#### STATEMENT OF

# RAYMOND C. KELLEY, DIRECTOR NATIONAL LEGISLATIVE SERVICE VETERANS OF FOREIGN WARS OF THE UNITED STATES

#### BEFORE THE

### VETERANS' AFFAIRS SUBCOMMITTEE ON HEALTH UNITED STATES HOUSE OF REPRESENTATIVES

#### WITH RESPECT TO

#### H.R. 3262, H.R. 3484, H.R. 4056 and DRAFT LEGISLATION

WASHINGTON, D.C.

**December 8, 2015** 

Chairman Benishek, Ranking Member Brownley and members of the Subcommittee, on behalf of the men and women of the Veterans of Foreign Wars of the United States (VFW) and our Auxiliaries, I want to thank you for the opportunity to present the VFW's views on legislation pending before this Subcommittee.

#### H.R. 3262, a bill to provide for the conveyance of land of the Illiana Health Care System

H.R. 3262 authorizes the Department of Veterans Affairs (VA) to convey approximately .6 acres of land, included on which is building number 48, to the Danville Area Community College. In exchange, Danville Community College will convey approximately 1.06 acres of land. Included on this property stands a gazebo. These properties are adjacent to each other and authorizing the conveyance will allow the new property line to run in a straight line.

This conveyance will benefit both the VA and the Community College. VA has plans to place a fence around its property and it will save the VA money by making the property line straight. Building number 48 is currently unutilized, and by conveying this property, VA will save funds that would otherwise be obligated for maintenance of the building. The Community College wants building number 48 so it can be refurbished and used as an art studio.

This conveyance makes sense to the VFW. It will relieve the VA of a building they no longer use, saving them money, and the college gains a building they can use for its students. The VFW supports H.R. 3262.

#### H.R. 3484, the "Los Angeles Homeless Veterans Leasing Act of 2015"

The West LA campus was deeded through a will to the federal government with the explicit intent for the property to be used to assist veterans. Over time, VA lost sight of that intent and leased out parts of this property – which is over 300 acres – to private entities and has made little

to no repairs or improvements for the veterans it was intended for. This bill will realign the property with the original intent of the family who deeded the property in 1888.

The VFW agrees in principal with this legislation because it returns the property to its rightful owners, the veterans of West LA. The VFW has concerns, though, with Section 2(b)3. This section of the bill appears to provide a specific carve-out for one or more of the current leases VA has entered into that do not conform to existing laws that govern Enhanced Use-Leases, nor follow the future leasing process laid out in this legislation. There should be no special treatment or consideration for any current leases that cannot fulfill the requirements of Section 2(b)2 of this legislation.

The VFW supports the intent of H.R. 3484, but would ask that Section 2(b)3 be removed so all leases meet the requirement of Section 2(b)2 of this bill.

### H.R. 4056, a bill to provide for the conveyance of land at the Lake Baldwin Veterans Affairs Outpatient Clinic, Orlando, Florida

H.R. 4056 will authorize the conveyance of the Community Living Center (CLC) at the Lake Baldwin Veterans Affairs Outpatient Clinic to the Florida Department of Veterans Affairs. The 60 bed CLC described in this legislation is currently being used as transitional storage while VA moves to its new facility. Currently, the VA does not have plans to reopen the CLC, but by conveying this building to the Florida Department of Veterans Affairs the facility will be able to reopen quickly to serve the veterans in the Lake Baldwin area by the Florida Department of VA.

The VFW supports this legislation.

## Draft Legislation to amend the Veterans' Benefit Program Improvement Act of 1991 to authorize the Secretary of Veterans Affairs to sell Pershing Hall

The Department of Veterans Affairs has managed Pershing Hall, which is now owned by VA and is leased as a hotel in Paris, France. The current lease is set to expire in 2097. The VFW believes the VA should not be in the hotel business, but disposal of the hotel should be a business decision, not just an effort to no longer own the building. The VFW is glad to see that the draft legislation contains language stating the property be sold at the fair market value determined by an independent assessment. The VFW would, however, recommend this Committee consider amending this draft legislation to include language that would call for a prospectus that will outline the costs, if any, of breaching the lease agreement and the loss of annual revenue that the current lease provides. With this financial data, VA and this Committee can more clearly see the financial positives and negatives of selling the property.

#### VA's legislative proposal regarding fiscal year 2016 construction projects

The VFW supports VA's legislative proposal that will allow VA to plan, design, construct, or lease joint VA/DoD shared medical facilities. There are already current sharing agreements between VA and DoD that have allowed medical services to be provided closer to where veterans and military personnel are located. There are also 11 joint ventures that have been viewed very positively by both communities. This authority makes sense and is aligned with the Independent Budget's framework that will allow VA to better partner with other public agencies to better provide veterans with timely access to health care.

The VFW supports this legislative proposal.

Mr. Chairman, this concludes my testimony. I will be happy to answer any questions you or the Subcommittee members may have.

#### **Information Required by Rule XI2(g)(4) of the House of Representatives**

Pursuant to Rule XI2(g)(4) of the House of Representatives, the VFW has not received any federal grants in Fiscal Year 2015, nor has it received any federal grants in the two previous Fiscal Years.

The VFW has not received payments or contracts from any foreign governments in the current year or preceding two calendar years.