

# DEPARTMENT OF VETERANS AFFAIRS

## VETERANS HEALTH ADMINISTRATION

### Federal Funds

#### MEDICAL SERVICES

For necessary expenses for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs and veterans described in section 1705(a) of title 38, United States Code, including care and treatment in facilities not under the jurisdiction of the Department, and including medical supplies and equipment, bioengineering services, food services, and salaries and expenses of healthcare employees hired under title 38, United States Code, aid to State homes as authorized by section 1741 of title 38, United States Code, assistance and support services for caregivers as authorized by section 1720G of title 38, United States Code, loan repayments authorized by section 604 of the Caregivers and Veterans Omnibus Health Services Act of 2010 (Public Law 111-163; 124 Stat. 1174; 38 U.S.C. 7681 note), and hospital care and medical services authorized by section 1787 of title 38, United States Code; **[\$2,369,158,000] \$1,078,993,000**, which shall be in addition to funds previously appropriated under this heading that became available on October 1, **[2015] 2016**; and, in addition, **[\$51,673,000,000] \$44,886,554,000**, plus reimbursements, shall become available on October 1, **[2016] 2017**, and shall remain available until September 30, **[2017] 2018**: *Provided*, That, of the amount made available on October 1, **[2016] 2017**, under this heading, \$1,400,000,000 shall remain available until September 30, **[2018] 2019**: *Provided further*, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs shall establish a priority for the provision of medical treatment for veterans who have service-connected disabilities, lower income, or have special needs: *Provided further*, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs shall give priority funding for the provision of basic medical benefits to veterans in enrollment priority groups 1 through 6: *Provided further*, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs may authorize the dispensing of prescription drugs from Veterans Health Administration facilities to enrolled veterans with privately written prescriptions based on requirements established by the Secretary: *Provided further*, That the implementation of the program described in the previous proviso shall incur no additional cost to the Department of Veterans Affairs **[**: *Provided further*, That, of the amount made available on October 1, 2016, under this heading, not less than \$1,500,000,000 shall be available for Hepatitis C Virus (HCV) clinical treatments, including clinical treatments with modern medications that have significantly higher cure rates than older medications, are easier to prescribe, and have fewer and milder side effects: *Provided further*, That the Secretary of Veterans Affairs shall ensure that sufficient amounts appropriated under this heading for medical supplies and equipment are available for the acquisition of gender appropriate prosthetics **]**. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

#### Special and Trust Fund Receipts (in millions of dollars)

Identification code 036-0160-0-1-703	2015 actual	2016 est.	2017 est.
0100 Balance, start of year .....	286	292	292
Receipts:			
Current law:			
1130 Pharmaceutical Co-payments, MCCF .....	647	642	530
1130 Medical Care Collections Fund, Third Party Prescription Claims .....	102	109	112
1130 Enhanced-use Lease Proceeds, MCCF .....	1	2	2
1130 First Party Collections, MCCF .....	201	199	200
1130 Third Party Collections, MCCF .....	2,424	2,509	2,660
1130 Parking Fees, MCCF .....	4	4	4
1130 Compensated Work Therapy, MCCF .....	67	67	67
1130 MCCF, Long-term Care Copayments .....	3	3	3
1140 Payments from Compensation and Pension, MCCF .....	2	2	2
1199 Total current law receipts .....	3,451	3,537	3,580
1999 Total receipts .....	3,451	3,537	3,580
2000 Total: Balances and receipts .....	3,737	3,829	3,872
Appropriations:			
Current law:			
2101 Medical Care Collections Fund .....	-3,445	-3,537	-3,580
5099 Balance, end of year .....	292	292	292

### Program and Financing (in millions of dollars)

Identification code 036-0160-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Outpatient care .....	18,011	21,901	25,375
0002 Inpatient care .....	6,736	7,054	6,768
0004 Mental health care .....	5,020	5,436	5,811
0005 Long-term care .....	3,171	3,500	3,109
0006 Prosthetics care .....	2,727	2,851	3,646
0007 Dental care .....	580	759	1,057
0008 Rehabilitation .....	593	617	638
0009 CHAMPVA and Other dependent programs .....	1,394	1,708	300
0011 Readjustment Counseling .....	186	219	241
0012 Caregivers (Title I) P.L. 111-163 .....	447	596	697
0013 Prior-Year Recoveries .....	574	.....	.....
0014 Non-VA Care (Payments) .....	7,815	7,688	.....
0021 P.L. 113-146, Sec. 801 - FTE & Other Costs .....	579	1,286	733
0022 P.L. 113-146, Sec. 801 - Section 301/302 Activities .....	2	60	60
0025 P.L. 113-146, Sec. 801 - Activations .....	.....	30	.....
0026 Audit Adjustment .....	-149	149	.....
0091 Total operating expenses .....	47,686	53,854	48,435
0101 Outpatient care .....	1,683	548	653
0102 Inpatient care .....	184	192	185
0103 Mental health care .....	35	39	41
0104 Long-term care .....	58	65	57
0106 Dental care .....	17	23	32
0107 Rehabilitation .....	16	16	17
0109 Readjustment Counseling .....	2	2	2
0110 Caregivers (Title I) P.L. 111-163 .....	3	3	3
0112 P.L. 113-146, Sec. 801 - FTE & Other Costs .....	29	29	29
0114 P.L. 113-146, Sec. 801 - Activations .....	.....	10	.....
0191 Total Capital Investment .....	2,027	927	1,019
0799 Total direct obligations .....	49,713	54,781	49,454
0801 Medical Services (Reimbursable) .....	146	150	153
0900 Total new obligations .....	49,859	54,931	49,607
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5,228	1,881	361
1010 Unobligated balance transfer to other accts [036-0162] .....	-1,772	.....	.....
1010 Unobligated balance transfer to other accts [036-0152] .....	-27	.....	.....
1010 Unobligated balance transfer to other accts [036-0111] .....	-511	.....	.....
1010 Unobligated balance transfer to other accts [036-0167] .....	-377	.....	.....
1011 Unobligated balance transfer from other acct [036-0167] .....	14	.....	.....
1011 Unobligated balance transfer from other acct [036-0111] .....	.....	.....	195
1011 Unobligated balance transfer from other acct [036-0162] .....	.....	.....	324
1020 Adjustment of unobligated bal brought forward, Oct 1 .....	.....	-149	.....
1021 Recoveries of prior year unpaid obligations .....	574	149	.....
1050 Unobligated balance (total) .....	3,129	1,881	880
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1,609	3,769	1,079
1120 Appropriations transferred to other accts [036-0169] .....	-190	-196	-202
1120 Appropriations transferred to other accts [036-0165] .....	-15	-15	-15
1120 Appropriations transferred to other acct [036-0110] .....	-6	-39	.....
1121 Appropriations transferred from other acct [036-5287] .....	3,423	3,515	3,308
1121 Appropriations transferred from other acct [036-0152] .....	57	.....	.....
1160 Appropriation, discretionary (total) .....	4,878	7,034	4,170
Advance appropriations, discretionary:			
1170 Advance appropriation .....	45,016	47,603	51,673
1173 Advance appropriations permanently reduced .....	-1,429	-1,400	.....
1173 Advance appropriations transferred to other accts [036-0140] .....	.....	.....	-7,246
1180 Advanced appropriation, discretionary (total) .....	43,587	46,203	44,427
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	142	171	171
1701 Change in uncollected payments, Federal sources .....	4	3	3
1750 Spending auth from offsetting collections, disc (total) .....	146	174	174
1900 Budget authority (total) .....	48,611	53,411	48,771
1930 Total budgetary resources available .....	51,740	55,292	49,651
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1,881	361	44
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	8,587	7,090	8,477

MEDICAL SERVICES—Continued  
Program and Financing—Continued

Identification code 036-0160-0-1-703	2015 actual	2016 est.	2017 est.
3001 Adjustments to unpaid obligations, brought forward, Oct 1 .....		149	
3010 Obligations incurred, unexpired accounts .....	49,859	54,931	49,607
3011 Obligations incurred, expired accounts .....	811		
3020 Outlays (gross) .....	-50,677	-53,544	-49,288
3040 Recoveries of prior year unpaid obligations, unexpired .....	-574	-149	
3041 Recoveries of prior year unpaid obligations, expired .....	-916		
3050 Unpaid obligations, end of year .....	7,090	8,477	8,796
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-5	-7	-10
3070 Change in uncollected pymts, Fed sources, unexpired .....	-4	-3	-3
3071 Change in uncollected pymts, Fed sources, expired .....	2		
3090 Uncollected pymts, Fed sources, end of year .....	-7	-10	-13
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	8,582	7,232	8,467
3200 Obligated balance, end of year .....	7,083	8,467	8,783
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	48,611	53,411	48,771
Outlays, gross:			
4010 Outlays from new discretionary authority .....	40,478	46,051	42,341
4011 Outlays from discretionary balances .....	9,603	6,128	6,595
4020 Outlays, gross (total) .....	50,081	52,179	48,936
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-87	-63	-61
4033 Non-Federal sources .....	-245	-108	-110
4040 Offsets against gross budget authority and outlays (total) .....	-332	-171	-171
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired .....	-4	-3	-3
4052 Offsetting collections credited to expired accounts .....	190		
4060 Additional offsets against budget authority only (total) .....	186	-3	-3
4070 Budget authority, net (discretionary) .....	48,465	53,237	48,597
4080 Outlays, net (discretionary) .....	49,749	52,008	48,765
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	596	1,365	352
4180 Budget authority, net (total) .....	48,465	53,237	48,597
4190 Outlays, net (total) .....	50,345	53,373	49,117

For 2018, the Budget requests \$66.4 billion in advance appropriations for the four medical care appropriations: Medical Services, Medical Community Care, Medical Support and Compliance, and Medical Facilities. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans. This funding enables timely and predictable funding for VA's medical care to prevent our Nation's veterans from being adversely affected by budget delays, and provides opportunities to more effectively use resources in a constrained fiscal environment.

For 2017, Medical Care appropriations are increased by \$1.7 billion over the 2017 advance appropriations request of \$63.3 billion. Each year, VA updates its budget estimates to incorporate the most recent data on health care utilization rates, actual program experience, and other factors, such as economic trends in unemployment and inflation. As a result of these updates, the adjusted budget estimates more accurately reflect the projected medical demands of veterans enrolled in the VA health care system.

The Veterans Access, Choice, and Accountability Act of 2014 ("Veterans Choice Act"), Public Law 113-146 provided \$5 billion in mandatory funding to increase veterans' access to health care by hiring more physicians and staff and improving VA's physical infrastructure. It also provided \$10 billion in mandatory funding through 2017 to establish a temporary program ("Veterans Choice Program") improving veterans' access to health care by allowing eligible veterans who meet certain wait-time or distance standards to use eligible health care providers outside the VA system.

With the resources requested for 2017 and 2018, VA will provide the highest quality health care services for veterans. VA estimates it will treat 7.0 million patients in 2017 and 7.1 million patients in 2018. Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn (OEF/OIF/OND) veterans are expected to reach 922,664 in 2017 (13.2 percent of the total) and 995,196 in 2018 (14.0 percent of the total).

**Medical Care Collections Fund (MCCF).**—VA estimates collections of nearly \$3.6 billion in 2017 and over \$3.6 billion in 2018, representing over five percent of available Medical Care resources in both years. VA has the authority to collect inpatient and outpatient co-payments, medication co-payments, and nursing home co-payments; authority for certain income verification; authority to recover third-party insurance payments from veterans for nonservice-connected conditions; and authority to collect revenue from enhanced use leases. These collections also include those collected from the Compensated Work Therapy Program, Compensation and Living Expenses Program, and the Parking Program.

**Medical Services.**—For Medical Services, the Budget reflects the following discretionary appropriation funding: the 2016 enacted advance appropriation of \$47.6 billion, augmented with \$2.4 billion (as provided in Public Law 114-113); the 2017 enacted advance appropriation of \$51.7 billion, together with an additional \$1.1 billion as requested in this Budget; and the 2018 advance appropriation request of \$44.9 billion. This appropriation provides for a comprehensive, integrated health care delivery system that addresses the needs of eligible veterans and beneficiaries in VA medical centers, outpatient clinic facilities, contract hospitals, State homes, and outpatient programs on a fee basis. Hospital and outpatient care is also provided by the private sector for certain dependents and survivors of veterans under the Civilian Health and Medical Programs for the Department of Veterans Affairs (CHAMPVA). In addition to this funding, the Budget reflects mandatory funding provided in section 801 of the Veterans Choice Act (Public Law 113-146): \$1.7 billion remains in 2016.

**WORKLOAD**

Estimated obligations and workload for six categories of health care services are shown below: outpatient care, inpatient care, mental health care, long term services and supports, prosthetics care, and dental care. In addition, estimated obligations and workload are also shown for four programs: CHAMPVA and other dependent programs, readjustment counseling, Caregivers, and non-VA care. In each of the six categories of health care services, the obligations and workload shown reflect only the provision of care by VA providers; obligations and workload for all types of non-VA care are displayed separately in the section on non-VA care. Finally, the obligations for each of the six categories of health care services do not include the funding provided by section 801 of the Veterans Choice Act, but the estimated workload levels do include the additional workload associated with this funding.

**Outpatient care.**—Obligations in the Medical Services account for 2017 are estimated to be \$26,028 million for this health service category, which includes funding for ambulatory care in VA hospital-based and community-based clinics.

Estimated operating levels are:

Outpatient Visits (excludes Mental Health):	2015 actual	2016 est.	2017 est.
Staff .....	70,350,501	72,933,627	75,043,060

**Inpatient care.**—Obligations in the Medical Services account for 2017 are estimated to be \$6,953 million, which includes funding for inpatient care in VA medical centers.

Estimated operating levels are:

Patients Treated .....	2015 actual	2016 est.	2017 est.
	460,006	445,620	430,504

**Mental health care.**—Obligations in the Medical Services account for 2017 are estimated to be \$5,852 million for the inpatient, residential, and outpatient care of veterans with conditions related to mental illness, including alcohol and drug problems. Mental health services and operations ensure the availability of a range of services, from treatment of a variety of common mental health conditions in primary care to more intensive interven-

tions in specialty mental health programs for more severe and persisting mental health conditions. Specialty services such as evidence-based psychotherapies, intensive outpatient programs, residential rehabilitation treatment, and inpatient care are available to meet the range of veterans' needs.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
Average daily census (ADC) .....	8,849	8,729	8,605
Outpatient Visits/Encounters .....	12,918,336	13,487,534	13,979,398

**Long term services and supports.**—Obligations in the Medical Services account for 2017 are estimated to be \$3,166 million for the care of veteran residents in VA-operated long-term care programs. VA offers a spectrum of geriatric and extended care services to veterans enrolled in its health care system. The spectrum of long-term care services includes non-institutional and institutional services. All VA medical centers provide home- and community-based long-term care programs. The patient-focused approach supports veterans who wish to live safely at home in their own communities for as long as possible. In addition, veterans receive institutional long-term care through one of four venues: VA Community Living Centers (CLCs); Community Nursing Homes; State Veterans Nursing Homes; and State Veterans Home Domiciliaries. The operating levels for institutional care below represent only VA CLCs.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
Institutional (ADC) .....	9,226	8,975	8,711
Non-Institutional Visits/Procedures .....	2,602,003	2,750,302	2,795,947

**Prosthetics care.**—Obligations in the Medical Services account for 2017 are estimated to be \$3,646 million for veterans. Prosthetic and Sensory Aids Service is an integrated delivery system designed to provide medically prescribed prosthetic and sensory aids, medical devices, assistive aids, repairs and services to eligible disabled veterans to maximize the independence and enhance their quality of life. This includes, but is not limited to, artificial limbs, hearing aids, and home oxygen; items that improve accessibility such as ramps and vehicle modifications, wheelchairs and mobility aids; and devices surgically placed in the veteran, such as stents.

**Dental care.**—Obligations in the Medical Services account for 2017 are estimated to be \$1,089 million for the treatment of veterans who require dental care. Dental care services are provided to eligible veterans with a "medical condition negatively impacted by poor dentition." These patients may include poorly controlled diabetic patients, patients with head or neck cancer, organ transplant patients, and others. Veterans with a 100 percent service-connected disability are eligible for comprehensive dental care as needed. In addition, homeless veterans enrolled in certain residential treatment programs are also eligible for dental treatment.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
Dental Procedures .....	4,261,946	4,467,837	4,636,882

**Rehabilitation.**—Obligations in the Medical Services account for 2017 are estimated to be \$655 million for the provision of rehabilitative care, including Blind Rehabilitation and Spinal Cord Injury programs. These services include inpatient and outpatient blind and vision rehabilitation programs, adjustment to blindness counseling, patient and family education, and assistive technology. The mission of Spinal Cord Injury and Disorders (SCI/D) Services is to promote the health, independence, quality of life and productivity of individuals with spinal cord injury and disorders through efficient delivery of acute rehabilitation, psychological, social, vocational, medical and surgical care, professional training, as well as patient and family education.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
ADC .....	1,143	1,134	1,135

**Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) Programs.**—Obligations in the Medical Services account for 2017 are estimated to be \$300 million (excludes care in the

community portion found under the new Medical Community Care appropriation) for pharmacy and medical service personnel dealing with CHAMPVA matters.

**Readjustment Counseling.**—Obligations in the Medical Services account for 2017 are estimated to be \$243 million. This program provides readjustment counseling services at VA Vet Centers. Vet Centers are community-based counseling centers that provide a wide range of social and psychological services to include: professional readjustment counseling to veterans who have served in a combat zone, military sexual trauma counseling, bereavement counseling for families who experience an active duty death, substance abuse assessments and referral, medical referral, VBA benefits explanation and referral, and employment counseling. Services are also extended to the family members of eligible veterans for issues related to military service and the readjustment of those veterans.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
Visits .....	1,661,145	1,710,979	1,762,309

**Caregivers (Title I) Programs.**—Obligations in the Medical Services account for 2017 are estimated to be \$700 million. The Caregivers and Veterans Omnibus Health Services Act of 2010, Public Law 111–163, authorized VA to provide assistance and support services for Caregivers of eligible veterans. This program provides a wide range of services for primary caregivers to include: a monthly personal caregiver stipend, respite care, access to mental health services, beneficiary travel, and health care benefits through the existing CHAMPVA Program.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
Caregiver Stipend (dollars) .....	387,667,765	516,605,000	629,271,000
Caregiver Caseload .....	24,771	30,644	36,644

**Public Law 113–146, Veterans Choice Act, Section 801.**—On August 7, 2014, President Obama signed into law the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146) ("Veterans Choice Act"). The 2017 Budget supports implementation of the Veterans Choice Act and the Administration's goal of providing timely, high-quality health care for our Nation's veterans. The Veterans Choice Act provided \$5 billion in mandatory funding in Section 801 to increase veterans' access to health care by hiring more physicians and staff and improving the VA's physical infrastructure. Obligations in the Medical Services account for 2017 are estimated to be \$822 million for Section 301/302, hiring medical staff, and supplies and materials.

Estimated funding levels are:

Dollars in Millions	2015 actual	2016 est.	2017 est.
FTE & Other Costs .....	\$610	\$1,315	\$722
Section 301/302 Activities .....	\$0	\$60	\$60
Activations .....	\$0	\$40	\$0
Total .....	\$610	\$1,415	\$822

**Object Classification (in millions of dollars)**

Identification code 036–0160–0–1–703	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	16,150	16,990	18,587
11.1 Full-time permanent - P.L. 113–146, Sec. 801 .....	438	1,037	604
11.3 Other than full-time permanent .....	339	357	392
11.3 Other than full-time permanent - P.L. 113–146, Sec. 801 .....	9	22	13
11.5 Other personnel compensation .....	1,860	1,957	2,140
11.5 Other personnel compensation - P.L. 113–146, Sec. 801 .....	50	119	69
11.9 Total personnel compensation .....	18,846	20,482	21,805
12.1 Civilian personnel benefits .....	5,883	6,203	6,819
12.1 Civilian personnel benefits - P.L. 113–146, Sec. 801 .....	65	153	89
21.0 Travel & Transportation of Persons .....	915	927	962
22.0 Transportation of things .....	18	21	22
23.2 Rent, Communications & Utilities .....	323	345	358
24.0 Printing and reproduction .....	14	23	23
25.2 Other contractual services .....	10,820	11,678	4,470
25.2 Other contractual serv. - P.L. 113–146, Sec. 801 .....	4	27	
26.0 Supplies & Materials .....	10,253	12,083	13,354
26.0 Supplies & Materials - P.L. 113–146, Sec. 801 .....	15	18	18
31.0 Equipment .....	844	888	990
31.0 Equipment - P.L. 113–146, Sec. 801 .....	29	39	29

MEDICAL SERVICES—Continued  
Object Classification—Continued

Identification code 036-0160-0-1-703	2015 actual	2016 est.	2017 est.
32.0 Land and structures .....	1		
41.0 Grants, Subsidies & Contributions .....	1,682	1,745	515
44.0 Prior-year Recoveries .....	1		
92.0 Audit Adjustment .....		149	
99.0 Direct obligations .....	49,713	54,781	49,454
99.0 Reimbursable obligations .....	146	150	153
99.9 Total new obligations .....	49,859	54,931	49,607

Employment Summary

Identification code 036-0160-0-1-703	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	214,465	225,486	234,648
2001 Reimbursable civilian full-time equivalent employment .....	1,872	1,872	1,872

MEDICAL COMMUNITY CARE

For necessary expenses for furnishing health care to individuals pursuant to chapter 17 of title 38, United States Code, at non-Department facilities, \$7,246,181,000, plus reimbursements, to be derived from amounts appropriated in title II of division J of Public Law 114-113 under the headings "Medical Services", "Medical Support and Compliance", or "Medical Facilities" which became available on October 1, 2016; and, in addition, \$9,409,118,000 shall become available on October 1, 2017, and shall remain available until September 30, 2018: Provided, That, of the amount made available on October 1, 2017, \$1,500,000,000 shall remain available until September 30, 2019.

Program and Financing (in millions of dollars)

Identification code 036-0140-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Medical Community Care .....			7,496
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1121 Appropriations transferred from other acct [036-5287] ....			250
Advance appropriations, discretionary:			
1170 Advance appropriation transferred from other acct [036-0160] .....			7,246
1900 Budget authority (total) .....			7,496
1930 Total budgetary resources available .....			7,496
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			7,496
3020 Outlays (gross) .....			-6,593
3050 Unpaid obligations, end of year .....			903
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....			903
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			7,496
Outlays, gross:			
4010 Outlays from new discretionary authority .....			6,593
4180 Budget authority, net (total) .....			7,496
4190 Outlays, net (total) .....			6,593

For 2018, the Budget requests \$9.4 billion in advance appropriations for Medical Community Care. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans.

The Medical Community Care appropriation provides for the furnishing of Hospital Care and Medical Services to eligible veterans through agreements with certain eligible entities that have an agreement to provide such

care and services for VA. Medical Community Care will be the source of funding for care that VA provides to veterans through community providers. Estimated operating levels are:

	2017 Est.
Outpatient Visits (Non-Mental Health, Non-Non-Institutional Care)	3,708,864
Mental Health Outpatient Visits	361,359
Contract Hospital Patients Treated (Non-Mental Health)	135,467
Contract Hospital Patients Treated (Psychiatry)	21,027
Community Nursing Home Patients Treated	31,093
State Nursing Home Patients Treated	31,619
State Home Domiciliary Patients Treated	4,905
State Adult Day Health Care ADC	47
Dental Procedures	379,050
Non-Institutional Care Visits/Procedures**	10,343,294

\*\*Also counts in Outpatient Visits (Non-Mental Health)

Object Classification (in millions of dollars)

Identification code 036-0140-0-1-703	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.2 Other contractual services .....			6,145
41.0 Grants, subsidies, and contributions .....			1,351
99.9 Total new obligations .....			7,496

MEDICAL SUPPORT AND COMPLIANCE

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities; and administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under chapter 17 of title 38, United States Code, and the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.), [\$6,524,000,000] \$6,654,480,000, plus reimbursements, shall become available on October 1, [2016] 2017, and shall remain available until September 30, [2017] 2018: Provided, That, of the amount made available on October 1, [2016] 2017, under this heading, \$100,000,000 shall remain available until September 30, [2018] 2019. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 036-0152-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 VA Medical Centers & Other Field Activities .....	3,692	3,850	4,130
0002 VISN Headquarters .....	171	174	163
0003 VHA Central Office .....	603	615	660
0004 Consolidated Patient Account Centers .....	309	349	375
0005 Office of Informatics & Analytics .....	188	239	257
0007 Chief Business Office Purchase Care .....	311	384	413
0008 Employee Education Service Center .....	60	69	74
0009 VHA Service Center .....	253	256	275
0011 Health Resource Center .....	56	66	71
0012 Health Eligibility Center .....	44	48	52
0013 Consolidated Mail Outpatient Pharmacies .....	17	18	19
0014 National Center for Patient Safety .....	6	8	9
0015 Prior-Year Recoveries .....	1		
0024 P.L. 113-146, Sec. 801 - FTE & Other Costs .....		1	1
0025 P.L. 113-146, Section 301/302 Activities .....		16	15
0027 Activations .....		3	
0091 Total operating expenses .....	5,711	6,096	6,514
0101 Capital investment .....			27
0102 VAMCs & Other Field Activities .....	20	24	
0104 VHA Central Office .....	1	1	1
0191 Total Capital Investment .....	21	25	28
0293 Total direct program .....	5,732	6,121	6,542
0799 Total direct obligations .....	5,732	6,121	6,542
0801 Medical Support and Compliance (Reimbursable) .....	11	14	14
0900 Total new obligations .....	5,743	6,135	6,556

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	43	127	38
1010 Unobligated balance transfer to other accts [036-0110] .....		-85	
1011 Unobligated balance transfer from other acct [036-0160] .....	27		
1011 Unobligated balance transfer from other acct [036-0162] ....			9

1021	Recoveries of prior year unpaid obligations .....	1		
1050	Unobligated balance (total) .....	71	42	47
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation .....	100	100	
1120	Appropriations transferred to other accts [036-0169] .....	-27	-27	-28
1120	Appropriations transferred to other accts [036-0160] .....	-57		
1120	Appropriations transferred to other acct [036-0110] .....	-2		
1160	Appropriation, discretionary (total) .....	14	73	-28
	Advance appropriations, discretionary:			
1170	Advance appropriation .....	5,880	6,144	6,524
1173	Advance appropriations permanently reduced .....	-106	-100	
1180	Advanced appropriation, discretionary (total) .....	5,774	6,044	6,524
	Spending authority from offsetting collections, discretionary:			
1700	Collected .....	11	14	14
1900	Budget authority (total) .....	5,799	6,131	6,510
1930	Total budgetary resources available .....	5,870	6,173	6,557
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	127	38	1

**Change in obligated balance:**

	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	1,137	790	892
3010	Obligations incurred, unexpired accounts .....	5,743	6,135	6,556
3011	Obligations incurred, expired accounts .....	74		
3020	Outlays (gross) .....	-5,841	-6,010	-6,405
3040	Recoveries of prior year unpaid obligations, unexpired .....	-1		
3041	Recoveries of prior year unpaid obligations, expired .....	-322	-23	
3050	Unpaid obligations, end of year .....	790	892	1,043
	Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1		
3071	Change in uncollected pymts, Fed sources, expired .....	1		
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	1,136	790	892
3200	Obligated balance, end of year .....	790	892	1,043

**Budget authority and outlays, net:**

	Discretionary:			
4000	Budget authority, gross .....	5,799	6,131	6,510
	Outlays, gross:			
4010	Outlays from new discretionary authority .....	5,100	5,434	5,795
4011	Outlays from discretionary balances .....	741	561	606
4020	Outlays, gross (total) .....	5,841	5,995	6,401
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources .....	-15	-14	-14
4033	Non-Federal sources .....	-7		
4040	Offsets against gross budget authority and outlays (total) ...	-22	-14	-14
	Additional offsets against gross budget authority only:			
4052	Offsetting collections credited to expired accounts .....	11		
4060	Additional offsets against budget authority only (total) .....	11		
4070	Budget authority, net (discretionary) .....	5,788	6,117	6,496
4080	Outlays, net (discretionary) .....	5,819	5,981	6,387
	Mandatory:			
	Outlays, gross:			
4101	Outlays from mandatory balances .....		15	4
4180	Budget authority, net (total) .....	5,788	6,117	6,496
4190	Outlays, net (total) .....	5,819	5,996	6,391

For 2018, the Budget requests \$6.7 billion in advance appropriations for Medical Support and Compliance. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans.

