

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), monthly assistance allowances authorized by section 322(d) of title 38, United States Code, grants authorized by section 521A of title 38, United States Code, and administrative expenses necessary to carry out sections 322(d) and 521A of title 38, United States Code, and hospital care and medical services authorized by section 1787 of title 38, United States Code; \$63,167,774,000, plus reimbursements, shall become available on October 1, 2019, and shall remain available until September 30, 2020: Provided, That not to exceed 5 percent of such amount shall remain available until September 30, 2021: 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.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 036-0160-0-1-703                                | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| 0100 Balance, start of year   | 1,723       | 7,868     | 8,082     |
| 0198 Reconciliation adjustment                                      | -1,398      |           |           |
| 0199 Balance, start of year   | 325         | 7,868     | 8,082     |
| Receipts:   |             |           |           |
| Current law:  |             |           |           |
| 1130 Pharmaceutical Co-payments, MCCF                               | 539         | 456       | 438       |
| 1130 Medical Care Collections Fund, Third Party Prescription Claims | 105         | 104       | 105       |
| 1130 Enhanced-use Lease Proceeds, MCCF                              | 1           | 1         | 2         |
| 1130 Fee Basis 3rd Party MCCF                                       | 44          | 236       | 251       |
| 1130 First Party Collections, MCCF                                  | 187         | 204       | 204       |
| 1130 Third Party Collections, MCCF                                  | 2,558       | 2,201     | 2,386     |
| 1130 Parking Fees, MCCF   | 4           | 4         | 4         |
| 1130 Compensated Work Therapy, MCCF                                 | 66          | 66        | 66        |
| 1130 MCCF, Long-term Care Copayments                                | 2           | 2         | 3         |
| 1140 Payments from Compensation and Pension, MCCF                   | 2           | 2         | 2         |
| 1199 Total current law receipts                                     | 3,508       | 3,276     | 3,461     |
| 1999 Total receipts   | 3,508       | 3,276     | 3,461     |
| 2000 Total: Balances and receipts                                   | 3,833       | 11,144    | 11,543    |
| Appropriations:   |             |           |           |
| Current law:  |             |           |           |
| 2101 Medical Care Collections Fund                                  | -3,562      | -3,276    | -3,461    |
| 2172 Medical Services   |             |           |           |
| 2172 Medical Services   |             |           |           |
| 2172 Medical Services   |             |           |           |
| 2174 Medical Services   | 7,380       |           |           |
| 2199 Total current law appropriations                               | 4,035       | -3,062    | -3,179    |
| 2999 Total appropriations   | 4,035       | -3,062    | -3,179    |

5099 Balance, end of year ..... 7,868 8,082 8,364

Program and Financing (in millions of dollars)

| Identification code 036-0160-0-1-703                                   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                |             |           |           |
| 0001 Outpatient care   | 16,974      | 19,202    | 20,429    |
| 0002 Inpatient care  | 7,223       | 7,677     | 9,630     |
| 0004 Mental health care  | 5,700       | 5,940     | 6,664     |
| 0005 Long-term care  | 3,347       | 3,530     | 6,630     |
| 0006 Pharmacy  | 6,444       | 6,740     | 6,784     |
| 0007 Prosthetics care  | 3,157       | 3,556     | 3,842     |
| 0008 Dental care   | 653         | 716       | 1,002     |
| 0009 Rehabilitation  | 660         | 677       | 716       |
| 0011 Readjustment Counseling   | 206         | 200       | 223       |
| 0012 Caregivers (Title I) P.L. 111-163                                 | 458         | 482       | 492       |
| 0013 Prior-Year Recoveries   | 147         |           |           |
| 0015 CHAMPVA (VA Portion)  |             |           | 1,764     |
| 0022 P.L. 113-146, Hires   | 719         |           |           |
| 0023 P.L. 113-146, Sec. 301  | 27          | 29        | 39        |
| 0024 P.L. 113-146, Supplies/Equipment                                  | 23          |           |           |
| 0025 P.L. 113-146, Mobile Clinic Video                                 | 3           |           |           |
| 0029 P.L. 113-146, Prior Year Recoveries                               | 1           |           |           |
| 0031 State Home Programs   |             |           | 1,309     |
| 0032 Camp Lejeune, Veterans Families                                   |             |           | 1         |
| 0091 Total operating expenses  | 45,742      | 48,749    | 59,525    |
| 0101 Outpatient care   | 989         | 1,062     | 925       |
| 0102 Inpatient care  | 361         | 388       | 337       |
| 0103 Mental health care  | 67          | 72        | 63        |
| 0104 Long-term care  | 104         | 112       | 97        |
| 0105 Pharmacy  | 24          | 26        | 22        |
| 0106 Prosthetics care  |             |           | 27        |
| 0107 Dental care   | 42          | 45        | 39        |
| 0108 Rehabilitation  | 19          | 20        | 18        |
| 0109 Readjustment Counseling   | 2           | 2         | 2         |
| 0114 P.L. 113-146, Supplies/Equipment                                  | 20          |           |           |
| 0191 Total Capital Investment  | 1,628       | 1,727     | 1,530     |
| 0799 Total direct obligations  | 47,370      | 50,476    | 61,055    |
| 0801 Medical Services (Reimbursable)                                   | 121         | 111       | 133       |
| 0900 Total new obligations, unexpired accounts                         | 47,491      | 50,587    | 61,188    |
| <b>Budgetary resources:</b>  |             |           |           |
| Unobligated balance:   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                        | 1,540       | 2,055     | 53        |
| 1011 Unobligated balance transfer from other acct [036-0140]           |             |           | 1,000     |
| 1020 Adjustment of unobligated bal brought forward, Oct 1              | 223         |           |           |
| 1021 Recoveries of prior year unpaid obligations                       | 137         |           |           |
| 1033 Recoveries of prior year paid obligations                         | 12          |           |           |
| 1050 Unobligated balance (total)                                       | 1,912       | 2,055     | 1,053     |
| Budget authority:  |             |           |           |
| Appropriations, discretionary:   |             |           |           |
| 1100 Appropriation   | 1,129       | 1,102     |           |
| 1121 Appropriations transferred from other acct [036-5287]             | 2,293       | 3,004     | 3,443     |
| 1160 Appropriation, discretionary (total)                              | 3,422       | 4,106     | 3,443     |
| Advance appropriations, discretionary:                                 |             |           |           |
| 1170 Advance appropriation   | 51,673      | 44,582    | 49,161    |
| 1172 Advance appropriations transferred to other accounts [036-0165]   | -15         | -15       | -15       |
| 1172 Advance appropriations transferred to other accounts [036-0169]   | -202        | -199      | -228      |
| 1172 Advance appropriations transferred to other accounts [036-0162]   |             |           | -39       |
| 1173 Advance appropriations transferred from other accounts [036-0169] | 16          |           |           |
| 1173 Advance appropriations transferred from other accounts [036-0140] |             |           | 8,385     |
| 1174 Advance appropriations permanently reduced                        | -7,380      |           |           |
| 1180 Advanced appropriation, discretionary (total)                     | 44,092      | 44,368    | 57,264    |
| Spending authority from offsetting collections, discretionary:         |             |           |           |
| 1700 Collected   | 118         | 109       | 130       |
| 1701 Change in uncollected payments, Federal sources                   | 2           | 2         | 3         |
| 1750 Spending auth from offsetting collections, disc (total)           | 120         | 111       | 133       |
| 1900 Budget authority (total)  | 47,634      | 48,585    | 60,840    |
| 1930 Total budgetary resources available                               | 49,546      | 50,640    | 61,893    |
| Memorandum (non-add) entries:  |             |           |           |
| 1941 Unexpired unobligated balance, end of year                        | 2,055       | 53        | 705       |

MEDICAL SERVICES—Continued  
Program and Financing—Continued

| Identification code 036-0160-0-1-703                                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Change in obligated balance:</b>                                      |             |           |           |
| Unpaid obligations:  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                    | 7,932       | 6,969     | 9,541     |
| 3010 New obligations, unexpired accounts .....                           | 47,491      | 50,587    | 61,188    |
| 3011 Obligations ("upward adjustments"), expired accounts .....          | 690         | .....     | .....     |
| 3020 Outlays (gross) .....   | -48,368     | -48,015   | -60,277   |
| 3040 Recoveries of prior year unpaid obligations, unexpired .....        | -137        | .....     | .....     |
| 3041 Recoveries of prior year unpaid obligations, expired .....          | -639        | .....     | .....     |
| 3050 Unpaid obligations, end of year .....                               | 6,969       | 9,541     | 10,452    |
| Uncollected payments:  |             |           |           |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....        | -6          | -5        | -7        |
| 3070 Change in uncollected pymts, Fed sources, unexpired .....           | -2          | -2        | -3        |
| 3071 Change in uncollected pymts, Fed sources, expired .....             | 3           | .....     | .....     |
| 3090 Uncollected pymts, Fed sources, end of year .....                   | -5          | -7        | -10       |
| Memorandum (non-add) entries:  |             |           |           |
| 3100 Obligated balance, start of year .....                              | 7,926       | 6,964     | 9,534     |
| 3200 Obligated balance, end of year .....                                | 6,964       | 9,534     | 10,442    |
| <b>Budget authority and outlays, net:</b>                                |             |           |           |
| Discretionary:   |             |           |           |
| 4000 Budget authority, gross .....                                       | 47,634      | 48,585    | 60,840    |
| Outlays, gross:  |             |           |           |
| 4010 Outlays from new discretionary authority .....                      | 40,346      | 41,927    | 54,284    |
| 4011 Outlays from discretionary balances .....                           | 7,220       | 5,673     | 5,993     |
| 4020 Outlays, gross (total) .....  | 47,566      | 47,600    | 60,277    |
| Offsets against gross budget authority and outlays:                      |             |           |           |
| Offsetting collections (collected) from:                                 |             |           |           |
| 4030 Federal sources .....   | -51         | -40       | -40       |
| 4033 Non-Federal sources .....   | -297        | -69       | -90       |
| 4040 Offsets against gross budget authority and outlays (total) ....     | -348        | -109      | -130      |
| Additional offsets against gross budget authority only:                  |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....           | -2          | -2        | -3        |
| 4052 Offsetting collections credited to expired accounts .....           | 218         | .....     | .....     |
| 4053 Recoveries of prior year paid obligations, unexpired accounts ..... | 12          | .....     | .....     |
| 4060 Additional offsets against budget authority only (total) .....      | 228         | -2        | -3        |
| 4070 Budget authority, net (discretionary) .....                         | 47,514      | 48,474    | 60,707    |
| 4080 Outlays, net (discretionary) .....                                  | 47,218      | 47,491    | 60,147    |
| Mandatory:   |             |           |           |
| Outlays, gross:  |             |           |           |
| 4101 Outlays from mandatory balances .....                               | 802         | 415       | .....     |
| 4180 Budget authority, net (total) .....                                 | 47,514      | 48,474    | 60,707    |
| 4190 Outlays, net (total) .....  | 48,020      | 47,906    | 60,147    |

For 2020, the Budget requests \$75.6 billion in advance appropriations for the three medical care appropriations: Medical Services, 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.

In 2019, the Administration proposes combining the Medical Community Care and Medical Services accounts to streamline operational service delivery. Additionally, in 2019, no additional appropriations are requested over the 2019 advance appropriation request of \$70.7 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. In 2019, the Budget proposes to transfer funds among the three medical care appropriations to align with the adjusted budget estimates.

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") to improve 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. Public Law 115-26, enacted April 19, 2017, amended the Veterans Choice Act to eliminate the August 7, 2017 sunset date for the Veterans Choice Program, thus allowing the program to operate until all of the money in the Veterans Choice Fund is expended. Public Law 115-46 provided an additional \$2.1 billion in mandatory appropriations in 2017 for the Veterans Choice Fund, and, in 2018, Public Law 115-96 provided \$2.1 billion more in mandatory appropriations.

The Budget includes the Administration's Veteran Coordinated Access & Rewarding Experiences (CARE) proposal, designed to consolidate and reform VA's community care programs, improve veterans' choice of healthcare providers, and make other improvements to the VA healthcare system. To ensure a smooth transition to the new, consolidated community care program, the Budget requests \$1.9 billion in mandatory budget authority in 2018.

With the resources requested for 2019 and 2020, VA will provide the highest quality health care services for veterans. VA estimates it will treat 7.0 million patients in 2019 and 7.1 million patients in 2020. Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn (OEF/OIF/OND) veterans are expected to be 1,035,215 in 2019 (14.8 percent of the total) and 1,105,476 in 2020 (15.6 percent of the total).

**Medical Care Collections Fund (MCCF).**—VA estimates collections of nearly \$3.3 billion in 2018 and \$3.5 billion in 2019, representing about 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 2018 enacted advance appropriation of \$44.9 billion, together with \$1.1 billion to reflect the annualized level provided by the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended); the 2019 advance appropriation request of \$49.2 billion; and the 2020 advance appropriation request of \$63.2 billion. This appropriation provides for a comprehensive, integrated health care delivery system that addresses the needs of eligible veterans and beneficiaries in VA facilities and through non-VA, or community care, providers, including 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 balances from mandatory funding provided in section 801 of the Veterans Choice Act (P.L. 113-146): \$82 million in unobligated balances remained available at the start of 2018.

#### 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, dental care, and rehabilitation care. In addition, estimated obligations and workload are also shown for three programs: CHAMPVA and other dependent programs, readjustment counseling, Caregivers, pharmacy, and the Camp Lejeune Family Member program.

**Outpatient care.**—Obligations in the Medical Services account for 2019 are estimated to be \$21,514 million for this health service category, which includes funding for ambulatory care in VA hospital-based and community-based clinics.

Estimated operating levels are:

|                | 2017 actual | 2018 est.  | 2019 est.   |
|----------------|-------------|------------|-------------|
| Visits         |             |            |             |
| VA             | 85,127,998  | 85,964,620 | 86,702,872  |
| Community Care | N/A         | N/A        | 27,496,808  |
| Total          | 85,127,998  | 85,964,620 | 114,199,680 |

**Inpatient care.**—Obligations in the Medical Services account for 2019 are estimated to be \$9,967 million, which includes funding for inpatient care in VA medical centers and in the community.

Estimated operating levels are:

|                                 | 2017 actual | 2018 est. | 2019 est. |
|---------------------------------|-------------|-----------|-----------|
| Patients Treated                |             |           |           |
| Acute Hospital, Medicine        | 346,091     | 341,147   | 336,203   |
| Acute Hospital, Neurology       | 5,676       | 5,405     | 5,134     |
| Acute Hospital, Surgery         | 94,428      | 91,814    | 89,200    |
| Acute Hospital (Community Care) | N/A         | N/A       | 203,176   |
| Subacute (Intermediate)         | 1,527       | 1,490     | 1,408     |
| Total                           | 447,722     | 439,856   | 635,121   |

**Mental health care.**—Obligations in the Medical Services account for 2019 are estimated to be \$6,727 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 interventions 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:

|                                   | 2017 actual | 2018 est. | 2019 est. |
|-----------------------------------|-------------|-----------|-----------|
| Average Daily Census              |             |           |           |
| Acute Psychiatry                  | 2,353       | 2,280     | 2,207     |
| Acute Psychiatry (Community Care) | N/A         | N/A       | 598       |
| Residential Recovery Programs     | 5,846       | 5,815     | 5,784     |
| Total                             | 8,199       | 8,095     | 8,589     |

**Long term services and supports (LTSS).**—Obligations in the Medical Services account for 2019 are estimated to be \$6,727 million for the care of veteran residents in VA- and community-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.

Estimated operating levels are:

|   | 2017 actual | 2018 est.  | 2019 est.  |
|---|-------------|------------|------------|
| LTSS Facility-Based Services: Average Daily Census      |             |            |            |
| VA Community Living Center (Nursing Home)               | 9,047       | 8,983      | 8,877      |
| Community Nursing Home                                  | N/A         | N/A        | 10,090     |
| Total   | 9,047       | 8,983      | 18,967     |
| LTSS Home & Community-Based Services: Visits/Procedures |             |            |            |
| Community Adult Day Health Care                         | 987,283     | 1,026,878  | 1,067,038  |
| Community Residential Care                              | 66,957      | 66,107     | 64,873     |
| Home Hospice Care                                       | 561,566     | 582,756    | 614,619    |
| Home Respite Care                                       | 289,727     | 294,219    | 292,245    |
| Home Telehealth   | 989,340     | 983,674    | 971,063    |
| Home-Based Primary Care                                 | 1,335,087   | 1,389,120  | 1,432,932  |
| Homemaker/Home Health Aide Programs                     | 11,262,426  | 11,538,085 | 11,888,405 |
| Purchased Skilled Home Care                             | 2,215,309   | 2,217,102  | 2,192,025  |
| Spinal Cord Injury Home Care                            | 20,059      | 19,897     | 19,865     |
| State Adult Day Health Care                             | 427         | 507        | 591        |
| VA Adult Day Health Care                                | 126,550     | 118,914    | 109,606    |
| Total   | 17,854,731  | 18,237,258 | 18,653,261 |
| State Home Programs                                     |             |            |            |
| State Home Nursing, Patients Treated                    | N/A         | N/A        | 33,053     |
| State Home Domiciliary, Patients Treated                | N/A         | N/A        | 5,326      |
| State Home Adult Day Health Care, Average Daily Census  | N/A         | N/A        | 51         |

**Prosthetics care.**—Obligations in the Medical Services account for 2019 are estimated to be \$3,842 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 their 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 2019 are estimated to be \$1,041 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:

|                | 2017 actual | 2018 est. | 2019 est. |
|----------------|-------------|-----------|-----------|
| Procedures     |             |           |           |
| VA             | 4,722,187   | 4,917,156 | 5,100,800 |
| Community Care | N/A         | N/A       | 508,544   |
| Total          | 4,722,187   | 4,917,156 | 5,609,344 |

**Rehabilitation.**—Obligations in the Medical Services account for 2019 are estimated to be \$734 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:

|                         | 2017 actual | 2018 est. | 2019 est. |
|-------------------------|-------------|-----------|-----------|
| Average Daily Census    |             |           |           |
| Rehabilitative Medicine | 166         | 165       | 165       |
| Blind Rehabilitation    | 254         | 254       | 254       |
| Spinal Cord Injury      | 748         | 748       | 748       |
| Total                   | 1,168       | 1,167     | 1,167     |

**Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) and other Dependent Programs.**—Obligations in the Medical Services account for 2019 are estimated to be \$1,764 million for pharmacy and medical service personnel for CHAMPVA and other dependent programs.

Estimated operating levels are:

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Unique Patients                              |             |           |           |
| CHAMPVA In-house Treatment Initiative (CITI) | N/A         | N/A       | 13,246    |
| CHAMPVA (excluding CITI)                     | N/A         | N/A       | 384,831   |
| Foreign Medical Program (medical only)       | N/A         | N/A       | 2,789     |
| Foreign Compensation & Pension Exams         | N/A         | N/A       | 600       |
| Spina Bifida Health Care Benefits Program    | N/A         | N/A       | 925       |
| Total  | N/A         | N/A       | 402,391   |

**Readjustment Counseling.**—Obligations in the Medical Services account for 2019 are estimated to be \$225 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:

|        | 2017 actual | 2018 est. | 2019 est. |
|--------|-------------|-----------|-----------|
| Visits |             |           |           |
| Total  | 1,961,000   | 2,118,000 | 2,287,000 |

**Caregivers (Title I) Programs.**—Obligations in the Medical Services account for 2019 are estimated to be \$492 million. The Caregivers and

MEDICAL SERVICES—Continued

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:

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Caregiver Stipend (dollars in millions) .....                                       | \$485       | \$433     | \$413     |
| Participants in the Program of Comprehensive Assistance for Family Caregivers ..... | 26,522      | 27,000    | 27,000    |

*Pharmacy.*—Obligations in the Medical Services account for 2019 are estimated to be \$6,806 million for pharmacy costs. VA's use of medication therapies is a fundamental underpinning of how VA delivers health care today. VA's primary focus is on diagnosis and treatment in an ambulatory environment and home environment basis with institutional care as the modality of last resort.

Estimated operating levels are:

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Number of 30-day Prescriptions (in millions) ..... | 280         | 286       | 291       |
| Total .....  |             |           |           |

*Camp Lejeune Family Member Program.*—Obligations in the Medical Services account for 2019 are estimated to be \$1 million for the Camp Lejeune Family Member program. The Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012 (P.L. 112–154) extended eligibility for VA hospital care and medical services to certain veterans who were stationed at Camp Lejeune, North Carolina, for at least 30 days between 1957 and 1987. Family members of such veterans who resided, or were in utero, at Camp Lejeune for at least 30 days during that period are eligible for reimbursement of hospital care and medical services for 15 specified illnesses and conditions, and VA is the payer of last resort.

*Public Law 113–146, Veterans Choice Act, Section 801.*—The Veterans Access, Choice, and Accountability Act of 2014 (P.L. 113–146) ("Veterans Choice Act") was enacted on August 7, 2014. The 2019 Budget supports continued 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 2019 are estimated to be \$39 million for Section 301 activities.

