Collections Fund, and the Capital Asset Fund.⁸

Advance Appropriations⁹

In 2009, Congress enacted the Veterans Health Care Budget Reform and Transparency Act of 2009 (P.L. 111-81), authorizing advance appropriations for three of the four VHA accounts: medical services, medical support and compliance, and medical facilities.¹⁰ In 2014, Congress passed the Consolidated and Further Continuing Appropriations Act, 2015 (H.R. 83; P.L. 113-235), which amended 38 U.S.C §117 and included three more accounts in the advance appropriations list of accounts. This act authorizes advance appropriations for three mandatory VA benefits programs within the Veterans Benefits Administration: compensation and pensions, readjustment benefits, and veterans insurance and indemnities. Beginning with the FY2016 Military Construction and Veterans Affairs, and Related Agencies Appropriations Act (MILCON-VA; P.L. 114-113), those accounts received advance appropriations for FY2017 in addition to the three VHA accounts already authorized to receive advance appropriations.

Section 4003 of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (P.L. 114-41) required the establishment of a separate new account for medical community care, beginning with the FY2017 appropriations cycle. The President's requests and the FY2017 MILCON-VA bill (H.R. 4974; H.R. 2577) would provide advance appropriations for FY2018 to the new medical community care account, while funding the FY2017 requirements for the new account through reallocations and rescissions from the 2017 advance appropriation enacted in the Consolidated Appropriations Act, 2016 (P.L. 114-113).

Congress has authorized advance appropriations of new budget authority for these accounts to prevent potential delays in the delivery of care and benefits to veterans that may arise in the event of a lapse in funding.

Under present budget scoring guidelines, advance appropriations are scored as new budget authority in the fiscal year in which the funds become available for obligation, not in the fiscal year the appropriations are enacted.¹¹ Therefore, throughout the funding tables in this report,

⁸ For more details about these funds, see Department of Veterans Affairs, *FY2016 Congressional Budget Submission*, Supplemental Information and Appendices, vol. 1 of 4, February 2015, pp. Appendix 117- Appendix 126. For definitions about “revolving funds,” “trust funds,” and “special funds,” see Executive Office of the President, Office of Management and Budget (OMB), OMB Circular No. A-11, *Section 20- Terms and Concepts*, 2016, available at https://www.whitehouse.gov/sites/default/files/omb/assets/a11_current_year/s20.pdf.

⁹ In general, an appropriations act makes budget authority available beginning on October 1 of the fiscal year for which the appropriations act is passed (“budget year”). However, some types of appropriations do not follow this pattern; among them are advance appropriations. An advance appropriation means appropriation of new budget authority that becomes available one or more fiscal years beyond the fiscal year for which the appropriations act was passed (i.e., beyond the budget year). For more information on advance appropriations, see CRS Report R43482, *Advance Appropriations, Forward Funding, and Advance Funding: Concepts, Practice, and Budget Process Considerations*.

¹⁰ Codified at 38 U.S.C. §117.

¹¹ Executive Office of the President, Office of Management and Budget (OMB), OMB Circular No. A-11, *Section 20- Terms and Concepts*, 2016, p. 15, available at https://www.whitehouse.gov/sites/default/files/omb/assets/a11_current_year/s20.pdf; also see OMB Circular No. A-11, *Appendix A -Scorekeeping Guidelines*, 2016, p. 2, available at https://www.whitehouse.gov/sites/default/files/omb/assets/a11_current_year/app_a.pdf.

advance appropriations numbers are shown under the label “memorandum” and in the corresponding fiscal year column. For example, the Consolidated Appropriations Act, 2016 (P.L. 114-113), provides advance appropriations for the compensation and pensions, readjustment benefits, veterans insurance and indemnities, medical services, medical support and compliance, and medical facilities accounts for FY2017. Funding shown for FY2016 does not include advance appropriations provided in FY2017 by P.L. 114-113 for use in FY2017. Instead, the advance appropriation provided in FY2016 for use in FY2017 is shown in the FY2017 column under the label “memorandum.” Similarly, advance appropriations provided for FY2018 in the FY2017 MILCON-VA appropriations bill appear in the FY2018 column and under the label “memorandum.”