For Medical Support and Compliance, the Budget reflects the following discretionary appropriation funding from 2016 through 2018: the 2016 enacted advance appropriation of \$6.1 billion, the 2017 enacted advance appropriation of \$6.5 billion, and the 2018 advance appropriation request of \$6.7 billion. In addition to this funding, the Budget reflects mandatory funding provided in section 801 of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113-146): \$27 million remains available in 2016.

Medical Support and Compliance appropriation finances the expenses of management, security, and administration of the VA health care system through the operation of VA medical centers, other facilities, Veterans In-

tegrated Service Network offices and facility director offices, chief of staff operations, quality of care oversight, legal services, billing and coding activities, procurement, financial management, and human resource management.

**Object Classification** (in millions of dollars)

Identification code 036-0152-0-1-703	2015 actual	2016 est.	2017 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	2,948	3,111	3,240
11.1	Full-time permanent - Choice Act, P.L. 113-146, Sec. 801 ....		12	10
11.3	Other than full-time permanent .....	63	66	69
11.5	Other personnel compensation .....	339	358	372
11.5	Other personnel compensation/P.L. 113-146 Section 801 .....		1	1
11.9	Total personnel compensation .....	3,350	3,548	3,692
12.1	Civilian personnel benefits .....	1,159	1,234	1,296
12.1	Civilian personnel benefits - Choice Act, P.L. 113-146, Sec. 801 .....		5	4
21.0	Travel & Transportation of Persons .....	44	48	49
21.0	Travel and transportation of persons/P.L. 113-146 Section 801 .....		1	1
22.0	Transportation of things .....	10	13	13
23.3	Communications, utilities, and miscellaneous charges .....	116	117	120
24.0	Printing and reproduction .....	12	15	15
25.2	Other contractual services .....	933	1,022	1,230
25.2	Other contractual services - Choice Act, P.L. 113-146, Section 801 .....		1	
26.0	Medical supplies and materials .....	85	92	94
31.0	Equipment .....	22	25	28
44.0	Prior Year Recoveries .....	1		
99.0	Direct obligations .....	5,732	6,121	6,542
99.0	Reimbursable obligations .....	11	14	14
99.9	Total new obligations .....	5,743	6,135	6,556

**Employment Summary**

Identification code 036-0152-0-1-703	2015 actual	2016 est.	2017 est.	
1001	Direct civilian full-time equivalent employment .....	48,610	50,181	55,591
1001	Direct civilian full-time equivalent employment .....		2	
2001	Reimbursable civilian full-time equivalent employment .....	869	869	869

**DOD-VA HEALTH CARE SHARING INCENTIVE FUND**

**Program and Financing** (in millions of dollars)

Identification code 036-0165-0-1-703	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001	DOD-VA health care sharing incentive fund .....	85	60	74
<b>Budgetary resources:</b>				
<b>Unobligated balance:</b>				
1000	Unobligated balance brought forward, Oct 1 .....	196	138	91
1021	Recoveries of prior year unpaid obligations .....	12	13	14
1050	Unobligated balance (total) .....	208	151	105
	Budget authority:			
	Appropriations, discretionary:			
1121	Transferred from DOD account [097-0130] .....	15	15	15
1121	Appropriations transferred from other acct [036-0160] ....	15	15	15
1131	Unobligated balance of appropriations permanently reduced .....	-15	-30	
1160	Appropriation, discretionary (total) .....	15		30
1930	Total budgetary resources available .....	223	151	135
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	138	91	61
<b>Change in obligated balance:</b>				
<b>Unpaid obligations:</b>				
3000	Unpaid obligations, brought forward, Oct 1 .....	73	70	94
3010	Obligations incurred, unexpired accounts .....	85	60	74
3020	Outlays (gross) .....	-76	-23	-8
3040	Recoveries of prior year unpaid obligations, unexpired .....	-12	-13	-14
3050	Unpaid obligations, end of year .....	70	94	146
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	73	70	94

DOD-VA HEALTH CARE SHARING INCENTIVE FUND—Continued

Program and Financing—Continued

Identification code 036-0165-0-1-703	2015 actual	2016 est.	2017 est.
3200 Obligated balance, end of year .....	70	94	146
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	15		30
Outlays, gross:			
4011 Outlays from discretionary balances .....	76	23	8
4180 Budget authority, net (total) .....	15		30
4190 Outlays, net (total) .....	76	23	8

The purpose of the Department of Defense-Veterans Affairs Health Care Sharing Incentive Fund, often referred to as the Joint Incentive Fund (JIF), is to enable the Departments to carry out a program to identify and provide incentives to implement creative sharing initiatives at the facility, intra-regional and nationwide levels. The JIF promotes collaboration and new approaches to problem solving to enable the Departments to improve the coordination of health care services. The Departments have established the fund and developed processes and criteria to solicit and select projects. Section 721 of the 2003 National Defense Authorization Act, Public Law 107-314, established the fund and requires VA and Department of Defense to establish a joint incentive program. In 2017, each Secretary shall contribute a minimum of \$15 million to the fund after the appropriation is enacted.

Object Classification (in millions of dollars)

Identification code 036-0165-0-1-703	2015 actual	2016 est.	2017 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	6	6	6
12.1 Civilian personnel benefits .....	1	1	1
25.1 Advisory and assistance services .....	65	40	54
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	5	5	5
32.0 Land and structures .....	7	7	7
99.9 Total new obligations .....	85	60	74

Employment Summary

Identification code 036-0165-0-1-703	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	57	57	57

MEDICAL FACILITIES

For necessary expenses for the maintenance and operation of hospitals, nursing homes, domiciliary facilities, and other necessary facilities of the Veterans Health Administration; for administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction, and renovation of any facility under the jurisdiction or for the use of the Department; for oversight, engineering, and architectural activities not charged to project costs; for repairing, altering, improving, or providing facilities in the several hospitals and homes under the jurisdiction of the Department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; for leases of facilities; and for laundry services; **[\$105,132,000] \$649,000,000**, which shall be in addition to funds previously appropriated under this heading that became available on October 1, **[2015] 2016**; and, in addition, **[\$5,074,000,000] \$5,434,880,000**, plus reimbursements, shall become available on October 1, **[2016] 2017**, and shall remain available until September 30, **[2017] 2018**: *Provided*, That, of the amount made available on October 1, **[2016] 2017**, under this heading, \$250,000,000 shall remain available until September 30, **[2018] 2019**. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 036-0162-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Engineering & Environmental Management Services .....	544	558	556
0002 Plant Operations .....	748	749	748

0003 Leases .....	498	569	872
0004 Transportation Services .....	158	163	163
0005 Grounds Maintenance & Fire Protection .....	92	98	98
0007 Recurring Maintenance & Repair .....	482	489	482
0008 Non-Recurring Maintenance .....	20		
0009 Operating Equipment Maintenance & Repair .....	193	186	185
0011 Engineering Service .....	778	1,020	1,119
0012 Other Facilities Operation Support .....	27	25	25
0013 Textile Care Processing & Management .....	148	134	130
0014 Prior-Year Recoveries .....	11		
0025 P.L. 113-146, Sec. 801 - Emergency Leases .....	13	22	
0026 P.L. 113-146, Sec. 801 - Leases .....	18	262	
0027 P.L. 113-146, Sec. 801 - Non-Recurring Maintenance .....	3		
0028 P.L. 113-146, Sec. 801 - Activations .....		3	
0091 Total operating expenses .....	3,733	4,278	4,378
0101 Engineering & Environmental Management Services .....	25	42	44
0102 Plant Operation .....	9	15	16
0103 Leases .....	54		
0104 Transportation Services .....	1	2	2
0105 Grounds Maintenance & Fire Protection .....	3	5	5
0106 Recurring Maintenance & Repair .....	63	104	111
0107 Non-Recurring Maintenance & Repair .....	805	418	1,057
0108 Operating Equipment Maintenance & Repair .....	12	20	21
0109 Engineering Service .....	5	8	9
0110 Other Facilities Operation Support .....	4	7	7
0111 Textile Care Processing & Management .....	31	51	55
0122 P.L. 113-146, Sec. 801 - Section 301/302 .....		16	16
0123 P.L. 113-146, Sec. 801 - Emergency Leases .....	6		
0124 P.L. 113-146, Sec. 801 - Leases .....	21		
0125 P.L. 113-146, Sec. 801 - Non-Recurring Maintenance .....	470	443	
0126 P.L. 113-146, Sec. 801 - Legionella Prevention & Control .....	15	132	
0191 Total capital investment .....	1,524	1,263	1,343
0799 Total direct obligations .....	5,257	5,541	5,721
0801 Medical Facilities (Reimbursable) .....	14	17	17
0900 Total new obligations .....	5,271	5,558	5,738

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	93	1,239	371
1010 Unobligated balance transfer to other accts [036-0110] .....		-313	
1010 Unobligated balance transfer to other accts [036-0160] .....			-324
1010 Unobligated balance transfer to other accts [036-0152] .....			-9
1011 Unobligated balance transfer from other acct [036-0160] .....	1,772		
1021 Recoveries of prior year unpaid obligations .....	11		
1050 Unobligated balance (total) .....	1,876	926	38
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	250	355	649
1120 Appropriations transferred to other accts [036-0169] .....	-35	-37	-38
1120 Appropriations transferred to other acct [036-0110] .....	-81		
1160 Appropriation, discretionary (total) .....	134	318	611
Advance appropriations, discretionary:			
1170 Advance appropriation .....	4,739	4,915	5,074
1173 Advance appropriations permanently reduced .....	-252	-250	
1180 Advanced appropriation, discretionary (total) .....	4,487	4,665	5,074
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	13	20	20
1900 Budget authority (total) .....	4,634	5,003	5,705
1930 Total budgetary resources available .....	6,510	5,929	5,743
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1,239	371	5

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,793	2,925	2,980
3010 Obligations incurred, unexpired accounts .....	5,271	5,558	5,738
3011 Obligations incurred, expired accounts .....	304		
3020 Outlays (gross) .....	-5,108	-5,503	-5,890
3040 Recoveries of prior year unpaid obligations, unexpired .....	-11		
3041 Recoveries of prior year unpaid obligations, expired .....	-324		
3050 Unpaid obligations, end of year .....	2,925	2,980	2,828
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,793	2,925	2,980
3200 Obligated balance, end of year .....	2,925	2,980	2,828

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	4,634	5,003	5,705
Outlays, gross:			
4010 Outlays from new discretionary authority .....	3,245	3,746	4,324
4011 Outlays from discretionary balances .....	1,803	414	1,032

4020	Outlays, gross (total) .....	5,048	4,160	5,356
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources .....	-7	-11	-11
4033	Non-Federal sources .....	-23	-9	-9
4040	Offsets against gross budget authority and outlays (total) ....	-30	-20	-20
	Additional offsets against gross budget authority only:			
4052	Offsetting collections credited to expired accounts .....	17		
4070	Budget authority, net (discretionary) .....	4,621	4,983	5,685
4080	Outlays, net (discretionary) .....	5,018	4,140	5,336
	Mandatory:			
	Outlays, gross:			
4101	Outlays from mandatory balances .....	60	1,343	534
4180	Budget authority, net (total) .....	4,621	4,983	5,685
4190	Outlays, net (total) .....	5,078	5,483	5,870

For 2018, the Budget requests advance appropriations of \$5.4 billion for Medical Facilities. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans.

For Medical Facilities, the Budget reflects the following discretionary appropriation funding from 2016 through 2018: the 2016 enacted advance appropriation of \$4.9 billion, together with an additional \$105 million (as directed in Public Law 114–113); the 2017 enacted advance appropriation request of \$5.1 billion, together with an additional \$649 million as requested in this Budget; and the 2018 advance appropriation request of \$5.4 billion. In addition to this funding, the Budget reflects mandatory funding provided in section 801 of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146): \$1.2 billion remains available in 2016.

Medical Facilities provides for the operations and maintenance of the capital infrastructure required to provide health care to the Nation's veterans. These costs include utilities, engineering, capital planning, leases, laundry services, grounds maintenance, trash removal, housekeeping, fire protection, pest management, facility repair and maintenance, and property disposition and acquisition.

**Object Classification** (in millions of dollars)

Identification code 036–0162–0–1–703	2015 actual	2016 est.	2017 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	1,078	1,123	1,134
11.1 Full-time permanent - P.L. 113–146, Sec. 801 .....		1	
11.3 Other than full-time permanent .....	22	23	24
11.5 Other personnel compensation .....	124	130	131
11.9 Total personnel compensation .....	1,224	1,277	1,289
12.1 Civilian personnel benefits .....	427	447	452
21.0 Travel & Transportation of Persons .....	33	34	34
22.0 Transportation of things .....	14	15	15
23.2 Rent, Communications & Utilities .....	1,058	1,094	1,415
23.2 Rent, Communications & Utilities - P.L. 113–146, Sec. 801 .....	29	286	
25.2 Other Contractual Services .....	626	816	852
25.2 Other Contractual Services - P.L. 113–146, Sec. 801 .....	2		
26.0 Supplies & Materials .....	306	309	321
26.0 Supplies & Materials - P.L. 113–146, Sec. 801 .....	3		
31.0 Equipment .....	69	74	83
31.0 Equipment - P.L. 113–146, Sec. 801 .....			16
32.0 Lands & Structures .....	943	598	1,244
32.0 Lands & Structures - P.L. 113–146, Sec. 801 .....	512	591	
44.0 Prior-year Recoveries .....	11		
99.0 Direct obligations .....	5,257	5,541	5,721
99.0 Reimbursable obligations .....	14	17	17
99.9 Total new obligations .....	5,271	5,558	5,738

**Employment Summary**

Identification code 036–0162–0–1–703	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	23,154	23,166	23,719
2001 Reimbursable civilian full-time equivalent employment .....	490	490	490

**MEDICAL AND PROSTHETIC RESEARCH**

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by chapter 73 of title 38, United States Code, **[\$630,735,000] \$663,366,000**, plus reimbursements, shall remain available until September 30, **[2017] 2018** : *Provided*, That the Secretary of Veterans Affairs shall ensure that sufficient amounts appropriated under this heading are available for gender appropriate prosthetic research and toxic exposure research]. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 036–0161–0–1–703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Bio-medical laboratory science research .....	215	271	271
0002 Rehabilitation research .....	115	96	98
0003 Health services research .....	110	111	121
0004 Clinical science research .....	187	153	171
0091 Total operating expenses .....	627	631	661
0101 Bio-medical laboratory science research .....	2	2	2
0799 Total direct obligations .....	629	633	663
0801 Medical and Prosthetic Research (Reimbursable) .....	33	40	40
0900 Total new obligations .....	662	673	703
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	78	76	54
1010 Unobligated balance transfer to other accts [036–0110] .....		-20	
1021 Recoveries of prior year unpaid obligations .....	38		
1050 Unobligated balance (total) .....	116	56	54
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	589	631	663
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	33	40	40
1900 Budget authority (total) .....	622	671	703
1930 Total budgetary resources available .....	738	727	757
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	76	54	54

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	245	220	243
3010 Obligations incurred, unexpired accounts .....	662	673	703
3011 Obligations incurred, expired accounts .....	5		
3020 Outlays (gross) .....	-645	-650	-683
3040 Recoveries of prior year unpaid obligations, unexpired .....	-38		
3041 Recoveries of prior year unpaid obligations, expired .....	-9		
3050 Unpaid obligations, end of year .....	220	243	263
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-4	-4	-4
3090 Uncollected pymts, Fed sources, end of year .....	-4	-4	-4
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	241	216	239
3200 Obligated balance, end of year .....	216	239	259

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	622	671	703
Outlays, gross:			
4010 Outlays from new discretionary authority .....	371	478	501
4011 Outlays from discretionary balances .....	274	172	182
4020 Outlays, gross (total) .....	645	650	683
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-15	-20	-20
4033 Non-Federal sources .....	-18	-20	-20
4040 Offsets against gross budget authority and outlays (total) ....	-33	-40	-40
4070 Budget authority, net (discretionary) .....	589	631	663
4080 Outlays, net (discretionary) .....	612	610	643
4180 Budget authority, net (total) .....	589	631	663
4190 Outlays, net (total) .....	612	610	643

For 2017, the total budgetary resources of \$1.9 billion is comprised of \$663 million in direct appropriations, \$564 million in medical care support such as physicians' pay, utilities and other overhead, \$500 million in Fed-

MEDICAL AND PROSTHETIC RESEARCH—Continued

eral grants, and \$185 million in other non-federal resources. The research program will support 3,521 full time equivalents through direct appropriation.

This account is an intramural program that has had outstanding success performing research that has led to critical clinical achievements that improve the health and quality of life for veterans and the Nation. VA research transforms medicine by engaging veterans as research volunteers and utilizing the results of that research in clinical care. Through technology, advancements, innovations, and information, research helps transform VA's health care into a leading example of medicine in the twenty-first century.

In 2017, VA's research priorities focus on ensuring world-class care for veterans throughout their lives, emphasizing personalized precision medicine approaches to improve clinical outcomes, and developing a Learning Health Care System. Health services research will continue to advance implementation of improved treatments in the VA health care system and optimize systems approaches to care delivery. VA will advance engineering research and development to improve the lives of disabled veterans by personalizing prosthetic systems that replace lost limbs or activate remaining nerves and muscles.

Building on the Million Veteran Program (MVP) to advance the President's Precision Medicine initiative (PMI) is a major goal for VA Research in 2017 and 2018. MVP, a groundbreaking genomic research program, seeks to collect genetic samples and general health information from one million veterans. This program will use genetic analysis to show how to improve treatments by understanding individual patients, thus improving care for veterans and the Nation. MVP has enrolled more than 438,000 veterans. An initial genetic analysis is ongoing; some data are now available to investigators who are beginning studies on posttraumatic stress disorder, schizophrenia, bipolar disorder, and Gulf War Illness. VA research is committed to ensuring the success of the PMI, and in FY 2017 will re-prioritize program spending to provide additional support to this initiative.

Research to benefit Gulf War veterans remains a priority. Over the past several years, the number of projects funded and the level of funding have increased each year. As directed by Senate Report 111-40, the VA research program ensures that no less than \$15 million is available for Gulf War research each year; the actual amount spent on such research depends on the quantity and quality of research proposals. VA has worked to develop Gulf War researchers to ensure that research proposals of high scientific merit are submitted. Funding increased from \$9.7 million in 2014, to \$10.5 million in 2015, \$12.5 million in 2016, with a 2017 estimate of \$15 million.

VA is expanding research efforts to improve women veterans' health, by studying how VA provides for women veterans' general and gender-specific health care needs, and understanding military experiences of women veterans as well as later health risk factors.

VA works closely with other federal agencies to assure effective use of scarce taxpayer resources in executing its research mission. We conduct joint programmatic reviews with the Department of Defense (DoD) and National Institutes of Health to ensure that our research efforts are well coordinated and Under the President's National Research action Plan (NRAP), VA and DoD created research consortia for traumatic brain injury and posttraumatic stress disorder, investing \$107 million over five years. High level coordination has become routine for all three agencies, benefit veterans and the American public.

Veterans' health issues are addressed comprehensively in the following four program divisions and the medical care research support required for these programs:

*Biomedical laboratory.*—Supports preclinical research to understand life processes from a molecular, genomic, and physiological level in regard to diseases affecting veterans.

*Clinical science.*—Administers investigations (i.e., human subject research such as drug, surgical, single subject, pilot, and multi-center cooperative studies as well as feasibility trials) aimed at instituting new, more effective clinical care.

*Health services.*—Supports studies to identify and promote effective and efficient strategies to improve the delivery of health care to veterans.

*Rehabilitation.*—Develops novel approaches to restoring veterans with traumatic amputation, central nervous system injuries, loss of sight and/or hearing, or other physical and cognitive impairments to full and productive lives.

VA's Medical and Prosthetic Research programs are included in the Federal Research and Development (R&D) budget.

SUMMARY OF PROGRAM RESOURCES

	[in millions of dollars]		
	2015 actual	2016 est.	2017 est.
Medical and prosthetic research appropriation .....	589	631	663
VA Medical Care Support .....	519	536	564
Other Federal and Non-Federal Resources .....	563	685	685
Reimbursements .....	33	40	40
<b>Total program resources .....</b>	<b>1,704</b>	<b>1,892</b>	<b>1,952</b>

Object Classification (in millions of dollars)

Identification code 036-0161-0-1-703	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	197	206	208
11.3 Other than full-time permanent .....	14	14	14
11.5 Other personnel compensation .....	42	42	42
11.9 Total personnel compensation .....	253	262	264
12.1 Civilian personnel benefits .....	92	92	92
21.0 Employee travel .....	4	5	5
23.3 Communications, utilities, and miscellaneous charges .....	4	4	4
24.0 Printing and reproduction .....	1	1	1
25.2 Other services from non-Federal sources .....	223	205	225
26.0 Supplies and materials .....	35	39	42
31.0 Equipment .....	17	25	30
99.0 Direct obligations .....	629	633	663
99.0 Reimbursable obligations .....	33	40	40
99.9 Total new obligations .....	662	673	703

Employment Summary

Identification code 036-0161-0-1-703	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	3,380	3,410	3,465
2001 Reimbursable civilian full-time equivalent employment .....	141	141	141

JOINT DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITY DEMONSTRATION FUND

Program and Financing (in millions of dollars)

Identification code 036-0169-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Joint DOD-VA Medical Facility Demonstration Fund (Direct) .....	389	411	419
0801 Joint DOD-VA Medical Facility Demonstration Fund (Reimbursable) .....	7	9	9
0900 Total new obligations .....	396	420	428
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	6	7	5
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1121 Appropriations transferred from other acct [036-0162] .....	35	37	38
1121 Appropriations transferred from other acct [036-0152] .....	27	27	28
1121 Appropriations transferred from other acct [036-0160] .....	190	196	202
1121 Appropriations transferred from other acct [036-0167] .....	7	7	7
1121 Appropriations transferred from other acct [097-0130] .....	117	120	122
1121 Appropriations transferred from other acct [036-5287] .....	22	22	22
1160 Appropriation, discretionary (total) .....	398	409	419
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected .....	7	9	9
1900 Budget authority (total) .....	405	418	428
1930 Total budgetary resources available .....	411	425	433



Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-8		
1941	Unexpired unobligated balance, end of year .....	7	5	5

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	86	92	94
3010	Obligations incurred, unexpired accounts .....	396	420	428
3011	Obligations incurred, expired accounts .....	14		
3020	Outlays (gross) .....	-389	-418	-427
3041	Recoveries of prior year unpaid obligations, expired .....	-15		
3050	Unpaid obligations, end of year .....	92	94	95
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	86	92	94
3200	Obligated balance, end of year .....	92	94	95

<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	405	418	428
Outlays, gross:				
4010	Outlays from new discretionary authority .....	345	377	386
4011	Outlays from discretionary balances .....	44	41	41
4020	Outlays, gross (total) .....	389	418	427
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-7	-8	-8
4033	Non-Federal sources .....	-1	-1	-1
4040	Offsets against gross budget authority and outlays (total) ....	-8	-9	-9
Additional offsets against gross budget authority only:				
4052	Offsetting collections credited to expired accounts .....	1		
4070	Budget authority, net (discretionary) .....	398	409	419
4080	Outlays, net (discretionary) .....	381	409	418
4180	Budget authority, net (total) .....	398	409	419
4190	Outlays, net (total) .....	381	409	418

The Department of Veterans Affairs (VA) and the Department of Defense (DOD) will each contribute funding to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of Public Law 111-84, the National Defense Authorization Act for Fiscal Year 2010. This funding will support the continuing operations of the Captain James A. Lovell Federal Health Care Center (FHCC), which opened on December 20, 2010. In 2016 and 2017, VA expects to transfer funds from the Medical Services, Medical Support and Compliance, Medical Facilities, and Information Technology Systems accounts, while DOD expects to transfer funds from the Defense Health Program account.

**Object Classification** (in millions of dollars)

Identification code 036-0169-0-1-703				
		2015 actual	2016 est.	2017 est.
Direct obligations:				
11.1	Personnel compensation: Full-time permanent .....	218	211	219
12.1	Civilian personnel benefits .....	34	200	200
25.1	Advisory and assistance services .....	44		
26.0	Supplies and materials .....	59		
31.0	Equipment .....	14		
32.0	Land and structures .....	19		
99.0	Direct obligations .....	388	411	419
99.0	Reimbursable obligations .....	8	9	9
99.9	Total new obligations .....	396	420	428

**Employment Summary**

Identification code 036-0169-0-1-703				
		2015 actual	2016 est.	2017 est.
1001	Direct civilian full-time equivalent employment .....	2,127	2,167	2,172

**MEDICAL CARE COLLECTIONS FUND**

**Program and Financing** (in millions of dollars)

Identification code 036-5287-0-2-703				
		2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>				
Budget authority:				
Appropriations, discretionary:				
1101	Appropriation (special or trust fund) .....	3,445	3,537	3,580
1120	Appropriations transferred to other accts [036-0160] .....	-3,423	-3,515	-3,308
1120	Appropriations transferred to other accts [036-0169] .....	-22	-22	-22
1120	Appropriations transferred to other acct [036-0140] .....			-250
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....			