Estimated obligations in the Medical Services account are:

| Dollars in Millions          | 2017 actual | 2018 est. | 2019 est. |
|------------------------------|-------------|-----------|-----------|
| FTE .....                    | 719         | 0         | 0         |
| Supplies and Equipment ..... | 43          | 0         | 0         |
| Mobile Clinic Video .....    | 3           | 0         | 0         |
| Prior Year Recoveries .....  | 1           | 0         | 0         |
| Section 301 .....            | 27          | 29        | 39        |
| Total .....                  | 793         | 29        | 39        |

Object Classification (in millions of dollars)

| Identification code 036–0160–0–1–703                                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Direct obligations:</b>   |             |           |           |
| <b>Personnel compensation:</b>                                       |             |           |           |
| 11.1 Full-time permanent .....                                       | 17,827      | 19,440    | 20,242    |
| 11.1 Full-time permanent - P.L. 113–146, Sec. 801 .....              | 572         |           |           |
| 11.3 Other than full-time permanent .....                            | 377         | 412       | 428       |
| 11.3 Other than full-time permanent - P.L. 113–146, Sec. 801 .....   | 12          |           |           |
| 11.5 Other personnel compensation .....                              | 2,051       | 2,233     | 2,329     |
| 11.5 Other personnel compensation - P.L. 113–146, Sec. 801 .....     | 66          |           |           |
| 11.9 Total personnel compensation .....                              | 20,905      | 22,085    | 22,999    |
| 12.1 Civilian personnel benefits .....                               | 6,835       | 7,380     | 7,826     |
| 12.1 Civilian personnel benefits - P.L. 113–146, Sec. 801 .....      | 79          |           |           |
| 13.0 Benefits for former personnel .....                             | 8           | 8         | 8         |
| 21.0 Travel & Transportation of Persons .....                        | 1,021       | 1,099     | 868       |
| 22.0 Transportation of things .....                                  | 17          | 18        | 19        |
| 23.2 Rent, Communications & Utilities .....                          | 439         | 460       | 490       |
| 23.2 Rent, Communications & Utilities - P.L. 113–146, Sec. 801 ..... | 1           |           |           |
| 24.0 Printing and reproduction .....                                 | 10          | 10        | 11        |
| 25.2 Other contractual services .....                                | 4,409       | 5,402     | 13,298    |

|   |        |        |        |
|---|--------|--------|--------|
| 25.2 Other contractual serv. - P.L. 113–146, Sec. 801 ..... | 24     | 29     | 39     |
| 26.0 Supplies & Materials .....                             | 11,269 | 11,666 | 12,099 |
| 26.0 Supplies & Materials - P.L. 113–146, Sec. 801 .....    | 17     |        |        |
| 31.0 Equipment .....  | 1,608  | 1,727  | 1,503  |
| 31.0 Equipment - P.L. 113–146, Sec. 801 .....               | 21     |        |        |
| 41.0 Grants, Subsidies & Contributions .....                | 559    | 592    | 1,895  |
| 44.0 Prior-year Recoveries .....                            | 147    |        |        |
| 44.0 Prior Year Recoveries - P.L. 113–146, Sec. 801 .....   | 1      |        |        |
| 99.0 Direct obligations .....                               | 47,370 | 50,476 | 61,055 |
| 99.0 Reimbursable obligations .....                         | 121    | 111    | 133    |
| 99.9 Total new obligations, unexpired accounts .....        | 47,491 | 50,587 | 61,188 |

Employment Summary

| Identification code 036–0160–0–1–703                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 227,728     | 232,549   | 238,341   |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 1,872       | 1,872     | 1,872     |

MEDICAL COMMUNITY CARE

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036–0140–0–1–703   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                      |             |           |           |
| 0001 Ambulatory .....  | 2,374       | 1,744     |           |
| 0002 Dental .....  | 102         | 152       |           |
| 0003 Inpatient .....   | 1,565       | 2,135     |           |
| 0004 LTSS: Facility Based Services .....                                     | 897         |           |           |
| 0005 LTSS: Home & Community Based Services .....                             | 592         | 2,226     |           |
| 0006 Mental Health .....   | 19          | 198       |           |
| 0007 CHAMPVA & Other Dependent Programs .....                                | 1,267       | 1,350     |           |
| 0008 State Home Programs .....   | 1,253       | 1,237     |           |
| 0009 Camp Lejeune, Veterans Families .....                                   | 1           | 1         |           |
| 0900 Total new obligations, unexpired accounts .....                         | 8,070       | 9,043     |           |
| <b>Budgetary resources:</b>  |             |           |           |
| <b>Unobligated balance:</b>  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                        |             | 470       | 1,000     |
| 1010 Unobligated balance transfer to other accts [036–0160] .....            |             |           | –1,000    |
| 1050 Unobligated balance (total) .....                                       |             | 470       |           |
| <b>Budget authority:</b>   |             |           |           |
| <b>Appropriations, discretionary:</b>  |             |           |           |
| 1100 Appropriation .....   | 7,246       |           |           |
| 1120 Appropriations transferred to other acct [036–0169] .....               | –21         |           |           |
| 1121 Appropriations transferred from other acct [036–5287] .....             | 1,250       | 256       |           |
| 1130 Appropriations permanently reduced .....                                |             | –2        |           |
| 1160 Appropriation, discretionary (total) .....                              | 8,475       | 254       |           |
| <b>Advance appropriations, discretionary:</b>                                |             |           |           |
| 1170 Advance appropriation .....   |             | 9,345     | 8,385     |
| 1172 Advance appropriations transferred to other accounts [036–0169] .....   |             | –26       |           |
| 1172 Advance appropriations transferred to other accounts [036–0160] .....   |             |           | –8,385    |
| 1173 Advance appropriations transferred from other accounts [036–0152] ..... | 65          |           |           |
| 1180 Advanced appropriation, discretionary (total) .....                     | 65          | 9,319     |           |
| 1900 Budget authority (total) .....  | 8,540       | 9,573     |           |
| 1930 Total budgetary resources available .....                               | 8,540       | 10,043    |           |
| <b>Memorandum (non-add) entries:</b>   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                        | 470         | 1,000     |           |
| <b>Change in obligated balance:</b>  |             |           |           |
| <b>Unpaid obligations:</b>   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                        |             | 1,796     | 2,342     |
| 3010 New obligations, unexpired accounts .....                               | 8,070       | 9,043     |           |
| 3020 Outlays (gross) .....   | –6,274      | –8,497    |           |
| 3050 Unpaid obligations, end of year .....                                   | 1,796       | 2,342     | 2,342     |
| <b>Memorandum (non-add) entries:</b>   |             |           |           |
| 3100 Obligated balance, start of year .....                                  |             | 1,796     | 2,342     |
| 3200 Obligated balance, end of year .....                                    | 1,796       | 2,342     | 2,342     |

| Budget authority and outlays, net: |  |       |       |        |
|------------------------------------|--|-------|-------|--------|
| Discretionary:                     |  |       |       |        |
| 4000                               | Budget authority, gross .....                  | 8,540 | 9,573 | .....  |
| Outlays, gross:                    |  |       |       |        |
| 4010                               | Outlays from new discretionary authority ..... | 6,274 | 7,231 | -1,593 |
| 4011                               | Outlays from discretionary balances .....      | ..... | 1,266 | 1,593  |
| 4020                               | Outlays, gross (total) .....                   | 6,274 | 8,497 | .....  |
| 4180                               | Budget authority, net (total) .....            | 8,540 | 9,573 | .....  |
| 4190                               | Outlays, net (total) .....                     | 6,274 | 8,497 | .....  |

In 2019, the Administration proposes combining the Medical Community Care and Medical Services accounts to streamline operational service delivery. For 2020, the advance appropriation request for Medical Services includes the funding that would previously have been requested in the Medical Community Care account.

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

| Identification code 036-0140-0-1-703 | 2017 actual                                     | 2018 est. | 2019 est. |       |
|--------------------------------------|---|-----------|-----------|-------|
| Direct obligations:                  |   |           |           |       |
| 25.2                                 | Other Contractual Services .....                | 6,817     | 7,806     | ..... |
| 41.0                                 | State Homes .....                               | 1,253     | 1,237     | ..... |
| 99.9                                 | Total new obligations, unexpired accounts ..... | 8,070     | 9,043     | ..... |

**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.), \$7,106,150,000, plus reimbursements, shall become available on October 1, 2019, and shall remain available until September 30, 2020: Provided, That not to exceed 5 percent of such amount shall remain available until September 30, 2021.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-0152-0-1-703    | 2017 actual   | 2018 est. | 2019 est. |       |
|---|---|-----------|-----------|-------|
| <b>Obligations by program activity:</b> |   |           |           |       |
| 0001                                    | VA Medical Centers & Other Field Activities .....   | 4,112     | 4,092     | 4,375 |
| 0002                                    | VISN Headquarters .....                             | 171       | 167       | 175   |
| 0003                                    | VHA Central Office .....                            | 679       | 656       | 689   |
| 0005                                    | Office of Informatics & Analytics .....             | 228       | 271       | 234   |
| 0008                                    | Employee Education Service Center .....             | 67        | 78        | 82    |
| 0009                                    | VHA Service Center .....                            | 270       | 262       | 275   |
| 0013                                    | Consolidated Mail Outpatient Pharmacies .....       | 18        | 20        | 20    |
| 0014                                    | National Center for Patient Safety .....            | 8         | 8         | 9     |
| 0016                                    | Community Care .....                                | 632       | 878       | 913   |
| 0017                                    | VHA Member Services .....                           | 188       | 183       | 192   |
| 0019                                    | Readjustment Counseling .....                       | 2         | 6         | 6     |
| 0026                                    | P.L. 113-146, Section 301/302 Activities .....      | 3         | 9         | 9     |
| 0091                                    | Total operating expenses .....                      | 6,378     | 6,630     | 6,979 |
| 0102                                    | VAMCs & Other Field Activities .....                | 41        | 31        | 28    |
| 0104                                    | VHA Central Office .....                            | 1         | 1         | 1     |
| 0116                                    | Community Care .....                                | .....     | 1         | ..... |
| 0117                                    | VHA Member Services .....                           | 1         | 1         | 1     |
| 0191                                    | Total Capital Investment .....                      | 43        | 34        | 30    |
| 0293                                    | Total direct program .....                          | 6,421     | 6,664     | 7,009 |
| 0799                                    | Total direct obligations .....                      | 6,421     | 6,664     | 7,009 |
| 0801                                    | Medical Support and Compliance (Reimbursable) ..... | 14        | 19        | 19    |
| 0900                                    | Total new obligations, unexpired accounts .....     | 6,435     | 6,683     | 7,028 |
| <b>Budgetary resources:</b>             |   |           |           |       |
| Unobligated balance:                    |   |           |           |       |
| 1000                                    | Unobligated balance brought forward, Oct 1 .....    | 105       | 91        | 8     |

|  |   |       |       |       |
|--|---|-------|-------|-------|
| Budget authority:  |   |       |       |       |
| Appropriations, discretionary:                                 |   |       |       |       |
| Advance appropriations, discretionary:                         |   |       |       |       |
| 1170   | Advance appropriation .....   | 6,524 | 6,609 | 7,239 |
| 1172   | Advance appropriations transferred to other accounts [036-0169] .....   | -28   | -28   | -28   |
| 1172   | Advance appropriations transferred to other accounts [036-0140] .....   | -65   | ..... | ..... |
| 1172   | Advance appropriations transferred to other accounts [036-0162] .....   | ..... | ..... | -211  |
| 1173   | Advance appropriations transferred from other accounts [036-0169] ..... | 2     | ..... | ..... |
| 1174   | Advance appropriations permanently reduced .....                        | -26   | ..... | ..... |
| 1180   | Advanced appropriation, discretionary (total) .....                     | 6,407 | 6,581 | 7,000 |
| Spending authority from offsetting collections, discretionary: |   |       |       |       |
| 1700   | Collected .....   | 13    | 19    | 20    |
| 1701   | Change in uncollected payments, Federal sources .....                   | 1     | ..... | ..... |
| 1750   | Spending auth from offsetting collections, disc (total) .....           | 14    | 19    | 20    |
| 1900   | Budget authority (total) .....  | 6,421 | 6,600 | 7,020 |
| 1930   | Total budgetary resources available .....                               | 6,526 | 6,691 | 7,028 |
| Memorandum (non-add) entries:                                  |   |       |       |       |
| 1941   | Unexpired unobligated balance, end of year .....                        | 91    | 8     | ..... |

|                                     |  |        |        |        |
|-------------------------------------|--|--------|--------|--------|
| <b>Change in obligated balance:</b> |  |        |        |        |
| Unpaid obligations:                 |  |        |        |        |
| 3000                                | Unpaid obligations, brought forward, Oct 1 .....             | 883    | 1,043  | 1,242  |
| 3010                                | New obligations, unexpired accounts .....                    | 6,435  | 6,683  | 7,028  |
| 3011                                | Obligations ("upward adjustments"), expired accounts .....   | 68     | .....  | .....  |
| 3020                                | Outlays (gross) .....  | -6,246 | -6,484 | -6,876 |
| 3041                                | Recoveries of prior year unpaid obligations, expired .....   | -97    | .....  | .....  |
| 3050                                | Unpaid obligations, end of year .....                        | 1,043  | 1,242  | 1,394  |
| Uncollected payments:               |  |        |        |        |
| 3060                                | Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -1     | -2     | -2     |
| 3070                                | Change in uncollected pymts, Fed sources, unexpired .....    | -1     | .....  | .....  |
| 3090                                | Uncollected pymts, Fed sources, end of year .....            | -2     | -2     | -2     |
| Memorandum (non-add) entries:       |  |        |        |        |
| 3100                                | Obligated balance, start of year .....                       | 882    | 1,041  | 1,240  |
| 3200                                | Obligated balance, end of year .....                         | 1,041  | 1,240  | 1,392  |

|   |   |       |       |       |
|---|---|-------|-------|-------|
| <b>Budget authority and outlays, net:</b>               |   |       |       |       |
| Discretionary:  |   |       |       |       |
| 4000  | Budget authority, gross .....                                   | 6,421 | 6,600 | 7,020 |
| Outlays, gross:   |   |       |       |       |
| 4010  | Outlays from new discretionary authority .....                  | 5,445 | 5,857 | 6,231 |
| 4011  | Outlays from discretionary balances .....                       | 798   | 620   | 639   |
| 4020  | Outlays, gross (total) .....                                    | 6,243 | 6,477 | 6,870 |
| Offsets against gross budget authority and outlays:     |   |       |       |       |
| Offsetting collections (collected) from:                |   |       |       |       |
| 4030  | Federal sources .....   | -13   | -19   | -20   |
| 4033  | Non-Federal sources .....                                       | -19   | ..... | ..... |
| 4040  | Offsets against gross budget authority and outlays (total) .... | -32   | -19   | -20   |
| Additional offsets against gross budget authority only: |   |       |       |       |
| 4050  | Change in uncollected pymts, Fed sources, unexpired .....       | -1    | ..... | ..... |
| 4052  | Offsetting collections credited to expired accounts .....       | 19    | ..... | ..... |
| 4060  | Additional offsets against budget authority only (total) .....  | 18    | ..... | ..... |
| 4070  | Budget authority, net (discretionary) .....                     | 6,407 | 6,581 | 7,000 |
| 4080  | Outlays, net (discretionary) .....                              | 6,211 | 6,458 | 6,850 |
| Mandatory:  |   |       |       |       |
| Outlays, gross:   |   |       |       |       |
| 4101  | Outlays from mandatory balances .....                           | 3     | 7     | 6     |
| 4180  | Budget authority, net (total) .....                             | 6,407 | 6,581 | 7,000 |
| 4190  | Outlays, net (total) .....                                      | 6,214 | 6,465 | 6,856 |

For 2020, the Budget requests \$7.1 billion in advance appropriations for Medical Support and Compliance. This request 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 2018 through 2020: the 2018 enacted advance appropriation of \$6.7 billion, together with a reduction of \$45 million to reflect the annualized level provided by the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended); the 2019 advance appropriation request of \$7.2 billion; and the 2020 advance appropriation request of \$7.1 billion. In addition to this funding, the Budget reflects balances from mandatory funding provided in section 801 of the

MEDICAL SUPPORT AND COMPLIANCE—Continued

Veterans Access, Choice, and Accountability Act of 2014 (P.L. 113–146): \$18 million in unobligated balances remained available at the start of 2018.

Medical Support and Compliance finances the expenses of management, security, and administration of the VA healthcare system through the operation of VA medical centers, other facilities, Veterans Integrated 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  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Direct obligations:</b>  |             |           |           |
| <b>Personnel compensation:</b>  |             |           |           |
| 11.1 Full-time permanent .....  | 3,176       | 3,264     | 3,317     |
| 11.1 Full-time permanent - Choice Act, P.L. 113–146, Sec. 801 ....            | 3           | 3         | 3         |
| 11.3 Other than full-time permanent .....                                     | 68          | 70        | 71        |
| 11.5 Other personnel compensation .....                                       | 365         | 375       | 381       |
| 11.9 Total personnel compensation .....                                       | 3,612       | 3,712     | 3,772     |
| 12.1 Civilian personnel benefits .....  | 1,265       | 1,309     | 1,351     |
| 13.0 Benefits for former personnel .....                                      | 2           | 2         | 2         |
| 21.0 Travel & Transportation of Persons .....                                 | 58          | 56        | 60        |
| 22.0 Transportation of things .....   | 14          | 15        | 19        |
| 23.3 Communications, utilities, and miscellaneous charges .....               | 129         | 128       | 142       |
| 24.0 Printing and reproduction .....  | 17          | 16        | 18        |
| 25.2 Other contractual services .....   | 1,181       | 1,307     | 1,524     |
| 25.2 Other contractual services - Choice Act, P.L. 113–146, Section 801 ..... | 6           | 6         | 6         |
| 26.0 Medical supplies and materials .....                                     | 98          | 79        | 85        |
| 31.0 Equipment .....  | 41          | 34        | 30        |
| 32.0 Land and structures .....  | 4           |           |           |
| 99.0 Direct obligations .....   | 6,421       | 6,664     | 7,009     |
| 99.0 Reimbursable obligations .....   | 14          | 19        | 19        |
| 99.9 Total new obligations, unexpired accounts .....                          | 6,435       | 6,683     | 7,028     |

Employment Summary

| Identification code 036–0152–0–1–703                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 50,070      | 50,228    | 50,228    |
| 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   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                      |             |           |           |
| 0001 DOD-VA health care sharing incentive fund .....                         | 32          | 32        | 32        |
| <b>Budgetary resources:</b>  |             |           |           |
| <b>Unobligated balance:</b>  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                        | 81          | 44        | 2         |
| 1021 Recoveries of prior year unpaid obligations .....                       | 5           |           |           |
| 1050 Unobligated balance (total) .....                                       | 86          | 44        | 2         |
| <b>Budget authority:</b>   |             |           |           |
| <b>Appropriations, discretionary:</b>  |             |           |           |
| 1121 Appropriations transferred from other acct [097–0130] ....              | 15          | 15        | 15        |
| 1131 Unobligated balance of appropriations permanently reduced .....         | –40         | –40       |           |
| 1160 Appropriation, discretionary (total) .....                              | –25         | –25       | 15        |
| <b>Advance appropriations, discretionary:</b>                                |             |           |           |
| 1173 Advance appropriations transferred from other accounts [036–0160] ..... | 15          | 15        | 15        |
| 1900 Budget authority (total) .....  | –10         | –10       | 30        |
| 1930 Total budgetary resources available .....                               | 76          | 34        | 32        |
| <b>Memorandum (non-add) entries:</b>   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                        | 44          | 2         |           |
| <b>Change in obligated balance:</b>  |             |           |           |
| <b>Unpaid obligations:</b>   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                        | 59          | 34        | 51        |
| 3010 New obligations, unexpired accounts .....                               | 32          | 32        | 32        |
| 3020 Outlays (gross) .....   | –52         | –15       | –30       |

|   |    |    |    |
|---|----|----|----|
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | –5 |    |    |
| 3050 Unpaid obligations, end of year .....                        | 34 | 51 | 53 |
| <b>Memorandum (non-add) entries:</b>                              |    |    |    |
| 3100 Obligated balance, start of year .....                       | 59 | 34 | 51 |
| 3200 Obligated balance, end of year .....                         | 34 | 51 | 53 |

Budget authority and outlays, net:

|  |     |     |    |
|--|-----|-----|----|
| <b>Discretionary:</b>                          |     |     |    |
| 4000 Budget authority, gross .....             | –10 | –10 | 30 |
| <b>Outlays, gross:</b>                         |     |     |    |
| 4011 Outlays from discretionary balances ..... | 52  | 15  | 30 |
| 4180 Budget authority, net (total) .....       | –10 | –10 | 30 |
| 4190 Outlays, net (total) .....                | 52  | 15  | 30 |

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 2019, 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                   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Direct obligations:</b>                             |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 4           | 4         | 4         |
| 25.1 Advisory and assistance services .....            | 19          | 19        | 19        |
| 26.0 Supplies and materials .....                      | 1           | 1         | 1         |
| 31.0 Equipment .....                                   | 8           | 8         | 8         |
| 99.9 Total new obligations, unexpired accounts .....   | 32          | 32        | 32        |

Employment Summary

| Identification code 036–0165–0–1–703                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 33          | 33        | 33        |

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; \$5,276,676,000, plus reimbursements, shall become available on October 1, 2019, and shall remain available until September 30, 2020: Provided, That not to exceed 5 percent of such amount shall remain available until September 30, 2021.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036–0162–0–1–703                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                    |             |           |           |
| 0002 Engineering & Environmental Management Services ..... | 584         | 408       | 527       |
| 0003 Engineering Service .....                             | 824         | 755       | 887       |
| 0004 Grounds Maintenance & Fire Protection .....           | 95          | 87        | 103       |
| 0005 Leases .....  | 575         | 615       | 743       |
| 0008 Operating Equipment Maintenance & Repair .....        | 238         | 220       | 259       |
| 0009 Other Facilities Operation Support .....              | 38          | 38        | 45        |

|  |   |        |        |        |
|--|---|--------|--------|--------|
| 0011   | Plant Operation .....   | 738    | 673    | 791    |
| 0012   | Recurring Maintenance & Repair .....                                    | 519    | 492    | 580    |
| 0013   | Textile Care Processing & Management .....                              | 169    | 187    | 221    |
| 0014   | Transportation .....  | 184    | 164    | 193    |
| 0023   | Prior-Year Recoveries .....   | 14     |        |        |
| 0026   | P.L. 113–146, Leases .....  | 4      | 3      |        |
| 0027   | P.L. 113–146, Legionella .....  | 87     |        |        |
| 0029   | P.L. 113–146, Sec. 301 .....  |        | 9      | 5      |
| 0030   | P.L. 113–146, Prior year Recoveries .....                               | 48     |        |        |
| 0091   | Total operating expenses .....  | 4,117  | 3,651  | 4,354  |
| 0102   | Engineering & Environmental Management Services .....                   | 35     | 127    | 101    |
| 0103   | Engineering Service .....   | 13     | 1      | 1      |
| 0104   | Grounds Maintenance & Fire Protection .....                             | 4      |        |        |
| 0105   | Leases .....  | 56     | 211    | 220    |
| 0106   | Non-Recurring Maintenance .....   | 1,069  | 1,638  | 1,445  |
| 0107   | Operating Equipment Maintenance & Repair .....                          | 12     | 1      | 1      |
| 0108   | Other Facilities Operation Support .....                                | 4      |        |        |
| 0109   | Plant Operation .....   | 22     | 2      | 2      |
| 0110   | Recurring Maintenance & Repair .....                                    | 40     | 4      | 3      |
| 0111   | Textile Care Processing & Management .....                              | 47     | 5      | 4      |
| 0122   | Transportation .....  | 1      |        |        |
| 0125   | P.L. 113–146, Leases .....  | 10     |        |        |
| 0126   | P.L. 113–146, Legionella .....  | 3      |        |        |
| 0127   | P.L. 113–146, Non-Recurring Maintenance .....                           | 9      | 14     |        |
| 0191   | Total capital investment .....  | 1,325  | 2,003  | 1,777  |
| 0799   | Total direct obligations .....  | 5,442  | 5,654  | 6,131  |
| 0801   | Medical Facilities (Reimbursable) .....                                 | 14     | 18     | 18     |
| 0900   | Total new obligations, unexpired accounts .....                         | 5,456  | 5,672  | 6,149  |
| <b>Budgetary resources:</b>                                    |   |        |        |        |
| Unobligated balance:   |   |        |        |        |
| 1000   | Unobligated balance brought forward, Oct 1 .....                        | 154    | 52     | 5      |
| 1021   | Recoveries of prior year unpaid obligations .....                       | 57     |        |        |
| 1033   | Recoveries of prior year paid obligations .....                         | 5      |        |        |
| 1050   | Unobligated balance (total) .....                                       | 216    | 52     | 5      |
| Budget authority:  |   |        |        |        |
| Appropriations, discretionary:                                 |   |        |        |        |
| 1100   | Appropriation .....   | 248    | 246    |        |
| Advance appropriations, discretionary:                         |   |        |        |        |
| 1170   | Advance appropriation .....   | 5,074  | 5,398  | 5,914  |
| 1172   | Advance appropriations transferred to other accounts [036–0169] .....   | –38    | –37    | –38    |
| 1173   | Advance appropriations transferred from other accounts [036–0169] ..... | 3      |        |        |
| 1173   | Advance appropriations transferred from other accounts [036–0160] ..... |        |        | 39     |
| 1173   | Advance appropriations transferred from other accounts [036–0152] ..... |        |        | 211    |
| 1174   | Advance appropriations permanently reduced .....                        | –9     |        |        |
| 1180   | Advanced appropriation, discretionary (total) .....                     | 5,030  | 5,361  | 6,126  |
| Spending authority from offsetting collections, discretionary: |   |        |        |        |
| 1700   | Collected .....   | 13     | 18     | 18     |
| 1701   | Change in uncollected payments, Federal sources .....                   | 1      |        |        |
| 1750   | Spending auth from offsetting collections, disc (total) .....           | 14     | 18     | 18     |
| 1900   | Budget authority (total) .....  | 5,292  | 5,625  | 6,144  |
| 1930   | Total budgetary resources available .....                               | 5,508  | 5,677  | 6,149  |
| Memorandum (non-add) entries:                                  |   |        |        |        |
| 1941   | Unexpired unobligated balance, end of year .....                        | 52     | 5      |        |
| <b>Change in obligated balance:</b>                            |   |        |        |        |
| Unpaid obligations:  |   |        |        |        |
| 3000   | Unpaid obligations, brought forward, Oct 1 .....                        | 2,996  | 2,946  | 3,019  |
| 3010   | New obligations, unexpired accounts .....                               | 5,456  | 5,672  | 6,149  |
| 3011   | Obligations ("upward adjustments"), expired accounts .....              | 227    |        |        |
| 3020   | Outlays (gross) .....   | –5,453 | –5,599 | –5,984 |
| 3040   | Recoveries of prior year unpaid obligations, unexpired .....            | –57    |        |        |
| 3041   | Recoveries of prior year unpaid obligations, expired .....              | –223   |        |        |
| 3050   | Unpaid obligations, end of year .....                                   | 2,946  | 3,019  | 3,184  |
| Uncollected payments:  |   |        |        |        |
| 3060   | Uncollected pymts, Fed sources, brought forward, Oct 1 .....            | –1     | –1     | –1     |
| 3070   | Change in uncollected pymts, Fed sources, unexpired .....               | –1     |        |        |
| 3071   | Change in uncollected pymts, Fed sources, expired .....                 | 1      |        |        |
| 3090   | Uncollected pymts, Fed sources, end of year .....                       | –1     | –1     | –1     |
| Memorandum (non-add) entries:                                  |   |        |        |        |
| 3100   | Obligated balance, start of year .....                                  | 2,995  | 2,945  | 3,018  |
| 3200   | Obligated balance, end of year .....                                    | 2,945  | 3,018  | 3,183  |
| <b>Budget authority and outlays, net:</b>                      |   |        |        |        |
| Discretionary:   |   |        |        |        |
| 4000   | Budget authority, gross .....   | 5,292  | 5,625  | 6,144  |

|   |   |       |       |       |
|---|---|-------|-------|-------|
| Outlays, gross:   |   |       |       |       |
| 4010  | Outlays from new discretionary authority .....                      | 3,543 | 4,216 | 4,610 |
| 4011  | Outlays from discretionary balances .....                           | 1,484 | 1,168 | 1,245 |
| 4020  | Outlays, gross (total) .....  | 5,027 | 5,384 | 5,855 |
| Offsets against gross budget authority and outlays:     |   |       |       |       |
| Offsetting collections (collected) from:                |   |       |       |       |
| 4030  | Federal sources .....   | –9    | –10   | –10   |
| 4033  | Non-Federal sources .....   | –32   | –8    | –8    |
| 4040  | Offsets against gross budget authority and outlays (total) .....    | –41   | –18   | –18   |
| Additional offsets against gross budget authority only: |   |       |       |       |
| 4050  | Change in uncollected pymts, Fed sources, unexpired .....           | –1    |       |       |
| 4052  | Offsetting collections credited to expired accounts .....           | 27    |       |       |
| 4053  | Recoveries of prior year paid obligations, unexpired accounts ..... | 1     |       |       |
| 4060  | Additional offsets against budget authority only (total) .....      | 27    |       |       |
| 4070  | Budget authority, net (discretionary) .....                         | 5,278 | 5,607 | 6,126 |
| 4080  | Outlays, net (discretionary) .....                                  | 4,986 | 5,366 | 5,837 |
| Mandatory:  |   |       |       |       |
| Outlays, gross:   |   |       |       |       |
| 4101  | Outlays from mandatory balances .....                               | 426   | 215   | 129   |
| Offsets against gross budget authority and outlays:     |   |       |       |       |
| Offsetting collections (collected) from:                |   |       |       |       |
| 4120  | Federal sources .....   | –1    |       |       |
| 4123  | Non-Federal sources .....   | –3    |       |       |
| 4130  | Offsets against gross budget authority and outlays (total) .....    | –4    |       |       |
| Additional offsets against gross budget authority only: |   |       |       |       |
| 4143  | Recoveries of prior year paid obligations, unexpired accounts ..... | 4     |       |       |
| 4170  | Outlays, net (mandatory) .....                                      | 422   | 215   | 129   |
| 4180  | Budget authority, net (total) .....                                 | 5,278 | 5,607 | 6,126 |
| 4190  | Outlays, net (total) .....  | 5,408 | 5,581 | 5,966 |

For 2020, the Budget requests an advance appropriation of \$5.3 billion for Medical Facilities. This request for an advance appropriation 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 2018 through 2020: the 2018 enacted advance appropriation of \$5.4 billion, together with \$209 million to reflect the annualized level provided by the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended); the 2019 advance appropriation request of \$5.9 billion; and the 2020 advance appropriation request of \$5.3 billion. In addition to this funding, the Budget reflects balances from mandatory funding provided in section 801 of the Veterans Access, Choice, and Accountability Act of 2014 (P.L. 113–146): \$31 million in unobligated balances remained available at the start of 2018.