The President’s Budget Request for FY2017 and Congressional Action

President’s Request

The President’s FY2017 budget request for the Department of Veterans Affairs was submitted to Congress on February 9, 2016. The President’s FY2017 VA request is approximately \$177.54 billion. This amount, which includes \$102.53 billion in mandatory funding and \$75.01 billion in discretionary appropriations (**Table 1**), is a 9.14% increase over the FY2016-enacted level of \$162.67 billion.

For the Veterans Benefits Administration mandatory programs such as disability compensation, readjustment benefits, and veterans insurance and indemnities, the FY2017 request is \$102.73 billion. This amount includes \$16.60 million over the FY2017 advance appropriations (provided in the Consolidated Appropriations Act, 2016; P.L. 114-113) for the veterans insurance and indemnities programs (**Table 2**).

For the Veterans Health Administration, the Administration’s FY2017 request is \$65.66 billion, without collections (**Table 2**). This amount is a 6.30% increase over the FY2016-enacted amount of \$61.76 billion, and includes an additional \$1.72 billion over the FY2017 advance appropriations (provided in the Consolidated and Further Continuing Appropriations Act, 2015; P.L. 113-235) for the three medical care accounts (medical services, medical support and compliance, and medical facilities). The additional resources are for Hepatitis C treatment costs, caregiver programs, infrastructure improvements, and leasing of major medical facilities.

As required by Section 4003 of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (P.L. 114-41), the President’s FY2017 budget request includes a new account for VHA: medical community care. This account would fund care that VA provides to eligible veterans through community providers. Funding for this account would be derived from amounts appropriated in FY2017 for the medical services, medical support and compliance, or medical facilities accounts.

As required by P.L. 111-81 and P.L. 113-235, the President’s budget request includes \$170.32 billion in advance appropriations for FY2018 for VHA and VBA (**Table 2**). Among other budget request highlights, the President’s budget request for construction major projects is \$528.11 million, a decrease of 57.54% compared with the FY2016-enacted amount of \$1.24 billion; for information technology (IT) programs, the request is \$4.27 billion, an increase of 3.50% over the FY2016-enacted amount of \$4.13 billion.

House and Senate Committee Action

This section of the report provides a chronological overview of the House and Senate action on the FY2017 Military Construction, Veterans Affairs, and Related Agencies (MILCON-VA) appropriations bill. It begins with House action in April 2016 and concludes with the conference agreement (between House and Senate Republican conferees) to accompany the FY2017 MILCON-VA and Zika Response and Preparedness bill (H.R. 2577; H.Rept. 114-640) in July 2016.

House Action

On April 13, 2016, the House Appropriations Committee approved its version of the FY2017 MILCON-VA appropriations bill (H.R. 4974; H.Rept. 114-497). The House passed the measure on May 19. The House-passed measure provides a total of \$176.06 billion for the VA, a slight decrease (0.83%) from the President's request of \$177.54 billion and an 8.23% increase from the FY2016-enacted amount (**Table 1**). This amount includes \$102.53 billion in mandatory appropriations and \$73.53 billion in discretionary appropriations. Of the total amount provided for VA, \$64.79 billion (without collections) is for VHA. The House-passed measure includes \$864 million over the FY2017 advance appropriations (provided in the Consolidated Appropriations Act, 2016; P.L. 114-113) compared with the Administration's request of \$1.72 billion (**Table 2**). The additional resources would fund Hepatitis C treatment costs, veterans homeless programs, the post-9/11 caregiver program, long-term services and supports, and the staffing costs VHA would need to absorb as the Veterans Access, Choice, and Accountability Act of 2014 (P.L. 113-146) Section 801 funds run out.¹² H.R. 4974 (H.Rept. 114-497) provides \$7.24 billion for a new medical community care account. Funding for this account is derived by transferring funds from amounts appropriated in FY2017 for the medical services, medical support and compliance, or medical facilities accounts (**Table 2**). This account was required to be established by P.L. 114-41, and was intended to track funding for all community care programs under a single appropriation account. The House-passed bill funds the medical and prosthetic research account at the same level as the President's request (**Table 2**).