VA has the authority to collect co-payments, which are deposited into the Medical Care Collections Fund (MCCF) receipt account. As allowed by the provisions of the appropriations Act, these receipts are transferred to Medical Services, Medical Community Care, and the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund (Joint Demonstration Fund) appropriations where they remain available until expended for the purposes of this account. In 2015, nearly \$3.5 billion was collected in the MCCF receipt account and transferred to the Medical Services appropriation and Joint Demonstration Fund to provide health care to our veterans. These collections consist of co-payments from veterans for inpatient, outpatient, and nursing home care, and prescribed medications; third-party insurance payments from veterans for nonservice-connected conditions; and collections from enhanced-use leases, the Compensated Work Therapy Program, Compensation and Living Expensed Program, and the Parking Program.

**CANTEEN SERVICE REVOLVING FUND**

**Program and Financing** (in millions of dollars)

Identification code 036-4014-0-3-705				
		2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>				
0801	Reimbursable operating expenses .....	279	297	297
0802	Reimbursable direct operations .....	164	173	173
0810	Reimbursable capital investment: Sales program: Purchase of equipment and leasehold .....	27	20	20
0900	Total new obligations .....	470	490	490
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	4	16	22
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	481	493	493
1801	Change in uncollected payments, Federal sources .....	1	3	3
1850	Spending auth from offsetting collections, mand (total) .....	482	496	496
1930	Total budgetary resources available .....	486	512	518
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	16	22	28

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	61	62	56
3010	Obligations incurred, unexpired accounts .....	470	490	490
3020	Outlays (gross) .....	-469	-496	-502
3050	Unpaid obligations, end of year .....	62	56	44
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-3	-4	-7
3070	Change in uncollected pymts, Fed sources, unexpired .....	-1	-3	-3
3090	Uncollected pymts, Fed sources, end of year .....	-4	-7	-10
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	58	58	49
3200	Obligated balance, end of year .....	58	49	34

<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	482	496	496
Outlays, gross:				
4100	Outlays from new mandatory authority .....	405	490	490

CANTEEN SERVICE REVOLVING FUND—Continued  
Program and Financing—Continued

Identification code 036-4014-0-3-705	2015 actual	2016 est.	2017 est.
4101 Outlays from mandatory balances .....	64	6	12
4110 Outlays, gross (total) .....	469	496	502
Offsets against gross budget authority and outlays: Offsetting collections (collected) from:			
4120 Federal sources .....		-1	
4123 Non-Federal sources .....	-481	-492	-493
4130 Offsets against gross budget authority and outlays (total) ....	-481	-493	-493
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired .....	-1	-3	-3
4170 Outlays, net (mandatory) .....	-12	3	9
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-12	3	9

The Veterans Canteen Service was established to furnish, at reasonable prices, meals, merchandise, and services necessary for the comfort and well-being of veterans in VA medical facilities.

*Financing.*— Operations will be financed from current revenues.

Object Classification (in millions of dollars)

Identification code 036-4014-0-3-705	2015 actual	2016 est.	2017 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	125	133	133
11.3 Other than full-time permanent .....	2	3	3
11.9 Total personnel compensation .....	127	136	136
12.1 Civilian personnel benefits .....	40	45	45
21.0 Travel and transportation of persons .....	2	3	3
25.2 Other services from non-Federal sources .....	6	6	6
26.0 Supplies and materials .....	268	280	280
31.0 Equipment .....	27	20	20
99.9 Total new obligations .....	470	490	490

Employment Summary

Identification code 036-4014-0-3-705	2015 actual	2016 est.	2017 est.
2001 Reimbursable civilian full-time equivalent employment .....	3,351	3,351	3,351

MEDICAL CENTER RESEARCH ORGANIZATIONS

Program and Financing (in millions of dollars)

Identification code 036-4026-0-3-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Operating expenses .....	245	253	253
<b>Budgetary resources:</b>			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	245	253	253
1930 Total budgetary resources available .....	245	253	253
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	245	253	253
3020 Outlays (gross) .....	-245	-253	-253
<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4090 Budget authority, gross .....	245	253	253
Outlays, gross:			
4100 Outlays from new mandatory authority .....	245	253	253
Offsets against gross budget authority and outlays: Offsetting collections (collected) from:			
4120 Federal sources .....	-245	-253	-253
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

These nonprofit corporations provide a flexible funding mechanism for the conduct of approved research at Department of Veterans Affairs medical centers. These organizations will derive funds to operate various research activities from Federal and non-Federal sources. No appropriation is required to support these activities.

Object Classification (in millions of dollars)

Identification code 036-4026-0-3-703	2015 actual	2016 est.	2017 est.
Reimbursable obligations:			
21.0 Travel and transportation of persons .....	9	11	11
25.2 Other services from non-Federal sources .....	205	210	210
26.0 Supplies and materials .....	22	22	22
31.0 Equipment .....	9	10	10
99.9 Total new obligations .....	245	253	253

VETERANS CHOICE FUND

Program and Financing (in millions of dollars)

Identification code 036-0172-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Veterans Choice Fund - Administrative .....	340	671	1,620
0002 Veterans Choice Fund - Program .....	413	1,010	3,200
0003 Emergency Hep-C .....	407		
0004 Emergency Non-VA Care .....	2,339		
0005 Audit Adjustment .....	-1,700	1,700	
0900 Total new obligations .....	1,799	3,381	4,820
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	10,000	8,201	4,820
1020 Adjustment of unobligated bal brought forward, Oct 1 .....		-1,700	
1021 Recoveries of prior year unpaid obligations .....		1,700	
1050 Unobligated balance (total) .....	10,000	8,201	4,820
1930 Total budgetary resources available .....	10,000	8,201	4,820
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	8,201	4,820	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....		564	463
3001 Adjustments to unpaid obligations, brought forward, Oct 1 .....		1,700	
3010 Obligations incurred, unexpired accounts .....	1,799	3,381	4,820
3020 Outlays (gross) .....	-1,235	-3,482	-3,600
3040 Recoveries of prior year unpaid obligations, unexpired .....		-1,700	
3050 Unpaid obligations, end of year .....	564	463	1,683
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....		2,264	463
3200 Obligated balance, end of year .....	564	463	1,683

Budget authority and outlays, net:

Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	1,235	3,482	3,600
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	1,235	3,482	3,600

The Veterans Access, Choice, and Accountability Act of 2014 ("Veterans Choice Act"), Public Law 113-146, provided \$10 billion in mandatory funding through 2017 to establish a temporary program ("Veterans Choice Program") improving veterans' access to health care by allowing eligible veterans who meet certain wait-time or distance standards to use eligible health care providers outside the VA system. The law directed that this funding be deposited in the Veterans Choice Fund. In July 2015, Congress provided emergency funding for Hepatitis C (\$500,000,000) and Care in the Community (\$2,848,500,000) by passing Public Law 114-41, the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, which gave VA temporary authority to use Veterans Choice Fund dollars on other programs. This authority ended on October 1, 2015 and does not extend into fiscal year 2016.

Estimated operating levels are:

	2015 actual	2016 est.	2017 est.
Outpatient Visits (Non-Mental Health, Non-Non-Institutional Care) .....	1,180,767	1,224,696	2,515,929
Mental Health Outpatient Visits .....	36,221	37,569	77,179
Contract Hospital Patients Treated (Non-Mental Health) .....	22,464	23,745	49,770
Contract Hospital Patients Treated (Psychiatry) .....	3,634	3,841	8,051
Community Nursing Home Patients Treated .....	8,054	4,011	8,583
Dental Procedures .....	0	142,145	147,408
Non-Institutional Care Visits/Procedures** .....	3,432,405	2,515,691	5,312,431

\*\*Also counts in Outpatient Visits (Non-Mental Health)

Object Classification (in millions of dollars)

Identification code 036-0172-0-1-703	2015 actual	2016 est.	2017 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	3	4	4
12.1 Civilian personnel benefits .....	2	2	2
25.2 Other contract services .....	3,494	3,375	4,814
25.2 Audit Adjustment .....	-1,700		
99.9 Total new obligations .....	1,799	3,381	4,820

Employment Summary

Identification code 036-0172-0-1-703	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	30	40	40

Trust Funds

GENERAL POST FUND, NATIONAL HOMES

Special and Trust Fund Receipts (in millions of dollars)

Identification code 036-8180-0-7-705	2015 actual	2016 est.	2017 est.
0100 Balance, start of year .....			6
Receipts:			
Current law:			
1130 General Post Fund, National Homes, Deposits .....	22	29	31
1140 General Post Fund, National Homes, Interest on Investments .....	1	1	2
1199 Total current law receipts .....	23	30	33
1999 Total receipts .....	23	30	33
2000 Total: Balances and receipts .....	23	30	39
Appropriations:			
Current law:			
2101 General Post Fund, National Homes .....	-23	-24	-25
5099 Balance, end of year .....		6	14

Program and Financing (in millions of dollars)

Identification code 036-8180-0-7-705	2015 actual	2016 est.	2017 est.
Obligations by program activity:			
0001 Religious, recreational, and entertainment activities .....	20	21	22
0003 Therapeutic residence maintenance .....	1	1	1
0900 Total new obligations .....	21	22	23
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	103	105	107
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund) .....	23	24	25
1930 Total budgetary resources available .....	126	129	132
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	105	107	109
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	4	4	4
3010 Obligations incurred, unexpired accounts .....	21	22	23
3020 Outlays (gross) .....	-21	-22	-23
3050 Unpaid obligations, end of year .....	4	4	4
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	4	4	4

3200	Obligated balance, end of year .....	4	4	4
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	23	24	25
Outlays, gross:				
4100	Outlays from new mandatory authority .....		20	22
4101	Outlays from mandatory balances .....	21	2	1
4110	Outlays, gross (total) .....	21	22	23
4180	Budget authority, net (total) .....	23	24	25
4190	Outlays, net (total) .....	21	22	23

Memorandum (non-add) entries:

5000	Total investments, SOY: Federal securities: Par value .....	65	106	114
5001	Total investments, EOY: Federal securities: Par value .....	106	114	123

This fund consists of gifts, bequests, and proceeds from the sale of property left in the care of the facilities by former beneficiaries; patients' fund balances; and proceeds from the sale of effects of beneficiaries who die leaving no heirs or without having otherwise disposed of their estate. Such funds are used to promote the comfort and welfare of veterans at hospitals, nursing homes, and domiciliaries where no general appropriation is available. Public Law 102-54 authorizes compensation work therapy and therapeutic transitional housing and loan programs to be funded from the General Post Fund. (38 U.S.C. chs. 83 and 85.)

Object Classification (in millions of dollars)

Identification code 036-8180-0-7-705	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	6	6	6
26.0 Supplies and materials .....	12	13	14
31.0 Equipment .....	2	2	2
32.0 Land and structures .....	1	1	1
99.9 Total new obligations .....	21	22	23

BENEFITS PROGRAMS

Federal Funds

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by section 107 and chapters 11, 13, 18, 51, 53, 55, and 61 of title 38, United States Code; pension benefits to or on behalf of veterans as authorized by chapters 15, 51, 53, 55, and 61 of title 38, United States Code; and burial benefits, the Reinstated Entitlement Program for Survivors, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of title IV of the Servicemembers Civil Relief Act (50 U.S.C. App. 541 et seq.) and for other benefits as authorized by sections 107, 1312, 1977, and 2106, and chapters 23, 51, 53, 55, and 61 of title 38, United States Code, **[\$162,948,673,000] \$90,119,449,000**, to remain available until expended **[**, of which \$86,083,128,000 shall **]** and to become available on October 1, **[2016] 2017: Provided**, That not to exceed **[\$15,562,000]** of the amount made available for fiscal year 2016 and **[\$16,021,000] \$17,224,000** of the amount made available for fiscal year **[2017] 2018** under this heading shall be reimbursed to "General Operating Expenses, Veterans Benefits Administration", and "Information Technology Systems" for necessary expenses in implementing the provisions of chapters 51, 53, and 55 of title 38, United States Code, the funding source for which is specifically provided as the "Compensation and Pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical Care Collections Fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 036-0102-0-1-701	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0101	Veterans .....	63,667	68,259	72,043

COMPENSATION AND PENSIONS—Continued  
Program and Financing—Continued

Identification code 036-0102-0-1-701	2015 actual	2016 est.	2017 est.
0102 Survivors .....	6,266	6,587	6,950
0191 Compensation sub-total .....	69,933	74,846	78,993
0200 Other compensation expenses .....	69,933	74,846	78,993
0201 Chapter 18 .....	22	20	20
0202 Clothing allowance .....	102	111	116
0203 Misc assistance (EAJ, SAFD) .....	13	14	14
0204 Medical exam pilot program .....	258	346	528
0205 OBRA payment to VBA and IT .....	3	3	4
0206 Reinstated entitlement program for survivors .....	2	1	1
0291 Total other compensation expenses .....	400	495	683
0293 Total compensation .....	70,333	75,341	79,676
0302 Veterans .....	3,689	3,807	3,972
0303 Survivors .....	1,793	1,916	2,097
0391 Pensions sub total .....	5,482	5,723	6,069
0401 Reimbursements to GOE, IT and VHA .....	15	16	19
0492 Total pensions .....	5,497	5,739	6,088
0501 Caskets and Urns .....	1	1	1
0502 Burial allowance .....	29	30	32
0503 Burial plots .....	15	15	15
0504 Service-connected deaths .....	59	58	61
0505 Burial flags .....	18	22	22
0506 Headstones and markers .....	75	74	76
0508 Graveliners .....	3	5	5
0509 Pre-Place Crypts .....	9	15	14
0591 Total burial program .....	209	220	226
0900 Total new obligations (object class 42.0) .....	76,039	81,300	85,990
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2,477	5,818	1,384
1021 Recoveries of prior year unpaid obligations .....	7		
1050 Unobligated balance (total) .....	2,484	5,818	1,384
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	79,070	76,866	
Advance appropriations, mandatory:			
1270 Advance appropriation .....			86,083
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	303		
1900 Budget authority (total) .....	79,373	76,866	86,083
1930 Total budgetary resources available .....	81,857	82,684	87,467
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	5,818	1,384	1,477
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	5,540	6,038	764
3010 Obligations incurred, unexpired accounts .....	76,039	81,300	85,990
3020 Outlays (gross) .....	-75,534	-86,574	-85,113
3040 Recoveries of prior year unpaid obligations, unexpired .....	-7		
3050 Unpaid obligations, end of year .....	6,038	764	1,641
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	5,540	6,038	764
3200 Obligated balance, end of year .....	6,038	764	1,641
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	79,373	76,866	86,083
Outlays, gross:			
4100 Outlays from new mandatory authority .....	67,517	74,717	82,965
4101 Outlays from mandatory balances .....	8,017	11,857	2,148
4110 Outlays, gross (total) .....	75,534	86,574	85,113
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-303		
4180 Budget authority, net (total) .....	79,070	76,866	86,083
4190 Outlays, net (total) .....	75,231	86,574	85,113

Summary of Budget Authority and Outlays (in millions of dollars)

	2015 actual	2016 est.	2017 est.
Enacted/requested:			
Budget Authority .....	79,070	76,866	86,083
Outlays .....	75,231	86,574	85,113
Legislative proposal, subject to PAYGO:			
Outlays .....			-133
Total:			
Budget Authority .....	79,070	76,866	86,083
Outlays .....	75,231	86,574	84,980

WORKLOAD

	2015 actual	2016 est.	2017 est.
Compensation Completed Claims:			
Rating .....	1,233,907	1,171,741	1,206,892
Other Claims .....	2,386,826	2,309,126	2,402,125
Pension Completed Claims:			
Rating .....	153,865	161,104	165,936
Other Non-Rating Claims .....	457,908	508,498	498,054

For 2018, the Budget requests \$90,119,449,000 in advance appropriations for Compensation and Pensions. This request satisfies the requirement created by the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235) and prevents our Nation's veterans from being adversely affected by budget delays.

This appropriation provides for the payment of compensation, pension, and burial benefits to veterans and survivors.

Compensation is paid to veterans for disabilities incurred in or aggravated during active military service. Dependency and Indemnity Compensation is paid to survivors of servicepersons or veterans whose death occurred while on active duty or as a result of service-connected disabilities. Compensation and vocational rehabilitation is provided to the children of Vietnam veterans who were born with certain birth defects. The Secretary may pay a clothing allowance to each veteran who uses a prescribed medication for a service-connected skin condition or wears a prosthetic or orthopedic appliance (including a wheelchair) which, in the judgment of the Secretary, tends to damage or tear the clothing of such veteran.

Miscellaneous benefits provided for are:

(a) payments for claims made pursuant to the provision of the World War Adjusted Compensation Act of 1924, as amended;

(b) a special allowance (38 U.S.C. 1312) to dependents of certain veterans who died after December 31, 1956, but who were not fully and currently insured under the Social Security Act; and

(c) payments authorized by the Equal Access to Justice Act.

The appropriation also provides for a program to allow VA to perform income matches for certain compensation recipients.

In accordance with Public Law 97-377, the Reinstated Entitlement Program for Survivors (REPS) program restores Social Security benefits to certain surviving spouses or children of veterans who died of service-connected causes.

Legislation is proposed to provide a cost-of-living adjustment comparable to the annual social security increase to recipients of disability compensation, dependency and indemnity compensation, and clothing allowances. The increase, effective with payments made on January 1, 2017, is expected to be 0.8 percent.

AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS

	2015 actual	2016 est.	2017 est.
Veterans:			
Cases .....	4,061,973	4,245,279	4,427,225
Average payment per case, per year .....	\$15,674	\$16,079	\$16,273
Total obligations (in millions) .....	\$63,667	\$68,258	\$72,043
Survivors:			
Cases .....	386,311	394,984	405,014
Average payment per case, per year .....	\$16,221	\$16,677	\$17,160
Total obligations (in millions) .....	\$6,266	\$6,587	\$6,950
Chapter 18:			
Children .....	1,164	1,152	1,140
Average payment per case, per year .....	\$17,664	\$17,664	\$17,805
Total obligations (in millions) .....	\$21	\$20	\$20
Clothing allowance:			
Number of veterans .....	132,050	138,009	143,924
Average payment per case, per year .....	\$776	\$803	\$809

Total obligations (in millions)	\$102	\$111	\$116
Special Allowance for Dependents:			
Cases	40	38	36
Average benefit	\$2,352	\$2,352	\$2,371
Total obligations (in millions)	\$0	\$0	\$0
Equal Access to Justice Act:			
Cases	2,917	3,025	3,132
Average benefit	\$4,512	\$4,512	\$4,548
Total Obligations (in millions)	\$13	\$14	\$14
REPS:			
Cases	39	29	22
Average benefit	\$42,374	\$35,372	\$38,928
Total Obligations (in millions)	\$2	\$1	\$1

Pension benefits may be paid to veterans or their survivors. A veteran's entitlement is based on active duty service of a specific length (normally 90 days or more) during a designated war period, disabilities considered permanent and total, and countable income below established levels. There is no disability requirement for survivor cases or veterans age 65 or older. Income support is provided at established benefit levels.

An automatic annual cost-of-living increase comparable to the annual social security increase is provided for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. The increase, effective with payments made on January 1, 2017, is expected to be 0.8 percent.

**AVERAGE NUMBER OF PENSION CASES AND PAYMENTS**

	2015 actual	2016 est.	2017 est.
<b>Veterans:</b>			
Cases	297,992	295,910	297,093
Average payment per case, per year	\$12,378	\$12,864	\$13,369
Total obligations (in millions)	\$3,689	\$3,807	\$3,972
<b>Survivors:</b>			
Cases	208,315	207,480	209,606
Average payment per case, per year	\$8,607	\$9,237	\$10,005
Total obligations (in millions)	\$1,793	\$1,916	\$2,097

Burial benefits in FY 2016 provide for: (a) the payment of an allowance of \$747 (plus transportation charges where death occurs under VA care) to reimburse, in part, the burial and funeral expense of an eligible deceased veteran; (b) the payment of \$747 for a plot allowance where an eligible veteran is not buried in a national cemetery or other cemetery under the jurisdiction of the United States; (c) the payment of a burial allowance of up to \$2,000 when a veteran dies as a result of a service-connected disability; (d) furnishing a flag to drape the casket of each deceased veteran entitled thereto; (e) furnishing a headstone or marker for the grave of a veteran and, in certain cases, eligible dependents; and (f) authority to provide outer burial receptacles in the National Cemetery Administration.

**NUMBER OF BURIAL BENEFITS**

	2015 actual	2016 est.	2017 est.
Burial allowance	40,535	43,327	45,065
Burial plot	22,316	22,258	23,138
Service-connected deaths	20,083	23,544	24,810
Burial flags	488,912	497,644	497,644
Headstones and markers	348,164	368,309	368,059
Graveliners	12,151	12,031	12,113
Preplaced crypts	13,457	36,050	31,950
Caskets and Urns	87	646	635

**COMPENSATION AND PENSIONS**

(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 036-0102-4-1-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0101 Adjustments to the Compensation Program			-136
0102 Expand Burial Benefits			3
0900 Total new obligations (object class 42.0)			-133
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			133
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			-133
3020 Outlays (gross)			133

<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101	Outlays from mandatory balances		-133
4180	Budget authority, net (total)		
4190	Outlays, net (total)		-133

**READJUSTMENT BENEFITS**

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by chapters 21, 30, 31, 33, 34, 35, 36, 39, 41, 51, 53, 55, and 61 of title 38, United States Code, [\$30,654,185,000] \$13,708,648,000, to remain available until expended [ , of which \$16,340,828,000 shall ] and to become available on October 1, [2016] 2017: Provided, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under subsection (a) of section 3104 of title 38, United States Code, other than under paragraphs (1), (2), (5), and (11) of that subsection, shall be charged to this account. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 036-0137-0-1-702	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0101 Sons and daughters	418	437	448
0102 Spouses	75	75	76
0191 Total education and training	493	512	524
0201 Vocational rehabilitation training	702	751	815
0202 Subsistence allowance	441	604	632
0203 Automobiles and adaptive equipment	136	151	167
0204 Housing grants	101	118	125
0205 Housing Technology Grants		1	
0291 Total special assistance to disabled veterans	1,380	1,625	1,739
0301 Work study	41	48	50
0302 Payments to States	19	19	19
0303 All-volunteer assistance: Basic benefits and all other	11,524	12,572	13,236
0304 Veterans Retraining Assistance Program	3		
0305 Tuition Assistance	5	4	3
0306 Licensing and Certification	2	2	2
0307 Reporting fees	10	14	14
0308 Reimbursement to GOE		1	1
0309 Contract Counseling	6	6	6
0391 Total All-volunteer assistance and other	11,610	12,666	13,331
0799 Total direct obligations	13,483	14,803	15,594
0801 Veterans and servicepersons basic benefits	1		
0802 Veterans and servicepersons supplementary benefits	23	21	20
0803 Chapter 1606 reservists benefits	109	107	104
0804 Chapter 1606 reservists supplementary benefits	34	33	32
0805 Chapter 1607 reservists benefits	41	33	28
0807 Chapter 33 DoD Reimbursements	129	148	136
0899 Total reimbursable obligations	337	342	320
0900 Total new obligations	13,820	15,145	15,914
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	584	2,320	1,830
1021 Recoveries of prior year unpaid obligations	4		
1050 Unobligated balance (total)	588	2,320	1,830
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	14,997	14,313	
Advance appropriations, mandatory:			
1270 Advance appropriation			16,341
Spending authority from offsetting collections, mandatory:			
1800 Collected	555	342	321
1900 Budget authority (total)	15,552	14,655	16,662
1930 Total budgetary resources available	16,140	16,975	18,492
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	2,320	1,830	2,578
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1		716	727
3010 Obligations incurred, unexpired accounts	13,820	15,145	15,914
3020 Outlays (gross)	-13,790	-15,134	-15,322
3040 Recoveries of prior year unpaid obligations, unexpired	-4		

READJUSTMENT BENEFITS—Continued  
Program and Financing—Continued

Identification code 036-0137-0-1-702	2015 actual	2016 est.	2017 est.
3050 Unpaid obligations, end of year .....	716	727	1,319
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	-1
3090 Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	689	715	726
3200 Obligated balance, end of year .....	715	726	1,318
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	15,552	14,655	16,662
Outlays, gross:			
4100 Outlays from new mandatory authority .....	12,517	12,101	12,768
4101 Outlays from mandatory balances .....	1,273	3,033	2,554
4110 Outlays, gross (total) .....	13,790	15,134	15,322
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources .....	-337	-342	-321
4123 Non-Federal sources .....	-218		
4130 Offsets against gross budget authority and outlays (total) ....	-555	-342	-321
4160 Budget authority, net (mandatory) .....	14,997	14,313	16,341
4170 Outlays, net (mandatory) .....	13,235	14,792	15,001
4180 Budget authority, net (total) .....	14,997	14,313	16,341
4190 Outlays, net (total) .....	13,235	14,792	15,001

Summary of Budget Authority and Outlays (in millions of dollars)

	2015 actual	2016 est.	2017 est.
Enacted/requested:			
Budget Authority .....	14,997	14,313	16,341
Outlays .....	13,235	14,792	15,001
Legislative proposal, subject to PAYGO:			
Outlays .....			-28
Total:			
Budget Authority .....	14,997	14,313	16,341
Outlays .....	13,235	14,792	14,973

WORKLOAD - Vocational Rehabilitation and Employment

	2015 actual	2016 est.	2017 est.
Evaluation and planning .....	76,859	77,628	78,404
Rehabilitation services .....	105,113	106,164	107,226
Employment services status .....	38,134	38,515	38,900
Vocational/Educational counseling .....	15,173	15,325	15,478

WORKLOAD - Education

	2015 actual	2016 est.	2017 est.
Original claims .....	366,364	415,895	425,421
Adjustments/supplemental claims .....	3,811,042	4,205,161	4,301,475

For 2018, the Budget requests \$13,708,648,000 in advance appropriations for Readjustment Benefits. This request satisfies the requirement created by the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235) and prevents our Nation's Veterans from being adversely affected by budget delays.

This appropriation finances educational assistance allowances for certain servicemembers, veterans, and for eligible dependents of those: (a) veterans who died from service-connected causes or have a total and permanent rated service-connected disability; and (b) servicemembers who were captured or missing in action. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with the associated approved adaptive equipment. Voluntary contributions by eligible servicemembers and matching contributions provided by the Department of Defense are included in the Post-Vietnam Era Veterans Education Account.

*The Post 9-11 GI Bill (Chapter 33).*—Public Law 110-252 greatly expanded education benefits beginning on August 1, 2009. Based on length of active duty service and training rate, trainees may be entitled to benefits including: tuition and fees, housing allowance, books and supplies stipend,

kickers, and Yellow Ribbon matching payments. Certain active duty members of the Armed Forces may transfer benefits to a spouse or children.