Medical Facilities provides for the operations and maintenance of the capital infrastructure required to provide healthcare 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 | 2017 actual | 2018 est. | 2019 est. |
|--------------------------------------|-------------|-----------|-----------|
| Direct obligations:                  |             |           |           |
| Personnel compensation:              |             |           |           |
| 11.1                                 | 1,154       | 1,182     | 1,193     |
| 11.3                                 | 24          | 25        | 25        |
| 11.5                                 | 133         | 137       | 138       |
| 11.9                                 | 1,311       | 1,344     | 1,356     |
| 12.1                                 | 471         | 488       | 502       |
| 13.0                                 | 1           | 1         | 1         |
| 21.0                                 | 39          | 34        | 39        |
| 22.0                                 | 16          | 14        | 17        |
| 23.2                                 | 1,106       | 1,097     | 1,316     |
| 23.2                                 | 4           | 3         |           |
| 25.2                                 | 695         | 632       | 772       |
| 25.2                                 | 85          | 9         | 5         |
| 26.0                                 | 321         | 289       | 345       |
| 31.0                                 | 113         | 96        | 62        |
| 32.0                                 | 1,189       | 1,633     | 1,716     |
| 32.0                                 | 24          | 14        |           |

MEDICAL FACILITIES—Continued  
Object Classification—Continued

| Identification code 036-0162-0-1-703                         | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 41.0 Grants, subsidies, and contributions .....              | 5           |           |           |
| 44.0 Prior Year Recoveries .....                             | 14          |           |           |
| 44.0 P.L. 113-146, Section 801 - Prior Year Recoveries ..... | 48          |           |           |
| 99.0 Direct obligations .....                                | 5,442       | 5,654     | 6,131     |
| 99.0 Reimbursable obligations .....                          | 14          | 18        | 18        |
| 99.9 Total new obligations, unexpired accounts .....         | 5,456       | 5,672     | 6,149     |

Employment Summary

| Identification code 036-0162-0-1-703                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 23,661      | 23,888    | 23,888    |
| 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, \$727,369,000, plus reimbursements, shall remain available until September 30, 2020: Provided, That of the amount made available under this heading, \$27,000,000 shall remain available until September 30, 2023.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036-0161-0-1-703                              | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0001 Bio-medical laboratory science research .....                | 270         | 287       | 284       |
| 0002 Rehabilitation research .....                                | 89          | 93        | 93        |
| 0003 Health services research .....                               | 89          | 94        | 93        |
| 0004 Clinical science research .....                              | 225         | 238       | 236       |
| 0091 Total operating expenses .....                               | 673         | 712       | 706       |
| 0799 Total direct obligations .....                               | 673         | 712       | 706       |
| 0801 Medical and Prosthetic Research (Reimbursable) .....         | 44          | 55        | 55        |
| 0900 Total new obligations, unexpired accounts .....              | 717         | 767       | 761       |
| <b>Budgetary resources:</b>                                       |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 61          | 95        | 52        |
| 1021 Recoveries of prior year unpaid obligations .....            | 34          |           |           |
| 1050 Unobligated balance (total) .....                            | 95          | 95        | 52        |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....  | 673         | 669       | 727       |
| Spending authority from offsetting collections, discretionary:    |             |           |           |
| 1700 Collected .....  | 44          | 55        | 55        |
| 1900 Budget authority (total) .....                               | 717         | 724       | 782       |
| 1930 Total budgetary resources available .....                    | 812         | 819       | 834       |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 95          | 52        | 73        |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 247         | 283       | 338       |
| 3010 New obligations, unexpired accounts .....                    | 717         | 767       | 761       |
| 3011 Obligations ("upward adjustments"), expired accounts .....   | 4           |           |           |
| 3020 Outlays (gross) .....  | -640        | -712      | -741      |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -34         |           |           |
| 3041 Recoveries of prior year unpaid obligations, expired .....   | -11         |           |           |
| 3050 Unpaid obligations, end of year .....                        | 283         | 338       | 358       |
| Uncollected payments:   |             |           |           |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -4          | -2        | -2        |
| 3071 Change in uncollected pymts, Fed sources, expired .....      | 2           |           |           |
| 3090 Uncollected pymts, Fed sources, end of year .....            | -2          | -2        | -2        |
| Memorandum (non-add) entries:                                     |             |           |           |
| 3100 Obligated balance, start of year .....                       | 243         | 281       | 336       |

|   |  |     |     |     |
|---|--|-----|-----|-----|
| 3200  | Obligated balance, end of year .....                           | 281 | 336 | 356 |
| <b>Budget authority and outlays, net:</b>               |  |     |     |     |
| Discretionary:  |  |     |     |     |
| 4000  | Budget authority, gross .....                                  | 717 | 724 | 782 |
| Outlays, gross:   |  |     |     |     |
| 4010  | Outlays from new discretionary authority .....                 | 371 | 514 | 541 |
| 4011  | Outlays from discretionary balances .....                      | 269 | 198 | 200 |
| 4020  | Outlays, gross (total) .....                                   | 640 | 712 | 741 |
| Offsets against gross budget authority and outlays:     |  |     |     |     |
| Offsetting collections (collected) from:                |  |     |     |     |
| 4030  | Federal sources .....  | -33 | -39 | -39 |
| 4033  | Non-Federal sources .....                                      | -13 | -16 | -16 |
| 4040  | Offsets against gross budget authority and outlays (total) ... | -46 | -55 | -55 |
| Additional offsets against gross budget authority only: |  |     |     |     |
| 4052  | Offsetting collections credited to expired accounts .....      | 2   |     |     |
| 4060  | Additional offsets against budget authority only (total) ..... | 2   |     |     |
| 4070  | Budget authority, net (discretionary) .....                    | 673 | 669 | 727 |
| 4080  | Outlays, net (discretionary) .....                             | 594 | 657 | 686 |
| 4180  | Budget authority, net (total) .....                            | 673 | 669 | 727 |
| 4190  | Outlays, net (total) .....                                     | 594 | 657 | 686 |

For 2019, the total budgetary resources of \$ 1.97 billion is comprised of \$727 million in direct appropriations, \$618 million in medical care support such as physicians' pay, utilities and other overhead, \$400 million in Federal grants, and \$170 million in other non-federal resources. The research program will support 3,099 full time equivalents through direct appropriations.

This account is an intramural research program that has had outstanding success that has led to critical clinical achievements that improve the health and quality of life for veterans and the Nation. As a health research program focused exclusively on the needs of veterans, VA Research continues to play a vital role in the care and rehabilitation of our men and women who have served in uniform. Building on more than 90 years of discovery and innovation engaging veterans as research volunteers, VA Research has a proud track record of transforming VA health care by bringing new evidence-based treatments and technologies into everyday clinical care.

In 2019, VA will invest in research that expands prevention and treatment possibilities for veterans at risk for suicide. VA is currently undertaking and awaiting the results of a cooperative study on Lithium (an oral medication), the largest such trial on suicide prevention to date. Other interventions must also be evaluated and those first studies will be starting early in 2019.

A particular goal for VA Research in 2019 is to use the Million Veteran Program (MVP) to advance precision medicine. MVP is a groundbreaking genomic research program that is collecting genetic samples and general health information from 1 million veterans. MVP will use genetic analysis to improve treatments, thus improving care for veterans and all Americans. Currently, MVP has enrolled more than 612,000 Veterans. Investigators have already completed initial analyses of MVP genetic data in studies on Post Traumatic Stress Disorder (PTSD), schizophrenia, bipolar disorder, and Gulf War Illness, and further analyses are underway.

Research to benefit Gulf War Veterans remains a priority. 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 for 2018 is estimated at \$15 million.

The opioid addiction epidemic is a major clinical and public health problem. Opioids are used to treat chronic pain, but they are associated with dangerous side effects including depressed breathing, cognitive impairment, and the potential for addiction. In 2019, VA will expand pain management research in two areas, one nearer term and the other longer term: testing and implementing complementary approaches, and working other drug models and current drugs in the market to test their efficacy for treating pain.

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. VA conducts joint programmatic reviews with the Department of Defense (DoD) and National Institutes of Health (NIH) to ensure that research efforts are well coordinated, benefiting 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.

VA requests includes \$27 million to collaborate with the Department of Energy (DOE) through its ACTIV (\$7 million) and MVP-CHAMPION (\$20 million) efforts through an inter-agency agreement to leverage DOE's next generation artificial intelligence (AI), big data (BD) and high-performance computing (HPC) technologies and tools, as well as multimodal diagnostics and data integration to develop specific precision medicine applications for veterans health. Funds would be available until 2023.

**SUMMARY OF PROGRAM RESOURCES**

[in millions of dollars]

|   | 2017 actual  | 2018 est.    | 2019 est.    |
|---|--------------|--------------|--------------|
| Medical and prosthetic research appropriation ..... | 673          | 669          | 727          |
| VA Medical Care Support .....                       | 535          | 569          | 618          |
| Other Federal and Non-Federal Resources .....       | 595          | 570          | 570          |
| Reimbursements .....                                | 43           | 55           | 55           |
| <b>Total program resources .....</b>                | <b>1,847</b> | <b>1,862</b> | <b>1,970</b> |

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

| Identification code 036-0161-0-1-703                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 235         | 264       | 255       |
| 11.3 Other than full-time permanent .....                       | 1           | 1         | 1         |
| 11.5 Other personnel compensation .....                         | 2           | 2         | 2         |
| 11.9 Total personnel compensation .....                         | 238         | 267       | 258       |
| 12.1 Civilian personnel benefits .....                          | 87          | 86        | 91        |
| 21.0 Employee travel .....                                      | 5           | 6         | 5         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 2         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 279         | 276       | 279       |
| 26.0 Supplies and materials .....                               | 34          | 37        | 37        |
| 31.0 Equipment .....  | 29          | 38        | 33        |
| 99.0 Direct obligations .....                                   | 673         | 712       | 706       |
| 99.0 Reimbursable obligations .....                             | 44          | 55        | 55        |
| 99.9 Total new obligations, unexpired accounts .....            | 717         | 767       | 761       |

**Employment Summary**

| Identification code 036-0161-0-1-703                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 2,977       | 3,134     | 3,099     |

|  |    |     |     |
|--|----|-----|-----|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 94 | 115 | 115 |
|--|----|-----|-----|

**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   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                      |             |           |           |
| 0001 Joint DOD-VA Medical Facility Demonstration Fund (Direct) .....         | 412         | 431       | 439       |
| 0801 Joint DOD-VA Medical Facility Demonstration Fund (Reimbursable) .....   | 7           | 17        | 17        |
| 0900 Total new obligations, unexpired accounts .....                         | 419         | 448       | 456       |
| <b>Budgetary resources:</b>  |             |           |           |
| Unobligated balance:   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                        | 7           | 9         | 7         |
| Budget authority:  |             |           |           |
| Appropriations, discretionary:   |             |           |           |
| 1121 Appropriations transferred from other acct [036-0140] ....              | 21          |           |           |
| 1121 Appropriations transferred from other acct [036-0167] ....              | 7           | 8         | 8         |
| 1121 Appropriations transferred from other acct [097-0130] ....              | 122         | 116       | 113       |
| 1121 Appropriations transferred from other acct [036-5287] ....              | 19          | 16        | 18        |
| 1160 Appropriation, discretionary (total) .....                              | 169         | 140       | 139       |
| Advance appropriations, discretionary:                                       |             |           |           |
| 1172 Advance appropriations transferred to other accounts [036-0160] .....   | -16         |           |           |
| 1172 Advance appropriations transferred to other accounts [036-0152] .....   | -2          |           |           |
| 1172 Advance appropriations transferred to other accounts [036-0162] .....   | -3          |           |           |
| 1173 Advance appropriations transferred from other accounts [036-0160] ..... | 202         | 199       | 228       |
| 1173 Advance appropriations transferred from other accounts [036-0140] ..... |             | 26        |           |
| 1173 Advance appropriations transferred from other accounts [036-0152] ..... | 28          | 28        | 28        |
| 1173 Advance appropriations transferred from other accounts [036-0162] ..... | 38          | 37        | 38        |
| 1180 Advanced appropriation, discretionary (total) .....                     | 247         | 290       | 294       |
| Spending authority from offsetting collections, discretionary:               |             |           |           |
| 1700 Collected .....   | 7           | 16        | 16        |
| 1900 Budget authority (total) .....  | 423         | 446       | 449       |
| 1930 Total budgetary resources available .....                               | 430         | 455       | 456       |
| Memorandum (non-add) entries:  |             |           |           |
| 1940 Unobligated balance expiring .....                                      | -2          |           |           |
| 1941 Unexpired unobligated balance, end of year .....                        | 9           | 7         |           |

**Change in obligated balance:**

|   |      |      |      |
|---|------|------|------|
| <b>Unpaid obligations:</b>                                      |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 .....           | 86   | 88   | 93   |
| 3010 New obligations, unexpired accounts .....                  | 419  | 448  | 456  |
| 3011 Obligations ("upward adjustments"), expired accounts ..... | 9    |      |      |
| 3020 Outlays (gross) .....                                      | -415 | -443 | -448 |
| 3041 Recoveries of prior year unpaid obligations, expired ..... | -11  |      |      |
| 3050 Unpaid obligations, end of year .....                      | 88   | 93   | 101  |
| <b>Memorandum (non-add) entries:</b>                            |      |      |      |
| 3100 Obligated balance, start of year .....                     | 86   | 88   | 93   |
| 3200 Obligated balance, end of year .....                       | 88   | 93   | 101  |

**Budget authority and outlays, net:**

|  |     |     |     |
|--|-----|-----|-----|
| <b>Discretionary:</b>  |     |     |     |
| 4000 Budget authority, gross .....                                   | 423 | 446 | 449 |
| Outlays, gross:  |     |     |     |
| 4010 Outlays from new discretionary authority .....                  | 351 | 402 | 406 |
| 4011 Outlays from discretionary balances .....                       | 64  | 41  | 42  |
| 4020 Outlays, gross (total) .....                                    | 415 | 443 | 448 |
| Offsets against gross budget authority and outlays:                  |     |     |     |
| Offsetting collections (collected) from:                             |     |     |     |
| 4030 Federal sources .....   | -7  | -15 | -15 |
| 4033 Non-Federal sources .....                                       | -1  | -1  | -1  |
| 4040 Offsets against gross budget authority and outlays (total) .... | -8  | -16 | -16 |
| Additional offsets against gross budget authority only:              |     |     |     |
| 4052 Offsetting collections credited to expired accounts .....       | 1   |     |     |
| 4070 Budget authority, net (discretionary) .....                     | 416 | 430 | 433 |
| 4080 Outlays, net (discretionary) .....                              | 407 | 427 | 432 |
| 4180 Budget authority, net (total) .....                             | 416 | 430 | 433 |

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

Program and Financing—Continued

| Identification code 036-0169-0-1-703 | 2017 actual | 2018 est. | 2019 est. |
|--------------------------------------|-------------|-----------|-----------|
| 4190 Outlays, net (total)            | 407         | 427       | 432       |

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 2018, VA expects to transfer funds from the Medical Services, Medical Community Care, Medical Support and Compliance, Medical Facilities, and Information Technology Systems accounts, while DOD expects to transfer funds from the Defense Health Program account. In 2019, 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             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Direct obligations:</b>                       |             |           |           |
| 11.1 Personnel compensation: Full-time permanent | 182         | 192       | 192       |
| 12.1 Civilian personnel benefits                 | 54          | 60        | 60        |
| 25.1 Advisory and assistance services            | 84          | 88        | 96        |
| 26.0 Supplies and materials                      | 60          | 60        | 60        |
| 31.0 Equipment                                   | 6           | 7         | 7         |
| 32.0 Land and structures                         | 24          | 24        | 24        |
| 99.0 Direct obligations                          | 410         | 431       | 439       |
| 99.0 Reimbursable obligations                    | 9           | 17        | 17        |
| 99.9 Total new obligations, unexpired accounts   | 419         | 448       | 456       |

Employment Summary

| Identification code 036-0169-0-1-703                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment | 2,096       | 2,172     | 2,172     |

MEDICAL CARE COLLECTIONS FUND

Program and Financing (in millions of dollars)

| Identification code 036-5287-0-2-703                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Budgetary resources:</b>                               |             |           |           |
| <b>Budget authority:</b>                                  |             |           |           |
| <b>Appropriations, discretionary:</b>                     |             |           |           |
| 1101 Appropriation (special or trust fund)                | 3,562       | 3,276     | 3,461     |
| 1120 Appropriations transferred to other accts [036-0160] | -2,293      | -3,004    | -3,443    |
| 1120 Appropriations transferred to other accts [036-0169] | -19         | -16       | -18       |
| 1120 Appropriations transferred to other acct [036-0140]  | -1,250      | -256      |           |
| 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) 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) where they remain available until expended for the purposes of the account. In 2017, over \$3.5 billion was collected in the MCCF account and transferred to Medical Services, Medical Community Care, and the Joint Demonstration Fund to provide healthcare 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   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>  |             |           |           |
| 0801 Reimbursable operating expenses   | 293         | 305       | 305       |
| 0802 Reimbursable direct operations  | 185         | 192       | 192       |
| 0810 Reimbursable capital investment: Sales program: Purchase of equipment and leasehold | 22          | 23        | 23        |
| 0900 Total new obligations, unexpired accounts   | 500         | 520       | 520       |
| <b>Budgetary resources:</b>  |             |           |           |
| <b>Unobligated balance:</b>  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1  | 25          | 37        | 39        |
| 1021 Recoveries of prior year unpaid obligations   | 2           | 2         | 2         |
| 1050 Unobligated balance (total)   | 27          | 39        | 41        |
| <b>Budget authority:</b>   |             |           |           |
| <b>Spending authority from offsetting collections, mandatory:</b>                        |             |           |           |
| 1800 Collected   | 512         | 522       | 522       |
| 1801 Change in uncollected payments, Federal sources                                     | -2          | -2        | -1        |
| 1850 Spending auth from offsetting collections, mand (total)                             | 510         | 520       | 521       |
| 1930 Total budgetary resources available   | 537         | 559       | 562       |
| <b>Memorandum (non-add) entries:</b>   |             |           |           |
| 1941 Unexpired unobligated balance, end of year  | 37          | 39        | 42        |
| <b>Change in obligated balance:</b>  |             |           |           |
| <b>Unpaid obligations:</b>   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1  | 49          | 28        | 23        |
| 3010 New obligations, unexpired accounts   | 500         | 520       | 520       |
| 3020 Outlays (gross)   | -519        | -523      | -528      |
| 3040 Recoveries of prior year unpaid obligations, unexpired                              | -2          | -2        | -2        |
| 3050 Unpaid obligations, end of year   | 28          | 23        | 13        |
| <b>Uncollected payments:</b>   |             |           |           |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1                              | -5          | -3        | -1        |
| 3070 Change in uncollected pymts, Fed sources, unexpired                                 | 2           | 2         | 1         |
| 3090 Uncollected pymts, Fed sources, end of year   | -3          | -1        |           |
| <b>Memorandum (non-add) entries:</b>   |             |           |           |
| 3100 Obligated balance, start of year  | 44          | 25        | 22        |
| 3200 Obligated balance, end of year  | 25          | 22        | 13        |

Budget authority and outlays, net:

|   |      |      |      |
|---|------|------|------|
| <b>Mandatory:</b>   |      |      |      |
| 4090 Budget authority, gross                                    | 510  | 520  | 521  |
| <b>Outlays, gross:</b>  |      |      |      |
| 4100 Outlays from new mandatory authority                       | 445  | 509  | 510  |
| 4101 Outlays from mandatory balances                            | 74   | 14   | 18   |
| 4110 Outlays, gross (total)                                     | 519  | 523  | 528  |
| <b>Offsets against gross budget authority and outlays:</b>      |      |      |      |
| <b>Offsetting collections (collected) from:</b>                 |      |      |      |
| 4120 Federal sources  |      | -1   | -1   |
| 4123 Non-Federal sources  | -512 | -521 | -521 |
| 4130 Offsets against gross budget authority and outlays (total) | -512 | -522 | -522 |
| <b>Additional offsets against gross budget authority only:</b>  |      |      |      |
| 4140 Change in uncollected pymts, Fed sources, unexpired        | 2    | 2    | 1    |
| 4170 Outlays, net (mandatory)                                   | 7    | 1    | 6    |
| 4180 Budget authority, net (total)                              |      |      |      |
| 4190 Outlays, net (total)                                       | 7    | 1    | 6    |