Furthermore, the House-passed measure (H.R. 4974; H.Rept. 114-497) provides the \$102.70 billion for VBA programs, a 12.33% increase over the FY2016-enacted amount of \$91.42 billion, and a slight decrease from the President's request of \$102.73 billion. For the National Cemetery Administration, the House-passed measure provides \$14.97 million less than the President's request of \$286.19 million. For information technology programs, H.R. 4974 provides \$4.22 billion, 1.22% decrease from the requested amount of \$4.27 billion. According to the committee report (H.Rept. 114-497) accompanying the bill: "Although funding constraints require the Committee to provide a funding level below the request, the level provided includes an \$87,506,000, or a 2.1 percent, increase over fiscal year 2016, which will permit investment in high priority areas."¹³ These priority areas include the Veterans Benefits Management System, the Board of Veterans Appeals modernization effort, electronic health record (EHR)—VistA Evolution modernization, and interoperability and Virtual Lifetime Electronic Record (VLER) health.¹⁴ It should be noted that during House floor debate, the IT account was increased by \$5

¹² U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2017*, report to accompany H.R. 4974, 114th Cong., 2nd sess., April 15, 2016, p. 35.

¹³ *Ibid.*, p. 63.

¹⁴ *Ibid.*, p. 63.

million by decreasing the general administration account by a similar amount (as reflected in the amounts shown in **Table 2**).

Lastly, the House-passed bill provides \$66.38 billion in advance appropriations for the four medical care accounts (medical services, medical community care, medical support and compliance, and medical facilities) and \$103.93 billion in advance appropriations for mandatory benefit program accounts (compensation and pensions, readjustment benefits, and veterans insurance and indemnities) for FY2018, the same as the President's request for these accounts for FY2018.

Senate Action

On April 14, the Senate Appropriations Committee approved its version of the FY2017 MILCON-VA appropriations bill (S. 2806; S.Rept. 114-237). The Senate passed the FY2017 MILCON-VA appropriations bill on May 19 as an appropriations package that included the FY2017 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill (Division A), the FY2017 MILCON-VA bill (Division B), and the Zika Response Appropriations bill (Title V of Division B).¹⁵ Because appropriations legislation generally originates in the House, and because the House had not yet taken up a FY2017 THUD appropriations bill as of May, the Senate used the FY2016 THUD appropriations bill (H.R. 2577) as the vehicle for this package.

The Senate-passed version of the FY2017 MILCON-VA appropriations bill (Division B of H.R. 2577) provides a total of \$177.39 billion for VA, a 9.04% increase over the FY2016-enacted level of \$162.67 billion and slightly less than the President's request for FY2017. This amount includes \$102.53 billion in mandatory appropriations and \$74.85 in discretionary appropriations (**Table 1**). The Senate-passed version (Division B of H.R. 2577) provides \$105.58 billion for VBA programs. This amount includes \$2.85 billion in VBA general operating expenses moved from the departmental administration to VBA programs (**Table 2**). It should be noted that prior to passage of the FY2012 MILCON-VA appropriations bill (P.L. 112-74), VBA general operating expenses were included with the departmental general operating expenses. With the enactment of P.L. 112-74, VBA general operating expenses were separated into general administration and general operating expenses.¹⁶

Division B of H.R. 2577 provides \$65.52 billion for VHA (without collections), which includes \$1.57 over the FY2017 advance appropriations (provided in the Consolidated Appropriations Act, 2016; P.L. 114-113) for the three medical care accounts (medical services, medical support and compliance, and medical facilities), and \$675.36 million for the medical and prosthetic research account—a 1.80% increase over the President's request of \$663.36 million. Division B of H.R. 2577 provides \$7.24 billion for a new medical community care account. Funding for this account is derived by rescinding amounts appropriated in FY2017 for the medical services account. The

¹⁵ For more information on the Zika Response Appropriations bill, see CRS Report R44460, *Zika Response Funding: Request and Congressional Action*, coordinated by (name redacted) .