*All volunteer force educational assistance (Montgomery GI Bill).*—Public Law 98-525, enacted October 19, 1984, established two new educational programs: an assistance program for veterans who enter active duty during the period beginning July 1, 1985; and an assistance program for certain members of the Selected Reserve. Public Law 108-375 established a program to provide educational assistance to members of the reserve components called or ordered to active service in response to a war or national emergency declared by the President or the Congress, in recognition of the sacrifices that those members make in answering the call to duty. The Readjustment Benefit appropriation pays the basic benefit allowance for veterans, except for certain Post-Vietnam Era Veterans Education participants who transferred to the Montgomery GI Bill program. Supplementary educational assistance, Post-Vietnam Era Veterans Education converters, reservists, and the National Call to Service Program are financed by payments from Department of Defense.

*Survivors and Dependents Educational Assistance (Chapter 35).*—Benefits are provided to children and spouses of veterans who died of a service-connected disability or whose service-connected disability is rated permanent and total. In addition, dependents of servicemembers missing in action or interred by a hostile foreign government for more than 90 days are also eligible. The following table provides a comparison of trainees and costs for the Dependents Educational Assistance.

*The Veterans Retraining Assistance Program.*—Established under Public Law 112-56, is a program that, from July 1, 2012 through March 31, 2014, provides up to 12 months of retraining assistance to veterans at least 35 years of age but not more than 60 years of age, who are unemployed, received an honorable discharge and have no eligibility remaining for other education benefits. Veterans participating in this program would receive monthly payments equal to the three-year payment rate under the Montgomery GI Bill (MGIB) chapter 30.

The following table shows a caseload and cost comparison for these beneficiaries under existing legislation.

CASELOAD AND AVERAGE COST DATA

	2015 actual	2016 est.	2017 est.
Chapter 33:			
Number of trainees .....	790,507	847,875	877,525
Average cost per trainee .....	\$14,167	\$14,490	\$14,803
Total cost (in millions) .....	\$11,199	\$12,285	\$12,990
Chapter 30:			
Number of trainees .....	61,403	52,716	43,980
Average cost per trainee .....	\$7,201	\$7,277	\$7,670
Total cost (in millions) .....	\$442	\$384	\$337
Chapter 1606:			
Number of trainees .....	63,030	59,863	57,837
Average cost per trainee .....	\$2,243	\$2,299	\$2,313
Total cost (in millions) .....	\$141	\$138	\$134
Chapter 1607:			
Number of trainees .....	9,965	7,884	6,747
Average cost per trainee .....	\$4,066	\$4,168	\$4,193
Total cost (in millions) .....	\$41	\$33	\$28
Chapter 35 Sons and Daughters:			
Number of trainees .....	76,931	78,471	80,119
Average cost per trainee (in dollars) .....	\$5,431	\$5,567	\$5,600
Total cost (in millions) .....	\$418	\$437	\$449
Chapter 35 Wives and Widow(ers):			
Number of trainees .....	14,824	14,349	14,584
Average cost per trainee (in dollars) .....	\$5,086	\$5,212	\$5,243
Total cost (in millions) .....	\$75	\$75	\$76
Veterans Retraining Assistance Program:			
Number of trainees .....	0		
Average cost per trainee .....	\$0		

Total cost (in millions) .....	\$3,016	\$0	\$0
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Obligations (in millions) .....	\$89	\$98	\$107
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**Vocational Rehabilitation and Employment (Chapter 31).**—Servicemembers and veterans with service-connected disabilities receive the assistance necessary to help them prepare for, obtain, and maintain suitable employment. Comprehensive assessments may include interest and aptitude testing as well as specialized assessments such as functional capacity examinations. During the training phase of the program, eligible servicemembers and veterans are provided assistance for necessary training such as tuition, fees, books and supplies at colleges, technical schools and other training programs. A veteran enrolled in training receives a monthly subsistence allowance. Eligible veterans may also receive specialized or adaptive equipment to help them overcome a disability or enable them to compete with non-disabled individuals. At the completion of training, veterans are provided with employment and placement services, including supplies and equipment needed to enter employment, adaptive equipment and workplace accommodations, incentives to employers to reimburse them for hiring and training veterans with disabilities, and two final months of subsistence allowance.

**Tuition Assistance.**—Public Law 106–398, enacted October 30, 2000, allows the military services to pay up to 100 percent of tuition and expenses charged by a school for servicemembers. If a service department pays less than 100 percent, a servicemember eligible for the Montgomery GI Bill Active-duty (MGIB) or the Post 9–11 GI Bill (Chapter 33) can elect to receive VA benefits for all or a portion of the remaining expenses. Public Law 108–454 established a program that provides availability of education benefits for payment for national admissions exams and national exams for credit at institutions of higher education.

**The National Exams.**—The benefit allows VA to reimburse for the fee charged for national tests for admission to institutions of higher learning and national tests providing an opportunity for course credit at institutions of higher learning.

**Licensing and Certification Test Payments.**—Under Public Law 106–419, veterans and other eligible persons may receive up to \$2,000 to pay fees required for civilian occupational licensing and certification examinations needed to enter, maintain, or advance in employment in a vocation or profession, effective March 1, 2001.

**National Call to Service.**—The 2003 National Defense Authorization Act directs the Department of Defense to offer an active duty enlistment option of 15 months plus training time to facilitate interest in National Service. Program participants will be given the opportunity to select one of the following incentives: a \$5,000 enlistment bonus, repayment of student loans up to \$18,000, or one of two education allowances.

**Work-Study.**—Certain veterans, reservists, and dependents pursuing a program of rehabilitation, education or training, who are enrolled as full-time students, can work up to 250 hours per semester, receiving the Federal (\$7.25 as of July 24, 2009) or state minimum wage rate, whichever is higher.

**Payments to States.**—State approving agencies are reimbursed for the costs of inspecting, approving, and supervising programs of education and training offered by educational institutions and training establishments in which veterans, dependents, and reservists are enrolled or are about to enter.

**Reporting Fees.**—Reporting fees are paid to education and training institutions to help defray the costs of certifying education enrollment for veterans enrolled in training during a calendar year.

**CASELOAD AND AVERAGE COST DATA**

	2015 actual	2016 est.	2017 est.
Chapter 31:			
Rehabilitation, Evaluation, Planning and Service cases .....	26,919	27,629	28,771
Number of trainees .....	104,728	107,491	111,933
Average cost per trainee (in dollars) .....	\$10,920	\$12,603	\$12,930
Total cost (in millions) .....	\$1,144	\$1,355	\$1,447

**Specially Adapted Housing Grants.**—Specially adapted housing grants are provided to certain severely disabled veterans. In 2016, the maximum grant amount was \$73,768. Veterans who suffer service-connected blindness or who have lost the use of both upper extremities can receive up to \$14,754 in 2016.

**Specially Adapted Housing Assistive Technology Grants.**—Under the Veterans Benefits Act of 2010, (Public Law 111–275), VA may provide grants of up to \$200,000 per fiscal year to individuals or entities for the development of specially adapted housing assistive technologies and limits to \$1 million the aggregate amount of such grants VA may award in any fiscal year.

**Automobile Grants and Adaptive Equipment.**—Certain disabled veterans are provided with automobile grants with the associated approved adaptive equipment. An allowance is provided to certain service-disabled veterans and servicemembers toward the purchase price of an automobile. The maximum allowance increased to \$20,114.34 in 2015, under The Veterans Benefits Act of 2010, (Public Law 111–275) and will continue to increase based on the CPI-U. Adaptive equipment and the maintenance and replacement of such equipment is also provided.

**CASELOAD AND AVERAGE COST DATA**

	2015 actual	2016 est.	2017 est.
Housing grants:			
Number of housing grants .....	2,037	2,366	2,389
Average cost per grant .....	\$49,620	\$49,815	\$52,177
Total cost (in millions) .....	\$101	\$118	\$125
Number of housing technology grants .....	0	5	0
Average cost per grant .....	\$0	\$200,000	\$0
Total cost (in millions) .....	\$0	\$1	\$0
Automobiles or other conveyances:			
Number of conveyances .....	2,406	2,426	2,426
Average benefit .....	\$19,688	\$21,984	\$24,547
Obligations (in millions) .....	\$47	\$53	\$60
Adaptive equipment (including maintenance, repair, and installation for automobiles):			
Number of items .....	8,524	8,950	9,398
Average benefit .....	\$10,398	\$10,896	\$11,417

**Object Classification (in millions of dollars)**

Identification code 036–0137–0–1–702	2015 actual	2016 est.	2017 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	13,483	14,803	15,593
99.0 Reimbursable obligations .....	337	342	321
99.9 Total new obligations .....	13,820	15,145	15,914

**READJUSTMENT BENEFITS**

(Legislative proposal, subject to PAYGO)

**Program and Financing (in millions of dollars)**

Identification code 036–0137–4–1–702	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0101 Adjustments to the Education Program .....			–3
0102 Improvements to the Vocational Rehabilitation Program .....			–40
0103 Improvements to the Housing Grant Program .....			2
0104 Adjustments to the Adaptive Equipment Program .....			13
0900 Total new obligations (object class 41.0) .....			–28
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			28
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			–28
3020 Outlays (gross) .....			28

READJUSTMENT BENEFITS—Continued  
Program and Financing—Continued

Identification code 036-0137-4-1-702	2015 actual	2016 est.	2017 est.
<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....			-28
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			-28

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by chapters 19 and 21, title 38, United States Code, **[\$169,080,000]** \$124,504,000, to remain available until expended, of which **[\$91,920,000]** \$107,899,000 shall become available on October 1, **[2016]** 2017. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 036-0120-0-1-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0011 VMLI Death Claims .....	32	36	36
0012 Payment to Service-Disabled Veterans Insurance .....	36	48	78
0100 Total direct expenses .....	68	84	114
0900 Total new obligations .....	68	84	114

<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2	2	
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	63	77	17
Advance appropriations, mandatory:			
1270 Advance appropriation .....			92
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	5	5	5
1900 Budget authority (total) .....	68	82	114
1930 Total budgetary resources available .....	70	84	114
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2		

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2	2	1
3010 Obligations incurred, unexpired accounts .....	68	84	114
3020 Outlays (gross) .....	-68	-85	-114
3050 Unpaid obligations, end of year .....	2	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2	2	1
3200 Obligated balance, end of year .....	2	1	1

<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	68	82	114
Outlays, gross:			
4100 Outlays from new mandatory authority .....	65	82	114
4101 Outlays from mandatory balances .....	3	3	
4110 Outlays, gross (total) .....	68	85	114
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-5	-5	-5
4180 Budget authority, net (total) .....	63	77	109
4190 Outlays, net (total) .....	63	80	109

WORKLOAD

	2015 actual	2016 est.	2017 est.
Policy service actions .....	932,461	916,989	885,051
Collections .....	599,860	528,000	467,300
Disability claims .....	36,220	53,270	48,200
Insurance awards .....	207,551	206,400	195,190

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by chapters 19 and 21, title 38, United States Code \$124,504,000, to remain available until expended, of which \$107,899,000 shall become available on October 1, 2017. Public Law 114-113, Consolidated Appropriations Act, 2016 on December 18, 2015, enacted associated advance 2017 appropriations of \$91,920,000 that shall become available on October 1, 2016.

*Note.*—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

The insurance business line administers six life insurance programs, including two trust funds, two public enterprise funds, a trust revolving fund, and Veterans' Mortgage Life Insurance (VMLI), and supervises four additional programs for the benefit of servicepersons, veterans, and their beneficiaries through contracts with a commercial company. All programs are operated on a commercial basis, to the extent possible, consistent with all applicable statutes. The insurance appropriation is the supplemental funding mechanism for the following Government life insurance activities: National Service Life Insurance (NSLI); Service-Disabled Veterans Insurance Fund (S-DVI); and Veterans' Mortgage Life Insurance.

*National Service Life Insurance.*—Payments are made to the NSLI fund for certain World War II veterans for: (a) extra hazards of service; (b) gratuitous insurance granted to certain persons unable to apply for National Service Life Insurance; and (c) death claims on policies under the waiver of a premium while the insured was on active duty.

*Payment to Service-Disabled Veterans Insurance Fund.*—Payments are made to the S-DVI fund to supplement the premiums and other receipts of the fund in amounts necessary to pay claims on insurance policies issued to veterans with service-connected disabilities.

*Veterans' Mortgage Life Insurance.*—Payments are made to mortgage holders under this program, which provides mortgage protection life insurance to veterans who have received a grant for specially adapted housing due to severe disabilities. The trend in the number and amount of insurance policies in force appears in the following table.

POLICIES AND INSURANCE IN FORCE

VMLI Policies	2015 actual	2016 est.	2017 est.
Number of Policies .....	2,567	2,590	2,610
Amount of Insurance (dollars in millions) .....	\$332	\$346	\$358

Object Classification (in millions of dollars)

Identification code 036-0120-0-1-701	2015 actual	2016 est.	2017 est.
42.0 Direct obligations: Insurance claims and indemnities .....	68	81	111
99.0 Reimbursable obligations .....		3	3
99.9 Total new obligations .....	68	84	114

FILIPINO VETERANS EQUITY COMPENSATION FUND

Program and Financing (in millions of dollars)

Identification code 036-1121-0-1-701	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	56	56	56
1930 Total budgetary resources available .....	56	56	56
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	56	56	56
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

This fund was established under the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009 (Public Law 110-329), to make payments to eligible persons who served in the Philippines during World War II. Payments were subsequently authorized by Congress in the American Recovery and Reinvestment Act of 2009 (Public Law 111-5).



Original funding of \$198,000,000 was supplemented by a transfer of \$67,000,000 authorized by Public Law 111–212 that remains available until expended. Payments to citizens of the United States are \$15,000. Payments to non-U.S. citizens are \$9,000.

SERVICE-DISABLED VETERANS INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 036-4012-0-3-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Capital investment .....	24	25	26
0802 Death claims .....	104	111	117
0803 All other .....	7	7	7
0804 Payments to GOE and IT .....	11	14	15
0900 Total new obligations .....	146	157	165
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	50	30	11
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	126	138	165
1930 Total budgetary resources available .....	176	168	176
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	30	11	11
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	17	18	17
3010 Obligations incurred, unexpired accounts .....	146	157	165
3020 Outlays (gross) .....	-145	-158	-159
3050 Unpaid obligations, end of year .....	18	17	23
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	17	18	17
3200 Obligated balance, end of year .....	18	17	23
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	126	138	165
Outlays, gross:			
4100 Outlays from new mandatory authority .....	90	138	165
4101 Outlays from mandatory balances .....	55	20	-6
4110 Outlays, gross (total) .....	145	158	159
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources .....	-36	-48	-78
4123 Non-Federal sources .....	-90	-5	-5
4123 Non-Federal sources .....	-65	-61	-61
4123 Non-Federal sources .....	-20	-21	-21
4130 Offsets against gross budget authority and outlays (total) ....	-126	-138	-165
4170 Outlays, net (mandatory) .....	19	20	-6
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	19	20	-6

The Insurance Act of 1951 established the Service-Disabled Veterans Insurance (S-DVI) program for veterans with service-connected disabilities. S-DVI is open to veterans who separated from the service on or after April 25, 1951. This fund finances the payment of claims on existing life insurance policies and remains open for new issues at standard rates to veterans having service-connected disabilities.

OPERATING COSTS

*Death claims.*—Represents payments to designated beneficiaries.

*All other.*—Represents payments to policyholders who surrender their policies for their cash value and hold endowment policies which have matured.

*Capital investment.*—A policyholder may borrow up to 94 percent of the value of his or her policy.

*Administration.*—Represents the administrative costs of claims processing and account maintenance.

The trend in the number and amount of policies in force is indicated in the following table.

POLICIES AND INSURANCE IN FORCE

	2015 actual	2016 est.	2017 est.
Number of policies (EOY) .....	266,840	273,120	278,780
Insurance in force (dollars in millions) (EOY) .....	\$2,794	\$2,865	\$2,945

*Financing.*—Operations are financed from premiums and other receipts. Additional funds are received by transfer from the Veterans Insurance and Indemnities appropriation, instead of direct appropriations to this fund.

*Operating results and financial condition.*—Since premium and other receipts are insufficient to cover operations, the fund continues to project liabilities in excess of assets. The deficit is expected to reach an estimated \$ 1,399 million by September 30, 2017. The expected deficit is financed by additional funds from the above-mentioned Veterans Insurance and Indemnities appropriations.

Object Classification (in millions of dollars)

Identification code 036-4012-0-3-701	2015 actual	2016 est.	2017 est.
Reimbursable obligations:			
33.0 Investments and loans .....	42	46	50
42.0 Insurance claims and indemnities .....	104	111	115
99.9 Total new obligations .....	146	157	165

VETERANS REOPENED INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 036-4010-0-3-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Death claims .....	28	26	22
0802 Dividends .....	3	2	2
0803 All other .....	3	4	4
0804 Capital investment: policy loans .....	1	1	1
0900 Total new obligations .....	35	33	29
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	164	139	116
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	10	10	8
1930 Total budgetary resources available .....	174	149	124
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	139	116	95
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	37	33	28
3010 Obligations incurred, unexpired accounts .....	35	33	29
3020 Outlays (gross) .....	-39	-38	-33
3050 Unpaid obligations, end of year .....	33	28	24
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2	-2	-2
3090 Uncollected pymts, Fed sources, end of year .....	-2	-2	-2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	35	31	26
3200 Obligated balance, end of year .....	31	26	22
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	10	10	8
Outlays, gross:			
4100 Outlays from new mandatory authority .....	10	10	8
4101 Outlays from mandatory balances .....	29	28	25
4110 Outlays, gross (total) .....	39	38	33
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4121 Interest on Federal securities .....	-9	-7	-5
4123 Non-Federal sources .....	-1	-3	-3
4130 Offsets against gross budget authority and outlays (total) ....	-10	-10	-8
4170 Outlays, net (mandatory) .....	29	28	25
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	29	28	25

VETERANS REOPENED INSURANCE FUND—Continued  
Program and Financing—Continued

Identification code 036-4010-0-3-701	2015 actual	2016 est.	2017 est.
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value .....	199	170	142
5001 Total investments, EOY: Federal securities: Par value .....	170	142	117

*Note.*—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund pays claims and administrative costs on participating life insurance policies issued during the period May 1, 1965, through May 2, 1966, under three life insurance programs: 1) service-disabled standard insurance; 2) service-disabled rated insurance; and 3) nonservice-disabled insurance availing disabled World War II and Korean conflict veterans an opportunity to acquire life insurance coverage who were no longer eligible for other government insurance.

*Budget program:*

*Death claims.*—Represents payments to designated beneficiaries.

*Dividends.*—Policyholders participate in the distribution of annual dividends.

*All other.*—This represents resources for the administrative costs of processing claims and maintaining the accounts, and to those policyholders who: (a) surrender their policies for cash value; (b) hold endowment policies which have matured; and (c) have purchased total disability income coverage and subsequently become disabled.

*Policy loans made.*—A policyholder may borrow up to 94 percent of the cash value of his policy at an interest rate adjusted to reflect private sector borrowing costs.

The following table reflects the decrease in the number of policies and the amount of insurance in force:

**POLICIES AND INSURANCE IN FORCE**

	2015 actual	2016 est.	2017 est.
Number of policies .....	14,515	11,935	9,705
Insurance in force (dollars in millions) .....	\$154	\$130	\$106

*Financing.*—Operations are financed from premiums collected from policyholders and interest on investments. Excess earnings of the fund are distributed to the policyholders in the form of an annual dividend.

**Object Classification** (in millions of dollars)

Identification code 036-4010-0-3-701	2015 actual	2016 est.	2017 est.
<b>Reimbursable obligations:</b>			
33.0 Investments and loans .....	4	1	1
42.0 Insurance claims and indemnities .....	28	29	25
43.0 Interest and dividends .....	3	3	3
99.9 Total new obligations .....	35	33	29

SERVICEMEMBERS' GROUP LIFE INSURANCE FUND

**Program and Financing** (in millions of dollars)

Identification code 036-4009-0-3-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Premium payments .....	765	796	792
0802 Payments to carrier .....	9	6	.....
0803 Payment to GOE .....	3	3	3
0900 Total new obligations (object class 41.0) .....	777	805	795

**Budgetary resources:**

<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	1	1	1
<b>Budget authority:</b>			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	777	805	795
1930 Total budgetary resources available .....	778	806	796

<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	1	1	1

**Change in obligated balance:**

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	6	.....	.....
3010 Obligations incurred, unexpired accounts .....	777	805	795
3020 Outlays (gross) .....	-783	-805	-795
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	6	.....	.....

**Budget authority and outlays, net:**

<b>Mandatory:</b>			
4090 Budget authority, gross .....	777	805	795
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	777	805	795
4101 Outlays from mandatory balances .....	6	.....	.....
4110 Outlays, gross (total) .....	783	805	795
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-777	-805	-795
4180 Budget authority, net (total) .....	.....	.....	.....
4190 Outlays, net (total) .....	6	.....	.....

**Memorandum (non-add) entries:**

5000 Total investments, SOY: Federal securities: Par value .....	1	1	1
5001 Total investments, EOY: Federal securities: Par value .....	1	1	1

This fund finances the payment of group life insurance premiums to private insurance companies under the Servicemembers' Group Life Insurance (SGLI) Act of 1965, as amended. SGLI is a program for Servicemembers on active duty, ready reservists, members of the National Guard, members of the Commissioned Corps of the National Oceanic and Atmospheric Administration and the Public Health Service, cadets and midshipmen of the four service academies, and members of the Reserve Officer Training Corps. SGLI coverage is available in \$50,000 increments up to the maximum of \$400,000. Veterans' Group Life Insurance (VGLI) is a program of post-separation insurance which allows Servicemembers to convert their SGLI coverage to renewable term insurance. Family Servicemembers' Group Life Insurance (FSGLI) is a program extended to the spouses and dependent children of members insured under the SGLI program. FSGLI provides up to a maximum of \$100,000 of insurance coverage for spouses, not to exceed the amount of SGLI the insured member has in force, and \$10,000 of free coverage for dependent children. Spousal coverage is issued in increments of \$10,000.

The Servicemembers' Group Life Insurance Traumatic Injury Protection Program (TSGLI) became effective December 1, 2005. TSGLI provides for payment between \$25,000 and \$100,000 (depending on the type of injury) to any member of the uniformed services covered by SGLI who sustains a traumatic injury that results in certain serious losses.

VETERANS HOUSING BENEFIT PROGRAM FUND

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by subchapters I through III of chapter 37 of title 38, United States Code: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That, during fiscal year [2016] 2017, within the resources available, not to exceed \$500,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, [ \$164,558,000 ] \$198,856,400. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 036-1119-0-1-704	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
<b>Credit program obligations:</b>			
0702 Loan guarantee subsidy .....	405	346	584
0705 Reestimates of direct loan subsidy .....	4	24	.....
0706 Interest on reestimates of direct loan subsidy .....	3	12	.....
0707 Reestimates of loan guarantee subsidy .....	390	382	.....

0708	Interest on reestimates of loan guarantee subsidy .....	63	91	.....
0709	Administrative expenses .....	159	165	199
0900	Total new obligations .....	1,024	1,020	783
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....		1	.....
1022	Capital transfer of unobligated balances to general fund .....		-1	.....
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	161	165	199
Appropriations, mandatory:				
1200	Appropriation .....	864	855	584
1900	Budget authority (total) .....	1,025	1,020	783
1930	Total budgetary resources available .....	1,025	1,020	783
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	1		.....
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....	1,024	1,020	783
3020	Outlays (gross) .....	-1,024	-1,020	-783
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	161	165	199
Outlays, gross:				
4010	Outlays from new discretionary authority .....	160	165	199
Mandatory:				
4090	Budget authority, gross .....	864	855	584
Outlays, gross:				
4100	Outlays from new mandatory authority .....	864	855	584
4180	Budget authority, net (total) .....	1,025	1,020	783
4190	Outlays, net (total) .....	1,024	1,020	783

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 036-1119-0-1-704	2015 actual	2016 est.	2017 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	Acquired Direct Loans .....	7	7	9
115004	Vendee Direct Loans .....	1	291	392
115999	Total direct loan levels .....	8	298	401
Direct loan subsidy (in percent):				
132001	Acquired Direct Loans .....	-5.06	1.71	1.92
132004	Vendee Direct Loans .....	-20.79	-25.58	-23.58
132999	Weighted average subsidy rate .....	-7.03	-24.94	-23.01
Direct loan subsidy budget authority:				
133004	Vendee Direct Loans .....		-74	-92
133999	Total subsidy budget authority .....		-74	-92
Direct loan subsidy outlays:				
134004	Vendee Direct Loans .....		-74	-92
134999	Total subsidy outlays .....		-74	-92
Direct loan reestimates:				
135001	Acquired Direct Loans .....	-9	11	.....
135004	Vendee Direct Loans .....	3	9	.....
135005	Acquired and Vendee Loan Reestimates .....	-16	16	.....
135999	Total direct loan reestimates .....	-22	36	.....
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Housing Guaranteed Loans .....	149,822	138,275	114,493
215999	Total loan guarantee levels .....	149,822	138,275	114,493
Guaranteed loan subsidy (in percent):				
232001	Housing Guaranteed Loans .....	0.27	0.25	0.51
232999	Weighted average subsidy rate .....	0.27	0.25	0.51
Guaranteed loan subsidy budget authority:				
233001	Housing Guaranteed Loans .....	405	346	584
233999	Total subsidy budget authority .....	405	346	584
Guaranteed loan subsidy outlays:				
234001	Housing Guaranteed Loans .....	405	345	584
234999	Total subsidy outlays .....	405	345	584
Guaranteed loan reestimates:				
235001	Housing Guaranteed Loans .....	218	186	.....
235002	Guaranteed Loan Sale Securities—Vendee .....	-3	-24	.....
235999	Total guaranteed loan reestimates .....	215	162	.....
Administrative expense data:				
3510	Budget authority .....	161	165	199

3590	Outlays from new authority .....	161	165	199
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*Veterans Affairs (VA) Housing Program Account.*—The housing program helps eligible veterans, active duty personnel, surviving spouses, and members of the Reserves and National Guard purchase, retain, and adapt homes in recognition of their service to the Nation. When a borrower purchases a home, the program operates by substituting the Federal Government's guaranty for a down payment that might otherwise be required.

Under 38 U.S.C. 3703, the guaranty amount for a borrower with full entitlement (first-time users of the program or users whose entitlement is fully restored) is as follows:

- (a) 50 percent for loans of \$45,000 or less;
- (b) \$22,500 for loans greater than \$45,000, but no more than \$56,250;
- (c) The lesser of \$36,000 or 40 percent of the loan amount for loans greater than \$56,250, but not more than \$144,000;
- (d) 25 percent of the loan amount for loans of \$144,001 to \$417,000; or
- (e) For certain loans in excess of \$417,000, the guaranty will be the lesser of: 25 percent of the county loan limit, or 25 percent of the loan.