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 | 2017 actual | 2018 est. | 2019 est. |
|--------------------------------------|-------------|-----------|-----------|
| <b>Reimbursable obligations:</b>     |             |           |           |
| <b>Personnel compensation:</b>       |             |           |           |
| 11.1 Full-time permanent             | 193         | 201       | 201       |

|      |   |     |     |     |
|------|---|-----|-----|-----|
| 11.3 | Other than full-time permanent .....            | 3   | 3   | 3   |
| 11.9 | Total personnel compensation .....              | 196 | 204 | 204 |
| 12.1 | Civilian personnel benefits .....               | 45  | 47  | 47  |
| 21.0 | Travel and transportation of persons .....      | 3   | 3   | 3   |
| 22.0 | Transportation of things .....                  | 1   | 1   | 1   |
| 25.2 | Other services from non-Federal sources .....   | 5   | 5   | 5   |
| 26.0 | Supplies and materials .....                    | 250 | 260 | 260 |
| 99.9 | Total new obligations, unexpired accounts ..... | 500 | 520 | 520 |

**Employment Summary**

| Identification code 036-4014-0-3-705                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 3,455       | 3,586     | 3,586     |

**VETERANS CHOICE FUND**

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

| Identification code 036-0172-0-1-703                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0001 Veterans Choice Fund - Administrative .....     | 49          | 48        | .....     |
| 0002 Veterans Choice Fund - Program .....            | 5,418       | 3,626     | .....     |
| 0004 Emergency Non-VA Care .....                     | 23          | 15        | .....     |
| 0091 Direct program activities, subtotal .....       | 5,490       | 3,689     | .....     |
| 0109 Capital Investment .....                        | 84          | 143       | .....     |
| 0900 Total new obligations, unexpired accounts ..... | 5,574       | 3,832     | .....     |

**Budgetary resources:**

|  |       |       |       |
|--|-------|-------|-------|
| <b>Unobligated balance:</b>                            |       |       |       |
| 1000 Unobligated balance brought forward, Oct 1 .....  | 4,504 | 1,732 | ..... |
| 1021 Recoveries of prior year unpaid obligations ..... | 701   | ..... | ..... |
| 1033 Recoveries of prior year paid obligations .....   | 1     | ..... | ..... |
| 1050 Unobligated balance (total) .....                 | 5,206 | 1,732 | ..... |
| <b>Budget authority:</b>                               |       |       |       |
| <b>Appropriations, mandatory:</b>                      |       |       |       |
| 1200 Appropriation .....                               | 2,100 | 2,100 | ..... |
| 1930 Total budgetary resources available .....         | 7,306 | 3,832 | ..... |
| <b>Memorandum (non-add) entries:</b>                   |       |       |       |
| 1941 Unexpired unobligated balance, end of year .....  | 1,732 | ..... | ..... |

**Change in obligated balance:**

|   |        |        |        |
|---|--------|--------|--------|
| <b>Unpaid obligations:</b>  |        |        |        |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 1,744  | 1,784  | 3,457  |
| 3010 New obligations, unexpired accounts .....                    | 5,574  | 3,832  | .....  |
| 3020 Outlays (gross) .....  | -4,833 | -2,159 | -1,616 |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -701   | .....  | .....  |
| 3050 Unpaid obligations, end of year .....                        | 1,784  | 3,457  | 1,841  |
| <b>Memorandum (non-add) entries:</b>                              |        |        |        |
| 3100 Obligated balance, start of year .....                       | 1,744  | 1,784  | 3,457  |
| 3200 Obligated balance, end of year .....                         | 1,784  | 3,457  | 1,841  |

**Budget authority and outlays, net:**

|  |       |       |       |
|--|-------|-------|-------|
| <b>Mandatory:</b>  |       |       |       |
| 4090 Budget authority, gross .....                                       | 2,100 | 2,100 | ..... |
| <b>Outlays, gross:</b>   |       |       |       |
| 4101 Outlays from mandatory balances .....                               | 4,833 | 2,159 | 1,616 |
| <b>Offsets against gross budget authority and outlays:</b>               |       |       |       |
| <b>Offsetting collections (collected) from:</b>                          |       |       |       |
| 4123 Non-Federal sources .....   | -1    | ..... | ..... |
| <b>Additional offsets against gross budget authority only:</b>           |       |       |       |
| 4143 Recoveries of prior year paid obligations, unexpired accounts ..... | 1     | ..... | ..... |
| 4160 Budget authority, net (mandatory) .....                             | 2,100 | 2,100 | ..... |
| 4170 Outlays, net (mandatory) .....                                      | 4,832 | 2,159 | 1,616 |
| 4180 Budget authority, net (total) .....                                 | 2,100 | 2,100 | ..... |
| 4190 Outlays, net (total) .....  | 4,832 | 2,159 | 1,616 |

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

|                        | 2017 actual | 2018 est. | 2019 est. |
|------------------------|-------------|-----------|-----------|
| Enacted/requested:     |             |           |           |
| Budget Authority ..... | 2,100       | 2,100     | .....     |
| Outlays .....          | 4,832       | 2,159     | 1,616     |

|  |       |       |       |
|--|-------|-------|-------|
| <b>Legislative proposal, subject to PAYGO:</b> |       |       |       |
| Budget Authority .....                         | 1,900 | ..... | ..... |
| Outlays .....                                  | ..... | ..... | 236   |
| Total:   |       |       |       |
| Budget Authority .....                         | 2,100 | 4,000 | ..... |
| Outlays .....                                  | 4,832 | 2,159 | 1,852 |

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 did not extend into fiscal year 2016.

Public Law 115-26 amended the Veterans Choice Act to eliminate the August 7, 2017 sunset date for the Veterans Choice Program, thus allowing the program to operate until all of the money in the Veterans Choice Fund is expended.

Public Law 115-46, the VA Choice and Quality Employment Act of 2017, provided \$2.1 billion in mandatory funding for the Veterans Choice Fund, to remain available until expended; and Public Law 115-96 provided an additional \$2.1 billion in mandatory funding, to remain available until expended.

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

| Identification code 036-0172-0-1-703                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Direct obligations:</b>                           |             |           |           |
| <b>Personnel compensation:</b>                       |             |           |           |
| 11.1 Full-time permanent .....                       | 12          | .....     | .....     |
| 11.3 Other than full-time permanent .....            | 1           | .....     | .....     |
| 11.9 Total personnel compensation .....              | 13          | .....     | .....     |
| 12.1 Civilian personnel benefits .....               | 1           | .....     | .....     |
| 21.0 Travel and transportation of persons .....      | 19          | .....     | .....     |
| 22.0 Transportation of things .....                  | .....       | 21        | .....     |
| 25.2 Other contract services .....                   | 4,667       | 3,540     | .....     |
| 26.0 Supplies and materials .....                    | 88          | 128       | .....     |
| 31.0 Equipment .....                                 | 84          | 143       | .....     |
| 44.0 Prior-year Recoveries .....                     | 702         | .....     | .....     |
| 99.9 Total new obligations, unexpired accounts ..... | 5,574       | 3,832     | .....     |

**Employment Summary**

| Identification code 036-0172-0-1-703                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 159         | .....     | .....     |

**VETERANS CHOICE FUND**

(Legislative proposal, subject to PAYGO)

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

| Identification code 036-0172-4-1-703                                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                  |             |           |           |
| 0002 Veterans Choice Fund - Program .....                                | .....       | .....     | 1,900     |
| 0091 Direct program activities, subtotal .....                           | .....       | .....     | 1,900     |
| 0900 Total new obligations, unexpired accounts (object class 25.2) ..... | .....       | .....     | 1,900     |

**Budgetary resources:**

|   |       |       |       |
|---|-------|-------|-------|
| <b>Unobligated balance:</b>                           |       |       |       |
| 1000 Unobligated balance brought forward, Oct 1 ..... | ..... | ..... | 1,900 |
| <b>Budget authority:</b>                              |       |       |       |
| <b>Appropriations, mandatory:</b>                     |       |       |       |
| 1200 Appropriation .....                              | ..... | 1,900 | ..... |
| 1930 Total budgetary resources available .....        | ..... | 1,900 | 1,900 |

VETERANS CHOICE FUND—Continued  
Program and Financing—Continued

| Identification code 036-0172-4-1-703            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Memorandum (non-add) entries:</b>            |             |           |           |
| 1941 Unexpired unobligated balance, end of year |             | 1,900     |           |
| <b>Change in obligated balance:</b>             |             |           |           |
| <b>Unpaid obligations:</b>                      |             |           |           |
| 3010 New obligations, unexpired accounts        |             |           | 1,900     |
| 3020 Outlays (gross)                            |             |           | -236      |
| 3050 Unpaid obligations, end of year            |             |           | 1,664     |
| <b>Memorandum (non-add) entries:</b>            |             |           |           |
| 3200 Obligated balance, end of year             |             |           | 1,664     |
| <b>Budget authority and outlays, net:</b>       |             |           |           |
| <b>Mandatory:</b>                               |             |           |           |
| 4090 Budget authority, gross                    |             | 1,900     |           |
| <b>Outlays, gross:</b>                          |             |           |           |
| 4101 Outlays from mandatory balances            |             |           | 236       |
| 4180 Budget authority, net (total)              |             | 1,900     |           |
| 4190 Outlays, net (total)                       |             |           | 236       |

The FY 2019 Budget includes the Administration's Veteran Coordinated Access & Rewarding Experiences (CARE) proposal, designed to improve veterans' experiences accessing healthcare and to provide veterans more choice in selecting their healthcare providers. To ensure a smooth transition to the new, consolidated community care program in FY 2019, the Budget requests \$1.9 billion in mandatory budget authority in 2018.

Trust Funds

GENERAL POST FUND, NATIONAL HOMES

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 036-8180-0-7-705                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| 0100 Balance, start of year                                     |             |           |           |
| <b>Receipts:</b>  |             |           |           |
| <b>Current law:</b>   |             |           |           |
| 1130 General Post Fund, National Homes, Deposits                | 20          | 22        | 22        |
| 1140 General Post Fund, National Homes, Interest on Investments | 1           | 3         | 3         |
| 1198 Rounding adjustment  | 1           |           |           |
| 1199 Total current law receipts                                 | 22          | 25        | 25        |
| 1999 Total receipts   | 22          | 25        | 25        |
| 2000 Total: Balances and receipts                               | 22          | 25        | 25        |
| <b>Appropriations:</b>  |             |           |           |
| <b>Current law:</b>   |             |           |           |
| 2101 General Post Fund, National Homes                          | -22         | -25       | -25       |
| 5099 Balance, end of year                                       |             |           |           |

Program and Financing (in millions of dollars)

| Identification code 036-8180-0-7-705                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                    |             |           |           |
| 0001 Religious, recreational, and entertainment activities | 22          | 23        | 24        |
| 0003 Therapeutic residence maintenance                     | 1           | 1         | 1         |
| 0900 Total new obligations, unexpired accounts             | 23          | 24        | 25        |
| <b>Budgetary resources:</b>                                |             |           |           |
| <b>Unobligated balance:</b>                                |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1            | 107         | 106       | 107       |
| <b>Budget authority:</b>                                   |             |           |           |
| <b>Appropriations, mandatory:</b>                          |             |           |           |
| 1201 Appropriation (special or trust fund)                 | 22          | 25        | 25        |
| 1930 Total budgetary resources available                   | 129         | 131       | 132       |
| <b>Memorandum (non-add) entries:</b>                       |             |           |           |
| 1941 Unexpired unobligated balance, end of year            | 106         | 107       | 107       |
| <b>Change in obligated balance:</b>                        |             |           |           |
| <b>Unpaid obligations:</b>                                 |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1            | 3           | 4         | 4         |

|  |     |     |     |
|--|-----|-----|-----|
| 3010 New obligations, unexpired accounts | 23  | 24  | 25  |
| 3020 Outlays (gross)                     | -22 | -24 | -21 |
| 3050 Unpaid obligations, end of year     | 4   | 4   | 8   |
| <b>Memorandum (non-add) entries:</b>     |     |     |     |
| 3100 Obligated balance, start of year    | 3   | 4   | 4   |
| 3200 Obligated balance, end of year      | 4   | 4   | 8   |

Budget authority and outlays, net:

|   |    |    |    |
|---|----|----|----|
| <b>Mandatory:</b>                         |    |    |    |
| 4090 Budget authority, gross              | 22 | 25 | 25 |
| <b>Outlays, gross:</b>                    |    |    |    |
| 4100 Outlays from new mandatory authority |    | 21 | 21 |
| 4101 Outlays from mandatory balances      | 22 | 3  |    |
| 4110 Outlays, gross (total)               | 22 | 24 | 21 |
| 4180 Budget authority, net (total)        | 22 | 25 | 25 |
| 4190 Outlays, net (total)                 | 22 | 24 | 21 |

Memorandum (non-add) entries:

|  |     |     |     |
|--|-----|-----|-----|
| 5000 Total investments, SOY: Federal securities: Par value | 106 | 108 | 109 |
| 5001 Total investments, EOY: Federal securities: Par value | 108 | 109 | 109 |

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                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                |             |           |           |
| 11.1 Personnel compensation: Full-time permanent          | 1           | 1         | 1         |
| 21.0 Travel and transportation of persons                 | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges | 1           | 1         | 1         |
| 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         |
| 99.9 Total new obligations, unexpired accounts            | 23          | 24        | 25        |

Employment Summary

| Identification code 036-8180-0-7-705                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment | 8           | 8         | 8         |

BENEFITS PROGRAMS

Federal Funds

VETERANS BENEFITS ADMINISTRATION

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, \$108,530,139,000, to remain available until expended, of which \$107,119,807,000 shall become available on October 1, 2019: Provided, That not to exceed \$18,047,000 of the amount made available for fiscal year 2020 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: Provided further, That, of the funds made available under this heading in this Act and in Public Law 114-223, such sums as may be necessary shall be reimbursed to "General Operating Expenses, Veterans Benefits Administration" and "Information Technology Systems" for necessary expenses in carrying out the pilot program for disability examinations authorized by section 504 of Public Law 104-275, as amended (38 U.S.C. 5101 note), to include associated expenses authorized by section 111 of title 38, United States Code.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-0102-0-1-701                        | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                     |             |           |           |
| 0101 Veterans   | 72,440      | 78,253    | 85,138    |
| 0102 Survivors  | 6,612       | 6,965     | 7,317     |
| 0191 Compensation sub-total                                 | 79,052      | 85,218    | 92,455    |
| 0200 Other compensation expenses                            | 79,052      | 85,218    | 92,455    |
| 0201 Chapter 18   | 22          | 23        | 23        |
| 0202 Clothing allowance                                     | 120         | 127       | 135       |
| 0203 Misc assistance (EAI, SAFD)                            | 16          | 17        | 18        |
| 0204 Medical exam pilot program                             | 765         | 778       | 791       |
| 0205 OBRA payment to VBA and IT                             | 3           | 3         | 4         |
| 0291 Total other compensation expenses                      | 926         | 948       | 971       |
| 0293 Total compensation                                     | 79,978      | 86,166    | 93,426    |
| 0302 Veterans   | 3,523       | 3,524     | 3,587     |
| 0303 Survivors  | 1,850       | 1,904     | 1,974     |
| 0391 Pensions sub total                                     | 5,373       | 5,428     | 5,561     |
| 0401 Reimbursements to GOE, IT and VHA                      | 13          | 14        | 14        |
| 0492 Total pensions   | 5,386       | 5,442     | 5,575     |
| 0501 Caskets and Urns                                       | 1           |           |           |
| 0502 Burial allowance                                       | 29          | 30        | 31        |
| 0503 Burial plots   | 25          | 25        | 26        |
| 0504 Service-connected deaths                               | 75          | 75        | 79        |
| 0505 Burial flags   | 20          | 24        | 24        |
| 0506 Headstones and markers                                 | 68          | 77        | 77        |
| 0508 Graveliners  | 9           | 4         | 4         |
| 0509 Pre-Place Crypts                                       | 24          | 23        | 20        |
| 0591 Total burial program                                   | 251         | 258       | 261       |
| 0900 Total new obligations (object class 42.0)              | 85,615      | 91,866    | 99,262    |
| <b>Budgetary resources:</b>                                 |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1             | 2,842       | 3,831     | 2,084     |
| 1021 Recoveries of prior year unpaid obligations            | 3           |           |           |
| 1033 Recoveries of prior year paid obligations              | 518         |           |           |
| 1050 Unobligated balance (total)                            | 3,363       | 3,831     | 2,084     |
| Budget authority:   |             |           |           |
| Appropriations, mandatory:                                  |             |           |           |
| 1200 Appropriation  |             |           | 1,410     |
| Advance appropriations, mandatory:                          |             |           |           |
| 1270 Advance appropriation                                  | 86,083      | 90,119    | 95,768    |
| 1900 Budget authority (total)                               | 86,083      | 90,119    | 97,178    |
| 1930 Total budgetary resources available                    | 89,446      | 93,950    | 99,262    |
| Memorandum (non-add) entries:                               |             |           |           |
| 1941 Unexpired unobligated balance, end of year             | 3,831       | 2,084     |           |
| <b>Change in obligated balance:</b>                         |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1             | 143         | 162       | 7,772     |
| 3010 New obligations, unexpired accounts                    | 85,615      | 91,866    | 99,262    |
| 3020 Outlays (gross)  | -85,593     | -84,256   | -98,302   |
| 3040 Recoveries of prior year unpaid obligations, unexpired | -3          |           |           |
| 3050 Unpaid obligations, end of year                        | 162         | 7,772     | 8,732     |
| Memorandum (non-add) entries:                               |             |           |           |
| 3100 Obligated balance, start of year                       | 143         | 162       | 7,772     |
| 3200 Obligated balance, end of year                         | 162         | 7,772     | 8,732     |

**Budget authority and outlays, net:**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Mandatory:   |             |           |           |
| 4090 Budget authority, gross                                       | 86,083      | 90,119    | 97,178    |
| Outlays, gross:  |             |           |           |
| 4100 Outlays from new mandatory authority                          | 82,607      | 80,263    | 87,982    |
| 4101 Outlays from mandatory balances                               | 2,986       | 3,993     | 10,320    |
| 4110 Outlays, gross (total)  | 85,593      | 84,256    | 98,302    |
| Offsets against gross budget authority and outlays:                |             |           |           |
| Offsetting collections (collected) from:                           |             |           |           |
| 4123 Non-Federal sources   | -518        |           |           |
| Additional offsets against gross budget authority only:            |             |           |           |
| 4143 Recoveries of prior year paid obligations, unexpired accounts | 518         |           |           |
| 4160 Budget authority, net (mandatory)                             | 86,083      | 90,119    | 97,178    |
| 4170 Outlays, net (mandatory)                                      | 85,075      | 84,256    | 98,302    |
| 4180 Budget authority, net (total)                                 | 86,083      | 90,119    | 97,178    |
| 4190 Outlays, net (total)  | 85,075      | 84,256    | 98,302    |

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

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Enacted/requested:                      |             |           |           |
| Budget Authority                        | 86,083      | 90,119    | 97,178    |
| Outlays                                 | 85,075      | 84,256    | 98,302    |
| Legislative proposal, subject to PAYGO: |             |           |           |
| Budget Authority                        |             |           | -110      |
| Outlays                                 |             |           | -110      |
| Total:                                  |             |           |           |
| Budget Authority                        | 86,083      | 90,119    | 97,068    |
| Outlays                                 | 85,075      | 84,256    | 98,192    |

**WORKLOAD**

|                                | 2017 actual | 2018 est. | 2019 est. |
|--------------------------------|-------------|-----------|-----------|
| Compensation Completed Claims: |             |           |           |
| Rating                         | 1,237,834   | 1,263,286 | 1,309,556 |
| Other Claims                   | 2,603,616   | 2,554,194 | 2,593,950 |
| Pension Completed Claims:      |             |           |           |
| Rating                         | 148,560     | 146,399   | 147,760   |
| Other Non-Rating Claims        | 465,166     | 445,994   | 450,736   |

The Budget requests \$1,410,332,000 in appropriations for 2019 and \$107,119,807,000 in advance appropriations for 2020 for Compensation and Pensions. This request satisfies the requirement created by the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 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.

COMPENSATION AND PENSIONS—Continued

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, 2019, is expected to be 2.4 percent.

AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Veterans:</b>                         |             |           |           |
| Cases                                    | 4,455,661   | 4,655,629 | 4,850,289 |
| Average payment per case, per year       | \$16,258    | \$16,808  | \$17,553  |
| Total obligations (in millions)          | \$72,439    | \$78,252  | \$85,138  |
| <b>Survivors:</b>                        |             |           |           |
| Cases                                    | 406,043     | 421,021   | 432,353   |
| Average payment per case, per year       | \$16,284    | \$16,544  | \$16,924  |
| Total obligations (in millions)          | \$6,612     | \$6,965   | \$7,317   |
| <b>Chapter 18:</b>                       |             |           |           |
| Children                                 | 1,148       | 1,141     | 1,134     |
| Average payment per case, per year       | \$19,358    | \$19,745  | \$20,219  |
| Total obligations (in millions)          | \$22        | \$23      | \$23      |
| <b>Clothing allowance:</b>               |             |           |           |
| Number of veterans                       | 153,630     | 160,033   | 166,166   |
| Average payment per case, per year       | \$779       | \$795     | \$814     |
| Total obligations (in millions)          | \$120       | \$127     | \$135     |
| <b>Special Allowance for Dependents:</b> |             |           |           |
| Cases                                    | 22          | 22        | 22        |
| Average benefit                          | \$4,845     | \$4,942   | \$5,061   |
| Total obligations (in millions)          | \$0         | \$0       | \$0       |
| <b>Equal Access to Justice Act:</b>      |             |           |           |
| Cases                                    | 2,946       | 3,034     | 3,122     |
| Average benefit                          | \$5,451     | \$5,560   | \$5,693   |
| Total Obligations (in millions)          | \$16        | \$17      | \$18      |
| <b>REPS:</b>                             |             |           |           |
| Cases                                    | 4           | 3         | 3         |
| Average benefit                          | \$15,968    | \$14,336  | \$14,346  |
| Total Obligations (in millions)          | \$0         | \$0       | \$0       |

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, 2019, is expected to be 2.4 percent.

AVERAGE NUMBER OF PENSION CASES AND PAYMENTS

|                                    | 2017 actual | 2018 est. | 2019 est. |
|------------------------------------|-------------|-----------|-----------|
| <b>Veterans:</b>                   |             |           |           |
| Cases                              | 281,776     | 273,642   | 268,729   |
| Average payment per case, per year | \$12,506    | \$12,879  | \$13,345  |
| Total obligations (in millions)    | \$3,524     | \$3,524   | \$3,586   |
| <b>Survivors:</b>                  |             |           |           |
| Cases                              | 201,565     | 200,679   | 199,972   |
| Average payment per case, per year | \$9,176     | \$9,489   | \$9,873   |
| Total obligations (in millions)    | \$1,850     | \$1,904   | \$1,974   |

Burial benefits in 2018 provide for: (a) the payment of an allowance of \$762 (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 \$762 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

|                          | 2017 actual | 2018 est. | 2019 est. |
|--------------------------|-------------|-----------|-----------|
| Burial allowance         | 61,328      | 61,060    | 62,184    |
| Burial plot              | 33,620      | 33,473    | 34,089    |
| Service-connected deaths | 42,860      | 39,884    | 41,855    |
| Burial flags             | 447,426     | 497,644   | 497,644   |

|                        |         |         |         |
|------------------------|---------|---------|---------|
| Headstones and markers | 365,892 | 373,895 | 378,701 |
| Graveliners            | 12,536  | 11,478  | 11,625  |
| Preplaced crypts       | 21,528  | 30,281  | 30,670  |
| Caskets and Urns       | 314     | 305     | 310     |

COMPENSATION AND PENSIONS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 036-0102-4-1-701                              | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0101 Clarify Evidentiary Threshold for Ordering VA Exams          |             |           | -78       |
| 0111 Round Down COLA Service-Connected DIC Five years             |             |           | -34       |
| 0112 Reissue VA Payments to all Victims of Fiduciary Misuse       |             |           | 1         |
| 0116 VA to Pay Flat Rate Domestic Transp. to National Cemetery    |             |           | -1        |
| 0118 Spousal and Dependent Inscriptions Headstones/Markers        |             |           | 1         |
| 0120 Pay Transport Costs to State or Tribal Organization Cemetery |             |           | 1         |
| 0191 Compensation sub-total                                       |             |           | -110      |
| 0200 Other compensation expenses                                  |             |           | -110      |
| 0293 Total compensation   |             |           | -110      |
| 0900 Total new obligations (object class 42.0)                    |             |           | -110      |
| <b>Budgetary resources:</b>                                       |             |           |           |
| Budget authority:   |             |           |           |
| Appropriations, mandatory:  |             |           |           |
| Advance appropriations, mandatory:                                |             |           |           |
| 1270 Advance appropriation  |             |           | -110      |
| 1900 Budget authority (total)                                     |             |           | -110      |
| 1930 Total budgetary resources available                          |             |           | -110      |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3010 New obligations, unexpired accounts                          |             |           | -110      |
| 3020 Outlays (gross)  |             |           | 110       |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Mandatory:  |             |           |           |
| 4090 Budget authority, gross                                      |             |           | -110      |
| Outlays, gross:   |             |           |           |
| 4100 Outlays from new mandatory authority                         |             |           | -110      |
| 4180 Budget authority, net (total)                                |             |           | -110      |
| 4190 Outlays, net (total)   |             |           | -110      |

Extension of reduction in amount of pension furnished by the Department for certain veterans covered by Medicaid plans for services furnished by nursing facilities: To provide an extension of the current policy to limit to \$90 the pension payable to certain recipients of Medicaid-covered nursing home care, and to protect that pension payment from being applied to the cost of the recipient's nursing-home care. This proposal would extend the current authorization from 2027 to 2028, resulting in a cost savings of \$296 million in 2028.