¹⁶ According to H.Rept. 112-94: "The Administration's budget request proposes that funding for the administrative expenses associated with the Veterans Benefits Administration and all Department-wide offices be included within one single appropriation account. The Committee recommendation includes funding for these functions in two separate accounts: General operating expenses, Veterans Benefits Administration, and General administration. The Committee believes that differences in the mission and purpose of the Department's executive offices and the Veterans Benefits Administration justify providing funding in two separate accounts. Further, separating these two broad categories will provide the Congress with greater visibility of budgetary resources and oversight of expenditures for these two vital missions," p. 44.

House-passed measure (H.R. 4974; H.Rept. 114-497) and the President's request would fund this account by transferring funds from the medical services, medical support and compliance, or medical facilities accounts.

Among other highlights, the Senate-passed version of the MILCON-VA appropriations bill includes an administrative provision that allows FY2017 and FY2018 advance appropriations funds to provide "fertility treatment and counseling, including treatment using assisted reproductive technology, to veterans and their spouses if the veteran has a service-connected condition that results in the veteran being unable to procreate without the use of such fertility treatment."¹⁷ Furthermore, the bill contains numerous authorization provisions of veterans programs as administrative provisions.

Lastly, the Senate-passed bill provides \$66.38 billion in advance appropriations for the four medical care accounts (medical services, medical community care, medical support and compliance, and medical facilities) and \$103.93 billion in advance appropriations for mandatory benefit program accounts (compensation and pensions, readjustment benefits, and veterans insurance and indemnities) for FY2018, the same as the President's request for these accounts for FY2018.

Conference Agreement

On May 26, 2016, the House concurred with the Senate amendment with an amendment consisting of the text of H.R. 4974, H.R. 5243, and H.R. 897, as passed by the House (H.Res. 751). On June 22, the Chairman of the House Appropriations Committee filed a conference agreement reached between House and Senate Republican Members (H.R. 2577; H.Rept. 114-640). The conference agreement to accompany the FY2017 MILCON-VA appropriations bill and the Zika Response and Preparedness Act was approved by the House on June 23; on June 28, July 14, and September 6, 2016 the Senate voted not to invoke cloture on the conference agreement.¹⁸

The Division A conference agreement (H.R. 2577; H.Rept. 114-640) contained the FY2017 MILCON-VA appropriations bill. The conference agreement would provide \$176.89 billion for VA for FY2017. For VBA, the amounts are similar to the Senate-passed amounts. For VHA, the conference agreement provides \$65.27 billion (excluding collections). All other amounts are generally similar to the Senate-passed amounts. The conference agreement also includes an administrative provision "allowing the use of [m]edical [s]ervices funding for fertility treatment and adoption reimbursement for veterans and their spouses if the veteran has a service-connected disability that results in being unable to procreate without such fertility treatment."¹⁹

¹⁷ Section 247 of the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2017 (Division B of H.R. 2577).

¹⁸ For more information on the Zika Response Appropriations bill, see CRS Report R44460, *Zika Response Funding: Request and Congressional Action*, coordinated by (name redacted) , and CRS Report R44549, *Supplemental Appropriations for Zika Response: The FY2016 Conference Agreement in Brief*, by (name redacted) and (name redacted).

¹⁹ U.S. Congress, House Committee of Conference, Departments of Transportation, and Housing and Urban Development, and Related Agencies for the Fiscal Year Ending September 30, 2016, and for Other Purposes, report to accompany H.R. 2577, 114th Cong., 2nd sess., June 22, 2016, H.Rept. 114-640, p. 100.

Table I.VA FY2016-FY2017 Mandatory and Discretionary Appropriations and FY2018 Advance Appropriations

(\$ in Thousands)