This appropriation provides for the corporate leadership and operational support to VA's Housing business line. The Housing Program facilitates the extension of private capital, on more liberal terms than generally available to nonveterans, to assist veterans and servicemembers in obtaining housing credit, and assist veterans in retaining their homes during periods of temporary economic difficulty through intensive supplemental mortgage loan servicing.

*Guaranteed transitional housing loans for homeless veterans.*—Established as a pilot project by the Veterans Benefits Improvement Act of 1998, Public Law 105-368, this program does not require any new loan subsidy funding. The program has originated no new loans since 2009. The program was canceled in 2012. The existing loan will continue to be serviced within the program's financing account.

**WORKLOAD**

	2015 actual	2016 est.	2017 est.
[In thousands]			
Construction and valuation .....	567	487	386
Loan processing .....	1,573	1,350	1,071
Loan service and claims .....	140	155	171

**Object Classification** (in millions of dollars)

Identification code 036-1119-0-1-704	2015 actual	2016 est.	2017 est.	
Direct obligations:				
25.2	Other services from non-Federal sources .....	160	165	199
41.0	Grants, subsidies, and contributions .....	864	855	584
99.9	Total new obligations .....	1,024	1,020	783

**HOUSING DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 036-4127-0-3-704	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0003	Property sales expense .....	1	1	1
0004	Property management/other expense .....	4	3	3
0091	Direct program activities, subtotal .....	5	4	4
Credit program obligations:				
0710	Direct loan obligations .....	8	298	401
0713	Payment of interest to Treasury .....	39	216	248
0740	Negative subsidy obligations .....		74	92
0742	Downward reestimate paid to receipt account .....	18		
0743	Interest on downward reestimates .....	12	1	
0791	Direct program activities, subtotal .....	77	589	741
0900	Total new obligations .....	82	593	745

**HOUSING DIRECT LOAN FINANCING ACCOUNT—Continued**  
**Program and Financing—Continued**

Identification code 036-4127-0-3-704	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	93	94	
1023 Unobligated balances applied to repay debt .....	-87	-94	
1050 Unobligated balance (total) .....	6		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	457	593	745
1422 Borrowing authority applied to repay debt .....	-360		
1440 Borrowing authority, mandatory (total) .....	97	593	745
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	101	90	74
1825 Spending authority from offsetting collections applied to repay debt .....	-28	-90	-74
1850 Spending auth from offsetting collections, mand (total) .....	73		
1900 Budget authority (total) .....	170	593	745
1930 Total budgetary resources available .....	176	593	745
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	94		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	1	6
3010 Obligations incurred, unexpired accounts .....	82	593	745
3020 Outlays (gross) .....	-82	-588	-743
3050 Unpaid obligations, end of year .....	1	6	8
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	1	6
3200 Obligated balance, end of year .....	1	6	8
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	170	593	745
Financing disbursements:			
4110 Outlays, gross (total) .....	82	588	743
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources: Payments from program account .....	-7	-36	
4120 Reimbursements from DLFA .....		-1	-1
4122 Interest on uninvested funds .....	-18		
4123 Interest and principal received on loans .....	-67	-46	-67
4123 Cash sale of properties .....	-9	-7	-6
4130 Offsets against gross budget authority and outlays (total) ....	-101	-90	-74
4160 Budget authority, net (mandatory) .....	69	503	671
4170 Outlays, net (mandatory) .....	-19	498	669
4180 Budget authority, net (total) .....	69	503	671
4190 Outlays, net (total) .....	-19	498	669

**Status of Direct Loans (in millions of dollars)**

Identification code 036-4127-0-3-704	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	8	298	401
1150 Total direct loan obligations .....	8	298	401
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	452	409	681
1231 Disbursements: Direct loan disbursements .....	8	298	401
1251 Repayments: Repayments and prepayments .....	-49	-20	-24
1263 Write-offs for default: Direct loans .....	-2	-6	-4
1290 Outstanding, end of year .....	409	681	1,054

**Balance Sheet (in millions of dollars)**

Identification code 036-4127-0-3-704	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	93	94
Investments in US securities:		
1106 Receivables, net .....	5	16
1206 Non-Federal assets: Receivables, net .....	4	4

Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	452	409
1402 Interest receivable .....	17	19
1404 Foreclosed property .....	27	25
1405 Allowance for subsidy cost .....	57	57
1499 Net present value of assets related to direct loans .....	553	510
1901 Other Federal assets: Other assets .....	1	1
1999 Total assets .....	656	625
<b>LIABILITIES:</b>		
Federal liabilities:		
2103 Debt .....	624	605
2105 Other .....	27	13
Non-Federal liabilities:		
2201 Accounts payable .....		1
2207 Other .....	5	6
2999 Total liabilities .....	656	625
4999 Total liabilities and net position .....	656	625

**HOUSING GUARANTEED LOAN FINANCING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 036-4129-0-3-704	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0002 Losses on defaulted loans .....	965	1,366	1,575
0005 Payment to trustee reserve .....	23	20	19
0009 Property sales expense .....	119	153	176
0010 Property management expense .....	118	142	163
0011 Property improvement expense .....	14	5	5
0012 Loans acquired .....	7	9	10
0091 Direct program activities, subtotal .....	1,246	1,695	1,948
Credit program obligations:			
0711 Default claim payments on principal .....	1,515	2,058	2,371
0742 Downward reestimate paid to receipt account .....	190	252	
0743 Interest on downward reestimates .....	48	58	
0791 Direct program activities, subtotal .....	1,753	2,368	2,371
0900 Total new obligations .....	2,999	4,063	4,319
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	7,429	8,726	9,655
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	4,296	4,992	5,298
1900 Budget authority (total) .....	4,296	4,992	5,298
1930 Total budgetary resources available .....	11,725	13,718	14,953
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	8,726	9,655	10,634
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	340	317	76
3010 Obligations incurred, unexpired accounts .....	2,999	4,063	4,319
3020 Outlays (gross) .....	-3,022	-4,304	-4,307
3050 Unpaid obligations, end of year .....	317	76	88
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	340	317	76
3200 Obligated balance, end of year .....	317	76	88
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	4,296	4,992	5,298
Financing disbursements:			
4110 Outlays, gross (total) .....	3,022	4,304	4,307
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Payments from program account .....	-857	-819	-584
4120 Recoveries from DLFA .....	-8	-300	-403
4122 Interest on uninvested funds .....	-189	-642	-690
4123 Funding fees .....	-1,821	-1,581	-1,397
4123 Cash sale of properties .....	-1,404	-1,650	-2,224
4123 Redemption of Properties/Other income and receivables .....	-17		
4130 Offsets against gross budget authority and outlays (total) ....	-4,296	-4,992	-5,298
4170 Outlays, net (mandatory) .....	-1,274	-688	-991
4180 Budget authority, net (total) .....			

4190	Outlays, net (total)	-1,274	-688	-991
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**Status of Guaranteed Loans** (in millions of dollars)

Identification code 036-4129-0-3-704	2015 actual	2016 est.	2017 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Guaranteed loan commitments from current-year authority	149,822	138,275	114,493
2150	Total guaranteed loan commitments	149,822	138,275	114,493
2199	Guaranteed amount of guaranteed loan commitments	41,351	38,164	31,600
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	397,893	462,079	553,888
2231	Disbursements of new guaranteed loans	149,822	138,275	114,493
2251	Repayments and prepayments	-83,130	-43,013	-49,311
Adjustments:				
2262	Terminations for default that result in acquisition of property	-1,515	-2,058	-2,371
2263	Terminations for default that result in claim payments	-991	-1,395	-1,604
2290	Outstanding, end of year	462,079	553,888	615,095
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	125,664	149,001	164,401

**Balance Sheet** (in millions of dollars)

Identification code 036-4129-0-3-704	2014 actual	2015 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	7,769	9,043
Investments in US securities:			
1106	Receivables, net	633	406
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1504	Accounts receivable from foreclosed property	20	14
1504	Foreclosed property	817	866
1599	Net present value of assets related to defaulted guaranteed loans	837	880
1999	Total assets	9,239	10,329
LIABILITIES:			
Federal liabilities:			
2103	Debt		
2105	Other liabilities	219	333
Non-Federal liabilities:			
2201	Accounts payable	340	317
2204	Non-federal liabilities for loan guarantees	8,680	9,679
2999	Total liabilities	9,239	10,329
4999	Total liabilities and net position	9,239	10,329

**HOUSING LIQUIDATING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 036-4025-0-3-704	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0105	Capital investments, guaranteed claims payment and other operating expenses	1	1	1
0900	Total new obligations (object class 32.0)	1	1	1
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	1	
1022	Capital transfer of unobligated balances to general fund	-1	-1	
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	15	13	11
1820	Capital transfer of spending authority from offsetting collections to general fund	-13	-12	-10
1850	Spending auth from offsetting collections, mand (total)	2	1	1
1930	Total budgetary resources available	2	1	1
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1		

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	2	2	
3010	Obligations incurred, unexpired accounts	1	1	1
3020	Outlays (gross)	-1	-3	-1
3050	Unpaid obligations, end of year	2		
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	2	2	
3200	Obligated balance, end of year	2		

**Budget authority and outlays, net:**

Mandatory:				
4090	Budget authority, gross	2	1	1
Outlays, gross:				
4100	Outlays from new mandatory authority		1	1
4101	Outlays from mandatory balances	1	2	
4110	Outlays, gross (total)	1	3	1
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Loan repayments and prepayments	-2	-1	-1
4123	Sale of homes, cash	-2	-2	-1
4123	Interest collection on Veteran liability debts	-4		
4123	Principal collection on Veteran liability debts	-7	-3	-3
4123	Non-Federal sources		-7	-6
4130	Offsets against gross budget authority and outlays (total)	-15	-13	-11
4160	Budget authority, net (mandatory)	-13	-12	-10
4170	Outlays, net (mandatory)	-14	-10	-10
4180	Budget authority, net (total)	-13	-12	-10
4190	Outlays, net (total)	-14	-10	-10

**Memorandum (non-add) entries:**

5010	Total investments, SOY: non-Fed securities: Market value	140	140	140
5011	Total investments, EOY: non-Fed securities: Market value	140	140	140

**Status of Direct Loans** (in millions of dollars)

Identification code 036-4025-0-3-704	2015 actual	2016 est.	2017 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	5	4	3
1251	Repayments: Repayments and prepayments	-1	-1	-1
1290	Outstanding, end of year	4	3	2

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 036-4025-0-3-704	2015 actual	2016 est.	2017 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	237	148	92
2251	Repayments and prepayments	-88	-55	-34
2262	Adjustments: Terminations for default that result in acquisition of property	-1	-1	-1
2290	Outstanding, end of year	148	92	57
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	147	38	24

**Addendum:**

Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	28	22	15
2351	Repayments of loans receivable	-6	-7	-7
2364	Other adjustments, net			
2390	Outstanding, end of year	22	15	8

**Balance Sheet** (in millions of dollars)

Identification code 036-4025-0-3-704	2014 actual	2015 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	3	3
Non-Federal assets:			
1201	Investments in non-Federal securities, net	140	140
1206	Receivables, net	1	1
1601	Direct loans, gross	5	4
1602	Interest receivable	39	38
1603	Allowance for estimated uncollectible loans and interest (-)	-28	-26
1699	Value of assets related to direct loans	16	16

**HOUSING LIQUIDATING ACCOUNT—Continued**  
**Balance Sheet—Continued**

Identification code 036-4025-0-3-704	2014 actual	2015 actual
1701 Defaulted guaranteed loans, gross .....	28	22
1703 Allowance for estimated uncollectible loans and interest (-) .....	-1	-1
1704 Defaulted guaranteed loans and interest receivable, net .....	27	21
1706 Foreclosed property .....	3	2
1799 Value of assets related to loan guarantees .....	30	23
1999 Total assets .....	190	183
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	2	2
2204 Liabilities for loan guarantees .....	188	181
2999 Total liabilities .....	190	183
4999 Total liabilities and net position .....	190	183

**NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT**

For administrative expenses to carry out the direct loan program authorized by subchapter V of chapter 37 of title 38, United States Code, **[\$1,134,000] \$1,162,800.** (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

**VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT**

For the cost of direct loans, **[\$31,000] \$36,000**, as authorized by chapter 31 of title 38, United States Code: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That funds made available under this heading are available to subsidize gross obligations for the principal amount of direct loans not to exceed **[\$2,952,000] \$2,517,000.**

In addition, for administrative expenses necessary to carry out the direct loan program, **[\$367,000] \$388,800**, which may be paid to the appropriation for "General Operating Expenses, Veterans Benefits Administration". (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 036-1120-0-1-704	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0705 Reestimates of direct loan subsidy .....	1	1	.....
0709 Administrative expenses .....	1	2	2
0900 Total new obligations .....	2	3	2
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2	2	2
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1	2	2
Appropriations, mandatory:			
1200 Appropriation .....	1	1	.....
1900 Budget authority (total) .....	2	3	2
1930 Total budgetary resources available .....	4	5	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2	2	2
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	2	3	2
3020 Outlays (gross) .....	-2	-3	-2
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	1	2	2
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1	2	2
Mandatory:			
4090 Budget authority, gross .....	1	1	.....
Outlays, gross:			
4100 Outlays from new mandatory authority .....	1	1	.....
4180 Budget authority, net (total) .....	2	3	2

4190 Outlays, net (total) .....	2	3	2
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**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 036-1120-0-1-704	2015 actual	2016 est.	2017 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Native American Direct Loans .....	4	13	13
115003 Vocational Rehabilitation .....	2	3	3
115999 Total direct loan levels .....	6	16	16
Direct loan subsidy (in percent):			
132002 Native American Direct Loans .....	-17.04	-18.08	-18.62
132003 Vocational Rehabilitation .....	0.36	1.05	1.43
132999 Weighted average subsidy rate .....	-11.24	-14.49	-14.86
Direct loan subsidy budget authority:			
133002 Native American Direct Loans .....	-1	-2	-2
133999 Total subsidy budget authority .....	-1	-2	-2
Direct loan subsidy outlays:			
134002 Native American Direct Loans .....	-2	-2	-2
134999 Total subsidy outlays .....	-2	-2	-2
Direct loan reestimates:			
135002 Native American Direct Loans .....	1	1	.....
135999 Total direct loan reestimates .....	1	1	.....
<b>Administrative expense data:</b>			
3510 Budget authority .....	1	2	2
3590 Outlays from new authority .....	1	2	2

The Native American Veterans Housing Loan program provides direct loans to veterans living on trust lands under 38 U.S.C. chapter 37, section 3761. These loans are available to purchase, construct, or improve homes to be occupied as the veteran's residence. This program began as a pilot in 1993 and was made permanent on June 15, 2006, through Public Law 109-233.

The Vocational Rehabilitation Loan Program provides temporary loans to cover the costs of subsistence, tuition, books, supplies, and equipment in conjunction with service-connected disability benefits provided to veterans participating in VA's Vocational Rehabilitation and Counseling Program as authorized by chapter 31 of title 38, United States Code. Repayment of these loans is made in monthly installments, without interest, through deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retired pay.

**Object Classification** (in millions of dollars)

Identification code 036-1120-0-1-704	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	1	2	2
41.0 Grants, subsidies, and contributions .....	1	1	.....
99.9 Total new obligations .....	2	3	2

**NATIVE AMERICAN DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 036-4130-0-3-704	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations .....	4	12	13
0713 Payment of interest to Treasury .....	3	.....	.....
0740 Negative subsidy obligations .....	1	2	2
0900 Total new obligations .....	8	14	15
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2	3	2
1023 Unobligated balances applied to repay debt .....	-1	-3	-2
1050 Unobligated balance (total) .....	1	.....	.....

Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority .....	9	11	11
1422	Borrowing authority applied to repay debt .....	-2		
1440	Borrowing authority, mandatory (total) .....	7	11	11
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	6	10	10
1825	Spending authority from offsetting collections applied to repay debt .....	-3	-5	-6
1850	Spending auth from offsetting collections, mand (total) .....	3	5	4
1900	Budget authority (total) .....	10	16	15
1930	Total budgetary resources available .....	11	16	15
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	3	2	

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1	1	
3010	Obligations incurred, unexpired accounts .....	8	14	15
3020	Outlays (gross) .....	-8	-15	-15
3050	Unpaid obligations, end of year .....	1		
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1	1	
3200	Obligated balance, end of year .....	1		

<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	10	16	15
Financing disbursements:				
4110	Outlays, gross (total) .....	8	15	15
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-1	-1	
4123	Non-federal sources - Repayments and prepayments of principal .....	-3	-6	-7
4123	Non-Federal sources - Interest received on loans .....	-2	-3	-3
4130	Offsets against gross budget authority and outlays (total) ....	-6	-10	-10
4160	Budget authority, net (mandatory) .....	4	6	5
4170	Outlays, net (mandatory) .....	2	5	5
4180	Budget authority, net (total) .....	4	6	5
4190	Outlays, net (total) .....	2	5	5

**Status of Direct Loans (in millions of dollars)**

Identification code 036-4130-0-3-704				
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority .....	4	12	13
1150	Total direct loan obligations .....	4	12	13
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	59	60	66
1231	Disbursements: Direct loan disbursements .....	4	12	13
1251	Repayments: Repayments and prepayments .....	-3	-6	-7
1290	Outstanding, end of year .....	60	66	72

**Balance Sheet (in millions of dollars)**

Identification code 036-4130-0-3-704				
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury .....	3	5	
Investments in US securities:				
1106	Receivables, net .....	1	1	
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross .....	59	60	
1402	Interest receivable .....	2	2	
1405	Other assets .....	3	3	
1499	Net present value of assets related to direct loans .....	64	65	
1999	Total assets .....	68	71	
LIABILITIES:				
Federal liabilities:				
2103	Federal liabilities debt .....	67	70	
2105	Other liabilities .....	1	1	
2999	Total liabilities .....	68	71	

4999	Total liabilities and net position .....	68	71	
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**TRANSITIONAL HOUSING DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 036-4258-0-3-704				
2015 actual				
2016 est.				
2017 est.				
<b>Obligations by program activity:</b>				
0001	Direct program activity .....	1	1	
0900	Total new obligations .....	1	1	
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	5	4	3
1930	Total budgetary resources available .....	5	4	3
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	4	3	3
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....	1	1	
3020	Outlays (gross) .....	-1	-1	

**Financing authority and disbursements, net:**

Mandatory:				
Financing disbursements:				
4110	Outlays, gross (total) .....	1	1	
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....	1	1	

**Status of Direct Loans (in millions of dollars)**

Identification code 036-4258-0-3-704				
2015 actual				
2016 est.				
2017 est.				
Position with respect to appropriations act limitation on obligations:				
1121	Limitation available from carry-forward .....	95	95	95
1143	Unobligated limitation carried forward .....	-95	-95	-95
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	5	5	5
1290	Outstanding, end of year .....	5	5	5

**Balance Sheet (in millions of dollars)**

Identification code 036-4258-0-3-704			
2014 actual			
2015 actual			
ASSETS:			
1101	Federal assets: Fund balances with Treasury .....	5	5
1401	Net value of assets related to post-1991 direct loans receivable:		
	Direct loans receivable, gross .....	5	5
1999	Total assets .....	10	10
LIABILITIES:			
Federal liabilities:			
2103	Debt .....	5	5
2105	Loan Guaranty/Other Liabilities .....	5	5
2999	Total liabilities .....	10	10
4999	Total liabilities and net position .....	10	10

**VOCATIONAL REHABILITATION DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 036-4112-0-3-702				
2015 actual				
2016 est.				
2017 est.				
<b>Obligations by program activity:</b>				
Credit program obligations:				
0710	Direct loan obligations .....	2	3	3
0900	Total new obligations .....	2	3	3
<b>Budgetary resources:</b>				
Financing authority:				
Borrowing authority, mandatory:				
1400	Authority to borrow (indefinite) .....	2	3	3

VOCATIONAL REHABILITATION DIRECT LOAN FINANCING ACCOUNT—Continued  
Program and Financing—Continued

Identification code 036-4112-0-3-702	2015 actual	2016 est.	2017 est.
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	2	3	3
1825 Spending authority from offsetting collections applied to repay debt .....	-2	-3	-3
1900 Budget authority (total) .....	2	3	3
1930 Total budgetary resources available .....	2	3	3
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	2	3	3
3020 Outlays (gross) .....	-2	-3	-3
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	2	3	3
Financing disbursements:			
4110 Outlays, gross (total) .....	2	3	3
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Repayments and prepayments of principal .....	-2	-3	-3
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

Status of Direct Loans (in millions of dollars)

Identification code 036-4112-0-3-702	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	2	3	3
1150 Total direct loan obligations .....	2	3	3
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	2	2	2
1231 Disbursements: Direct loan disbursements .....	2	3	3
1251 Repayments: Repayments and prepayments .....	-2	-3	-3
1290 Outstanding, end of year .....	2	2	2

Balance Sheet (in millions of dollars)

Identification code 036-4112-0-3-702	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in US securities:		
1104 Investments US Securities .....	1	1
1401 Net value of assets related to post-1991 direct loans receivable: Direct loans receivable, gross .....	1	2
1999 Total assets .....	2	3
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt .....	2	3
4999 Total liabilities and net position .....	2	3

Trust Funds

POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT

Program and Financing (in millions of dollars)

Identification code 036-8133-0-7-702	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	63	63	63
1930 Total budgetary resources available .....	63	63	63
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	63	63	63
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	1	1
3050 Unpaid obligations, end of year .....	1	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	1	1
3200 Obligated balance, end of year .....	1	1	1

4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

This account consists of voluntary contributions by eligible servicemembers and matching contributions provided by the Department of Defense. The fund provides educational assistance payments to participants who entered the service after December 31, 1976, and are pursuing training under chapter 32, title 38, U.S.C. Section 901 is a non-contributory program with educational assistance provided by the Department of Defense. Public Law 99-576, enacted October 28, 1986, closed the program permanently for new enrollments effective March 31, 1987. Public Law 106-419, enacted November 1, 2000, provides qualified participants in this program another opportunity (through October 31, 2001) to convert to the All-Volunteer Force Educational Assistance program (Montgomery GI Bill). The estimated activity in the fund follows:

CONTRIBUTIONS, PARTICIPANTS, DISENROLLMENTS, REFUNDS AND TRAINEES

	2015 actual	2016 est.	2017 est.
Total program obligations (in thousands) .....	\$275	\$262	\$249
Number of disenrollments .....	177	169	160
Total refunds (in thousands) .....	\$240	\$228	\$217
Average Refund .....	\$1,353	\$1,353	\$1,353
Total trainees .....	4	3	3
Average trainee cost (in thousands) .....	\$8	\$7	\$7
Average trainee cost .....	\$1,949	\$2,468	\$2,814
Section 901 trainees .....	2	2	2
Total Section 901 trainee cost (in thousands) .....	\$27	\$26	\$25
Average Section 901 trainee cost .....	\$13,705	\$13,020	\$12,369

NATIONAL SERVICE LIFE INSURANCE FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 036-8132-0-7-701	2015 actual	2016 est.	2017 est.
0100 Balance, start of year .....	4,564	3,964	3,367
Receipts:			
Current law:			
1130 NSLI Fund, Premium and Other Receipts .....	78	61	52
1140 NSLI Fund, Interest .....	229	188	155
1199 Total current law receipts .....	307	249	207
1999 Total receipts .....	307	249	207
2000 Total: Balances and receipts .....	4,871	4,213	3,574
Appropriations:			
Current law:			
2101 National Service Life Insurance Fund .....	-307	-249	-207
2103 National Service Life Insurance Fund .....	-600	-597	-549
2199 Total current law appropriations .....	-907	-846	-756
2999 Total appropriations .....	-907	-846	-756
5099 Balance, end of year .....	3,964	3,367	2,818

Program and Financing (in millions of dollars)

Identification code 036-8132-0-7-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Death claims .....	671	612	537
0002 Disability claims .....	4	3	3
0003 Matured endowments .....	73	89	95
0004 Cash surrenders .....	26	24	20
0005 Dividends .....	72	57	48
0006 Interest paid on dividend credits and deposits .....	29	29	24
0007 Payment to general operating expenses .....	16	17	15
0091 Total operating expenses .....	891	831	742
0201 Capital investment: Policy loans .....	16	15	14
0799 Total direct obligations .....	907	846	756
0801 Death claims .....	36	46	61
0803 Matured endowments .....	4	7	11
0804 Cash surrenders .....	1	2	2
0805 Dividends .....	4	4	5
0806 Interest paid on dividend credits and deposits .....	2	2	3
0807 Payment to general operating expenses .....	1	1	2
0899 Total reimbursable obligations .....	48	62	84



0900	Total new obligations .....	955	908	840
<b>Budgetary resources:</b>				
Budget authority:				
Appropriations, mandatory:				
1201	Appropriation (special or trust fund) .....	307	249	207
1203	Appropriation (previously unavailable) .....	600	597	549
1260	Appropriations, mandatory (total) .....	907	846	756
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	48	62	84
1900	Budget authority (total) .....	955	908	840
1930	Total budgetary resources available .....	955	908	840
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1,053	947	876
3010	Obligations incurred, unexpired accounts .....	955	908	840
3020	Outlays (gross) .....	-1,061	-979	-973
3050	Unpaid obligations, end of year .....	947	876	743
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1,053	947	876
3200	Obligated balance, end of year .....	947	876	743
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	955	908	840
Outlays, gross:				
4100	Outlays from new mandatory authority .....	355	382	424
4101	Outlays from mandatory balances .....	706	597	549
4110	Outlays, gross (total) .....	1,061	979	973
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources .....	-48	-62	-84
4180	Budget authority, net (total) .....	907	846	756
4190	Outlays, net (total) .....	1,013	917	889
<b>Memorandum (non-add) entries:</b>				
5000	Total investments, SOY: Federal securities: Par value .....	5,629	4,903	4,297
5001	Total investments, EOY: Federal securities: Par value .....	4,903	4,297	3,615

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1940. It is for the World War II servicemembers' and veterans' insurance program. Over 22 million policies were issued under this program. Activity of the fund reflects a declining claim workload. The trend in the number and amount of policies in force is shown as follows:

**POLICIES AND INSURANCE IN FORCE**

	2015 actual	2016 est.	2017 est.
Number of policies .....	370,281	308,655	252,815
Insurance in force (dollars in millions) .....	\$4,655	\$3,810	\$3,236

This fund is operated on a commercial basis to the extent possible. The income of the fund is derived from premium receipts, interest on investments, and payments which are made to the fund from the Veterans Insurance and Indemnities appropriation.

Assets of the fund, which are largely invested in special interest-bearing Treasury securities and in policy loans, are expected to decrease from an estimated \$4,410 million as of September 30, 2016 to \$3,742 million as of September 30, 2017. The actuarial estimate of policy obligations as of September 30, 2017, totals \$3,667 million, leaving a balance of \$75 million for contingency reserves.