*Clarify Evidentiary Threshold for Ordering VA Examinations.* VA seeks to amend 38 U.S.C. 5103A(d)(2) to clarify the evidentiary threshold at which VA, under its duty to assist obligation in 5103A, is required to request a medical examination for compensation claims. This proposal aims to eliminate delays in claims processing by establishing a more reasonable policy in determining when a VA examination is warranted in connection with a claim for compensation. In recent years, the courts have held that evidence necessary to satisfy the requirements of 38 U.S.C. 5103A(d)(2) is much lower than VA or Congress contemplated. This proposed change would require, in general, the existence of objective evidence of an in-service event, injury, or disease to trigger VA's duty to request an examination under 38 U.S.C. 5103A(d)(2)(B). Mandatory savings are estimated to be \$79.3 million in 2019, \$421.1 million for five years, and \$909.3 million for ten years.

*Elimination of Payment of Benefits to the Estates of Deceased Nehmer Class Members and to the Survivors of Certain Class Members.* VA seeks to amend 38 U.S.C. 1116 to eliminate payment of benefits to the estates of deceased Nehmer class members and to survivors of certain class members when such benefits are the result of presumptions of service connection established for diseases associated with exposure to certain

herbicide agents. The Agent Orange Act of 1991 expired on September 30, 2015. As a result, VA currently is not compelled to abide by the judicially imposed Nehmer readjudication requirements for any presumptive conditions that may be added in the future. Unless courts decide otherwise, VA would not be obligated to make retroactive payments associated with new Agent Orange presumptions. No mandatory costs are associated with this proposal.

*Clarify Chemicals at Issue for Purposes of Presumptive Service Connection for Veterans Serving in the Republic of Vietnam.* VA seeks to amend 38 U.S.C. 1116 to define the harmful chemicals, specifically Tetrachloro-dibenzo-p-dioxin (TCDD), used in herbicides. Defining the harmful chemical (TCDD) used in herbicides within the Republic of Vietnam would allow VA to clarify complex rules for exposure claims outside Vietnam. TCDD was not used in commercial herbicides on bases outside of Vietnam. IOM has determined that the only chemical in herbicides for which there are adverse health effects is TCDD. Thus, based on program knowledge of use of the herbicides, VA would be able to clarify rules for claiming exposure. No benefit costs are associated with this proposal.

*Attendance at Transition Assistant Program (TAP) or Access to eBenefits Meets the Requirements to Notify Veterans by Letter of VA Benefits and Services.* This proposal will amend 38 U.S.C. 6303(b) to authorize VA to use TAP or eBenefits to notify each transitioning veteran of all VA benefits and services for which they may be eligible. Currently, statute requires VA to send each veteran a letter with benefits information. For those veterans discharged or separated without a high-school diploma, this proposal would also eliminate the requirement for VA to make in-person or telephone contact regarding their eligibility for benefits, except in instances where they did not attend a TAP briefing or were not receiving information through eBenefits. No benefit costs are associated with this proposal.

*Extend the Time for Medical Examinations for Certain Veterans with Mental Disorders.* This legislative proposal would amend title 38 U.S.C. 1156(a)(3) to require VA to schedule a medical examination for veterans discharged from the military due to a mental disorder no later than 18 months (rather than 6 months) after separation or discharge of such veteran from active duty. Performing the examination no later than eighteen months after discharge allows the clinician to more accurately evaluate the condition and would better align with VA's and DoD's current practice of scheduling review examinations. No benefit costs are associated with this proposal.

*Automatic Annual Cost-of-Living Adjustments (COLA) for Disability Compensation and Dependency and Indemnity Compensation (DIC).* This proposal would amend 38 U.S.C. 1104, 1303, and 5312 to provide for the annual COLA to be made automatically by law each year in the rates of disability compensation and DIC. The amendment would also provide for automatic COLA for clothing allowance and the additional compensation for dependents. No benefit costs are associated with this proposal.

*Eliminate the Direct Payment of Fees from VA to Accredited Agents and Attorneys.* This proposal seeks to amend 38 U.S.C. 5904(d) to eliminate the authority for VA to make direct payments of fees to agents or attorneys. This proposal seeks to eliminate VA authority to make direct payments to agents or attorneys because this function is time consuming for VA claims processing employees. No benefit costs are associated with this proposal.

*Extend the Authority for Operations of the Manila VA Regional Office.* VA proposes to extend the authority currently provided by 38 U.S.C. 315(b) to maintain the operations of the Manila RO to December 31, 2022. No benefit costs are associated with this proposal.

*Reimbursement of Credentialing Costs.* VA seeks to amend 38 U.S.C. 5906 to allow VA to collect, from private attorneys and claims agents, a reasonable fee necessary to offset the costs of performing necessary background and other investigations and issuing credentials allowing access to sensitive electronic claims processing systems. It would also eliminate the need for appropriation act authority to retain and use fees authorized to be collected under this section. In addition, it would permit VA to use collections within two fiscal years, ensuring that fees collected near the end of

a fiscal year would not expire before they could be obligated. No benefit costs are associated with this proposal.

*Round-Down of the Computation of the Cost of Living Adjustment (COLA) for Service-Connected Compensation and Dependency and Indemnity Compensation (DIC) for Five Years.* This proposal would amend title 38, U.S.C. 1303(a) and 1104(a) to provide a five-year round-down provision of the computation of the cost of living adjustment (COLA) for service-connected compensation and dependency and indemnity compensation (DIC). Benefit savings are estimated to be \$34.1 million in 2019 and \$749.2 million for five years. This proposal would reinstate the round-down for five years; however, the cumulative effect of rounding-down COLAs for five years will total \$2.3 billion in savings over ten years.

*Reissue VA Benefit Payments to all Victims of Fiduciary Misuse.* VA seeks to amend 38 U.S.C. 6107, which authorizes VA to reissue benefits to a beneficiary if the beneficiary's VA-appointed fiduciary misuses the beneficiary's benefits. This amendment would extend VA's reissuance authority to allow the reissuance of benefits to a beneficiary in cases of misuse by individual fiduciaries, who manage benefits for less than 10 beneficiaries, without regard to VA negligence in appointing or overseeing such fiduciaries. The amendment would prescribe that VA would pay the beneficiary or the beneficiary's successor fiduciary an amount equal to the amount of the misused benefits in any case in which a fiduciary misuses a beneficiary's VA benefits. Benefit costs are estimated to be \$1.3 million in 2019, \$7.0 million over five years, and \$15.9 million over 10 years.

*Provide a Fixed Net Worth Limit and Remove Annual Income from Net Worth Calculation.* VA seeks to amend 38 U.S.C. 1522 and 1543 to remove the requirement that VA consider annual income in its net worth determinations. VA believes that removing annual income as a component of net worth would simplify and render more consistent net worth determinations. VA's intent with this proposal is to allow more fair and consistent net worth calculations and to promote pension automation with respect to net worth calculations. Benefit costs are estimated to be \$56 thousand during the first year, \$729 thousand for five years, and \$2.5 million over ten years.

*Authorize VA to Rely on Unearned and Earned Income Information Supplied by IRS and SSA for Purposes of Determining Eligibility for its Needs-Based Pension Program, and Eliminate the Need for VA to Independently Verify the Information.* VA seeks to amend 38 U.S.C. 5317(b) and (e) to authorize VA to rely on information it obtains from the Internal Revenue Service (IRS) and Social Security Administration (SSA) when making initial pension eligibility determinations. VA also proposes to remove the requirement that VA independently verify the information before terminating, denying, suspending, or reducing a claimant's or beneficiary's needs-based pension benefits. No benefit costs are associated with this proposal.

*Allow VBA to Pay a Flat Rate for Non-Service-Connected Burial for Veterans Who Die in a VHA or VA Facility.* VA seeks to amend 38 U.S.C. 2303(a)(1) to authorize payment of a flat-rate, non-service-connected, burial allowance for veterans who die in a qualifying VHA or VA facility. This one-time allowance would be equal to the maximum payment authorized under current law. This amendment would allow VA to expedite delivery of benefits to surviving spouses through automation and to all other claimants through streamlined processing of flat rate payments. No benefit costs are associated with this proposal.

*Authorize VA to Pay a Flat Rate for the Costs of Domestic Transportation of a Deceased Veteran to a National Cemetery.* VA seeks to amend 38 U.S.C. 2308 to authorize VA to pay claimants a one-time, flat-rate benefit of \$600 for the domestic transportation of a deceased veteran to a national cemetery, or upon the qualifying death of a veteran. After the first year, the flat rate fee would be adjusted annually by the Consumer Price Index. Benefit savings are estimated to be \$541 thousand in 2019, \$2.2 million for five years, and \$2.2 million over ten years.

*Modernizing VA's Records Management Program.* This proposal would amend title 38 U.S.C. by creating a new section 5707 to codify VBA's

COMPENSATION AND PENSIONS—Continued

procedures under the Records Control Schedule required by title 44 U.S.C. No benefits costs are associated with this proposal.

*Spousal and Dependent Inscriptions on Veteran Headstones and Markers.* VA seeks to amend title 38 U.S.C. 2306(g) to allow the inscription, if feasible and upon request, on a government-furnished headstone and marker for placement on a gravesite in a non-VA cemetery, of information about the veteran's spouse or dependent child. The proposed applicability date would be to add such an inscription for the headstones and markers of veterans whose date of death is on or after January 1, 2014. Benefit costs to the mandatory C&P appropriation are estimated to be \$1.1 million in 2019, \$4.7 million over five years, and \$9 million over 10 years.

*Burial of Dependents Who Predecease Active Duty Servicemembers.* VA seeks to amend title 38 U.S.C. 2306 and 2402 to authorize VA to inter in a VA national cemetery and mark the gravesite of the spouse and dependent child of a member of the Armed Forces serving on active duty at the time of the spouse's or child's death. Benefit costs associated with this proposal are insignificant.

*Authorization to Pay Cost of Transporting Certain Deceased Veterans to a State or Tribal Organization Cemetery.* VA seeks to amend title 38 U.S.C., to authorize the Secretary of Veterans Affairs (VA) to pay costs relating to the transportation of certain deceased veterans to veterans' cemeteries owned by a State or tribal organization. Benefit costs to the mandatory C&P appropriation are estimated to be \$1.3 million in FY 2019, \$7.3 million over five years, and \$16.7 million over ten years.

*Authorization to Provide Headstone or Marker for Unmarked Grave of Spouse or Child in Tribal Organization Cemetery.* VA seeks to amend title 38 U.S.C. 2306, to provide headstones and markers for burial and memorialization of veterans' eligible spouses and dependent children interred at tribal veterans cemeteries. Under current law, spouses and dependents are eligible for a headstone or marker for placement in a national and state veterans cemetery, but not a tribal veterans cemetery. Benefit costs associated with this proposal are insignificant.

*Burial Benefit Eligibility Requirement for Other-Than-Dishonorable Service for Deaths in Active Service.* VA seeks to amend title 38 U.S.C. 2402(a)(1) to require that a servicemember who dies in active service must have been serving under conditions other than dishonorable to be eligible for burial in a national cemetery. In addition, VA seeks to amend title 38 U.S.C. 2306(b)(4) and (g)(2) to impose the same requirement for eligibility for a memorial headstone or marker; and to amend title 38 U.S.C. 2301(d) to do the same for eligibility for a burial flag. No benefits costs are associated with this proposal.

*Establish a Consistent Applicability Date for Provision of Memorial Headstones and Markers for Eligible Non-Veteran Individuals.* VA seeks to amend 38 U.S.C. 2306(b) to establish a consistent applicability date of "after November 11, 1998," for the provision of memorial headstones and markers for all eligible non-veteran individuals. As a result of this proposal, all eligible non-veteran individuals will have the same applicability date for the memorial headstone and marker benefit for placement in national and state veterans cemeteries. It would not expand eligibility for placement in private cemeteries for non-veterans. Benefit costs associated with this proposal are insignificant.

*Expansion of Eligibility for Government-Furnished Headstone, Marker or Medallion for Medal of Honor Recipients.* VA seeks to amend 38 U.S.C. 2306(d) to allow VA to furnish a headstone, marker or medallion for the privately marked graves of all eligible Medal of Honor (MOH) recipients, regardless of a recipient's date of death. This proposal would allow VA to provide a headstone, marker, or medallion for the historic gravesite of a Medal of Honor recipient who served in the Armed Forces prior to 1917 and whose gravesite is already marked by a privately-furnished or a government-furnished headstone or maker. Benefit costs associated with this proposal are insignificant.

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, \$14,065,282,000, to remain available until expended and to become available on October 1, 2019: 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.*

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036–0137–0–1–702                              | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0101 Sons and daughters .....                                     | 467         | 494       | 650       |
| 0102 Spouses .....  | 86          | 90        | 124       |
| 0191 Total education and training .....                           | 553         | 584       | 774       |
| 0201 Vocational rehabilitation training .....                     | 786         | 893       | 959       |
| 0202 Subsistence allowance .....                                  | 621         | 842       | 893       |
| 0203 Automobiles and adaptive equipment .....                     | 120         | 132       | 136       |
| 0204 Housing Grants .....   | 97          | 113       | 118       |
| 0205 Housing Technology Grants .....                              | 1           | 1         | .....     |
| 0291 Total special assistance to disabled veterans .....          | 1,625       | 1,981     | 2,106     |
| 0301 Work study .....   | 46          | 57        | 59        |
| 0302 Payments to States .....                                     | 19          | 21        | 24        |
| 0303 All-volunteer assistance: Basic benefits and all other ..... | 11,237      | 11,877    | 12,280    |
| 0305 Tuition Assistance .....                                     | 4           | 5         | 5         |
| 0306 Licensing and Certification .....                            | 1           | 2         | 2         |
| 0307 Reporting fees .....   | 6           | 10        | 12        |
| 0308 Reimbursement to GOE .....                                   | .....       | 1         | 1         |
| 0309 Contract Counseling .....                                    | 3           | 6         | 6         |
| 0391 Total All-volunteer assistance and other .....               | 11,316      | 11,979    | 12,389    |
| 0799 Total direct obligations .....                               | 13,494      | 14,544    | 15,269    |
| 0802 Veterans and servicepersons supplementary benefits .....     | 14          | 15        | 16        |
| 0803 Chapter 1606 reservists benefits .....                       | 104         | 104       | 105       |
| 0804 Chapter 1606 reservists supplementary benefits .....         | 27          | 27        | 27        |
| 0805 Chapter 1607 reservists benefits .....                       | 8           | 7         | 8         |
| 0807 Chapter 33 DoD Reimbursements .....                          | 105         | 110       | 114       |
| 0899 Total reimbursable obligations .....                         | 258         | 263       | 270       |
| 0900 Total new obligations, unexpired accounts .....              | 13,752      | 14,807    | 15,539    |
| <b>Budgetary resources:</b>                                       |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 2,914       | 6,081     | 5,246     |
| 1021 Recoveries of prior year unpaid obligations .....            | 5           | .....     | .....     |
| 1033 Recoveries of prior year paid obligations .....              | 315         | .....     | .....     |
| 1050 Unobligated balance (total) .....                            | 3,234       | 6,081     | 5,246     |
| Budget authority:   |             |           |           |
| Appropriations, mandatory:  |             |           |           |
| Advance appropriations, mandatory:                                |             |           |           |
| 1270 Advance appropriation .....                                  | 16,341      | 13,709    | 11,832    |
| Spending authority from offsetting collections, mandatory:        |             |           |           |
| 1800 Collected .....  | 258         | 263       | 269       |
| 1900 Budget authority (total) .....                               | 16,599      | 13,972    | 12,101    |
| 1930 Total budgetary resources available .....                    | 19,833      | 20,053    | 17,347    |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 6,081       | 5,246     | 1,808     |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 182         | 130       | 1,007     |
| 3010 New obligations, unexpired accounts .....                    | 13,752      | 14,807    | 15,539    |
| 3020 Outlays (gross) .....  | -13,799     | -13,930   | -15,385   |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -5          | .....     | .....     |
| 3050 Unpaid obligations, end of year .....                        | 130         | 1,007     | 1,161     |
| 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 .....                       | 181         | 129       | 1,006     |
| 3200 Obligated balance, end of year .....                         | 129         | 1,006     | 1,160     |

| Budget authority and outlays, net:                      |   |        |        |        |
|---|---|--------|--------|--------|
| Mandatory:  |   |        |        |        |
| 4090  | Budget authority, gross .....                                       | 16,599 | 13,972 | 12,101 |
| Outlays, gross:   |   |        |        |        |
| 4100  | Outlays from new mandatory authority .....                          | 10,703 | 7,719  | 9,133  |
| 4101  | Outlays from mandatory balances .....                               | 3,096  | 6,211  | 6,252  |
| 4110  | Outlays, gross (total) .....  | 13,799 | 13,930 | 15,385 |
| Offsets against gross budget authority and outlays:     |   |        |        |        |
| Offsetting collections (collected) from:                |   |        |        |        |
| 4120  | Federal sources .....   | -258   | -263   | -269   |
| 4123  | Non-Federal sources .....   | -315   |        |        |
| 4130  | Offsets against gross budget authority and outlays (total) ....     | -573   | -263   | -269   |
| Additional offsets against gross budget authority only: |   |        |        |        |
| 4143  | Recoveries of prior year paid obligations, unexpired accounts ..... | 315    |        |        |
| 4160  | Budget authority, net (mandatory) .....                             | 16,341 | 13,709 | 11,832 |
| 4170  | Outlays, net (mandatory) .....                                      | 13,226 | 13,667 | 15,116 |
| 4180  | Budget authority, net (total) .....                                 | 16,341 | 13,709 | 11,832 |
| 4190  | Outlays, net (total) .....  | 13,226 | 13,667 | 15,116 |

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

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Enacted/requested:                      |             |           |           |
| Budget Authority .....                  | 16,341      | 13,709    | 11,832    |
| Outlays .....                           | 13,226      | 13,667    | 15,116    |
| Legislative proposal, subject to PAYGO: |             |           |           |
| Budget Authority .....                  |             |           | 29        |
| Outlays .....                           |             |           | 29        |
| Total:                                  |             |           |           |
| Budget Authority .....                  | 16,341      | 13,709    | 11,861    |
| Outlays .....                           | 13,226      | 13,667    | 15,145    |

**WORKLOAD—Vocational Rehabilitation and Employment**

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Evaluation and planning .....           | 78,159      | 78,941    | 79,730    |
| Rehabilitation services .....           | 111,215     | 112,327   | 113,450   |
| Employment services status .....        | 26,232      | 26,494    | 26,759    |
| Vocational/Educational counseling ..... | 9,231       | 9,323     | 9,417     |

**WORKLOAD—Education**

|                                       | 2017 actual | 2018 est. | 2019 est. |
|---------------------------------------|-------------|-----------|-----------|
| Original claims .....                 | 339,150     | 372,023   | 403,568   |
| Adjustments/supplemental claims ..... | 3,443,938   | 3,761,565 | 4,080,520 |

For 2020, the Budget requests \$14,065,282,000 in advance appropriations for Readjustment Benefits. This request satisfies the requirement created by the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 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**

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Chapter 33:                                 |             |           |           |
| Number of trainees .....                    | 755,476     | 766,740   | 766,056   |
| Average cost per trainee .....              | \$14,636    | \$15,310  | \$15,891  |
| Total cost (in millions) .....              | \$11,057    | \$11,739  | \$12,174  |
| Chapter 30:                                 |             |           |           |
| Number of trainees .....                    | 34,582      | 28,887    | 22,898    |
| Average cost per trainee .....              | \$8,641     | \$9,136   | \$9,669   |
| Total cost (in millions) .....              | \$299       | \$264     | \$221     |
| Chapter 1606:                               |             |           |           |
| Number of trainees .....                    | 54,909      | 53,943    | 52,994    |
| Average cost per trainee .....              | \$2,333     | \$2,422   | \$2,489   |
| Total cost (in millions) .....              | \$130       | \$131     | \$132     |
| Chapter 1607:                               |             |           |           |
| Number of trainees .....                    | 1,586       | 1,586     | 1,586     |
| Average cost per trainee .....              | \$4,548     | \$4,721   | \$4,853   |
| Total cost (in millions) .....              | \$7         | \$7       | \$8       |
| Chapter 35 Sons and Daughters:              |             |           |           |
| Number of trainees .....                    | 83,545      | 86,384    | 89,303    |
| Average cost per trainee (in dollars) ..... | \$5,594     | \$5,716   | \$7,281   |
| Total cost (in millions) .....              | \$467       | \$494     | \$650     |
| Chapter 35 Wives and Widow(ers):            |             |           |           |
| Number of trainees .....                    | 16,730      | 17,261    | 18,556    |
| Average cost per trainee (in dollars) ..... | \$5,127     | \$5,240   | \$6,675   |
| Total cost (in millions) .....              | \$86        | \$90      | \$124     |
| Veterans Retraining Assistance Program:     |             |           |           |
| Number of trainees .....                    | 0           |           |           |
| Average cost per trainee .....              | \$0         |           |           |
| Total cost (in millions) .....              | \$0         | \$0       | \$0       |

*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,

READJUSTMENT BENEFITS—Continued

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.

CASELOAD AND AVERAGE COST DATA

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Chapter 31:  |             |           |           |
| Rehabilitation, Evaluation, Planning and Service cases ..... | 11,399      | 12,472    | 12,910    |
| Number of trainees .....                                     | 120,819     | 132,189   | 136,836   |
| Average cost per trainee (in dollars) .....                  | \$11,649    | \$13,121  | \$13,536  |
| Total cost (in millions) .....                               | \$1,407     | \$1,734   | \$1,852   |

**Specially Adapted Housing Grants.**—Specially adapted housing grants are provided to certain severely disabled veterans. In 2018, the maximum grant amount is \$81,080. Veterans who suffer service-connected blindness or who have lost the use of both upper extremities can receive up to \$16,217.