	Consolidated Appropriations Act, 2016 (P.L. 114-113)		President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
Total Department of Veterans Affairs (VA)	\$162,671,005	—	\$177,545,236	—	\$176,066,836	—	\$177,391,336	—	\$176,891,336	—
Total Mandatory	\$91,256,062	—	\$102,532,481	—	\$102,532,481	—	\$102,532,481	—	\$102,532,481	—
Total Discretionary	\$71,414,943	—	\$75,012,755	—	\$73,534,355	—	\$74,858,855	—	\$74,358,855	—
Memorandum:										
Advance Appropriations Veterans Benefits Administration, (VBA) ^a	—	\$102,515,876	—	\$103,935,996	—	\$103,935,996	—	\$103,935,996	—	\$103,935,996
Advance Appropriations Veterans Health Administration, (VHA) ^b	—	\$63,271,000	—	\$66,385,032	—	\$66,385,032	—	\$66,385,032	—	\$66,385,032
Total Advance Appropriations	—	\$165,786,876	—	\$170,321,028	—	\$170,321,028	—	\$170,321,028	—	\$170,321,028

Source: Table prepared by the Congressional Research Service based on U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017*, Report to Accompany H.R.4974, 114th Cong., 2nd sess., April 15, 2016; U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2017*, Report to Accompany 2806, 114th Cong., 2nd sess., April 18, 2016; and U.S. Congress,

Conference Committee, *Departments of Transportation, and Housing and Urban Development, and Related Agencies For The Fiscal Year Ending September 30, 2016, And For Other Purposes*, Report to accompany H.R. 2577, 114th Cong., 2nd sess., June 22, 2016, H.Rept. 114-640.

- a. As authorized in P.L. 113-235, beginning with FY2017 certain VBA accounts would receive advance appropriations, as provided in the Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2016 (Division J of the Consolidated Appropriations Act, 2016, P.L. 114-113). Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2017 would provide advance appropriations for FY2018.
- b. Congress first provided advance appropriations for the three VHA accounts in the FY2010 appropriations cycle; the Consolidated Appropriations Act, 2010 (P.L. 111-117), provided advance appropriations for FY2011. Subsequently, each successive appropriation act has provided advance appropriations for the VHA accounts.

Table 2.VA FY2016-FY2017 Appropriations and FY2018 Advance Appropriations
(\$ in Thousands)

Program	Consolidated Appropriations Act, 2016 (P.L. 114-113)		President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
Veterans Benefits Administration (VBA)										
Compensation and pensions	\$76,865,545	—	\$86,083,128	—	\$86,083,128	—	\$86,083,128	—	\$86,083,128	—
Readjustment benefits	\$14,313,357	—	\$16,340,828	—	\$16,340,828	—	\$16,340,828	—	\$16,340,828	—
Insurance and indemnities	\$77,160	—	\$91,920	—	\$91,920	—	\$91,920	—	\$91,920	—
Over FY2017 advance appropriations	—	—	\$16,605	—	\$16,605	—	\$16,605	—	\$16,605	—
Housing programs administration	\$164,558	—	\$198,856	—	\$167,612	—	\$198,856	—	\$198,856	—
Vocational rehabilitation loan program	\$31	—	\$36	—	\$36	—	\$36	—	\$36	—
Vocational rehabilitation loan administration	\$367	—	\$389	—	\$389	—	\$389	—	\$389	—
Native American housing loan program	\$1,134	—	\$1,163	—	\$1,163	—	\$1,163	—	\$1,163	—

Program	Consolidated Appropriations Act, 2016 (P.L. 114-113)				President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
General operating expenses, VBA ^a	—	—	—	—	—	—	—	—	\$2,856,160	—	\$2,856,160	—
<i>Total, VBA</i>	<i>\$91,422,152</i>	<i>—</i>	<i>\$102,732,925</i>	<i>—</i>	<i>\$102,701,681</i>	<i>—</i>	<i>—</i>	<i>\$105,589,085</i>	<i>—</i>	<i>\$105,589,085</i>	<i>—</i>	<i>—</i>
National Cemetery Administration (NCA)	\$271,220	—	\$286,193	—	\$271,220	—	—	\$286,193	—	\$286,193	—	—
<i>Total, NCA</i>	<i>\$271,220</i>	<i>—</i>	<i>\$286,193</i>	<i>—</i>	<i>\$271,220</i>	<i>—</i>	<i>—</i>	<i>\$286,193</i>	<i>—</i>	<i>\$286,193</i>	<i>—</i>	<i>—</i>
Veterans Health Administration (VHA)												
Medical services	\$47,603,202	—	\$51,673,000	—	\$51,673,000	—	—	\$51,673,000	—	\$51,673,000	—	—
<i>Additional funding over FY2016 advance appropriation</i>	<i>\$2,369,158</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>
<i>Additional funding over FY2017 advance appropriations</i>	<i>—</i>	<i>—</i>	<i>\$1,078,993</i>	<i>—</i>	<i>\$864,000</i>	<i>—</i>	<i>—</i>	<i>\$1,078,993</i>	<i>—</i>	<i>\$1,078,993</i>	<i>—</i>	<i>—</i>