**Status of Funds** (in millions of dollars)

Identification code 036-8132-0-7-701	2015 actual	2016 est.	2017 est.
Unexpended balance, start of year:			
0100 Balance, start of year .....	5,618	4,912	4,244
0999 Total balance, start of year .....	5,618	4,912	4,244
Cash income during the year:			
Current law:			
Receipts:			
1130 NSLI Fund, Premium and Other Receipts .....	78	61	52
1130 National Service Life Insurance Fund .....	48	62	84
1150 NSLI Fund, Interest .....	229	188	155

1199	Income under present law .....	355	311	291
1999	Total cash income .....	355	311	291
Cash outgo during year:				
Current law:				
2100	National Service Life Insurance Fund [029-25-8132-0] .....	-1,061	-979	-973
2199	Outgo under current law .....	-1,061	-979	-973
2999	Total cash outgo (-) .....	-1,061	-979	-973
Surplus or deficit:				
3110	Excluding interest .....	-935	-856	-837
3120	Interest .....	229	188	155
3199	Subtotal, surplus or deficit .....	-706	-668	-682
Unexpended balance, end of year:				
4100	Uninvested balance (net), end of year .....	9	-53	-53
4200	National Service Life Insurance Fund .....	4,903	4,297	3,615
4999	Total balance, end of year .....	4,912	4,244	3,562

**Object Classification** (in millions of dollars)

Identification code 036-8132-0-7-701	2015 actual	2016 est.	2017 est.	
Direct obligations:				
33.0	Investments and loans .....	131	15	14
42.0	Insurance claims and indemnities .....	675	727	655
43.0	Interest and dividends .....	101	103	87
99.0	Direct obligations .....	907	845	756
99.0	Reimbursable obligations .....	48	63	84
99.9	Total new obligations .....	955	908	840

**UNITED STATES GOVERNMENT LIFE INSURANCE FUND**

**Special and Trust Fund Receipts** (in millions of dollars)

Identification code 036-8150-0-7-701	2015 actual	2016 est.	2017 est.	
0100	Balance, start of year .....	4	3	2
2000	Total: Balances and receipts .....	4	3	2
Appropriations:				
Current law:				
2103	United States Government Life Insurance Fund .....	-1	-1	-1
5099	Balance, end of year .....	3	2	1

**Program and Financing** (in millions of dollars)

Identification code 036-8150-0-7-701	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001	Death claims .....	1	1	1
0900	Total new obligations (object class 42.0) .....	1	1	1

**Budgetary resources:**

Budget authority:				
Appropriations, mandatory:				
1203	Appropriation (previously unavailable) .....	1	1	1
1930	Total budgetary resources available .....	1	1	1

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	3	2	1
3010	Obligations incurred, unexpired accounts .....	1	1	1
3020	Outlays (gross) .....	-2	-2	-2
3050	Unpaid obligations, end of year .....	2	1	.....
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	3	2	1
3200	Obligated balance, end of year .....	2	1	.....

**Budget authority and outlays, net:**

Mandatory:				
4090	Budget authority, gross .....	1	1	1
Outlays, gross:				
4100	Outlays from new mandatory authority .....	.....	1	1
4101	Outlays from mandatory balances .....	2	1	1
4110	Outlays, gross (total) .....	2	2	2
4180	Budget authority, net (total) .....	1	1	1

UNITED STATES GOVERNMENT LIFE INSURANCE FUND—Continued  
Program and Financing—Continued

Identification code 036-8150-0-7-701	2015 actual	2016 est.	2017 est.
4190 Outlays, net (total)	2	2	2
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value	7	6	4
5001 Total investments, EOY: Federal securities: Par value	6	4	3

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1919 to receive premiums and pay claims on insurance issued under the provisions of the War Risk Insurance Act. The general decline in the activity of the fund is indicated in the following table:

POLICIES AND INSURANCE IN FORCE

	2015 actual	2016 est.	2017 est.
Number of policies	672	325	150
Insurance in force (dollars in millions)	\$1	\$7	\$2

The fund is operated on a commercial basis to the extent possible. The income of the fund is derived from interest on investments. Effective January 1, 1983, premiums were discontinued because reserves held in the fund were adequate to meet future liabilities of the program.

Assets of the fund, which are largely invested in interest-bearing securities and policy loans, are estimated to decrease from \$3.7 million as of September 30, 2016, to \$2.4 million as of September 30, 2017, as an increasing number of policies mature through death or disability. The actuarial evaluation of policy obligations as of September 30, 2017, totals \$2.1 million, leaving a balance of \$0.3 million for contingency reserves.

Status of Funds (in millions of dollars)

Identification code 036-8150-0-7-701	2015 actual	2016 est.	2017 est.
Unexpended balance, start of year:			
0100 Balance, start of year	8	6	4
0999 Total balance, start of year	8	6	4
Cash outgo during year:			
Current law:			
2100 United States Government Life Insurance Fund [029-25-8150-0]	-2	-2	-2
2199 Outgo under current law	-2	-2	-2
2999 Total cash outgo (-)	-2	-2	-2
Surplus or deficit:			
3110 Excluding interest	-2	-2	-2
3199 Subtotal, surplus or deficit	-2	-2	-2
Unexpended balance, end of year:			
4100 Uninvested balance (net), end of year			-1
4200 United States Government Life Insurance Fund	6	4	3
4999 Total balance, end of year	6	4	2

VETERANS SPECIAL LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 036-8455-0-8-701	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Death claims	126	136	139
0802 Cash surrenders	6	6	5
0803 Dividends	41	35	28
0804 All other	21	22	20
0805 Payments to insurance account	6	8	8
0806 Capital investment	8	8	8
0900 Total new obligations	208	215	208

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,435	1,367	1,278
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	142	126	113
1801 Change in uncollected payments, Federal sources	-2		
1850 Spending auth from offsetting collections, mand (total)	140	126	113
1930 Total budgetary resources available	1,575	1,493	1,391
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,367	1,278	1,183

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	448	442	423
3010 Obligations incurred, unexpired accounts	208	215	208
3020 Outlays (gross)	-214	-234	-231
3050 Unpaid obligations, end of year	442	423	400
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-24	-22	-22
3070 Change in uncollected pymts, Fed sources, unexpired	2		
3090 Uncollected pymts, Fed sources, end of year	-22	-22	-22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	424	420	401
3200 Obligated balance, end of year	420	401	378

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	140	126	113
Outlays, gross:			
4100 Outlays from new mandatory authority	140	126	113
4101 Outlays from mandatory balances	74	108	118
4110 Outlays, gross (total)	214	234	231
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4121 Interest on Federal securities	-94	-84	-76
4123 Non-Federal sources	-48	-13	-12
4123 Non-Federal sources		-26	-22
4123 Non-Federal sources		-3	-3
4130 Offsets against gross budget authority and outlays (total)	-142	-126	-113
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	2		
4170 Outlays, net (mandatory)	72	108	118
4180 Budget authority, net (total)			
4190 Outlays, net (total)	72	108	118

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	1,863	1,785	1,678
5001 Total investments, EOY: Federal securities: Par value	1,785	1,678	1,560

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund finances the payment of claims on life insurance policies issued before January 3, 1957, to veterans who served in the Armed Forces subsequent to April 1, 1951. No new policies can be issued. Policyholders may elect to purchase total disability income coverage with the payment of additional premiums.

Benefit program:

Death claims.—Represents payments to designated beneficiaries.

Cash surrenders.—A policyholder may terminate his or her insurance by cashing in the policy for its cash value.

Dividends.—Policyholders participate in the distribution of annual dividends.

All other.—Classified in this category are payments to policyholders who: (a) hold endowment policies which have matured; (b) have purchased total disability income coverage and subsequently become disabled; and (c) are paid interest on dividend credits and deposits.

The following table reflects the decrease in the number of policies and the amounts of insurance in force:

POLICIES AND INSURANCE IN FORCE

	2015 actual	2016 est.	2017 est.
Number of policies	120,466	110,503	100,390
Insurance in force (dollars in millions)	\$1,730	\$1,611	\$1,482

**Financing.**—Payments from this fund are financed primarily from premium receipts and interest on investments.

**Object Classification** (in millions of dollars)

Identification code 036-8455-0-8-701	2015 actual	2016 est.	2017 est.
Reimbursable obligations:			
33.0 Investments and loans .....	35	8	7
42.0 Insurance claims and indemnities .....	126	153	156
43.0 Interest and dividends .....	47	54	45
99.9 Total new obligations .....	208	215	208

**DEPARTMENTAL ADMINISTRATION**

**Federal Funds**

**CONSTRUCTION, MAJOR PROJECTS**

For constructing, altering, extending, and improving any of the facilities, including parking projects, under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406 and chapter 81 of title 38, United States Code, not otherwise provided for, including planning, architectural and engineering services, construction management services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is more than the amount set forth in section 8104(a)(3)(A) of title 38, United States Code, or where funds for a project were made available in a previous major project appropriation, **[\$1,243,800,000]** \$528,110,000, of which **[\$1,163,800,000]** \$448,110,000 shall remain available until September 30, **[2020]** 2021, and of which \$80,000,000 shall remain available until expended: *Provided*, That except for advance planning activities, including needs assessments which may or may not lead to capital investments, and other capital asset management related activities, including portfolio development and management activities, and investment strategy studies funded through the advance planning fund and the planning and design activities funded through the design fund, including needs assessments which may or may not lead to capital investments, and salaries and associated costs of the resident engineers who oversee those capital investments funded through this account and contracting officers who manage specific major construction projects, and funds provided for the purchase, security, and maintenance of land for the National Cemetery Administration through the land acquisition line item, none of the funds made available under this heading shall be used for any project **[which]** that has not been notified to Congress through the budgetary process or that has not been approved by the Congress **[in the budgetary process]** through statute, joint resolution, or in the explanatory statement accompanying such Act and presented to the President at the time of enrollment: *Provided further*, That funds made available under this heading for fiscal year **[2016]** 2017, for each approved project shall be obligated: (1) by the awarding of a construction documents contract by September 30, **[2016]** 2017; and (2) by the awarding of a construction contract by September 30, **[2017]** 2018: *Provided further*, That the Secretary of Veterans Affairs shall promptly submit to the Committees on Appropriations of both Houses of Congress a written report on any approved major construction project for which obligations are not incurred within the time limitations established above: *Provided further*, That, of the amount made available under this heading, **[\$649,000,000]** \$222,620,000 for Veterans Health Administration major construction projects shall not be available until the Department of Veterans Affairs—

(1) enters into an agreement with an appropriate non-Department of Veterans Affairs Federal entity to serve as the design and/or construction agent for any Veterans Health Administration major construction project with a Total Estimated Cost of \$100,000,000 or above by providing full project management services, including management of the project design, acquisition, construction, and contract changes, consistent with section 502 of Public Law 114-58; and

(2) certifies in writing that such an agreement is executed and intended to minimize or prevent subsequent major construction project cost overruns and provides a copy of the agreement entered into and any required supplementary information to the Committees on Appropriations of both Houses of Congress. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 036-0110-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Medical programs .....	428	1,769	999
0002 National cemeteries .....	41	169	190
0005 Staff offices .....		6	8
0799 Total direct obligations .....	469	1,944	1,197
0801 Reimbursable program activity - Medical Program .....	56		
0900 Total new obligations .....	525	1,944	1,197
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1,921	2,145	2,071
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	692		
1011 Unobligated balance transfer from other acct [036-0142] .....		4	
1011 Unobligated balance transfer from other acct [036-0152] .....		85	
1011 Unobligated balance transfer from other acct [036-0151] .....		4	
1011 Unobligated balance transfer from other acct [036-0111] .....		85	
1011 Unobligated balance transfer from other acct [036-0167] .....		76	
1011 Unobligated balance transfer from other acct [036-0161] .....		20	
1011 Unobligated balance transfer from other acct [036-0162] .....		313	
1021 Recoveries of prior year unpaid obligations .....	37		
1050 Unobligated balance (total) .....	1,958	2,732	2,071
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	562	1,244	528
1121 Appropriations transferred from other acct [036-0142] .....	1		
1121 Appropriations transferred from other acct [036-0160] .....	6	39	
1121 Appropriations transferred from other acct [036-0162] .....	81		
1121 Appropriations transferred from other acct [036-0152] .....	2		
1121 Appropriations transferred from other acct [036-0151] .....	1		
1121 Appropriations transferred from other acct [036-0111] .....	3		
1160 Appropriation, discretionary (total) .....	656	1,283	528
Spending authority from offsetting collections, discretionary:			
1711 Spending authority from offsetting collections transferred from other accounts [036-4539] .....	36		
Spending authority from offsetting collections, mandatory:			
1811 Spending authority from offsetting collections transferred from other accounts [036-4537] .....	20		
1900 Budget authority (total) .....	712	1,283	528
1930 Total budgetary resources available .....	2,670	4,015	2,599
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2,145	2,071	1,402
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,651	930	2,024
3010 Obligations incurred, unexpired accounts .....	525	1,944	1,197
3020 Outlays (gross) .....	-1,209	-850	-740
3040 Recoveries of prior year unpaid obligations, unexpired .....	-37		
3050 Unpaid obligations, end of year .....	930	2,024	2,481
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,651	930	2,024
3200 Obligated balance, end of year .....	930	2,024	2,481
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	692	1,283	528
Outlays, gross:			
4010 Outlays from new discretionary authority .....	35	9	4
4011 Outlays from discretionary balances .....	1,172	841	736
4020 Outlays, gross (total) .....	1,207	850	740
Mandatory:			
4090 Budget authority, gross .....	20		
Outlays, gross:			
4100 Outlays from new mandatory authority .....	2		
4180 Budget authority, net (total) .....	712	1,283	528
4190 Outlays, net (total) .....	1,209	850	740

The Construction, Major Projects appropriation funds construction projects costing more than \$10 million. Funding is included that will complete the seismic project in Long Beach, CA; correct seismic and life safety issues in Reno, NV; expand gravesite projects in Jacksonville, FL, and Lake Worth, FL; and establish new cemeteries in Western New York and Southern Colorado. Additional funds are provided to fund salaries and associated expenses of resident engineers and contracting officers who

CONSTRUCTION, MAJOR PROJECTS—Continued

oversee the Department's capital investments and to support advance planning and design activities.

Object Classification (in millions of dollars)

Identification code 036-0110-0-1-703	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.2 Other services from non-Federal sources .....	3	5	5
25.3 Other goods and services from Federal sources .....	21	32	33
26.0 Supplies and materials .....	3	5	5
31.0 Equipment .....	3	5	5
32.0 Land and structures .....	439	1,897	1,149
99.0 Direct obligations .....	469	1,944	1,197
99.0 Reimbursable obligations .....	56		
99.9 Total new obligations .....	525	1,944	1,197

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities, including parking projects, under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406 and chapter 81 of title 38, United States Code, not otherwise provided for, where the estimated cost of a project is equal to or less than the amount set forth in section 8104(a)(3)(A) of title 38, United States Code, **[\$406,200,000]** \$372,069,000, to remain available until September 30, **[2020]** 2021, along with unobligated balances of previous "Construction, Minor Projects" appropriations which are hereby made available for any project where the estimated cost is equal to or less than the amount set forth in such section: *Provided*, That funds made available under this heading shall be for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 036-0111-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Medical programs .....	434	442	525
0002 National cemeteries .....	81	126	61
0003 Regional offices .....	31	64	39
0004 Staff offices .....	20	31	35
0005 Choice Act, P.L. 113-146, Sec. 801 .....	97		
0900 Total new obligations .....	663	663	660
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	602	1,033	691
1010 Unobligated balance transfer to other accts [036-0110] .....		-85	
1010 Unobligated balance transfer to other accts [036-0160] .....			-195
1011 Unobligated balance transfer from other acct [036-0160] .....	511		
1021 Recoveries of prior year unpaid obligations .....	91		
1050 Unobligated balance (total) .....	1,204	948	496
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	495	406	372
1120 Appropriations transferred to other acct [036-0110] .....	-3		
1160 Appropriation, discretionary (total) .....	492	406	372
1930 Total budgetary resources available .....	1,696	1,354	868
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	1,033	691	208
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,024	1,087	792
3010 Obligations incurred, unexpired accounts .....	663	663	660
3020 Outlays (gross) .....	-509	-958	-736
3040 Recoveries of prior year unpaid obligations, unexpired .....	-91		

3050 Unpaid obligations, end of year .....	1,087	792	716
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	1,024	1,087	792
3200 Obligated balance, end of year .....	1,087	792	716

Budget authority and outlays, net:

<b>Discretionary:</b>			
4000 Budget authority, gross .....	492	406	372
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....		73	67
4011 Outlays from discretionary balances .....	507	507	553
4020 Outlays, gross (total) .....	507	580	620
<b>Mandatory:</b>			
<b>Outlays, gross:</b>			
4101 Outlays from mandatory balances .....	2	378	116
4180 Budget authority, net (total) .....	492	406	372
4190 Outlays, net (total) .....	509	958	736

The Construction, Minor Projects appropriation, which funds construction projects costing equal to or less than \$10 million, is used to improve the infrastructure of medical facilities and other Department-owned facilities to reduce the risk to patient life and safety, correct code deficiencies, and improve national cemeteries and regional and staff offices.

Object Classification (in millions of dollars)

Identification code 036-0111-0-1-703	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.2 Other services from non-Federal sources .....	20	25	25
26.0 Supplies and materials .....	6	7	7
31.0 Equipment .....	6	7	7
32.0 Land and structures .....	631	624	621
99.9 Total new obligations .....	663	663	660

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify, or alter existing hospital, nursing home, and domiciliary facilities in State homes, for furnishing care to veterans as authorized by sections 8131 through 8137 of title 38, United States Code, **[\$120,000,000]** \$80,000,000, to remain available until expended. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 036-0181-0-1-703	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Grants for construction of state extended care facilities .....	118	126	109
0900 Total new obligations (object class 41.0) .....	118	126	109
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	26	12	20
1021 Recoveries of prior year unpaid obligations .....	14	14	18
1050 Unobligated balance (total) .....	40	26	38
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	90	120	80
1930 Total budgetary resources available .....	130	146	118
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	12	20	9
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	251	260	286
3010 Obligations incurred, unexpired accounts .....	118	126	109
3020 Outlays (gross) .....	-95	-86	-91
3040 Recoveries of prior year unpaid obligations, unexpired .....	-14	-14	-18
3050 Unpaid obligations, end of year .....	260	286	286
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	251	260	286
3200 Obligated balance, end of year .....	260	286	286

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross .....	90	120	80
Outlays, gross:				
4010	Outlays from new discretionary authority .....		2	2
4011	Outlays from discretionary balances .....	95	84	89
4020	Outlays, gross (total) .....	95	86	91
4180	Budget authority, net (total) .....	90	120	80
4190	Outlays, net (total) .....	95	86	91

The Grants for Construction of State Extended Care Facilities program is authorized by sections 8131 through 8137 of title 38, United States Code. It is a shared program between states and the VA, whereby VA provides 65 percent of the funding for new construction of State home facilities, furnishing of domiciliary or nursing home care to veterans, and expansion, remodeling, or alteration of existing State home facilities. The State is responsible for providing the remaining 35 percent of funding.

**GRANTS FOR CONSTRUCTION OF VETERANS CEMETERIES**

For grants to assist States and tribal organizations in establishing, expanding, or improving veterans cemeteries as authorized by section 2408 of title 38, United States Code, **[\$46,000,000]** \$45,000,000, to remain available until expended. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 036-0183-0-1-705	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001	Grants for construction of state veterans cemeteries .....	47	58	45
0900	Total new obligations (object class 41.0) .....	47	58	45
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	11	12	
1021	Recoveries of prior year unpaid obligations .....	2		
1050	Unobligated balance (total) .....	13	12	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	46	46	45
1930	Total budgetary resources available .....	59	58	45
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	12		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	78	79	98
3010	Obligations incurred, unexpired accounts .....	47	58	45
3020	Outlays (gross) .....	-44	-39	-44
3040	Recoveries of prior year unpaid obligations, unexpired .....	-2		
3050	Unpaid obligations, end of year .....	79	98	99
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	78	79	98
3200	Obligated balance, end of year .....	79	98	99
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	46	46	45
Outlays, gross:				
4010	Outlays from new discretionary authority .....		25	24
4011	Outlays from discretionary balances .....	44	14	20
4020	Outlays, gross (total) .....	44	39	44
4180	Budget authority, net (total) .....	46	46	45
4190	Outlays, net (total) .....	44	39	44

**GENERAL ADMINISTRATION**  
(INCLUDING TRANSFER OF FUNDS)

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including administrative expenses in support of Department-wide capital planning, management and policy activities, uniforms, or allowances

therefor; not to exceed \$25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, **[\$336,659,000]** \$417,959,000, of which not to exceed **[\$10,000,000]** \$21,000,000 shall remain available until September 30, **[2017]** 2018: *Provided*, That funds provided under this heading may be transferred to "General Operating Expenses, Veterans Benefits Administration". (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 036-0142-0-1-705	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0014	General administration .....	323	338	418
0806	General administration, reimbursable program .....	352	423	364
0900	Total new obligations .....	675	761	782
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	10	5	
1010	Unobligated balance transfer to other accts [036-0110] .....		-4	
1012	Unobligated balance transfers between expired and unexpired accounts .....	6		
1050	Unobligated balance (total) .....	16	1	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	322	337	418
1120	Appropriations transferred to other acct [036-0110] .....	-1		
1131	Unobligated balance of appropriations permanently reduced .....	-1		
1160	Appropriation, discretionary (total) .....	320	337	418
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	352	423	364
1900	Budget authority (total) .....	672	760	782
1930	Total budgetary resources available .....	688	761	782
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-8		
1941	Unexpired unobligated balance, end of year .....	5		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	179	180	112
3010	Obligations incurred, unexpired accounts .....	675	761	782
3011	Obligations incurred, expired accounts .....	33		
3020	Outlays (gross) .....	-666	-829	-789
3041	Recoveries of prior year unpaid obligations, expired .....	-41		
3050	Unpaid obligations, end of year .....	180	112	105
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	179	180	112
3200	Obligated balance, end of year .....	180	112	105
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	672	760	782
Outlays, gross:				
4010	Outlays from new discretionary authority .....	515	700	700
4011	Outlays from discretionary balances .....	151	129	89
4020	Outlays, gross (total) .....	666	829	789
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-352	-423	-364
4040	Offsets against gross budget authority and outlays (total) ....	-352	-423	-364
4180	Budget authority, net (total) .....	320	337	418
4190	Outlays, net (total) .....	314	406	425

*General Administration.*—Includes departmental executive direction, departmental support offices and the General Counsel. The Pershing Hall Revolving Fund was created to operate and manage Pershing Hall, an asset of the United States, located in Paris, France. All operating expenses for Pershing Hall are borne by the revolving fund and all receipts generated by the operation of Pershing Hall are deposited in the revolving fund.

**Object Classification** (in millions of dollars)

Identification code 036-0142-0-1-705	2015 actual	2016 est.	2017 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	183	192	242

GENERAL ADMINISTRATION—Continued  
Object Classification—Continued

Identification code 036-0142-0-1-705	2015 actual	2016 est.	2017 est.
11.5 Other personnel compensation .....	3	8	8
11.9 Total personnel compensation .....	186	200	250
12.1 Civilian personnel benefits .....	59	53	55
21.0 Travel and transportation of persons .....	3	5	12
23.1 Rent .....	22	24	
23.2 Rental payments to others .....	6	3	3
23.3 Communications, utilities, and miscellaneous charges .....	4	1	1
24.0 Printing and reproduction .....	1	1	1
25.2 Other services from non-Federal sources .....	63	42	69
26.0 Supplies and materials .....	1	1	2
31.0 Equipment .....	1	2	1
41.0 Grants, subsidies, and contributions .....	8		
99.0 Direct obligations .....	323	338	418
99.0 Reimbursable obligations .....	352	423	364
99.9 Total new obligations .....	675	761	782

Employment Summary

Identification code 036-0142-0-1-705	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	1,648	1,792	2,039
2001 Reimbursable civilian full-time equivalent employment .....	938	1,256	1,114

BOARD OF VETERANS APPEALS

For necessary operating expenses of the Board of Veterans Appeals, **[\$109,884,000]** \$156,096,000, of which not to exceed **[\$10,788,000]** \$15,609,600 shall remain available until September 30, **[2017]** 2018. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 036-1122-0-1-705	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0014 Board of Veterans' Appeals .....	96	113	156
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		3	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	99	110	156
1930 Total budgetary resources available .....	99	113	156
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	3		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....		7	21
3010 Obligations incurred, unexpired accounts .....	96	113	156
3020 Outlays (gross) .....	-89	-99	-146
3050 Unpaid obligations, end of year .....	7	21	31
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....		7	21
3200 Obligated balance, end of year .....	7	21	31
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	99	110	156
Outlays, gross:			
4010 Outlays from new discretionary authority .....	89	93	132
4011 Outlays from discretionary balances .....		6	14
4020 Outlays, gross (total) .....	89	99	146
4180 Budget authority, net (total) .....	99	110	156
4190 Outlays, net (total) .....	89	99	146

The mission of the Board of Veterans' Appeals (Board or BVA), as set forth in 38 U.S.C. § 7101(a) is to conduct hearings and consider and dispose of appeals properly before the Board in a timely manner. The Board's goal is to issue quality decisions in compliance with the requirements of the

law, including the precedential decisions of the United States Court of Appeals for Veterans Claims (CAVC) and other federal courts. The Board makes final decisions on behalf of the Secretary on appeals from decisions of the agencies of original jurisdiction with the Department of Veterans Affairs (VA) Offices. The Board reviews all appeals for entitlement to Veterans' benefits, including claims for service connection, increased disability ratings, total disability ratings, pension, insurance benefits, educational benefits, home loan guaranties, vocational rehabilitation, dependency and indemnity compensation, and healthcare delivery.