**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 \$20,577 in 2018, under The Veterans Benefits Act of 2010, (P.L. 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

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Housing grants:   |             |           |           |
| Number of housing grants .....  | 3,047       | 4,013     | 4,013     |
| Average cost per grant .....  | \$31,805    | \$28,150  | \$29,464  |
| Total cost (in millions) .....  | \$97        | \$113     | \$118     |
| Number of housing technology grants .....   | 4           | 5         | 0         |
| Average cost per grant .....  | \$134,192   | \$200,000 | \$0       |
| Total cost (in millions) .....  | \$ .5       | \$1       | \$0       |
| Automobiles or other conveyances:   |             |           |           |
| Number of conveyances .....   | 1,875       | 2,037     | 2,037     |
| Average benefit .....   | \$18,861    | \$19,207  | \$19,559  |
| Obligations (in millions) .....   | \$35        | \$39      | \$40      |
| Adaptive equipment (including maintenance, repair, and installation for automobiles): |             |           |           |
| Number of items .....   | 6,931       | 7,440     | 7,440     |
| Average benefit .....   | \$12,171    | \$12,554  | \$12,949  |
| Obligations (in millions) .....   | \$84        | \$93      | \$96      |

**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.

Object Classification (in millions of dollars)

| Identification code 036–0137–0–1–702                                | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| 41.0 Direct obligations: Grants, subsidies, and contributions ..... | 13,494      | 14,544    | 15,269    |
| 99.0 Reimbursable obligations .....                                 | 258         | 263       | 270       |
| 99.9 Total new obligations, unexpired accounts .....                | 13,752      | 14,807    | 15,539    |

READJUSTMENT BENEFITS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 036–0137–4–1–702                                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                  |             |           |           |
| 0102 VA Cap for Flight Training at Public Schools .....                  |             |           | –43       |
| 0103 Approve Prep of Courses Licensing and Certification Exams .....     |             |           | 1         |
| 0104 Vocational Rehabilitation for Servicemembers .....                  |             |           | 92        |
| 0106 Extend In-State Tuition and Fee Requirements to Voc Rehab .....     |             |           | –25       |
| 0107 Expand Eligibility for Special Adapted Housing Grants .....         |             |           | 1         |
| 0109 Authority for Home Mods to Special Adapted Housing Program .....    |             |           | –1        |
| 0111 Authority for Special Adapted Housing Assistive Tech Grants .....   |             |           | 1         |
| 0112 Extension SAH Assistance Certain Veterans Disabilities .....        |             |           | 3         |
| 0191 Total education and training .....                                  |             |           | 29        |
| 0799 Total direct obligations .....                                      |             |           | 29        |
| 0900 Total new obligations, unexpired accounts (object class 41.0) ..... |             |           | 29        |

Budgetary resources:

|  |  |  |    |
|--|--|--|----|
| Budget authority:                              |  |  |    |
| Appropriations, mandatory:                     |  |  |    |
| Advance appropriations, mandatory:             |  |  |    |
| 1270 Advance appropriation .....               |  |  | 29 |
| 1900 Budget authority (total) .....            |  |  | 29 |
| 1930 Total budgetary resources available ..... |  |  | 29 |

|   |  |     |
|---|--|-----|
| <b>Change in obligated balance:</b>       |  |     |
| Unpaid obligations:                       |  |     |
| 3010                                      | New obligations, unexpired accounts .....  | 29  |
| 3020                                      | Outlays (gross) .....                      | -29 |
| <hr/>                                     |  |     |
| <b>Budget authority and outlays, net:</b> |  |     |
| Mandatory:                                |  |     |
| 4090                                      | Budget authority, gross .....              | 29  |
| Outlays, gross:                           |  |     |
| 4100                                      | Outlays from new mandatory authority ..... | 29  |
| 4180                                      | Budget authority, net (total) .....        | 29  |
| 4190                                      | Outlays, net (total) .....                 | 29  |

*Prevent VA from Providing Unlimited Amounts of Payments for Flight Training at Public Schools.* VA proposes to amend title 38 U.S.C. 3313(c) and add new section (j) to impose tuition and fee payment caps at Institutions of Higher Learning (IHLs) with flight training programs, and establish a maximum allowable fee structure for all VA-funded flight programs. Savings are estimated to be \$43 million in FY 2019, \$239.0 million over five years, and \$504.4 million over 10 years.

*Approve Preparatory Courses of Licensing and Certification Exams.* This proposal seeks to amend 3002(3)(B) of title 38 U.S.C. to add a preparatory course for a test that is required to enter into, maintain, or advance in a given vocation or profession. Costs are estimated to be \$1.4 million in 2019, \$7.3 million over five years, and \$16.0 million over 10 years.

*Vocational Rehabilitation for Servicemembers.* This proposal seeks to extend for five years the sunset date in section 1631(b)(2) of Public Law 110-181 (The National Defense Authorization Act (NDAA) of 2008), as amended by section 231 of Public Law 112-56, section 724 of Public Law 113-291, and Public Law 115-62 by amending title 38 U.S.C. 3102(a). Benefit costs represent a shift in expected obligations over a ten-year period. Costs are estimated to be \$91.6 million in the 2019, \$92.5 million over five years, and \$92.5 million over 10 years.

*Allow for Extension of a Period of Employment Services under chapter 31.* Amend 38 U.S.C. 3105(b)(1) to allow the period of employment services to be extended in not more than two three-month increments if needed to accomplish rehabilitation. This would ensure veterans with service-connected disabilities would be able to receive the services necessary to obtain and maintain suitable employment. No costs are associated with this proposal.

*Extend In-State Tuition and Fee Requirements to Vocational Rehabilitation.* This proposal seeks to extend in-state tuition and fee requirements of the Veterans Access, Choice, and Accountability Act of 2014 (VACAA), or "Choice Act", to apply to vocational rehabilitation programs provided under title 38 U.S.C. chapter 31. Savings are estimated to be \$25.0 million in 2019, \$143.4 million over five years, and \$339.0 million over 10 years.

*Expand Eligibility for Specially Adapted Housing (SAH) Grants under 38 U.S.C. 2101(b).* This proposal would add certain severe injuries and dismemberment disabilities that affect ambulation and loss or loss of use of an upper extremity to the eligibility criteria for the SAH program under 38 U.S.C. 2101(b). Costs are estimated to be \$1.2 million in 2019, \$5.3 million over five years, and \$10.0 million over ten years.

*Eliminate Certain Provisions Which Limit the Amount of Specially Adapted Housing (SAH) Assistance Which May be Used to Pay for the Veteran Acquisition.* VA seeks to amend 38 U.S.C. 2101 to eliminate the dollar use restrictions on the use of SAH grant funds for home acquisition. These restrictions require a proposed housing unit to be more than double the available grant amount. As a result, veterans are often prohibited from taking advantage of low-cost adapted homes or from using grant funds to pay off an outstanding lien. Costs are estimated to be insignificant.

*Move the Authority for Home Modifications Under a Rehabilitation Program to the Specially Adapted Housing (SAH) program.* Amend chapters 21 and 31 of title 38, U.S.C., so that housing modifications required under a rehabilitation program would be provided as SAH assistance. Savings to the VA are estimated to be \$538 thousand in 2019, \$3.0 million over five years, and \$6.7 million over ten years.

*Establish Debts for Breaching Specially Adapted Housing Contractual Obligations.* Amend 38 U.S.C. 2102 to authorize the Secretary to establish debts against any veteran or responsible party in connection with the acquisition of Specially Adapted Housing (SAH). This change is consistent with the authority of the Department of Veterans Affairs (VA) under 38 U.S.C. 3685(a) to collect overpayments made in connection with its education programs. Savings associated with this proposal are estimated to be insignificant.

*Extension of Authority for Specially Adapted Housing (SAH-AT) Assistive Technology Grant Program.* This proposal would extend the authority of the Secretary to administer the Specially Adapted Housing Assistive Technology Grant (SAH-AT) program through September 30, 2023. Section 203 of Public Law 111-275 (Veterans Benefits Act of 2010), codified at 38 U.S.C. 2108, established the SAH-AT grant program through September 30, 2016. Section 409 of Public Law 114-228 extended this authority through September 30, 2017 and section 408 of Public Law 115-62 extended this authority through September 30, 2018. Costs associated with this proposal are estimated to be \$1 million in 2019 and \$5 million over five years.

*Extension of Specially Adapted Housing Assistance for Certain Veterans with Disabilities.* This proposal seeks to extend the authority established in Public Law 112-154, Honoring American's Veterans and Caring for Camp Lejeune Families Act, expanding eligibility for Specially Adapted Housing (SAH) assistance for certain veterans with disabilities that cause difficulty ambulating. Public Law 115-62 extended this authority through September 30, 2018; this proposal would extend the authority through September 30, 2023. Costs are estimated to be \$2.6 million in FY 2019 and \$14.1 million over five years.

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, \$111,340,000, which shall become available on October 1, 2019, and shall remain available until expended.*

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036-0120-0-1-701                       | 2017 actual  | 2018 est. | 2019 est. |      |
|--|--|-----------|-----------|------|
| <b>Obligations by program activity:</b>                    |  |           |           |      |
| 0011   | VMLI Death Claims .....                              | 114       | 42        | 41   |
| 0012   | Payment to Service-Disabled Veterans Insurance ..... |           | 87        | 72   |
| 0100   | Total direct expenses .....                          | 114       | 129       | 113  |
| 0900   | Total new obligations, unexpired accounts .....      | 114       | 129       | 113  |
| <hr/>  |  |           |           |      |
| <b>Budgetary resources:</b>                                |  |           |           |      |
| Unobligated balance:                                       |  |           |           |      |
| 1000   | Unobligated balance brought forward, Oct 1 .....     | 2         | 3         | 1    |
| Budget authority:  |  |           |           |      |
| Appropriations, mandatory:                                 |  |           |           |      |
| 1200   | Appropriation .....                                  | 17        | 12        |      |
| Advance appropriations, mandatory:                         |  |           |           |      |
| 1270   | Advance appropriation .....                          | 92        | 108       | 106  |
| Spending authority from offsetting collections, mandatory: |  |           |           |      |
| 1800   | Collected .....                                      | 6         | 7         | 6    |
| 1900   | Budget authority (total) .....                       | 115       | 127       | 112  |
| 1930   | Total budgetary resources available .....            | 117       | 130       | 113  |
| Memorandum (non-add) entries:                              |  |           |           |      |
| 1941   | Unexpired unobligated balance, end of year .....     | 3         | 1         |      |
| <hr/>  |  |           |           |      |
| <b>Change in obligated balance:</b>                        |  |           |           |      |
| Unpaid obligations:  |  |           |           |      |
| 3000   | Unpaid obligations, brought forward, Oct 1 .....     | 1         | 1         | 1    |
| 3010   | New obligations, unexpired accounts .....            | 114       | 129       | 113  |
| 3020   | Outlays (gross) .....                                | -114      | -129      | -112 |
| 3050   | Unpaid obligations, end of year .....                | 1         | 1         | 2    |

VETERANS INSURANCE AND INDEMNITIES—Continued  
Program and Financing—Continued

| Identification code 036-0120-0-1-701                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Memorandum (non-add) entries:</b>                       |             |           |           |
| 3100 Obligated balance, start of year .....                | 1           | 1         | 1         |
| 3200 Obligated balance, end of year .....                  | 1           | 1         | 2         |
| <b>Budget authority and outlays, net:</b>                  |             |           |           |
| <b>Mandatory:</b>  |             |           |           |
| 4090 Budget authority, gross .....                         | 115         | 127       | 112       |
| <b>Outlays, gross:</b>                                     |             |           |           |
| 4100 Outlays from new mandatory authority .....            | 112         | 127       | 112       |
| 4101 Outlays from mandatory balances .....                 | 2           | 2         | .....     |
| 4110 Outlays, gross (total) .....                          | 114         | 129       | 112       |
| <b>Offsets against gross budget authority and outlays:</b> |             |           |           |
| <b>Offsetting collections (collected) from:</b>            |             |           |           |
| 4123 Non-Federal sources .....                             | -6          | -7        | -6        |
| 4180 Budget authority, net (total) .....                   | 109         | 120       | 106       |
| 4190 Outlays, net (total) .....                            | 108         | 122       | 106       |

**WORKLOAD**

|                              | 2017 actual | 2018 est. | 2019 est. |
|------------------------------|-------------|-----------|-----------|
| Policy service actions ..... | 914,241     | 808,130   | 784,030   |
| Collections .....            | 466,860     | 406,500   | 349,400   |
| Disability claims .....      | 30,790      | 36,600    | 36,072    |
| Insurance awards .....       | 174,601     | 173,620   | 160,190   |

Public Law 114-113, Consolidated Appropriations Act, 2016 on December 18, 2015, enacted associated advance 2019 appropriations of \$106,372,000 that shall become available on October 1, 2018.

*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                                   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Number of Policies .....                        | 2,632       | 2,800     | 2,860     |
| Amount of Insurance (dollars in millions) ..... | \$351       | \$366     | \$378     |

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

| Identification code 036-0120-0-1-701                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| 42.0 Direct obligations: Insurance claims and indemnities ..... | 111         | 125       | 110       |
| 99.0 Reimbursable obligations .....                             | 3           | 4         | 3         |

|  |     |     |     |
|--|-----|-----|-----|
| 99.9 Total new obligations, unexpired accounts ..... | 114 | 129 | 113 |
|--|-----|-----|-----|

FILIPINO VETERANS EQUITY COMPENSATION FUND

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

| Identification code 036-1121-0-1-701                  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Budgetary resources:</b>                           |             |           |           |
| <b>Unobligated balance:</b>                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 56          | 56        | 56        |
| 1930 Total budgetary resources available .....        | 56          | 56        | 56        |
| <b>Memorandum (non-add) entries:</b>                  |             |           |           |
| 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 (P.L. 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 (P.L. 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.

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, \$2,868,909,000: 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 5 percent shall remain available until September 30, 2020.*

*Note.*—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-0151-0-1-705  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 0010 Compensation and pensions .....  | 2,454       | 2,280     | 2,377     |
| 0011 Education .....  | 212         | 209       | 215       |
| 0012 Vocational rehabilitation and counseling .....                             | 231         | 317       | 258       |
| 0013 Insurance .....  | 1           | 1         | 1         |
| 0014 Housing .....  | 15          | 18        | 18        |
| 0799 Total direct obligations .....   | 2,913       | 2,825     | 2,869     |
| 0801 Compensation and pensions .....  | 782         | 796       | 810       |
| 0802 Education .....  | .....       | 1         | 1         |
| 0804 Insurance .....  | 29          | 33        | 33        |
| 0805 Housing .....  | 154         | 155       | 156       |
| 0899 Total reimbursable obligations .....                                       | 965         | 985       | 1,000     |
| 0900 Total new obligations, unexpired accounts .....                            | 3,878       | 3,810     | 3,869     |
| <b>Budgetary resources:</b>   |             |           |           |
| <b>Unobligated balance:</b>   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 100         | 60        | 63        |
| 1012 Unobligated balance transfers between expired and unexpired accounts ..... | 30          | .....     | .....     |
| 1050 Unobligated balance (total) .....  | 130         | 60        | 63        |
| <b>Budget authority:</b>  |             |           |           |
| <b>Appropriations, discretionary:</b>   |             |           |           |
| 1100 Appropriation .....  | 2,844       | 2,825     | 2,869     |

|      |  |       |       |       |
|------|--|-------|-------|-------|
| 1121 | Appropriations transferred from other acct [036-1122] ....     | 10    |       |       |
| 1160 | Appropriation, discretionary (total) .....                     | 2,854 | 2,825 | 2,869 |
|      | Spending authority from offsetting collections, discretionary: |       |       |       |
| 1700 | Collected .....  | 965   | 988   | 988   |
| 1900 | Budget authority (total) .....                                 | 3,819 | 3,813 | 3,857 |
| 1930 | Total budgetary resources available .....                      | 3,949 | 3,873 | 3,920 |
|      | Memorandum (non-add) entries:                                  |       |       |       |
| 1940 | Unobligated balance expiring .....                             | -11   |       |       |
| 1941 | Unexpired unobligated balance, end of year .....               | 60    | 63    | 51    |

**Change in obligated balance:**

Unpaid obligations:

|      |  |        |        |        |
|------|--|--------|--------|--------|
| 3000 | Unpaid obligations, brought forward, Oct 1 .....           | 501    | 780    | 669    |
| 3010 | New obligations, unexpired accounts .....                  | 3,878  | 3,810  | 3,869  |
| 3011 | Obligations ("upward adjustments"), expired accounts ..... | 103    |        |        |
| 3020 | Outlays (gross) .....                                      | -3,599 | -3,921 | -3,791 |
| 3041 | Recoveries of prior year unpaid obligations, expired ..... | -103   |        |        |
| 3050 | Unpaid obligations, end of year .....                      | 780    | 669    | 747    |
|      | Memorandum (non-add) entries:                              |        |        |        |
| 3100 | Obligated balance, start of year .....                     | 501    | 780    | 669    |
| 3200 | Obligated balance, end of year .....                       | 780    | 669    | 747    |

**Budget authority and outlays, net:**

Discretionary:

|      |   |       |       |       |
|------|---|-------|-------|-------|
| 4000 | Budget authority, gross .....                                   | 3,819 | 3,813 | 3,857 |
|      | Outlays, gross:   |       |       |       |
| 4010 | Outlays from new discretionary authority .....                  | 3,060 | 3,222 | 3,284 |
| 4011 | Outlays from discretionary balances .....                       | 539   | 699   | 507   |
| 4020 | Outlays, gross (total) .....                                    | 3,599 | 3,921 | 3,791 |
|      | Offsets against gross budget authority and outlays:             |       |       |       |
|      | Offsetting collections (collected) from:                        |       |       |       |
| 4030 | Federal sources .....   | -967  | -988  | -988  |
| 4040 | Offsets against gross budget authority and outlays (total) .... | -967  | -988  | -988  |
|      | Additional offsets against gross budget authority only:         |       |       |       |
| 4052 | Offsetting collections credited to expired accounts .....       | 2     |       |       |
| 4070 | Budget authority, net (discretionary) .....                     | 2,854 | 2,825 | 2,869 |
| 4080 | Outlays, net (discretionary) .....                              | 2,632 | 2,933 | 2,803 |
| 4180 | Budget authority, net (total) .....                             | 2,854 | 2,825 | 2,869 |
| 4190 | Outlays, net (total) .....                                      | 2,632 | 2,933 | 2,803 |

*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 Public Law 101-508.

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

|   |             |           |           |
|---|-------------|-----------|-----------|
| Identification code 036-0151-0-1-705                            | 2017 actual | 2018 est. | 2019 est. |
| Direct obligations:   |             |           |           |
| Personnel compensation:   |             |           |           |
| 11.1 Full-time permanent .....                                  | 1,245       | 1,178     | 1,275     |
| 11.5 Other personnel compensation .....                         | 383         | 383       | 393       |
| 11.9 Total personnel compensation .....                         | 1,628       | 1,561     | 1,668     |
| 12.1 Civilian personnel benefits .....                          | 538         | 538       | 547       |
| 13.0 Benefits for former personnel .....                        | 1           | 1         | 1         |
| 21.0 Travel and transportation of persons .....                 | 33          | 32        | 33        |
| 22.0 Transportation of things .....                             | 1           | 2         | 2         |
| 23.1 Rent .....   | 121         | 121       | 124       |
| 23.2 Rental payments to others .....                            | 20          | 20        | 20        |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 20          | 20        | 20        |
| 24.0 Printing and reproduction .....                            | 2           | 4         | 4         |
| 25.2 Other services from non-Federal sources .....              | 536         | 503       | 427       |
| 26.0 Supplies and materials .....                               | 7           | 5         | 5         |
| 31.0 Equipment .....  | 5           | 16        | 16        |
| 42.0 Insurance claims and indemnities .....                     | 1           | 2         | 2         |
| 99.0 Direct obligations .....                                   | 2,913       | 2,825     | 2,869     |
| 99.0 Reimbursable obligations .....                             | 965         | 985       | 1,000     |
| 99.9 Total new obligations, unexpired accounts .....            | 3,878       | 3,810     | 3,869     |

**Employment Summary**

|  |             |           |           |
|--|-------------|-----------|-----------|
| Identification code 036-0151-0-1-705                             | 2017 actual | 2018 est. | 2019 est. |
| 1001 Direct civilian full-time equivalent employment .....       | 21,196      | 21,500    | 22,381    |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 1,212       | 1,312     | 1,311     |

**SERVICE-DISABLED VETERANS INSURANCE FUND**

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

|  |             |           |           |
|--|-------------|-----------|-----------|
| Identification code 036-4012-0-3-701                 | 2017 actual | 2018 est. | 2019 est. |
| <b>Obligations by program activity:</b>              |             |           |           |
| 0801 Capital investment .....                        | 27          | 28        | 29        |
| 0802 Death claims .....                              | 109         | 118       | 122       |
| 0803 All other .....                                 | 7           | 6         | 6         |
| 0804 Payments to GOE and IT .....                    | 14          | 17        | 19        |
| 0900 Total new obligations, unexpired accounts ..... | 157         | 169       | 176       |

**Budgetary resources:**

Unobligated balance:

|  |     |     |     |
|--|-----|-----|-----|
| 1000 Unobligated balance brought forward, Oct 1 .....      | 9   | 12  | 26  |
| Budget authority:  |     |     |     |
| Spending authority from offsetting collections, mandatory: |     |     |     |
| 1800 Collected .....                                       | 160 | 183 | 171 |
| 1930 Total budgetary resources available .....             | 169 | 195 | 197 |
| Memorandum (non-add) entries:                              |     |     |     |
| 1941 Unexpired unobligated balance, end of year .....      | 12  | 26  | 21  |

**Change in obligated balance:**

Unpaid obligations:

|   |      |      |      |
|---|------|------|------|
| 3000 Unpaid obligations, brought forward, Oct 1 ..... | 19   | 22   | 43   |
| 3010 New obligations, unexpired accounts .....        | 157  | 169  | 176  |
| 3020 Outlays (gross) .....                            | -154 | -148 | -176 |
| 3050 Unpaid obligations, end of year .....            | 22   | 43   | 43   |
| Memorandum (non-add) entries:                         |      |      |      |
| 3100 Obligated balance, start of year .....           | 19   | 22   | 43   |
| 3200 Obligated balance, end of year .....             | 22   | 43   | 43   |

**Budget authority and outlays, net:**

Mandatory:

|  |      |      |      |
|--|------|------|------|
| 4090 Budget authority, gross .....                                   | 160  | 183  | 171  |
| Outlays, gross:  |      |      |      |
| 4100 Outlays from new mandatory authority .....                      | 126  | 127  | 171  |
| 4101 Outlays from mandatory balances .....                           | 28   | 21   | 5    |
| 4110 Outlays, gross (total) .....                                    | 154  | 148  | 176  |
| Offsets against gross budget authority and outlays:                  |      |      |      |
| Offsetting collections (collected) from:                             |      |      |      |
| 4120 Federal sources .....   | -70  | -87  | -72  |
| 4123 Non-Federal sources .....                                       | -4   | -5   | -5   |
| 4123 Non-Federal sources .....                                       | -64  | -68  | -69  |
| 4123 Non-Federal sources .....                                       | -22  | -23  | -25  |
| 4130 Offsets against gross budget authority and outlays (total) .... | -160 | -183 | -171 |
| 4170 Outlays, net (mandatory) .....                                  | -6   | -35  | 5    |
| 4180 Budget authority, net (total) .....                             |      |      |      |
| 4190 Outlays, net (total) .....                                      | -6   | -35  | 5    |

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.