Program	Consolidated Appropriations Act, 2016 (P.L. 114-113)		President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
Medical community care (transfers from other accounts) ^b	—	—	(\$7,246,181)	—	(\$7,246,181)	—	—	—	—	—
Medical community care (rescinded from medical services) ^c	—	—	—	—	—	—	(\$7,246,181)	—	(\$7,246,181)	—
Medical community care	—	—	\$7,246,181	—	\$7,246,181	—	\$7,246,181	—	\$7,246,181	—
Medical support and compliance	\$6,144,000	—	\$6,524,000	—	\$6,524,000	—	\$6,524,000	—	\$6,524,000	—
Medical facilities	\$4,915,000	—	\$5,074,000	—	\$5,074,000	—	\$5,074,000	—	\$5,074,000	—
<i>Additional funding over FY2016 advance appropriations</i>	\$105,132	—	—	—	—	—	—	—	—	—
<i>Additional funding over FY2017 advance appropriations</i>	—	—	\$649,000	—	—	—	\$495,100	—	\$247,668	—
Medical and prosthetic research	\$630,735	—	\$663,366	—	\$663,366	—	\$675,366	—	\$675,366	—

Program	Consolidated Appropriations Act, 2016 (P.L. 114-113)				President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
<i>Total, VHA (without collections)</i>	\$61,767,227	—	\$65,662,359	—	\$64,798,366	—	\$65,520,459	—	\$65,273,027	—		
Medical Care Collection Fund (MCCF)	\$2,445,000	—	\$2,637,000	—	\$2,637,000	—	\$2,637,000	—	\$2,637,000	—	\$2,637,000	—
<i>Total, VHA (with collections)</i>	\$64,212,227	—	\$68,299,359	—	\$67,435,366	—	\$68,157,459	—	\$67,910,027	—		
Departmental Administration												
General administration	\$336,659	—	\$417,959	—	\$316,159	—	\$417,959	—	\$345,391	—		
Board of Veterans Appeals	\$109,884	—	\$156,096	—	\$156,096	—	\$156,096	—	\$156,096	—		
General operating expenses, VBA	\$2,707,734	—	\$2,826,160	—	\$2,826,160	—	—	—	—	—		
Information technology	\$4,133,363	—	\$4,278,259	—	\$4,225,869	—	\$4,278,259	—	\$4,278,259	—		
Inspector General	\$136,766	—	\$160,106	—	\$160,106	—	\$160,106	—	\$160,106	—		
Construction, major projects	\$1,243,800	—	\$528,110	—	\$528,110	—	\$528,110	—	\$528,110	—		

Program	Consolidated Appropriations Act, 2016 (P.L. 114-113)				President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
Construction, minor projects	\$406,200	—	\$372,069	—	\$372,069	—	\$372,069	—	\$372,069	—	\$372,069	—
Grants for state extended care facilities	\$120,000	—	\$80,000	—	\$80,000	—	\$90,000	—	\$90,000	—	\$90,000	—
Grants for state veterans cemeteries	\$46,000	—	\$45,000	—	\$45,000	—	\$45,000	—	\$45,000	—	\$45,000	—
<i>Total, Departmental Administration</i>	<i>\$9,240,406</i>	<i>—</i>	<i>\$8,863,759</i>	<i>—</i>	<i>\$8,709,569</i>	<i>—</i>	<i>\$6,047,599</i>	<i>—</i>	<i>\$5,975,031</i>	<i>—</i>	<i>\$5,975,031</i>	<i>—</i>
Administrative rescissions and reductions	(\$30,000)	—	—	—	(\$414,000)	—	(\$52,000)	—	(\$232,000)	—	(\$232,000)	—
Total, Department of Veterans Affairs (without collections)	\$162,671,005	—	\$177,545,236	—	\$176,066,836	—	\$177,391,336	—	\$176,891,336	—	\$176,891,336	—
Memorandum: Advance Appropriations												
Compensation and pensions	—	\$86,083,128	—	\$90,119,449	—	\$90,119,449	—	\$90,119,449	—	\$90,119,449	—	\$90,119,449
Readjustment benefits	—	\$16,340,828	—	\$13,708,648	—	\$13,708,648	—	\$13,708,648	—	\$13,708,648	—	\$13,708,648