Object Classification (in millions of dollars)

Identification code 036-1122-0-1-705	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	62	72	100
11.5 Other personnel compensation .....	2	2	3
11.9 Total personnel compensation .....	64	74	103
12.1 Civilian personnel benefits .....	17	23	31
23.2 Rental payments to others .....	9	10	14
25.2 Other services from non-Federal sources .....	6	6	8
99.9 Total new obligations .....	96	113	156

Employment Summary

Identification code 036-1122-0-1-705	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	646	680	922

GENERAL OPERATING EXPENSES, VETERANS BENEFITS ADMINISTRATION

For necessary operating expenses of the Veterans Benefits Administration, not otherwise provided for, including hire of passenger motor vehicles, reimbursement of the General Services Administration for security guard services, and reimbursement of the Department of Defense for the cost of overseas employee mail, **[\$2,707,734,000]** \$2,826,160,000: Provided, That expenses for services and assistance authorized under paragraphs (1), (2), (5), and (11) of section 3104(a) of title 38, United States Code, that the Secretary of Veterans Affairs determines are necessary to enable entitled veterans: (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: *Provided further*, That, of the funds made available under this heading, not to exceed **[\$160,000,000]** \$141,000,000 shall remain available until September 30, **[2017]** 2018. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 036-0151-0-1-705	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0010 Compensation and pensions .....	2,144	2,177	2,281
0011 Education .....	188	208	213
0012 Vocational rehabilitation and counseling .....	257	324	331
0013 Insurance .....	1	1	1
0799 Total direct obligations .....	2,590	2,710	2,826
0801 Compensation and pensions .....	276	364	551
0802 Education .....	1	1	1
0804 Insurance .....	29	34	35
0805 Housing .....	138	140	170
0899 Total reimbursable obligations .....	444	539	757
0900 Total new obligations .....	3,034	3,249	3,583
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	53	11	7
1010 Unobligated balance transfer to other accts [036-0110] .....		-4	
1012 Unobligated balance transfers between expired and unexpired accounts .....	29		
1050 Unobligated balance (total) .....	82	7	7

Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	2,534	2,708	2,826
1120	Appropriations transferred to other acct (036-0110) .....	-1		
1130	Appropriations permanently reduced .....	-2		
1160	Appropriation, discretionary (total) .....	2,531	2,708	2,826
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	444	541	787
1900	Budget authority (total) .....	2,975	3,249	3,613
1930	Total budgetary resources available .....	3,057	3,256	3,620
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-12		
1941	Unexpired unobligated balance, end of year .....	11	7	37

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	403	345	592
3010	Obligations incurred, unexpired accounts .....	3,034	3,249	3,583
3011	Obligations incurred, expired accounts .....	84		
3020	Outlays (gross) .....	-3,048	-3,002	-3,528
3041	Recoveries of prior year unpaid obligations, expired .....	-128		
3050	Unpaid obligations, end of year .....	345	592	647
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	403	345	592
3200	Obligated balance, end of year .....	345	592	647

<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	2,975	3,249	3,613
Outlays, gross:				
4010	Outlays from new discretionary authority .....	2,608	2,682	3,049
4011	Outlays from discretionary balances .....	440	320	479
4020	Outlays, gross (total) .....	3,048	3,002	3,528
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-444	-541	-787
4033	Non-Federal sources .....	-1		
4040	Offsets against gross budget authority and outlays (total) ....	-445	-541	-787
Additional offsets against gross budget authority only:				
4052	Offsetting collections credited to expired accounts .....	1		
4070	Budget authority, net (discretionary) .....	2,531	2,708	2,826
4080	Outlays, net (discretionary) .....	2,603	2,461	2,741
4180	Budget authority, net (total) .....	2,531	2,708	2,826
4190	Outlays, net (total) .....	2,603	2,461	2,741

*General Operating Expenses, Veterans Benefits Administration.*—The total cost of administering veterans insurance programs is funded through direct appropriations to this account and through reimbursements from the insurance trust fund. This appropriation provides for the Department's top management direction and administrative support, including fiscal, personnel, and legal services, as well as for the administration of veteran benefits.

*Note.*—Reflects FTE treated as reimbursements in all years and the effects of Credit Reform, per P.L. 101-508.

**Object Classification** (in millions of dollars)

Identification code 036-0151-0-1-705				
		2015 actual	2016 est.	2017 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	1,298	1,340	1,422
11.5	Other personnel compensation .....	99	102	110
11.9	Total personnel compensation .....	1,397	1,442	1,532
12.1	Civilian personnel benefits .....	460	465	475
13.0	Benefits for former personnel .....	2	2	3
21.0	Travel and transportation of persons .....	39	40	41
22.0	Transportation of things .....	2	2	3
23.1	Rent .....	119	125	126
23.2	Rental payments to others .....	26	30	31
23.3	Communications, utilities, and miscellaneous charges .....	37	40	41
24.0	Printing and reproduction .....	6	7	8
25.2	Other services from non-Federal sources .....	475	524	530
26.0	Supplies and materials .....	10	12	15
31.0	Equipment .....	16	18	20
42.0	Insurance claims and indemnities .....	1	1	1
99.0	Direct obligations .....	2,590	2,708	2,826
99.0	Reimbursable obligations .....	444	541	757
99.9	Total new obligations .....	3,034	3,249	3,583

**Employment Summary**

Identification code 036-0151-0-1-705				
		2015 actual	2016 est.	2017 est.
1001	Direct civilian full-time equivalent employment .....	20,145	20,421	20,721
2001	Reimbursable civilian full-time equivalent employment .....	1,377	1,450	1,450

**OFFICE OF INSPECTOR GENERAL**

For necessary expenses of the Office of Inspector General, to include information technology, in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), **[\$136,766,000]** \$160,106,000, of which not to exceed **[\$12,676,000]** \$20,106,000 shall remain available until September 30, **[2017]** 2018. (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 036-0170-0-1-705				
		2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>				
0101	Office of Inspector General (Direct) .....	128	138	160
0192	Total direct program .....	128	138	160
0801	Office of Inspector General (Reimbursable) .....	4	6	6
0900	Total new obligations .....	132	144	166

<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	3	1	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	127	137	160
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	4	6	6
1900	Budget authority (total) .....	131	143	166
1930	Total budgetary resources available .....	134	144	166
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-1		
1941	Unexpired unobligated balance, end of year .....	1		

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	26	27	36
3010	Obligations incurred, unexpired accounts .....	132	144	166
3011	Obligations incurred, expired accounts .....	1		
3020	Outlays (gross) .....	-130	-135	-152
3041	Recoveries of prior year unpaid obligations, expired .....	-2		
3050	Unpaid obligations, end of year .....	27	36	50
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	26	27	36
3200	Obligated balance, end of year .....	27	36	50

<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	131	143	166
Outlays, gross:				
4010	Outlays from new discretionary authority .....	110	110	122
4011	Outlays from discretionary balances .....	20	25	30
4020	Outlays, gross (total) .....	130	135	152
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-4	-6	-6
4180	Budget authority, net (total) .....	127	137	160
4190	Outlays, net (total) .....	126	129	146

This appropriation provides for carrying out the independent oversight responsibilities of the *Inspector General Act of 1978*. This oversight includes VA-wide audit, investigation, health care inspection, and management support functions to identify and report weaknesses and deficiencies that create conditions for actual or potential fraud and other criminal activity, mismanagement, and waste in VA programs and operations. The audit function plans and conducts internal programmatic and financial audits and evaluations of all facets of VA operations. The health care inspection function performs legislatively mandated medical care quality assurance reviews and oversight of VA health care programs. The investigative function performs criminal and administrative investigations of

OFFICE OF INSPECTOR GENERAL—Continued

improper and illegal activities involving VA operations, personnel, beneficiaries, and other parties.

**Object Classification** (in millions of dollars)

Identification code 036-0170-0-1-705	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	69	75	87
11.5 Other personnel compensation .....	6	6	8
11.9 Total personnel compensation .....	75	81	95
12.1 Civilian personnel benefits .....	27	29	34
21.0 Employee Travel .....	5	6	6
23.1 Rental payments to GSA .....	5	6	7
23.3 Communications, utilities, and miscellaneous charges .....	2	2	2
25.2 Other services from non-Federal sources .....	13	13	14
31.0 Equipment .....	1	1	2
99.0 Direct obligations .....	128	138	160
99.0 Reimbursable obligations .....	4	6	6
99.9 Total new obligations .....	132	144	166

**Employment Summary**

Identification code 036-0170-0-1-705	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	650	690	790
2001 Reimbursable civilian full-time equivalent employment .....	26	31	31

**INFORMATION TECHNOLOGY SYSTEMS**  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for information technology systems and telecommunications support, including developmental information systems and operational information systems; for pay and associated costs; and for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including contractual costs associated with operations authorized by section 3109 of title 5, United States Code, **[\$4,133,363,000]** \$4,278,259,000, plus reimbursements: *Provided*, That **[\$1,115,757,000]** \$1,272,548,000 shall be for pay and associated costs, of which not to exceed **[\$34,800,000]** \$37,100,000 shall remain available until September 30, **[2017]** 2018: *Provided further*, That **[\$2,512,863,000]** \$2,534,442,000 shall be for operations and maintenance, of which not to exceed **[\$175,000,000]** \$180,200,000 shall remain available until September 30, **[2017]** 2018: *Provided further*, That **[\$504,743,000]** \$471,269,000 shall be for information technology systems development, modernization, and enhancement, and shall remain available until September 30, **[2017]** 2018: *Provided further*, That amounts made available for information technology systems development, modernization, and enhancement may not be obligated or expended until the Secretary of Veterans Affairs or the Chief Information Officer of the Department of Veterans Affairs submits to the Committees on Appropriations of both Houses of Congress a certification of the amounts, in parts or in full, to be obligated and expended for each development project: *Provided further*, That amounts made available for salaries and expenses, operations and maintenance, and information technology systems development, modernization, and enhancement may be transferred among the three subaccounts after the Secretary of Veterans Affairs **[requests from]** submits notice thereof to the Committees on Appropriations of both Houses of Congress **[the authority to make the transfer and an approval is issued]**: *Provided further*, That amounts made available for the "Information Technology Systems" account for development, modernization, and enhancement may be transferred among projects or to newly defined projects: *Provided further*, That no project may be increased or decreased by more than **[\$1,000,000]** \$3,000,000 of cost prior to submitting **[a request]** notice thereof to the Committees on Appropriations of both Houses of Congress **[to make the transfer and an approval is issued, or absent a response, a period of 30 days has elapsed]**: *Provided further*, That funds under this heading may be used by the Interagency Program Office through the Department of Veterans Affairs to define data standards, code sets, and value sets used to enable interoperability: *Provided further*, That, of the funds made available for information technology systems development, modernization, and enhancement for VistA Evolution, not more than 25 percent may be obligated or expended until the Secretary of Veterans Affairs submits to the Committees on Appropriations of both Houses of Congress, and such Committees

approve, a report that describes: (1) the status of and changes to the VistA Evolution program plan dated March 24, 2014 (hereinafter referred to as the "Plan"), the VistA 4 product roadmap dated February 26, 2015 ("Roadmap"), and the VistA 4 Incremental Life Cycle Cost Estimate, dated October 26, 2014; (2) any changes to the scope or functionality of projects within the VistA Evolution program as established in the Plan; (3) actual program costs incurred to date; (4) progress in meeting the schedule milestones that have been established in the Plan; (5) a Project Management Accountability System (PMAS) Dashboard Progress report that identifies each VistA Evolution project being tracked through PMAS, what functionality it is intended to provide, and what evaluation scores it has received throughout development; (6) the definition being used for interoperability between the electronic health record systems of the Department of Defense and the Department of Veterans Affairs, the metrics to measure the extent of interoperability, the milestones and timeline associated with achieving interoperability, and the baseline measurements associated with interoperability; (7) progress toward developing and implementing all components and levels of interoperability, including semantic interoperability; (8) the change management tools in place to facilitate the implementation of VistA Evolution and interoperability; and (9) any changes to the governance structure for the VistA Evolution program and its chain of decisionmaking authority: *Provided further*, That the funds made available under this heading for information technology systems development, modernization, and enhancement, shall be for the projects, and in the amounts, specified under this heading in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act). (*Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 036-0167-0-1-705	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Development .....	636	530	471
0002 Operations and maintenance .....	2,257	2,557	2,527
0003 Administrative and salaries .....	1,028	1,116	1,273
0004 P.L. 113-146, Sec. 801 - IT Support .....	53	310	.....
0799 Total direct obligations .....	3,974	4,513	4,271
0802 Operations and maintenance .....	21	23	27
0803 Administrative and salaries .....	18	41	46
0899 Total reimbursable obligations .....	39	64	73
0900 Total new obligations .....	4,013	4,577	4,344
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	168	463	.....
1010 Unobligated balance transfer to other accts [036-0160] .....	-14	.....	.....
1010 Unobligated balance transfer to other accts [036-0110] .....	.....	-76	.....
1011 Unobligated balance transfer from other acct [036-0160] .....	377	.....	.....
1021 Recoveries of prior year unpaid obligations .....	13	.....	.....
1050 Unobligated balance (total) .....	544	387	.....
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	3,903	4,133	4,278
1120 Appropriations transferred to other accts [036-0169] .....	-7	-7	-7
1130 Appropriations permanently reduced .....	-1	.....	.....
1160 Appropriation, discretionary (total) .....	3,895	4,126	4,271
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected .....	35	64	73
1701 Change in uncollected payments, Federal sources .....	4	.....	.....
1750 Spending auth from offsetting collections, disc (total) .....	39	64	73
1900 Budget authority (total) .....	3,934	4,190	4,344
1930 Total budgetary resources available .....	4,478	4,577	4,344
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-2	.....	.....
1941 Unexpired unobligated balance, end of year .....	463	.....	.....
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,899	1,952	2,431
3010 Obligations incurred, unexpired accounts .....	4,013	4,577	4,344
3011 Obligations incurred, expired accounts .....	132	.....	.....
3020 Outlays (gross) .....	-3,856	-4,098	-4,346
3040 Recoveries of prior year unpaid obligations, unexpired .....	-13	.....	.....
3041 Recoveries of prior year unpaid obligations, expired .....	-223	.....	.....
3050 Unpaid obligations, end of year .....	1,952	2,431	2,429
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-5	-4	-4
3070 Change in uncollected pymts, Fed sources, unexpired .....	-4	.....	.....



3071	Change in uncollected pymts, Fed sources, expired .....	5		
3090	Uncollected pymts, Fed sources, end of year .....	-4	-4	-4
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1,894	1,948	2,427
3200	Obligated balance, end of year .....	1,948	2,427	2,425
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	3,934	4,190	4,344
Outlays, gross:				
4010	Outlays from new discretionary authority .....	2,245	2,451	2,573
4011	Outlays from discretionary balances .....	1,587	1,473	1,721
4020	Outlays, gross (total) .....	3,832	3,924	4,294
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-40	-64	-73
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired .....	-4		
4052	Offsetting collections credited to expired accounts .....	5		
4060	Additional offsets against budget authority only (total) .....	1		
4070	Budget authority, net (discretionary) .....	3,895	4,126	4,271
4080	Outlays, net (discretionary) .....	3,792	3,860	4,221
Mandatory:				
Outlays, gross:				
4101	Outlays from mandatory balances .....	24	174	52
4180	Budget authority, net (total) .....	3,895	4,126	4,271
4190	Outlays, net (total) .....	3,816	4,034	4,273

The Information Technology (IT) Systems appropriation funds IT services such as systems development and performance, operations and maintenance, information security, and customer support. This appropriation enables the effective and efficient delivery of services to the nation's largest healthcare network, as well as the veterans benefits and corporate business lines within the Department of Veterans Affairs (VA).

**Development.**—The Office of Information & Technology invests in projects designed to improve the delivery of VA services and benefits for veterans and their families. This account also supports improvements in the Electronic Health Record and modernizations to veterans benefits and appeals processing.

**Operations and Maintenance.**—The Office of Information & Technology purchases, maintains, manages, and supports all the computer, phone, telecommunication, and data systems equipment and infrastructure for all VA facilities.

**Object Classification** (in millions of dollars)

Identification code 036-0167-0-1-705	2015 actual	2016 est.	2017 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	650	704	773
11.1	Full-time permanent - Choice Act, P.L. 113-146, Sec. 801 .....	1	18	
11.9	Total personnel compensation .....	651	722	773
12.1	Civilian personnel benefits .....	211	222	263
12.1	Civilian personnel benefits -Choice Act, P.L. 113-146, Sec. 801 .....		6	
21.0	Travel and transportation of persons .....	7	9	10
23.3	Communications, utilities, and miscellaneous charges .....	847	842	844
25.2	Other services from non-Federal sources .....	1,330	1,978	1,941
25.2	Other services from non-Federal -Choice Act, P.L. 113-146, Sec. 801 .....	13	203	
26.0	Supplies and materials .....	5	7	17
31.0	Equipment .....	860	432	411
31.0	Equipment - Choice Act, P.L. 113-146, Sec. 801 .....	39	80	
32.0	Land and structures .....	9	10	10
42.0	Insurance claims and indemnities .....	2	2	2
99.0	Direct obligations .....	3,974	4,513	4,271
99.0	Reimbursable obligations .....	39	64	73
99.9	Total new obligations .....	4,013	4,577	4,344

**Employment Summary**

Identification code 036-0167-0-1-705	2015 actual	2016 est.	2017 est.	
1001	Direct civilian full-time equivalent employment .....	7,231	7,517	8,156

2001	Reimbursable civilian full-time equivalent employment .....	78	114	178
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**NATIONAL CEMETERY ADMINISTRATION**

For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; hire of passenger motor vehicles; and repair, alteration or improvement of facilities under the jurisdiction of the National Cemetery Administration, **[\$271,220,000] \$286,193,000**, of which not to exceed **[\$26,600,000] \$28,620,000** shall remain available until September 30, **[2017] 2018. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)**

**Program and Financing** (in millions of dollars)

Identification code 036-0129-0-1-705	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0201	Administrative expenses .....	260	274	286
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	2	5	2
1012	Unobligated balance transfers between expired and unexpired accounts .....	6		
1050	Unobligated balance (total) .....	8	5	2
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	257	271	286
1930	Total budgetary resources available .....	265	276	288
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	5	2	2
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	87	72	75
3010	Obligations incurred, unexpired accounts .....	260	274	286
3011	Obligations incurred, expired accounts .....	1		
3020	Outlays (gross) .....	-270	-271	-279
3041	Recoveries of prior year unpaid obligations, expired .....	-6		
3050	Unpaid obligations, end of year .....	72	75	82
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	87	72	75
3200	Obligated balance, end of year .....	72	75	82

**Budget authority and outlays, net:**

4000	Budget authority, gross .....	257	271	286
Outlays, gross:				
4010	Outlays from new discretionary authority .....	211	206	221
4011	Outlays from discretionary balances .....	59	65	58
4020	Outlays, gross (total) .....	270	271	279
4180	Budget authority, net (total) .....	257	271	286
4190	Outlays, net (total) .....	270	271	279

The mission of the National Cemetery Administration is to honor veterans with final resting places in national shrines and with lasting tributes that commemorate their service to our Nation. The National Cemetery Administration's vision is to serve all veterans and their families with the utmost dignity, respect, and compassion. Every national cemetery will be a place that inspires visitors to understand and appreciate the service and sacrifice of our Nation's veterans. There are six related programs managed by the National Cemetery Administration including: 1) burying eligible veterans and their family members in national cemeteries and maintaining the graves and their environs as national shrines; 2) administering grants to States and Tribal organizations in establishing, expanding, improving, or operating veterans cemeteries; 3) providing headstones and markers for the graves of eligible veterans; 4) providing presidential memorial certificates to family and friends of deceased veterans, recognizing the veterans' contribution and service to the Nation; 5) providing graveliners or partial reimbursement for a privately purchased outer burial receptacle for each new grave in open national cemeteries administered by the National Cemetery

NATIONAL CEMETERY ADMINISTRATION—Continued

Administration; and 6) recording First Notice of Veteran Deaths into VA electronic files to ensure timely termination of benefits and next-of-kin notification of possible entitlement to survivor benefits.

The National Cemetery Administration also reflects budget information for the National Cemetery Gift Fund and the National Cemetery Administration Facilities Operation Fund. Through the Gift Fund, the Secretary is authorized to accept gifts and bequests which are made for the purpose of beautifying national cemeteries or are determined to be beneficial to such cemeteries, or are made for the purpose of the operation, maintenance, or improvement of the National Memorial Cemetery of Arizona. Through the Facilities Operation Fund, the Secretary is authorized to lease any undeveloped land and unused or underutilized buildings of the National Cemetery Administration, or parts or parcels thereof, for a term not to exceed 10 years. Proceeds from such leases are deposited in the Facilities Operation Fund, and are available to cover costs incurred by the National Cemetery Administration in the operation and maintenance of property of the Administration.

**Object Classification** (in millions of dollars)

Identification code 036-0129-0-1-705	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	101	106	109
11.3 Other than full-time permanent .....	4	5	5
11.9 Total personnel compensation .....	105	111	114
12.1 Civilian personnel benefits .....	37	41	41
21.0 Travel and transportation of persons .....	3	3	3
22.0 Transportation of things .....	2	7	2
23.1 Rent .....	3	3	3
23.3 Communications, utilities, and miscellaneous charges .....	9		
24.0 Printing and reproduction .....	2	4	7
25.2 Other services from non-Federal sources .....	73	3	1
26.0 Supplies and materials .....	11	78	88
31.0 Equipment .....	11	10	11
32.0 Land and structures .....	4	14	16
99.9 Total new obligations .....	260	274	286

**Employment Summary**

Identification code 036-0129-0-1-705	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	1,730	1,789	1,809

**SUPPLY FUND**

**Program and Financing** (in millions of dollars)

Identification code 036-4537-0-4-705	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Reimbursable program-COGS-Merchandizing .....	423	370	375
0802 Reimbursable program-Other-Operations .....	284	290	290
0803 Reimbursable program-COGS-Printing and publications .....	10	20	20
0804 Reimbursable program-Other .....	33	437	437
0805 Reimbursable program-Equipment-Procurement services and distribution .....	655	983	978
0900 Total new obligations .....	1,405	2,100	2,100
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	248	162	162
1021 Recoveries of prior year unpaid obligations .....	175		
1050 Unobligated balance (total) .....	423	162	162
<b>Budget authority:</b>			
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	1,467	2,100	2,100
1801 Change in uncollected payments, Federal sources .....	-303		
1810 Spending authority from offsetting collections transferred to other accounts [036-0110] .....	-20		
1850 Spending auth from offsetting collections, mand (total) .....	1,144	2,100	2,100
1930 Total budgetary resources available .....	1,567	2,262	2,262

1941	Memorandum (non-add) entries:			
	Unexpired unobligated balance, end of year .....	162	162	162
<b>Change in obligated balance:</b>				
<b>Unpaid obligations:</b>				
3000	Unpaid obligations, brought forward, Oct 1 .....	1,567	1,406	1,939
3010	Obligations incurred, unexpired accounts .....	1,405	2,100	2,100
3020	Outlays (gross) .....	-1,391	-1,567	-2,100
3040	Recoveries of prior year unpaid obligations, unexpired .....	-175		
3050	Unpaid obligations, end of year .....	1,406	1,939	1,939
<b>Uncollected payments:</b>				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1,720	-1,417	-1,417
3070	Change in uncollected pymts, Fed sources, unexpired .....	303		
3090	Uncollected pymts, Fed sources, end of year .....	-1,417	-1,417	-1,417
<b>Memorandum (non-add) entries:</b>				
3100	Obligated balance, start of year .....	-153	-11	522
3200	Obligated balance, end of year .....	-11	522	522

**Budget authority and outlays, net:**

4090	Mandatory:			
	Budget authority, gross .....	1,144	2,100	2,100
<b>Outlays, gross:</b>				
4101	Outlays from mandatory balances .....	1,391	1,567	2,100
<b>Offsets against gross budget authority and outlays:</b>				
<b>Offsetting collections (collected) from:</b>				
4120	Federal sources .....	-1,363	-2,100	-2,100
4123	Non-Federal sources .....	-104		
4130	Offsets against gross budget authority and outlays (total) .....	-1,467	-2,100	-2,100
<b>Additional offsets against gross budget authority only:</b>				
4140	Change in uncollected pymts, Fed sources, unexpired .....	303		
4160	Budget authority, net (mandatory) .....	-20		
4170	Outlays, net (mandatory) .....	-76	-533	
4180	Budget authority, net (total) .....	-20		
4190	Outlays, net (total) .....	-76	-533	

Under the provisions of 38 U.S.C. 8121, the Supply Fund is responsible for the operation and maintenance of a supply system for VA. In this capacity, it provides policy and oversight to VA's acquisition and logistics programs, and provides best value acquisition of goods and services through its National Acquisition Center, Denver Acquisition and Logistics Center, Service and Distribution Center, Technology Acquisition Center and Strategic Acquisition Center. Operating as an intra-governmental revolving fund without fiscal year limitations, the Supply Fund is financed by revenue from fees on acquisitions of supplies, equipment, and services for both VA and other Government agency (OGA) customers.

**Object Classification** (in millions of dollars)

Identification code 036-4537-0-4-705	2015 actual	2016 est.	2017 est.
<b>Reimbursable obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	103	109	113
12.1 Civilian personnel benefits .....	31	31	32
21.0 Travel and transportation of persons .....	7	8	8
23.1 Rental payments to GSA .....	6	6	6
23.3 Communications, utilities, and miscellaneous charges .....	5	6	6
24.0 Printing and reproduction .....	4	20	20
25.2 Other services from non-Federal sources .....	255	437	437
26.0 Supplies and materials .....	439	500	500
31.0 Equipment .....	555	983	978
99.9 Total new obligations .....	1,405	2,100	2,100

**Employment Summary**

Identification code 036-4537-0-4-705	2015 actual	2016 est.	2017 est.
2001 Reimbursable civilian full-time equivalent employment .....	1,048	1,120	1,150

FRANCHISE FUND

Program and Financing (in millions of dollars)

Identification code 036-4539-0-4-705	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Franchise Fund (Reimbursable) .....	776	903	965
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	139	137	137
1021 Recoveries of prior year unpaid obligations .....	30		
1050 Unobligated balance (total) .....	169	137	137
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	709	903	965
1701 Change in uncollected payments, Federal sources .....	71		
1710 Spending authority from offsetting collections transferred to other accounts [036-0110] .....	-36		
1750 Spending auth from offsetting collections, disc (total) .....	744	903	965
1900 Budget authority (total) .....	744	903	965
1930 Total budgetary resources available .....	913	1,040	1,102
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	137	137	137
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	255	314	242
3010 Obligations incurred, unexpired accounts .....	776	903	965
3020 Outlays (gross) .....	-687	-975	-950
3040 Recoveries of prior year unpaid obligations, unexpired .....	-30		
3050 Unpaid obligations, end of year .....	314	242	257
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-139	-210	-210
3070 Change in uncollected pymts, Fed sources, unexpired .....	-71		
3090 Uncollected pymts, Fed sources, end of year .....	-210	-210	-210
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	116	104	32
3200 Obligated balance, end of year .....	104	32	47
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	744	903	965
Outlays, gross:			
4010 Outlays from new discretionary authority .....	293	677	724
4011 Outlays from discretionary balances .....	394	298	226
4020 Outlays, gross (total) .....	687	975	950
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-709	-903	-965
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired .....	-71		
4070 Budget authority, net (discretionary) .....	-36		
4080 Outlays, net (discretionary) .....	-22	72	-15
4180 Budget authority, net (total) .....	-36		
4190 Outlays, net (total) .....	-22	72	-15

The VA Franchise Fund was established under the authority of the Government Management Reform Act of 1994 and the VA and Housing and Urban Development and Independent Agencies Act of 1997. VA was selected by the Office of Management and Budget (OMB) in 1996 as one of the six executive branch agencies to establish a franchise fund pilot program. Created as a revolving fund, the VA Franchise Fund began providing common administrative support services to the VA and other government agencies in 1997 on a fee-for-service basis. In 2006, under the Military Quality of Life and Veterans Affairs Appropriations Act, Public Law 109-114, permanent status was conferred upon the VA Franchise Fund. VA Enterprise Centers are the lines of business within the VA Franchise Fund and are expected to have net billings of about \$965 million and employ 1,769 in 2017. The Franchise Fund concept is intended to increase competition for government administrative services, resulting in lower costs and higher quality.