SERVICE-DISABLED VETERANS INSURANCE FUND—Continued

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

**POLICIES AND INSURANCE IN FORCE**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Number of policies (EOY) .....                       | 275,208     | 278,401   | 281,104   |
| Insurance in force (dollars in millions) (EOY) ..... | \$2,889     | \$2,955   | \$3,000   |

*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 \$1,448 million by September 30, 2018. 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                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Reimbursable obligations:</b>                     |             |           |           |
| 33.0 Investments and loans .....                     | 27          | 28        | 29        |
| 42.0 Insurance claims and indemnities .....          | 130         | 141       | 147       |
| 99.9 Total new obligations, unexpired accounts ..... | 157         | 169       | 176       |

VETERANS REOPENED INSURANCE FUND

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

| Identification code 036-4010-0-3-701                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0801 Death claims .....                              | 20          | 19        | 16        |
| 0802 Dividends .....                                 | 2           | 1         | 1         |
| 0803 All other .....                                 | 5           | 3         | 2         |
| 0804 Capital investment: policy loans .....          | 1           | 1         | 1         |
| 0900 Total new obligations, unexpired accounts ..... | 27          | 24        | 20        |

|  |     |     |    |
|--|-----|-----|----|
| <b>Budgetary resources:</b>                                |     |     |    |
| Unobligated balance:                                       |     |     |    |
| 1000 Unobligated balance brought forward, Oct 1 .....      | 117 | 98  | 80 |
| Budget authority:  |     |     |    |
| Spending authority from offsetting collections, mandatory: |     |     |    |
| 1800 Collected .....                                       | 8   | 6   | 5  |
| 1930 Total budgetary resources available .....             | 125 | 104 | 85 |
| Memorandum (non-add) entries:                              |     |     |    |
| 1941 Unexpired unobligated balance, end of year .....      | 98  | 80  | 65 |

|   |     |     |     |
|---|-----|-----|-----|
| <b>Change in obligated balance:</b>                               |     |     |     |
| Unpaid obligations:   |     |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 29  | 26  | 21  |
| 3010 New obligations, unexpired accounts .....                    | 27  | 24  | 20  |
| 3020 Outlays (gross) .....  | -30 | -29 | -24 |
| 3050 Unpaid obligations, end of year .....                        | 26  | 21  | 17  |
| 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 .....                       | 27  | 24  | 19  |
| 3200 Obligated balance, end of year .....                         | 24  | 19  | 15  |

|   |    |    |    |
|---|----|----|----|
| <b>Budget authority and outlays, net:</b>           |    |    |    |
| Mandatory:  |    |    |    |
| 4090 Budget authority, gross .....                  | 8  | 6  | 5  |
| Outlays, gross:                                     |    |    |    |
| 4100 Outlays from new mandatory authority .....     | 8  | 6  | 5  |
| 4101 Outlays from mandatory balances .....          | 22 | 23 | 19 |
| 4110 Outlays, gross (total) .....                   | 30 | 29 | 24 |
| Offsets against gross budget authority and outlays: |    |    |    |
| Offsetting collections (collected) from:            |    |    |    |
| 4121 Interest on Federal securities .....           | -6 | -4 | -3 |
| 4123 Non-Federal sources .....                      | -1 | -1 | -1 |

|  |    |    |    |
|--|----|----|----|
| 4123 Non-Federal sources .....                                       | -1 | -1 | -1 |
| 4130 Offsets against gross budget authority and outlays (total) .... | -8 | -6 | -5 |
| 4170 Outlays, net (mandatory) .....                                  | 22 | 23 | 19 |
| 4180 Budget authority, net (total) .....                             | 22 | 23 | 19 |
| 4190 Outlays, net (total) .....                                      | 22 | 23 | 19 |

|  |     |     |    |
|--|-----|-----|----|
| <b>Memorandum (non-add) entries:</b>                             |     |     |    |
| 5000 Total investments, SOY: Federal securities: Par value ..... | 144 | 123 | 99 |
| 5001 Total investments, EOY: Federal securities: Par value ..... | 123 | 99  | 80 |

*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**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Number of policies .....                       | 9,854       | 8,002     | 6,410     |
| Insurance in force (dollars in millions) ..... | \$105       | \$85      | \$67      |

*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                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Reimbursable obligations:</b>                     |             |           |           |
| 33.0 Investments and loans .....                     | 1           | 1         | 1         |
| 42.0 Insurance claims and indemnities .....          | 24          | 21        | 17        |
| 43.0 Interest and dividends .....                    | 3           | 2         | 2         |
| 99.9 Total new obligations, unexpired accounts ..... | 27          | 24        | 20        |

SERVICEMEMBERS' GROUP LIFE INSURANCE FUND

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

| Identification code 036-4009-0-3-701                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0801 Premium payments .....                          | 766         | 791       | 791       |
| 0802 Payments to carrier .....                       | 1           | 3         | 3         |
| 0803 Payment to GOE .....                            | 3           | 3         | 3         |
| 0900 Total new obligations (object class 41.0) ..... | 770         | 794       | 794       |

|  |     |     |     |
|--|-----|-----|-----|
| <b>Budgetary resources:</b>                                |     |     |     |
| Unobligated balance:                                       |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1 .....      | 1   | 1   | 1   |
| Budget authority:  |     |     |     |
| Spending authority from offsetting collections, mandatory: |     |     |     |
| 1800 Collected .....                                       | 770 | 794 | 794 |

|   |   |      |      |      |
|---|---|------|------|------|
| 1930  | Total budgetary resources available .....                   | 771  | 795  | 795  |
|   | Memorandum (non-add) entries:                               |      |      |      |
| 1941  | Unexpired unobligated balance, end of year .....            | 1    | 1    | 1    |
| <b>Change in obligated balance:</b>                 |   |      |      |      |
| Unpaid obligations:                                 |   |      |      |      |
| 3010  | New obligations, unexpired accounts .....                   | 770  | 794  | 794  |
| 3020  | Outlays (gross) .....                                       | -770 | -794 | -794 |
| <b>Budget authority and outlays, net:</b>           |   |      |      |      |
| Mandatory:  |   |      |      |      |
| 4090  | Budget authority, gross .....                               | 770  | 794  | 794  |
| Outlays, gross:                                     |   |      |      |      |
| 4100  | Outlays from new mandatory authority .....                  | 769  | 793  | 793  |
| 4101  | Outlays from mandatory balances .....                       | 1    | 1    | 1    |
| 4110  | Outlays, gross (total) .....                                | 770  | 794  | 794  |
| Offsets against gross budget authority and outlays: |   |      |      |      |
| Offsetting collections (collected) from:            |   |      |      |      |
| 4123  | Non-Federal sources .....                                   | -770 | -794 | -794 |
| 4180  | Budget authority, net (total) .....                         |      |      |      |
| 4190  | Outlays, net (total) .....                                  |      |      |      |
| <b>Memorandum (non-add) entries:</b>                |   |      |      |      |
| 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 2019, 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, \$200,611,969.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036-1119-0-1-704    | 2017 actual  | 2018 est. | 2019 est. |     |
|---|--|-----------|-----------|-----|
| <b>Obligations by program activity:</b> |  |           |           |     |
| Credit program obligations:             |  |           |           |     |
| 0702                                    | Loan guarantee subsidy .....                         | 891       | 435       | 111 |
| 0705                                    | Reestimates of direct loan subsidy .....             | 5         | 5         |     |
| 0706                                    | Interest on reestimates of direct loan subsidy ..... | 6         | 4         |     |

|   |   |        |        |      |
|---|---|--------|--------|------|
| 0707                                      | Reestimates of loan guarantee subsidy .....             | 54     | 470    |      |
| 0708                                      | Interest on reestimates of loan guarantee subsidy ..... | 16     | 147    |      |
| 0709                                      | Administrative expenses .....                           | 195    | 198    | 200  |
| 0900                                      | Total new obligations, unexpired accounts .....         | 1,167  | 1,259  | 311  |
| <b>Budgetary resources:</b>               |   |        |        |      |
| Budget authority:                         |   |        |        |      |
| Appropriations, discretionary:            |   |        |        |      |
| 1100                                      | Appropriation .....                                     | 199    | 198    | 200  |
| Appropriations, mandatory:                |   |        |        |      |
| 1200                                      | Appropriation .....                                     | 973    | 1,061  | 111  |
| 1900                                      | Budget authority (total) .....                          | 1,172  | 1,259  | 311  |
| 1930                                      | Total budgetary resources available .....               | 1,172  | 1,259  | 311  |
| Memorandum (non-add) entries:             |   |        |        |      |
| 1940                                      | Unobligated balance expiring .....                      | -5     |        |      |
| <b>Change in obligated balance:</b>       |   |        |        |      |
| Unpaid obligations:                       |   |        |        |      |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 .....        |        | 1      | 1    |
| 3010                                      | New obligations, unexpired accounts .....               | 1,167  | 1,259  | 311  |
| 3020                                      | Outlays (gross) .....                                   | -1,166 | -1,259 | -311 |
| 3050                                      | Unpaid obligations, end of year .....                   | 1      | 1      | 1    |
| Memorandum (non-add) entries:             |   |        |        |      |
| 3100                                      | Obligated balance, start of year .....                  |        | 1      | 1    |
| 3200                                      | Obligated balance, end of year .....                    | 1      | 1      | 1    |
| <b>Budget authority and outlays, net:</b> |   |        |        |      |
| Discretionary:                            |   |        |        |      |
| 4000                                      | Budget authority, gross .....                           | 199    | 198    | 200  |
| Outlays, gross:                           |   |        |        |      |
| 4010                                      | Outlays from new discretionary authority .....          | 193    | 198    | 200  |
| Mandatory:                                |   |        |        |      |
| 4090                                      | Budget authority, gross .....                           | 973    | 1,061  | 111  |
| Outlays, gross:                           |   |        |        |      |
| 4100                                      | Outlays from new mandatory authority .....              | 973    | 1,061  | 111  |
| 4180                                      | Budget authority, net (total) .....                     | 1,172  | 1,259  | 311  |
| 4190                                      | Outlays, net (total) .....                              | 1,166  | 1,259  | 311  |

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

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Enacted/requested:                      |             |           |           |
| Budget Authority .....                  | 1,172       | 1,259     | 311       |
| Outlays .....                           | 1,166       | 1,259     | 311       |
| Legislative proposal, subject to PAYGO: |             |           |           |
| Budget Authority .....                  |             |           | 118       |
| Outlays .....                           |             |           | 118       |
| Total:                                  |             |           |           |
| Budget Authority .....                  | 1,172       | 1,259     | 429       |
| Outlays .....                           | 1,166       | 1,259     | 429       |

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

| Identification code 036-1119-0-1-704                            | 2017 actual                                | 2018 est. | 2019 est. |         |
|---|--|-----------|-----------|---------|
| Direct loan levels supportable by subsidy budget authority:     |  |           |           |         |
| 115001  | Acquired Direct Loans .....                | 6         | 9         | 10      |
| 115004  | Vendee Direct Loans .....                  |           | 267       | 323     |
| 115999  | Total direct loan levels .....             | 6         | 276       | 333     |
| Direct loan subsidy (in percent):                               |  |           |           |         |
| 132001  | Acquired Direct Loans .....                | 1.92      | 7.94      | 6.33    |
| 132004  | Vendee Direct Loans .....                  | -23.58    | -26.49    | -5.47   |
| 132999  | Weighted average subsidy rate .....        | 1.92      | -25.37    | -5.12   |
| Direct loan subsidy budget authority:                           |  |           |           |         |
| 133001  | Acquired Direct Loans .....                |           | 1         | 1       |
| 133004  | Vendee Direct Loans .....                  |           | -71       | -17     |
| 133999  | Total subsidy budget authority .....       |           | -70       | -16     |
| Direct loan subsidy outlays:                                    |  |           |           |         |
| 134001  | Acquired Direct Loans .....                |           | 1         | 1       |
| 134004  | Vendee Direct Loans .....                  |           | -71       | -18     |
| 134999  | Total subsidy outlays .....                |           | -70       | -17     |
| Direct loan reestimates:  |  |           |           |         |
| 135001  | Acquired Direct Loans .....                | 1         | 2         |         |
| 135004  | Vendee Direct Loans .....                  | 2         | 2         |         |
| 135005  | Acquired and Vendee Loan Reestimates ..... | 5         |           |         |
| 135999  | Total direct loan reestimates .....        | 8         | 4         |         |
| Guaranteed loan levels supportable by subsidy budget authority: |  |           |           |         |
| 215001  | Housing Guaranteed Loans .....             | 174,746   | 160,620   | 156,824 |

VETERANS HOUSING BENEFIT PROGRAM FUND—Continued

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program—Continued

| Identification code 036-1119-0-1-704                | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| 215999 Total loan guarantee levels .....            | 174,746     | 160,620   | 156,824   |
| Guaranteed loan subsidy (in percent):               |             |           |           |
| 232001 Housing Guaranteed Loans .....               | 0.51        | 0.27      | 0.07      |
| 232999 Weighted average subsidy rate .....          | 0.51        | 0.27      | 0.07      |
| Guaranteed loan subsidy budget authority:           |             |           |           |
| 233001 Housing Guaranteed Loans .....               | 891         | 434       | 110       |
| 233999 Total subsidy budget authority .....         | 891         | 434       | 110       |
| Guaranteed loan subsidy outlays:                    |             |           |           |
| 234001 Housing Guaranteed Loans .....               | 891         | 434       | 110       |
| 234999 Total subsidy outlays .....                  | 891         | 434       | 110       |
| Guaranteed loan reestimates:                        |             |           |           |
| 235001 Housing Guaranteed Loans .....               | -1,624      | -1,853    | .....     |
| 235002 Guaranteed Loan Sale Securities—Vendee ..... | -4          | .....     | .....     |
| 235999 Total guaranteed loan reestimates .....      | -1,628      | -1,853    | .....     |
| Administrative expense data:                        |             |           |           |
| 3510 Budget authority .....                         | 199         | 179       | 200       |
| 3590 Outlays from new authority .....               | 194         | 179       | 200       |

*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 \$453,100; or
- (e) for certain loans in excess of \$453,100, 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**

(In thousands)

|                                  | 2017 actual | 2018 est. | 2019 est. |
|----------------------------------|-------------|-----------|-----------|
| Construction and valuation ..... | 666         | 711       | 760       |
| Loan processing .....            | 1,137       | 1,180     | 1,220     |
| Loan service and claims .....    | 206         | 198       | 190       |

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

| Identification code 036-1119-0-1-704               | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Direct obligations:                                |             |           |           |
| 25.2 Other services from non-Federal sources ..... | 195         | 198       | 200       |
| 41.0 Grants, subsidies, and contributions .....    | 972         | 1,061     | 111       |

|      |   |       |       |     |
|------|---|-------|-------|-----|
| 99.9 | Total new obligations, unexpired accounts ..... | 1,167 | 1,259 | 311 |
|------|---|-------|-------|-----|

VETERANS HOUSING BENEFIT PROGRAM FUND

(Legislative proposal, subject to PAYGO)

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

| Identification code 036-1119-4-1-704                                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                  |             |           |           |
| Credit program obligations:  |             |           |           |
| 0702 Loan guarantee subsidy .....  | .....       | .....     | 73        |
| 0703 Subsidy for modifications of direct loans .....                     | .....       | .....     | 45        |
| 0900 Total new obligations, unexpired accounts (object class 41.0) ..... | .....       | .....     | 118       |
| <b>Budgetary resources:</b>  |             |           |           |
| Budget authority:  |             |           |           |
| Appropriations, mandatory:   |             |           |           |
| 1200 Appropriation .....   | .....       | .....     | 118       |
| 1930 Total budgetary resources available .....                           | .....       | .....     | 118       |
| <b>Change in obligated balance:</b>                                      |             |           |           |
| Unpaid obligations:  |             |           |           |
| 3010 New obligations, unexpired accounts .....                           | .....       | .....     | 118       |
| 3020 Outlays (gross) .....   | .....       | .....     | -118      |
| <b>Budget authority and outlays, net:</b>                                |             |           |           |
| Mandatory:   |             |           |           |
| 4090 Budget authority, gross .....                                       | .....       | .....     | 118       |
| Outlays, gross:  |             |           |           |
| 4100 Outlays from new mandatory authority .....                          | .....       | .....     | 118       |
| 4180 Budget authority, net (total) .....                                 | .....       | .....     | 118       |
| 4190 Outlays, net (total) .....  | .....       | .....     | 118       |

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

| Identification code 036-1119-4-1-704                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Guaranteed loan levels supportable by subsidy budget authority: |             |           |           |
| 215002 Guaranteed Loan Sale Securities—Vendee .....             | .....       | .....     | 634       |
| 215999 Total loan guarantee levels .....                        | .....       | .....     | 634       |
| Guaranteed loan subsidy (in percent):                           |             |           |           |
| 232002 Guaranteed Loan Sale Securities—Vendee .....             | .....       | .....     | 10.72     |
| 232999 Weighted average subsidy rate .....                      | .....       | .....     | 0.00      |
| Guaranteed loan subsidy budget authority:                       |             |           |           |
| 233001 Housing Guaranteed Loans .....                           | .....       | .....     | 5         |
| 233002 Guaranteed Loan Sale Securities—Vendee .....             | .....       | .....     | 68        |
| 233999 Total subsidy budget authority .....                     | .....       | .....     | 73        |

*Extension of Net Value Authority.* This proposal would extend VA's authority for calculating the net value of a property and using that calculation to determine VA's liability to pay claims at the time of foreclosure through the end of fiscal year 2022. P.L. 115-62 extended the requirements to September 30, 2018. This proposal would also provide the Secretary with the discretion to determine what costs should be included in the net value calculation, based on prevailing economic conditions. Mandatory benefits loan subsidy costs associated with this proposal are insignificant. The tangible benefits gained by this proposal are predictability of foreclosure liabilities for VA.

*Extend Vendee Loan Securitization Authority.* This proposal would extend, through September 30, 2028, the Secretary's authority to issue and guarantee the timely payment of principal and interest on certificates or other securities evidencing an interest in a pool of mortgage loans made in connection with the sale of VA-acquired properties. Currently, section 409 of Public Law 115-62 amended 38 U.S.C. 3720(h) (2) to extend this authority through September 30, 2018. The proposal is estimated to incur loan subsidy costs of \$89.1 million in 2019, \$213.4 million over 5 years, and \$333.4 million over 10 years.

*Extend Housing Assistance for Homeless Veterans Under 38 U.S.C. 2041 to Include Permanent Housing Options.* The proposal would extend the Secretary's authority to use homes acquired through the guaranteed loan program to assist homeless veterans, including through the Homeless Shelter Program (HSP), through September 30, 2023. Without extension

of the proposal, the Secretary would stop using HSP, but would continue to sell already acquired properties and to acquire new properties and sell them. The acquired properties that were already sold using HSP would continue serving homeless veterans. Conditional on approval, the proposal would amend 38 U.S.C. 2041 by adding that properties acquired under this section may also be used to provide permanent housing. This change would better reflect current Federal housing policy regarding homelessness. Section 304 of the Department of Veterans Affairs Expiring Authorities Act of 2016, P.L. 114–228 extended the requirements through September 30, 2017. This authority was not extended for 2018 and the VA subsequently suspended the Homeless Service Provider program. The proposal is estimated to incur loan subsidy costs of \$29.1 million in 2019.

**Extend Loan Funding Fee Rates.** This proposal would extend the current loan funding fee schedule through September 30, 2028. The existing statutory requirement, set forth with P.L. 115–46, VA Choice and Quality Employment Act of 2017, section 402 extended the funding fee rates through September 30, 2027. Savings are estimated at \$356.0 million in 2028.

HOUSING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 036–4127–0–3–704  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 0004 Property management/other expense .....                                    | 4           | 1         | 1         |
| 0091 Direct program activities, subtotal .....                                  | 4           | 1         | 1         |
| Credit program obligations:   |             |           |           |
| 0710 Direct loan obligations .....  | 6           | 276       | 333       |
| 0713 Payment of interest to Treasury .....                                      | 21          | 7         | 16        |
| 0740 Negative subsidy obligations .....   | .....       | 71        | 17        |
| 0742 Downward reestimates paid to receipt accounts .....                        | 1           | 2         | .....     |
| 0743 Interest on downward reestimates .....                                     | 2           | 3         | .....     |
| 0791 Direct program activities, subtotal .....                                  | 30          | 359       | 366       |
| 0900 Total new obligations, unexpired accounts .....                            | 34          | 360       | 367       |
| <b>Budgetary resources:</b>   |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 59          | 87        | .....     |
| 1023 Unobligated balances applied to repay debt .....                           | –48         | –87       | .....     |
| 1050 Unobligated balance (total) .....  | 11          | .....     | .....     |
| Financing authority:  |             |           |           |
| Borrowing authority, mandatory:   |             |           |           |
| 1400 Borrowing authority .....  | 76          | 360       | 367       |
| 1422 Borrowing authority applied to repay debt .....                            | –17         | .....     | .....     |
| 1440 Borrowing authority, mandatory (total) .....                               | 59          | 360       | 367       |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Collected .....  | 72          | 49        | 53        |
| 1825 Spending authority from offsetting collections applied to repay debt ..... | –21         | –49       | –53       |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 51          | .....     | .....     |
| 1900 Budget authority (total) .....   | 110         | 360       | 367       |
| 1930 Total budgetary resources available .....                                  | 121         | 360       | 367       |
| Memorandum (non-add) entries:   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 87          | .....     | .....     |
| <b>Change in obligated balance:</b>   |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                           | .....       | .....     | 6         |
| 3010 New obligations, unexpired accounts .....                                  | 34          | 360       | 367       |
| 3020 Outlays (gross) .....  | –34         | –354      | –366      |
| 3050 Unpaid obligations, end of year .....                                      | .....       | 6         | 7         |
| Memorandum (non-add) entries:   |             |           |           |
| 3100 Obligated balance, start of year .....                                     | .....       | .....     | 6         |
| 3200 Obligated balance, end of year .....                                       | .....       | 6         | 7         |
| <b>Financing authority and disbursements, net:</b>                              |             |           |           |
| Mandatory:  |             |           |           |
| 4090 Budget authority, gross .....  | 110         | 360       | 367       |
| Financing disbursements:  |             |           |           |
| 4110 Outlays, gross (total) .....   | 34          | 354       | 366       |

|   |       |       |       |
|---|-------|-------|-------|
| Offsets against gross financing authority and disbursements:          |       |       |       |
| Offsetting collections (collected) from:                              |       |       |       |
| 4120 Federal sources: Payments from program account .....             | –11   | –10   | –1    |
| 4122 Interest on uninvested funds .....                               | –5    | ..... | ..... |
| 4123 Interest and principal received on loans .....                   | –56   | –36   | –50   |
| 4123 Cash sale of properties .....                                    | ..... | –3    | –2    |
| 4130 Offsets against gross budget authority and outlays (total) ..... | –72   | –49   | –53   |
| 4160 Budget authority, net (mandatory) .....                          | 38    | 311   | 314   |
| 4170 Outlays, net (mandatory) .....                                   | –38   | 305   | 313   |
| 4180 Budget authority, net (total) .....                              | 38    | 311   | 314   |
| 4190 Outlays, net (total) .....                                       | –38   | 305   | 313   |

Status of Direct Loans (in millions of dollars)

| Identification code 036–4127–0–3–704                                   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1111 Direct loan obligations from current-year authority .....         | 6           | 276       | 333       |
| 1150 Total direct loan obligations .....                               | 6           | 276       | 333       |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 377         | 342       | 599       |
| 1231 Disbursements: Direct loan disbursements .....                    | 6           | 276       | 333       |
| 1251 Repayments: Repayments and prepayments .....                      | –41         | –17       | –23       |
| 1263 Write-offs for default: Direct loans .....                        | .....       | –2        | –2        |
| 1290 Outstanding, end of year .....                                    | 342         | 599       | 907       |

Balance Sheet (in millions of dollars)

| Identification code 036–4127–0–3–704                              | 2016 actual | 2017 actual |
|---|-------------|-------------|
| <b>ASSETS:</b>  |             |             |
| Federal assets:   |             |             |
| 1101 Fund balances with Treasury .....                            | 59          | 88          |
| Investments in US securities:                                     |             |             |
| 1106 Receivables, net .....                                       | 9           | 7           |
| 1206 Non-Federal assets: Receivables, net .....                   | 6           | 5           |
| Net value of assets related to post–1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 377         | 342         |
| 1402 Interest receivable .....                                    | 20          | 21          |
| 1404 Foreclosed property .....                                    | 15          | 3           |
| 1405 Allowance for subsidy cost (-) .....                         | 23          | 33          |
| 1499 Net present value of assets related to direct loans .....    | 435         | 399         |
| 1901 Other Federal assets: Other assets .....                     | 1           | 1           |
| 1999 Total assets .....   | 510         | 500         |
| <b>LIABILITIES:</b>   |             |             |
| Federal liabilities:  |             |             |
| 2103 Debt .....   | 500         | 489         |
| 2105 Other .....  | 10          | 10          |
| Non-Federal liabilities:  |             |             |
| 2201 Accounts payable .....                                       | .....       | .....       |
| 2207 Other .....  | .....       | 1           |
| 2999 Total liabilities .....                                      | 510         | 500         |
| 4999 Total liabilities and net position .....                     | 510         | 500         |

HOUSING GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 036–4129–0–3–704                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                  |             |           |           |
| 0002 Losses on defaulted loans .....                     | 785         | 1,002     | 1,211     |
| 0005 Payment to trustee reserve .....                    | 15          | 17        | 16        |
| 0009 Property sales expense .....                        | 120         | 132       | 159       |
| 0010 Property management expense .....                   | 79          | 79        | 98        |
| 0011 Property improvement expense .....                  | 2           | 4         | 4         |
| 0012 Loans acquired .....                                | 6           | 10        | 11        |
| 0013 Refunds .....                                       | 32          | 27        | 30        |
| 0014 Other Expenses .....                                | 9           | .....     | .....     |
| 0091 Direct program activities, subtotal .....           | 1,048       | 1,271     | 1,529     |
| Credit program obligations:                              |             |           |           |
| 0711 Default claim payments on principal .....           | 1,469       | 1,681     | 2,033     |
| 0742 Downward reestimates paid to receipt accounts ..... | 1,526       | 2,327     | .....     |
| 0743 Interest on downward reestimates .....              | 173         | 142       | .....     |
| 0791 Direct program activities, subtotal .....           | 3,168       | 4,150     | 2,033     |