Program	Consolidated Appropriations Act, 2016 (P.L. 114-113)				President's Request		House (H.R. 4974)		Senate (H.R. 2577)		Conference (H.Rept. 114-640; H.R. 2577)	
	FY2016	FY2017	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
Insurance and indemnities	—	\$91,920	—	\$107,899	—	\$107,899	—	\$107,899	—	\$107,899	—	\$107,899
<i>Total VBA</i>	—	<i>\$102,515,876</i>	—	<i>\$103,935,996</i>	—	<i>\$103,935,996</i>	—	<i>\$103,935,996</i>	—	<i>\$103,935,996</i>	—	<i>\$103,935,996</i>
Medical services	—	\$51,673,000	—	\$44,886,554	—	\$44,886,554	—	\$44,886,554	—	\$44,886,554	—	\$44,886,554
Medical community care	—	—	—	\$9,409,118	—	\$9,409,118	—	\$9,409,118	—	\$9,409,118	—	\$9,409,118
Medical support and compliance	—	\$6,524,000	—	\$6,654,480	—	\$6,654,480	—	\$6,654,480	—	\$6,654,480	—	\$6,654,480
Medical facilities	—	\$5,074,000	—	\$5,434,880	—	\$5,434,880	—	\$5,434,880	—	\$5,434,880	—	\$5,434,880
<i>Total VHA</i>	—	<i>\$63,271,000</i>	—	<i>\$66,385,032</i>	—	<i>\$66,385,032</i>	—	<i>\$66,385,032</i>	—	<i>\$66,385,032</i>	—	<i>\$66,385,032</i>
Total, VA advance appropriations	—	\$165,786,876	—	\$170,321,028	—	\$170,321,028	—	\$170,321,028	—	\$170,321,028	—	\$170,321,028

Source: Table prepared by the Congressional Research Service based on U.S. Congress, House Committee on Appropriations, Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017, Report to Accompany H.R. 4974, 114th Cong., 2nd sess., April 15, 2016; U.S. Congress, Senate Committee on Appropriations, Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2017, Report to Accompany 2806, 114th Cong., 2nd sess., April 18, 2016; and U.S. Congress, Conference Committee, Departments of Transportation, and Housing and Urban Development, and Related Agencies For The Fiscal Year Ending September 30, 2016, And For Other Purposes, Report to accompany H.R. 2577, 114th Cong., 2nd sess., June 22, 2016, H.Rept. 114-640.

- a. The Senate-reported version of the Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017 (S. 2806; S.Rept. 114-237), the Senate-passed (H.R. 2577) version, and the Conference report accompanying the Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017 (H.Rept. 114-640; H.R. 2577) moves the General Operating Expenses, Veterans Benefits Administration (VBA) account from the Departmental Administration accounts to the VBA program activities accounts.
- b. Section 4003 of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (P.L. 114-41) required the establishment of a separate account for medical community care. The President's request for FY2017 and the House passed version of the Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017 (H.R. 4974) funds this new account by transferring funds from other medical care accounts.

- c. Section 4003 of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (P.L. 114-41) required the establishment of a separate account for medical community care. The Senate-reported version of the Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017 (S. 2806; S.Rept. 114-237), the Senate-passed (H.R. 2577) version, and the Conference report accompanying the Military Construction, Veterans Affairs and Related Agencies Appropriations Bill, 2017 (H.Rept. 114-640; H.R. 2577) funds this account by rescinding FY2017 funds from the medical services account and appropriating to the new medical community care account.

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