Object Classification (in millions of dollars)

Identification code 036-4539-0-4-705	2015 actual	2016 est.	2017 est.
Reimbursable obligations:			
11.1 Personnel compensation: Full-time permanent .....	98	212	262
12.1 Civilian personnel benefits .....	31	68	84
21.0 Travel and transportation of persons .....	2	3	3
23.1 Rental payments to GSA .....	13	14	14
23.3 Communications, utilities, and miscellaneous charges .....	86	90	96
24.0 Printing and reproduction .....	5	6	6
25.2 Other services from non-Federal sources .....	479	445	443
26.0 Supplies and materials .....	3	8	11
31.0 Equipment .....	59	57	46
99.9 Total new obligations .....	776	903	965

Employment Summary

Identification code 036-4539-0-4-705	2015 actual	2016 est.	2017 est.
2001 Reimbursable civilian full-time equivalent employment .....	1,217	1,708	1,769

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 201. Any appropriation for fiscal year [2016] 2017 for "Compensation and Pensions", "Readjustment Benefits", and "Veterans Insurance and Indemnities" may be transferred as necessary to any other of the mentioned appropriations: *Provided*, That, before a transfer may take place, the Secretary of Veterans Affairs shall [request from] *submit notice thereof* to the Committees on Appropriations of both Houses of Congress [the authority to make the transfer and such Committees issue an approval, or absent a response, a period of 30 days has elapsed].

(INCLUDING TRANSFER OF FUNDS)

SEC. 202. Amounts made available for the Department of Veterans Affairs for fiscal year [2016] 2017, in this or any other Act, under the "Medical Services", "Medical Community Care", "Medical Support and Compliance", and "Medical Facilities" accounts may be transferred among the accounts: *Provided*, That [any transfers between the "Medical Services" and "Medical Support and Compliance" accounts of 1 percent or less of the total amount appropriated to the account in this or any other Act may take place subject to notification from the Secretary of Veterans Affairs to the Committees on Appropriations of both Houses of Congress of the amount and purpose of the transfer: *Provided further*, That any transfers between the "Medical Services" and "Medical Support and Compliance" accounts in excess of 1 percent, or exceeding the cumulative 1 percent for the fiscal year, may take place only after the Secretary requests from the Committees on Appropriations of both Houses of Congress the authority to make the transfer and an approval is issued: *Provided further*, That any transfers to or from the "Medical Facilities" account may take place only after the Secretary requests from the Committees on Appropriations of both Houses of Congress the authority to make the transfer and an approval is issued] *before a transfer may take place, the Secretary of Veterans Affairs shall submit notice thereof to the Committees on Appropriations of both Houses of Congress.*

SEC. 203. Appropriations available in this title for salaries and expenses shall be available for services authorized by section 3109 of title 5, United States Code; hire of passenger motor vehicles; lease of a facility or land or both; and uniforms or allowances therefore, as authorized by sections 5901 through 5902 of title 5, United States Code.

SEC. 204. No appropriations in this title (except the appropriations for "Construction, Major Projects", and "Construction, Minor Projects") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 205. No appropriations in this title shall be available for hospitalization or examination of any persons (except beneficiaries entitled to such hospitalization or examination under the laws providing such benefits to veterans, and persons receiving such treatment under sections 7901 through 7904 of title 5, United States Code, or the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)), unless reimbursement of the cost of such hospitalization or examination is made to the "Medical Services" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 206. Appropriations available in this title for "Compensation and Pensions", "Readjustment Benefits", and "Veterans Insurance and Indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year [2015] 2016.

SEC. 207. Appropriations available in this title shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from sections 3328(a), 3334, and 3712(a) of title 31, United States Code, except that if such obligations are from trust fund accounts they shall be payable only from "Compensation and Pensions".

(INCLUDING TRANSFER OF FUNDS)

SEC. 208. Notwithstanding any other provision of law, during fiscal year [2016] 2017, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund under section 1920 of title 38, United States Code, the Veterans' Special Life Insurance Fund under section 1923 of title 38, United States Code, and the United States Government Life Insurance Fund under section 1955 of title 38, United States Code, reimburse the "General Operating Expenses, Veterans Benefits Administration" and "Information Technology Systems" accounts for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in such an insurance program during fiscal year [2016] 2017 that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of such an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year [2016] 2017 which is properly allocable to the provision of each such insurance program and to the provision of any total disability income insurance included in that insurance program.

SEC. 209. Amounts deducted from enhanced-use lease proceeds to reimburse an account for expenses incurred by that account during a prior fiscal year for providing enhanced-use lease services, may be obligated during the fiscal year in which the proceeds are received.

(INCLUDING TRANSFER OF FUNDS)

SEC. 210. Funds available in this title or funds for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management of the Department of Veterans Affairs and the Office of Employment Discrimination Complaint Adjudication under section 319 of title 38, United States Code, for all services provided at rates which will recover actual costs but not to exceed [\$43,700,000] \$47,668,000 for the Office of Resolution Management and [\$3,400,000] \$3,532,000 for the Office of Employment Discrimination Complaint Adjudication: *Provided*, That payments may be made in advance for services to be furnished based on estimated costs: *Provided further*, That amounts received shall be credited to the "General Administration" and "Information Technology Systems" accounts for use by the office that provided the service.

(TRANSFER OF FUNDS)

[SEC. 211. Of the amounts made available to the Department of Veterans Affairs for fiscal year 2016 for the Office of Rural Health under the heading "Medical Services", including any advance appropriation for fiscal year 2016 provided in prior appropriation Acts, up to \$20,000,000 may be transferred to and merged with funds appropriated under the heading "Grants for Construction of State Extended Care Facilities". ]

SEC. [212] 211. No funds of the Department of Veterans Affairs shall be available for hospital care, nursing home care, or medical services provided to any person under chapter 17 of title 38, United States Code, for a non-service-connected disability described in section 1729(a)(2) of such title, unless that person has disclosed to the Secretary of Veterans Affairs, in such form as the Secretary may require, current, accurate third-party reimbursement information for purposes of section 1729 of such title: *Provided*, That the Secretary may recover, in the same manner as any other debt due the United States, the reasonable charges for such care or services from any person who does not make such disclosure as required: *Provided further*, That any amounts so recovered for care or services provided in a prior fiscal year may be obligated by the Secretary during the fiscal year in which amounts are received.

(INCLUDING TRANSFER OF FUNDS)

SEC. [213] 212. Notwithstanding any other provision of law, proceeds or revenues derived from enhanced-use leasing activities (including disposal) may be deposited into the "Construction, Major Projects" and "Construction, Minor Projects" accounts and be used for construction (including site acquisition and disposition), alterations, and improvements of any medical facility under the jurisdiction or for the use of the Department of Veterans Affairs. Such sums as realized are in addition to the amount provided for in "Construction, Major Projects" and "Construction, Minor Projects".

SEC. [214] 213. Amounts made available under "Medical Services" are available—  
 (1) for furnishing recreational facilities, supplies, and equipment; and  
 (2) for funeral expenses, burial expenses, and other expenses incidental to funerals and burials for beneficiaries receiving care in the Department.

(INCLUDING TRANSFER OF FUNDS)

SEC. [215] 214. Such sums as may be deposited to the Medical Care Collections Fund pursuant to section 1729A of title 38, United States Code, may be transferred to the "Medical Services" and "Medical Community Care" accounts, to remain available until expended for the purposes of [that account] these accounts.

SEC. [216] 215. The Secretary of Veterans Affairs may enter into agreements with Indian tribes and tribal organizations which are party to the Alaska Native Health Compact with the Indian Health Service, and Indian tribes and tribal organizations serving rural Alaska which have entered into contracts with the Indian Health Service under the Indian Self Determination and Educational Assistance Act, to provide healthcare, including behavioral health and dental care. The Secretary shall require participating veterans and facilities to comply with all appropriate rules and regulations, as established by the Secretary. The term "rural Alaska" shall mean those lands sited within the external boundaries of the Alaska Native regions specified in sections 7(a)(1)-(4) and (7)-(12) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1606), and those lands within the Alaska Native regions specified in sections 7(a)(5) and 7(a)(6) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1606), which are not within the boundaries of the municipality of Anchorage, the Fairbanks North Star Borough, the Kenai Peninsula Borough or the Matanuska Susitna Borough.

(INCLUDING TRANSFER OF FUNDS)

SEC. [217] 216. Such sums as may be deposited to the Department of Veterans Affairs Capital Asset Fund pursuant to section 8118 of title 38, United States Code, may be transferred to the "Construction, Major Projects" and "Construction, Minor Projects" accounts, to remain available until expended for the purposes of these accounts.

[SEC. 218. None of the funds made available in this title may be used to implement any policy prohibiting the Directors of the Veterans Integrated Services Networks from conducting outreach or marketing to enroll new veterans within their respective Networks. ]

[SEC. 219. Not later than 30 days after the end of each fiscal quarter, the Secretary of Veterans Affairs shall submit to the Committees on Appropriations of both Houses of Congress a report on the financial status of the Department of Veterans Affairs for the preceding quarter: *Provided*, That, at a minimum, the report shall include the direction contained in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act) in the paragraph entitled "Quarterly Report", under the heading "General Administration". ]

(INCLUDING TRANSFER OF FUNDS)

SEC. [220] 217. Amounts made available under the "Medical Services", "Medical Community Care", "Medical Support and Compliance", "Medical Facilities", "General Operating Expenses, Veterans Benefits Administration", "General Administration", and "National Cemetery Administration" accounts for fiscal year [2016] 2017 may be transferred to or from the "Information Technology Systems" account: *Provided*, [That such transfers may not result in a more than 10 percent aggregate increase in the total amount made available by this Act for the "Information Technology Systems" account: *Provided further*.] That, before a transfer may take place, the Secretary of Veterans Affairs shall [request from] submit notice thereof to the Committees on Appropriations of both Houses of Congress [the authority to make the transfer and an approval is issued].

[SEC. 221. None of the funds appropriated or otherwise made available by this Act or any other Act for the Department of Veterans Affairs may be used in a manner that is inconsistent with: (1) section 842 of the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 (Public Law 109-115; 119 Stat. 2506); or (2) section 8110(a)(5) of title 38, United States Code. ]

(INCLUDING TRANSFER OF FUNDS)

SEC. [222] 218. Of the amounts appropriated to the Department of Veterans Affairs for fiscal year [2016] 2017 for "Medical Services", "Medical Support and Compliance", "Medical Facilities", "Construction, Minor Projects", and "Information Technology Systems", up to [\$267,521,000] \$274,731,000, plus reimbursements, may be transferred to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84; 123 Stat. 3571) and may be used for operation of the facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110-417; 122 Stat. 4500): *Provided*, That additional funds may be transferred from accounts designated in this section to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund upon written notification by the Secretary of Veterans Affairs to the Committees on Appropriations of both Houses of Congress: *Provided further*, That section 223 of Title II of Division [I] J of Public Law [113-235] 114-113 is repealed.

## (INCLUDING TRANSFER OF FUNDS)

SEC. [223] 219. Of the amounts appropriated to the Department of Veterans Affairs which become available on October 1, [2016] 2017, for "Medical Services", "Medical Support and Compliance", and "Medical Facilities", up to [\$265,675,000] \$280,802,000, plus reimbursements, may be transferred to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 3571) and may be used for operation of the facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417; 122 Stat. 4500): *Provided*, That additional funds may be transferred from accounts designated in this section to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund upon written notification by the Secretary of Veterans Affairs to the Committees on Appropriations of both Houses of Congress.

## (INCLUDING TRANSFER OF FUNDS)

SEC. [224] 220. Such sums as may be deposited to the Medical Care Collections Fund pursuant to section 1729A of title 38, United States Code, for healthcare provided at facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417; 122 Stat. 4500) shall also be available: (1) for transfer to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 3571); and (2) for operations of the facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417; 122 Stat. 4500).

## (INCLUDING TRANSFER OF FUNDS)

SEC. [225] 221. Of the amounts available in this title for "Medical Services", "Medical Support and Compliance", and "Medical Facilities", a minimum of \$15,000,000 shall be transferred to the DOD-VA Health Care Sharing Incentive Fund, as authorized by section 8111(d) of title 38, United States Code, to remain available until expended, for any purpose authorized by section 8111 of title 38, United States Code.

## [(INCLUDING RESCISSIONS OF FUNDS)]

[SEC. 226. (a) Of the funds appropriated in title II of division I of Public Law 113–235, the following amounts which became available on October 1, 2015, are hereby rescinded from the following accounts in the amounts specified:

- (1) "Department of Veterans Affairs, Medical Services", \$1,400,000,000.
- (2) "Department of Veterans Affairs, Medical Support and Compliance", \$100,000,000.
- (3) "Department of Veterans Affairs, Medical Facilities", \$250,000,000.

(b) In addition to amounts provided elsewhere in this Act, an additional amount is appropriated to the following accounts in the amounts specified to remain available until September 30, 2017:

- (1) "Department of Veterans Affairs, Medical Services", \$1,400,000,000.
- (2) "Department of Veterans Affairs, Medical Support and Compliance", \$100,000,000.
- (3) "Department of Veterans Affairs, Medical Facilities", \$250,000,000.]

[SEC. 227. The Secretary of Veterans Affairs shall notify the Committees on Appropriations of both Houses of Congress of all bid savings in a major construction project that total at least \$5,000,000, or 5 percent of the programmed amount of the project, whichever is less: *Provided*, That such notification shall occur within 14 days of a contract identifying the programmed amount: *Provided further*, That the Secretary shall notify the Committees on Appropriations of both Houses of Congress 14 days prior to the obligation of such bid savings and shall describe the anticipated use of such savings.]

[SEC. 228. None of the funds made available for "Construction, Major Projects" may be used for a project in excess of the scope specified for that project in the original justification data provided to the Congress as part of the request for appropriations unless the Secretary of Veterans Affairs receives approval from the Committees on Appropriations of both Houses of Congress.]

[SEC. 229. The Secretary of Veterans Affairs shall submit to the Committees on Appropriations of both Houses of Congress a quarterly report that contains the following information from each Veterans Benefits Administration Regional Office: (1) the average time to complete a disability compensation claim; (2) the number of claims pending more than 125 days, disaggregated by initial and supplemental claims; (3) error rates; (4) the number of claims personnel; (5) any corrective action taken within the quarter to address poor performance; (6) training programs undertaken; and (7) the number and results of Quality Review Team audits: *Provided*, That each quarterly report shall be submitted no later than 30 days after the end of the respective quarter.]

[SEC. 230. Of the funds provided to the Department of Veterans Affairs for fiscal year 2016 for "Medical Services" and "Medical Support and Compliance", a maximum of \$5,000,000 may be obligated from the "Medical Services" account and a maximum of \$154,596,000 may be obligated from the "Medical Support and Compliance" account for the VistA Evolution and electronic health record interoperability projects: *Provided*, That funds in addition to these amounts may be obligated for the VistA Evolution and electronic health record interoperability projects upon written notification by the Secretary of Veterans Affairs to the Committees on Appropriations of both Houses of Congress.]

[SEC. 231. The Secretary of Veterans Affairs shall provide written notification to the Committees on Appropriations of both Houses of Congress 15 days prior to organizational changes which result in the transfer of 25 or more full-time equivalents from one organizational unit of the Department of Veterans Affairs to another.]

[SEC. 232. The Secretary of Veterans Affairs shall provide on a quarterly basis to the Committees on Appropriations of both Houses of Congress notification of any single national outreach and awareness marketing campaign in which obligations exceed \$2,000,000.]

[SEC. 233. None of the funds available to the Department of Veterans Affairs, in this or any other Act, may be used to replace the current system by which the Veterans Integrated Service Networks select and contract for diabetes monitoring supplies and equipment.]

## (INCLUDING TRANSFER OF FUNDS)

SEC. [234] 222. The Secretary of Veterans Affairs, upon determination that such action is necessary to address needs of the Veterans Health Administration, may transfer to the "Medical Services" account any discretionary appropriations made available for fiscal year [2016] 2017 in this title (except appropriations made to the "General Operating Expenses, Veterans Benefits Administration" account) or any discretionary unobligated balances within the Department of Veterans Affairs, including those appropriated for fiscal year [2016] 2017, that were provided in advance by appropriations Acts: *Provided*, That transfers shall be made only with the approval of the Office of Management and Budget: *Provided further*, That the transfer authority provided in this section is in addition to any other transfer authority provided by law: *Provided further*, That no amounts may be transferred from amounts that were designated by Congress as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That such authority to transfer may not be used unless for higher priority items, based on emergent healthcare requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That, upon determination that all or part of the funds transferred from an appropriation are not necessary, such amounts may be transferred back to that appropriation and shall be available for the same purposes as originally appropriated: *Provided further*, That before a transfer may take place, the Secretary of Veterans Affairs shall [request from] *submit notice thereof* to the Committees on Appropriations of both Houses of Congress [the authority to make the transfer and receive approval of that request].

## (INCLUDING TRANSFER OF FUNDS)

SEC. [235] 223. Amounts made available for the Department of Veterans Affairs for fiscal year [2016] 2017, under the "Board of Veterans Appeals" and the "General Operating Expenses, Veterans Benefits Administration" accounts may be transferred between such accounts: *Provided*, That before a transfer may take place, the Secretary of Veterans Affairs shall [request from] *submit notice thereof* to the Committees on Appropriations of both Houses of Congress [the authority to make the transfer and receive approval from such Committees for such request].

## [(RESCISSION OF FUNDS)]

[SEC. 236. Of the unobligated balances available within the "DOD-VA Health Care Sharing Incentive Fund", \$30,000,000 are hereby rescinded.]

[SEC. 237. The Secretary of Veterans Affairs may not reprogram funds among major construction projects or programs if such instance of reprogramming will exceed \$5,000,000, unless such reprogramming is approved by the Committees on Appropriations of both Houses of Congress.]

[SEC. 238. Section 2302(a)(2)(A)(viii) of title 5, United States Code, is amended by inserting "or under title 38" after "of this title".]

[SEC. 239. Section 312 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(c)

"(1) Whenever the Inspector General, in carrying out the duties and responsibilities established under the Inspector General Act of 1978 (5 U.S.C. App.), issues a work product that makes a recommendation or otherwise suggests corrective action, the Inspector General shall—

"(A) submit the work product to—

"(i) the Secretary;

"(ii) the Committee on Veterans' Affairs, the Committee on Homeland Security and Governmental Affairs, and the Committee on Appropriations of the Senate;

"(iii) the Committee on Veterans' Affairs, the Committee on Oversight and Government Reform, and the Committee on Appropriations of the House of Representatives;

"(iv) if the work product was initiated upon request by an individual or entity other than the Inspector General, that individual or entity; and

"(v) any Member of Congress upon request; and

"(B) the Inspector General shall submit all final work products to—

"(i) if the work product was initiated upon request by an individual or entity other than the Inspector General, that individual or entity; and

"(ii) any Member of Congress upon request; and

"(C) not later than 3 days after the work product is submitted in final form to the Secretary, post the work product on the Internet website of the Inspector General.

"(2) Nothing in this subsection shall be construed to authorize the public disclosure of information that is specifically prohibited from disclosure by any other provision of law." ]

**SEC. 240.** None of the funds provided in this Act may be used to pay the salary of any individual who (a) was the Executive Director of the Office of Acquisition, Logistics and Construction, and (b) who retired from Federal service in the midst of an investigation, initiated by the Department of Veterans Affairs, into delays and cost overruns associated with the design and construction of the new medical center in Aurora, Colorado. ]

**SEC. 241.** None of the funds appropriated in this or prior appropriations Acts or otherwise made available to the Department of Veterans Affairs may be used to transfer any amounts from the Filipino Veterans Equity Compensation Fund to any other account within the Department of Veterans Affairs. ]

**SEC. 242.** None of the amounts appropriated or otherwise made available by title II may be used to carry out the Home Marketing Incentive Program of the Department of Veterans Affairs or to carry out the Appraisal Value Offer Program of the Department with respect to an employee of the Department in a senior executive position (as defined in section 713(g) of title 38, United States Code): *Provided*, That the Secretary may waive this prohibition with respect to the use of the Home Marketing Incentive Program and Appraisal Value Offer Program to recruit for a position for which recruitment or retention of qualified personnel is likely to be difficult in the absence of the use of these incentives: *Provided further*, That within 15 days of a determination by the Secretary to waive this prohibition, the Secretary shall submit written notification thereof to the Committees on Appropriations of both Houses of Congress containing the reasons and identifying the position title for which the waiver has been issued. ]

**(INCLUDING TRANSFER OF FUNDS) ]**

**SEC. 243.** There is hereby established in the Treasury of the United States a fund to be known as the "Recurring Expenses Transformational Fund" (the Fund): *Provided*, That unobligated balances of expired discretionary funds appropriated in this or any succeeding fiscal year from the General Fund of the Treasury to the Department of Veterans Affairs by this or any other Act may be transferred (at the end of the fifth fiscal year after the last fiscal year for which such funds are available for the purposes for which appropriated) into the Fund: *Provided further*, That amounts deposited in the Fund shall be available until expended, and in addition to such other funds as may be available for such purposes, for facilities infrastructure improvements, including nonrecurring maintenance, at existing hospitals and clinics of the Veterans Health Administration, and information technology systems improvements and sustainment, subject to approval by the Office of Management and Budget: *Provided further*, That prior to obligation of any amounts in the Fund, the Secretary of Veterans Affairs shall request from the Committees on Appropriations of both Houses of Congress the authority to make such obligation and such Committees issue an approval, or absent a response, a period of 30 days has elapsed. ]

**SEC. 224.** Upon determination by the Secretary of Veterans Affairs that such action is necessary for providing health care, benefits and other services, the Secretary may transfer amounts made available to the Department of Veterans Affairs for fiscal year 2017 by this Act between any discretionary appropriations accounts for fiscal year 2017: *Provided*, That amounts so transferred shall be merged with the account to which transferred: *Provided further*, That the total amount that the Secretary may transfer under this section may not exceed two percent of the total discretionary appropriations made available to the Department for fiscal year 2017 by this Act: *Provided further*, that a transfer of funds between the "Medical Services", "Medical Community Care", "Medical Support and Compliance", and "Medical Facilities" accounts shall not be counted toward the two percent limitation in the previous proviso: *Provided further*, That the transfer authority provided by this section may be exercised only to support activities in an appropriations account

that have a higher priority than those undertaken in the appropriations account from which budget authority is transferred, as determined by the Secretary: *Provided further*, That such transfer authority may not be used to provide budget authority for an activity that the Secretary lacks the authority to carry out: *Provided further*, That the transfer authority provided in this section is in addition to any other transfer authority provided by law. (Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)

**GENERAL FUND RECEIPT ACCOUNTS**

(in millions of dollars)

	2015 actual	2016 est.	2017 est.
Offsetting receipts from the public:			
036-27330 Housing Downward Reestimates .....	268	312	.....
036-275110 Native American Veteran Housing Loans, Negative Subsidies .....	1	2	2
036-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified .....	5	10	11
036-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	24	40	40
036-247300 Contributions from Military Personnel, Veteran's Educational Assistance Act of 1984 .....	145	125	110
036-275510 Housing Negative Subsidies .....	.....	74	92
General Fund Offsetting receipts from the public .....	443	563	255
Intragovernmental payments:			
036-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts .....	4	5	5
General Fund Intragovernmental payments .....	4	5	5

**TITLE IV—GENERAL PROVISIONS**

**SEC. 401.** No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

**SEC. 402.** None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

**SEC. 403.** All departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of "E-Commerce" technologies and procedures in the conduct of their business practices and public service activities.

**SEC. 404.** Unless stated otherwise, all reports and notifications required by this Act shall be submitted to the Subcommittee on Military Construction and Veterans Affairs, and Related Agencies of the Committee on Appropriations of the House of Representatives and the Subcommittee on Military Construction and Veterans Affairs, and Related Agencies of the Committee on Appropriations of the Senate.

**SEC. 405.** None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government except pursuant to a transfer made by, or transfer authority provided in, this or any other appropriations Act.

**SEC. 406.** None of the funds made available in this Act may be used for a project or program named for an individual serving as a Member, Delegate, or Resident Commissioner of the United States House of Representatives.

**SEC. 407.** (a) Any agency receiving funds made available in this Act, shall, subject to subsections (b) and (c), post on the public Web site of that agency any report required to be submitted by the Congress in this or any other Act, upon the determination by the head of the agency that it shall serve the national interest.

(b) Subsection (a) shall not apply to a report if—

- (1) the public posting of the report compromises national security; or
- (2) the report contains confidential or proprietary information.

(c) The head of the agency posting such report shall do so only after such report has been made available to the requesting Committee or Committees of Congress for no less than 45 days.

**SEC. 408.** (a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

(b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

SEC. 409. None of the funds made available in this Act may be used by an agency of the executive branch to pay for first-class travel by an employee of the agency in contravention of sections 301–10.122 through 301–10.124 of title 41, Code of Federal Regulations.

SEC. 410. None of the funds made available in this Act may be used to execute a contract for goods or services, including construction services, where the contractor has not complied with Executive Order No. 12989.

【SEC. 411. None of the funds made available by this Act may be used by the Department of Defense or the Department of Veterans Affairs to lease or purchase new light duty vehicles for any executive fleet, or for an agency's fleet inventory, except in accordance with Presidential Memorandum—Federal Fleet Performance, dated May 24, 2011.】

【SEC. 412. (a) IN GENERAL.—None of the funds appropriated or otherwise made available to the Department of Defense in this Act may be used to construct, renovate, or expand any facility in the United States, its territories, or possessions to house any individual detained at United States Naval Station, Guantanamo Bay, Cuba, for

the purposes of detention or imprisonment in the custody or under the control of the Department of Defense.

(b) The prohibition in subsection (a) shall not apply to any modification of facilities at United States Naval Station, Guantanamo Bay, Cuba.

(c) An individual described in this subsection is any individual who, as of June 24, 2009, is located at United States Naval Station, Guantanamo Bay, Cuba, and who—

(1) is not a citizen of the United States or a member of the Armed Forces of the United States; and

(2) is—

(A) in the custody or under the effective control of the Department of Defense; or

(B) otherwise under detention at United States Naval Station, Guantanamo Bay, Cuba.】

*(Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2016.)*