HOUSING GUARANTEED LOAN FINANCING ACCOUNT—Continued  
Program and Financing—Continued

| Identification code 036-4129-0-3-704                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 0900 Total new obligations, unexpired accounts .....       | 4,216       | 5,421     | 3,562     |
| <b>Budgetary resources:</b>                                |             |           |           |
| Unobligated balance:                                       |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....      | 10,468      | 11,086    | 10,568    |
| 1033 Recoveries of prior year paid obligations .....       | 8           |           |           |
| 1050 Unobligated balance (total) .....                     | 10,476      | 11,086    | 10,568    |
| Financing authority:                                       |             |           |           |
| Spending authority from offsetting collections, mandatory: |             |           |           |
| 1800 Collected .....                                       | 4,826       | 4,903     | 4,241     |
| 1930 Total budgetary resources available .....             | 15,302      | 15,989    | 14,809    |
| Memorandum (non-add) entries:                              |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....      | 11,086      | 10,568    | 11,247    |
| <b>Change in obligated balance:</b>                        |             |           |           |
| Unpaid obligations:  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....      | 361         | 307       | 58        |
| 3010 New obligations, unexpired accounts .....             | 4,216       | 5,421     | 3,562     |
| 3020 Outlays (gross) .....                                 | -4,270      | -5,670    | -3,550    |
| 3050 Unpaid obligations, end of year .....                 | 307         | 58        | 70        |
| Memorandum (non-add) entries:                              |             |           |           |
| 3100 Obligated balance, start of year .....                | 361         | 307       | 58        |
| 3200 Obligated balance, end of year .....                  | 307         | 58        | 70        |

| Identification code 036-4129-0-3-704                                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Financing authority and disbursements, net:</b>                       |             |           |           |
| Mandatory:   |             |           |           |
| 4090 Budget authority, gross .....                                       | 4,826       | 4,903     | 4,241     |
| Financing disbursements:   |             |           |           |
| 4110 Outlays, gross (total) .....  | 4,270       | 5,670     | 3,550     |
| Offsets against gross financing authority and disbursements:             |             |           |           |
| Offsetting collections (collected) from:                                 |             |           |           |
| 4120 Payments from program account .....                                 | -961        | -1,051    | -110      |
| 4120 Recoveries from DLFA .....  | -6          | -277      | -333      |
| 4122 Interest on uninvested funds .....                                  | -206        | -226      | -183      |
| 4123 Funding fees .....  | -2,155      | -1,837    | -1,788    |
| 4123 Cash sale of properties .....                                       | -1,493      | -1,512    | -1,827    |
| 4123 Redemption of Properties/Other income and receivables .....         | -13         |           |           |
| 4130 Offsets against gross budget authority and outlays (total) ....     | -4,834      | -4,903    | -4,241    |
| Additional offsets against financing authority only (total):             |             |           |           |
| 4143 Recoveries of prior year paid obligations, unexpired accounts ..... | 8           |           |           |
| 4170 Outlays, net (mandatory) .....                                      | -564        | 767       | -691      |
| 4180 Budget authority, net (total) .....                                 |             |           |           |
| 4190 Outlays, net (total) .....  | -564        | 767       | -691      |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 036-4129-0-3-704                                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments:     |             |           |           |
| 2111 Guaranteed loan commitments from current-year authority .....         | 174,746     | 160,620   | 156,824   |
| 2150 Total guaranteed loan commitments .....                               | 174,746     | 160,620   | 156,824   |
| 2199 Guaranteed amount of guaranteed loan commitments .....                | 48,230      | 44,341    | 43,283    |
| Cumulative balance of guaranteed loans outstanding:                        |             |           |           |
| 2210 Outstanding, start of year .....                                      | 524,915     | 603,631   | 701,092   |
| 2231 Disbursements of new guaranteed loans .....                           | 174,746     | 160,620   | 156,824   |
| 2251 Repayments and prepayments .....                                      | -93,398     | -60,446   | -60,248   |
| Adjustments:   |             |           |           |
| 2262 Terminations for default that result in acquisition of property ..... | -1,469      | -1,680    | -2,033    |
| 2263 Terminations for default that result in claim payments .....          | -1,163      | -1,033    | -1,238    |
| 2290 Outstanding, end of year .....  | 603,631     | 701,092   | 794,397   |
| Memorandum:  |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year .....  | 159,100     | 179,147   | 202,859   |

Balance Sheet (in millions of dollars)

| Identification code 036-4129-0-3-704   | 2016 actual | 2017 actual |
|--|-------------|-------------|
| <b>ASSETS:</b>   |             |             |
| Federal assets:  |             |             |
| 1101 Fund balances with Treasury .....   | 10,830      | 11,393      |
| Investments in US securities:  |             |             |
| 1106 Receivables, net .....  | 27          | 350         |
| Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: |             |             |
| 1504 Accounts receivable from foreclosed property .....                                  | 13          | 14          |
| 1504 Foreclosed property .....   | 845         | 726         |
| 1599 Net present value of assets related to defaulted guaranteed loans .....             | 858         | 740         |
| 1999 Total assets .....  | 11,715      | 12,483      |
| <b>LIABILITIES:</b>  |             |             |
| Federal liabilities:   |             |             |
| 2103 Debt .....  |             |             |
| 2105 Other liabilities .....   | 1,586       | 1,871       |
| Non-Federal liabilities:   |             |             |
| 2201 Accounts payable .....  | 361         | 307         |
| 2204 Non-federal liabilities for loan guarantees .....                                   | 9,768       | 10,305      |
| 2999 Total liabilities .....   | 11,715      | 12,483      |
| 4999 Total liabilities and net position .....  | 11,715      | 12,483      |

HOUSING LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 036-4025-0-3-704  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 0105 Capital investments, guaranteed claims payment and other operating expenses .....        | 2           | 1         | 1         |
| <b>Budgetary resources:</b>   |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....   | 1           |           |           |
| 1022 Capital transfer of unobligated balances to general fund .....                           | -1          |           |           |
| 1033 Recoveries of prior year paid obligations .....  | 1           |           |           |
| 1050 Unobligated balance (total) .....  | 1           |           |           |
| Budget authority:   |             |           |           |
| Spending authority from offsetting collections, mandatory:                                    |             |           |           |
| 1800 Collected .....  | 13          | 10        | 8         |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... | -12         | -9        | -7        |
| 1850 Spending auth from offsetting collections, mand (total) .....                            | 1           | 1         | 1         |
| 1930 Total budgetary resources available .....  | 2           | 1         | 1         |
| <b>Change in obligated balance:</b>   |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....   | 2           | 2         | 2         |
| 3010 New obligations, unexpired accounts .....  | 2           | 1         | 1         |
| 3020 Outlays (gross) .....  | -2          | -1        | -1        |
| 3050 Unpaid obligations, end of year .....  | 2           | 2         | 2         |
| Memorandum (non-add) entries:   |             |           |           |
| 3100 Obligated balance, start of year .....   | 2           | 2         | 2         |
| 3200 Obligated balance, end of year .....   | 2           | 2         | 2         |
| <b>Budget authority and outlays, net:</b>   |             |           |           |
| Mandatory:  |             |           |           |
| 4090 Budget authority, gross .....  | 1           | 1         | 1         |
| Outlays, gross:   |             |           |           |
| 4100 Outlays from new mandatory authority .....   |             | 1         | 1         |
| 4101 Outlays from mandatory balances .....  | 2           |           |           |
| 4110 Outlays, gross (total) .....   | 2           | 1         | 1         |
| Offsets against gross budget authority and outlays:   |             |           |           |
| Offsetting collections (collected) from:  |             |           |           |
| 4123 Loan repayments and prepayments .....  | -14         | -1        | -1        |
| 4123 Sale of homes, cash .....  |             | -1        | -1        |
| 4123 Interest collection on Veteran liability debts .....                                     |             | -3        | -2        |
| 4123 Principal collection on Veteran liability debts .....                                    |             | -5        | -4        |
| 4130 Offsets against gross budget authority and outlays (total) ....                          | -14         | -10       | -8        |
| Additional offsets against gross budget authority only:                                       |             |           |           |
| 4143 Recoveries of prior year paid obligations, unexpired accounts .....                      | 1           |           |           |

|      |                                   |     |    |    |
|------|-----------------------------------|-----|----|----|
| 4160 | Budget authority, net (mandatory) | -12 | -9 | -7 |
| 4170 | Outlays, net (mandatory)          | -12 | -9 | -7 |
| 4180 | Budget authority, net (total)     | -12 | -9 | -7 |
| 4190 | Outlays, net (total)              | -12 | -9 | -7 |

**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            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding: |             |           |           |
| 1210 Outstanding, start of year                 | 3           | 2         | 1         |
| 1251 Repayments: Repayments and prepayments     | -1          | -1        | -1        |
| 1290 Outstanding, end of year                   | 2           | 1         |           |

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

| Identification code 036-4025-0-3-704  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Cumulative balance of guaranteed loans outstanding:                               |             |           |           |
| 2210 Outstanding, start of year   | 81          | 45        | 25        |
| 2251 Repayments and prepayments   | -35         | -19       | -11       |
| 2262 Adjustments: Terminations for default that result in acquisition of property | -1          | -1        | -1        |
| 2290 Outstanding, end of year   | 45          | 25        | 13        |

**Memorandum:**

|      |  |    |    |   |
|------|--|----|----|---|
| 2299 | Guaranteed amount of guaranteed loans outstanding, end of year | 19 | 10 | 6 |
|------|--|----|----|---|

**Addendum:**

| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |    |    |    |
|---|--|----|----|----|
| 2310  | Outstanding, start of year               | 23 | 20 | 14 |
| 2331  | Disbursements for guaranteed loan claims |    |    |    |
| 2351  | Repayments of loans receivable           | -3 | -6 | -4 |
| 2364  | Other adjustments, net                   |    |    |    |
| 2390  | Outstanding, end of year                 | 20 | 14 | 10 |

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

| Identification code 036-4025-0-3-704 | 2016 actual  | 2017 actual |      |
|--------------------------------------|--|-------------|------|
| <b>ASSETS:</b>                       |  |             |      |
| 1101                                 | Federal assets: Fund balances with Treasury                  | 3           | 1    |
| Non-Federal assets:                  |  |             |      |
| 1201                                 | Investments in non-Federal securities, net                   | 140         | 139  |
| 1206                                 | Receivables, net   | 1           | 1    |
| 1601                                 | Direct loans, gross  | 3           | 2    |
| 1602                                 | Interest receivable  | 9           | 35   |
| 1603                                 | Allowance for estimated uncollectible loans and interest (-) | -31         | -35  |
| 1699                                 | Value of assets related to direct loans                      | -19         | 2    |
| 1701                                 | Defaulted guaranteed loans, gross                            | 23          | 20   |
| 1703                                 | Allowance for estimated uncollectible loans and interest (-) | -1          | -18  |
| 1704                                 | Defaulted guaranteed loans and interest receivable, net      | 22          | 2    |
| 1706                                 | Foreclosed property  | 1           | 1    |
| 1799                                 | Value of assets related to loan guarantees                   | 23          | 3    |
| 1999                                 | Total assets   | 148         | 146  |
| <b>LIABILITIES:</b>                  |  |             |      |
| Non-Federal liabilities:             |  |             |      |
| 2201                                 | Accounts payable   | 2           | 1    |
| 2204                                 | Liabilities for loan guarantees                              | 146         | 259  |
| 2999                                 | Total liabilities  | 148         | 260  |
| <b>NET POSITION:</b>                 |  |             |      |
| 3300                                 | Cumulative results of operations                             |             | -114 |
| 4999                                 | Total liabilities and net position                           | 148         | 146  |

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

| Identification code 036-4025-0-3-704 | 2017 actual           | 2018 est. | 2019 est. |
|--------------------------------------|-----------------------|-----------|-----------|
| Direct obligations:                  |                       |           |           |
| 32.0                                 | Land and structures   | 1         | 1         |
| 33.0                                 | Investments and loans | 1         |           |

|      |   |   |   |   |
|------|---|---|---|---|
| 99.9 | Total new obligations, unexpired accounts | 2 | 1 | 1 |
|------|---|---|---|---|

**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, \$1,149,143.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

**VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT**

For the cost of direct loans, \$38,775, 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 \$2,037,366.

In addition, for administrative expenses necessary to carry out the direct loan program, \$396,457, which may be paid to the appropriation for "General Operating Expenses, Veterans Benefits Administration".

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-1120-0-1-704    | 2017 actual                               | 2018 est. | 2019 est. |
|---|---|-----------|-----------|
| <b>Obligations by program activity:</b> |   |           |           |
| Credit program obligations:             |   |           |           |
| 0705                                    | Reestimates of direct loan subsidy        | 1         | 1         |
| 0709                                    | Administrative expenses                   | 2         | 3         |
| 0900                                    | Total new obligations, unexpired accounts | 3         | 4         |

**Budgetary resources:**

| Unobligated balance:           |  |   |   |
|--------------------------------|--|---|---|
| 1000                           | Unobligated balance brought forward, Oct 1 | 2 | 2 |
| Budget authority:              |  |   |   |
| Appropriations, discretionary: |  |   |   |
| 1100                           | Appropriation                              | 2 | 2 |
| Appropriations, mandatory:     |  |   |   |
| 1200                           | Appropriation                              | 1 | 2 |
| 1900                           | Budget authority (total)                   | 3 | 4 |
| 1930                           | Total budgetary resources available        | 5 | 6 |
| Memorandum (non-add) entries:  |  |   |   |
| 1941                           | Unexpired unobligated balance, end of year | 2 | 2 |

**Change in obligated balance:**

| Unpaid obligations: |                                     |    |    |
|---------------------|-------------------------------------|----|----|
| 3010                | New obligations, unexpired accounts | 3  | 4  |
| 3020                | Outlays (gross)                     | -3 | -4 |

**Budget authority and outlays, net:**

| Discretionary:  |  |   |   |
|-----------------|--|---|---|
| 4000            | Budget authority, gross                  | 2 | 2 |
| Outlays, gross: |  |   |   |
| 4010            | Outlays from new discretionary authority | 2 | 2 |
| Mandatory:      |  |   |   |
| 4090            | Budget authority, gross                  | 1 | 2 |
| Outlays, gross: |  |   |   |
| 4100            | Outlays from new mandatory authority     | 1 | 2 |
| 4180            | Budget authority, net (total)            | 3 | 4 |
| 4190            | Outlays, net (total)                     | 3 | 4 |

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

| Identification code 036-1120-0-1-704                        | 2017 actual                   | 2018 est. | 2019 est. |
|---|-------------------------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |                               |           |           |
| 115002  | Native American Direct Loans  | 5         | 11        |
| 115003  | Vocational Rehabilitation     | 2         | 2         |
| 115999  | Total direct loan levels      | 7         | 13        |
| Direct loan subsidy (in percent):                           |                               |           |           |
| 132002  | Native American Direct Loans  | -18.62    | -20.22    |
| 132003  | Vocational Rehabilitation     | 1.43      | 1.26      |
| 132999  | Weighted average subsidy rate | -12.89    | -16.92    |

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT—Continued  
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program—Continued

| Identification code 036-1120-0-1-704  | 2017 actual | 2018 est. | 2019 est. |
|---------------------------------------|-------------|-----------|-----------|
| Direct loan subsidy budget authority: |             |           |           |
| 133002 Native American Direct Loans   | -1          | -2        | -1        |
| 133999 Total subsidy budget authority | -1          | -2        | -1        |
| Direct loan subsidy outlays:          |             |           |           |
| 134002 Native American Direct Loans   | -1          | -2        | -2        |
| 134999 Total subsidy outlays          | -1          | -2        | -2        |
| Direct loan reestimates:              |             |           |           |
| 135002 Native American Direct Loans   | 1           | 2         |           |
| 135999 Total direct loan reestimates  | 1           | 2         |           |
| Administrative expense data:          |             |           |           |
| 3510 Budget authority                 | 2           | 2         | 2         |
| 3590 Outlays from new authority       | 2           | 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           | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Direct obligations:                            |             |           |           |
| 25.2 Other services from non-Federal sources   | 1           | 2         |           |
| 41.0 Grants, subsidies, and contributions      | 2           | 2         | 2         |
| 99.9 Total new obligations, unexpired accounts | 3           | 4         | 2         |

NATIVE AMERICAN DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 036-4130-0-3-704                                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity:  |             |           |           |
| Credit program obligations:   |             |           |           |
| 0710 Direct loan obligations  | 5           | 11        | 12        |
| 0713 Payment of interest to Treasury                                      | 1           | 3         | 2         |
| 0740 Negative subsidy obligations   | 1           | 2         | 1         |
| 0900 Total new obligations, unexpired accounts                            | 7           | 16        | 15        |
| Budgetary resources:  |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                           | 1           | 3         | 3         |
| Financing authority:  |             |           |           |
| Borrowing authority, mandatory:   |             |           |           |
| 1400 Borrowing authority  | 6           | 13        | 13        |
| Spending authority from offsetting collections, mandatory:                |             |           |           |
| 1800 Collected  | 6           | 9         | 8         |
| 1825 Spending authority from offsetting collections applied to repay debt | -3          | -6        | -6        |
| 1850 Spending auth from offsetting collections, mand (total)              | 3           | 3         | 2         |
| 1900 Budget authority (total)   | 9           | 16        | 15        |
| 1930 Total budgetary resources available                                  | 10          | 19        | 18        |
| Memorandum (non-add) entries:   |             |           |           |
| 1941 Unexpired unobligated balance, end of year                           | 3           | 3         | 3         |

Change in obligated balance:

|   |    |     |     |
|---|----|-----|-----|
| Unpaid obligations:                             |    |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 | 2  | 2   | 2   |
| 3010 New obligations, unexpired accounts        | 7  | 16  | 15  |
| 3020 Outlays (gross)                            | -7 | -16 | -15 |
| 3050 Unpaid obligations, end of year            | 2  | 2   | 2   |
| Memorandum (non-add) entries:                   |    |     |     |
| 3100 Obligated balance, start of year           | 2  | 2   | 2   |
| 3200 Obligated balance, end of year             | 2  | 2   | 2   |

Financing authority and disbursements, net:

|  |    |    |    |
|--|----|----|----|
| Mandatory:   |    |    |    |
| 4090 Budget authority, gross                                       | 9  | 16 | 15 |
| Financing disbursements:   |    |    |    |
| 4110 Outlays, gross (total)  | 7  | 16 | 15 |
| Offsets against gross financing authority and disbursements:       |    |    |    |
| Offsetting collections (collected) from:                           |    |    |    |
| 4120 Federal sources   | -1 | -2 |    |
| 4123 Non-federal sources - Repayments and prepayments of principal | -3 | -5 | -5 |
| 4123 Non-Federal sources - Interest received on loans              | -2 | -2 | -3 |
| 4130 Offsets against gross budget authority and outlays (total)    | -6 | -9 | -8 |
| 4160 Budget authority, net (mandatory)                             | 3  | 7  | 7  |
| 4170 Outlays, net (mandatory)                                      | 1  | 7  | 7  |
| 4180 Budget authority, net (total)                                 | 3  | 7  | 7  |
| 4190 Outlays, net (total)  | 1  | 7  | 7  |

Status of Direct Loans (in millions of dollars)

| Identification code 036-4130-0-3-704                                   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1111 Direct loan obligations from current-year authority               | 5           | 11        | 12        |
| 1150 Total direct loan obligations                                     | 5           | 11        | 12        |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year  | 60          | 60        | 66        |
| 1231 Disbursements: Direct loan disbursements                          | 5           | 11        | 12        |
| 1251 Repayments: Repayments and prepayments                            | -5          | -5        | -6        |
| 1290 Outstanding, end of year  | 60          | 66        | 72        |

Balance Sheet (in millions of dollars)

| Identification code 036-4130-0-3-704                              | 2016 actual | 2017 actual |
|---|-------------|-------------|
| ASSETS:   |             |             |
| Federal assets:   |             |             |
| 1101 Fund balances with Treasury                                  | 3           | 4           |
| Investments in US securities:                                     |             |             |
| 1106 Receivables, net   | 1           | 2           |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross                               | 60          | 60          |
| 1402 Interest receivable  | 2           | 2           |
| 1405 Other assets   | 3           | 3           |
| 1499 Net present value of assets related to direct loans          | 65          | 65          |
| 1999 Total assets   | 69          | 71          |
| LIABILITIES:  |             |             |
| Federal liabilities:  |             |             |
| 2103 Federal liabilities debt                                     | 67          | 69          |
| 2105 Other liabilities  | 2           | 2           |
| 2999 Total liabilities  | 69          | 71          |
| 4999 Total liabilities and net position                           | 69          | 71          |

TRANSITIONAL HOUSING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 036-4258-0-3-704           | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity:               |             |           |           |
| 0001 Direct program activity                   | 1           | 1         | 1         |
| 0900 Total new obligations, unexpired accounts | 1           | 1         | 1         |

|  |  |   |   |   |
|--|--|---|---|---|
| <b>Budgetary resources:</b>                                |  |   |   |   |
| Unobligated balance:                                       |  |   |   |   |
| 1000   | Unobligated balance brought forward, Oct 1 ..... | 5 | 5 | 5 |
| Financing authority:                                       |  |   |   |   |
| Spending authority from offsetting collections, mandatory: |  |   |   |   |
| 1800   | Collected .....                                  | 1 | 1 | 1 |
| 1930   | Total budgetary resources available .....        | 6 | 6 | 6 |
| Memorandum (non-add) entries:                              |  |   |   |   |
| 1941   | Unexpired unobligated balance, end of year ..... | 5 | 5 | 5 |

|                                     |   |    |    |    |
|-------------------------------------|---|----|----|----|
| <b>Change in obligated balance:</b> |   |    |    |    |
| Unpaid obligations:                 |   |    |    |    |
| 3010                                | New obligations, unexpired accounts ..... | 1  | 1  | 1  |
| 3020                                | Outlays (gross) .....                     | -1 | -1 | -1 |

|  |                                     |    |    |    |
|--|-------------------------------------|----|----|----|
| <b>Financing authority and disbursements, net:</b>           |                                     |    |    |    |
| Mandatory:   |                                     |    |    |    |
| 4090   | Budget authority, gross .....       | 1  | 1  | 1  |
| Financing disbursements:                                     |                                     |    |    |    |
| 4110   | Outlays, gross (total) .....        | 1  | 1  | 1  |
| Offsets against gross financing authority and disbursements: |                                     |    |    |    |
| Offsetting collections (collected) from:                     |                                     |    |    |    |
| 4123   | Non-Federal sources .....           | -1 | -1 | -1 |
| 4180   | Budget authority, net (total) ..... |    |    |    |
| 4190   | Outlays, net (total) .....          |    |    |    |

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

|  |   |           |           |     |
|--|---|-----------|-----------|-----|
| Identification code 036-4258-0-3-704                                   |   |           |           |     |
|  | 2017 actual                                   | 2018 est. | 2019 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 .....              | 4         | 4         | 4   |
| 1290   | Outstanding, end of year .....                | 4         | 4         | 4   |

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

|   |  |             |   |
|---|--|-------------|---|
| Identification code 036-4258-0-3-704                              |  |             |   |
|   | 2016 actual                              | 2017 actual |   |
| <b>ASSETS:</b>  |  |             |   |
| Federal assets: Fund balances with Treasury .....                 |  |             |   |
| 1101  |  | 5           | 5 |
| Net value of assets related to post-1991 direct loans receivable: |  |             |   |
| 1401  | Direct loans receivable, gross .....     | 5           | 4 |
| 1999  | Total assets .....                       | 10          | 9 |
| <b>LIABILITIES:</b>   |  |             |   |
| Federal liabilities:  |  |             |   |
| 2103  | Debt .....                               | 5           | 5 |
| 2105  | Loan Guaranty/Other Liabilities .....    | 5           | 4 |
| 2999  | Total liabilities .....                  | 10          | 9 |
| 4999  | Total liabilities and net position ..... | 10          | 9 |

VOCATIONAL REHABILITATION DIRECT LOAN FINANCING ACCOUNT

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

|  |  |           |           |    |
|--|--|-----------|-----------|----|
| Identification code 036-4112-0-3-702                       |  |           |           |    |
|  | 2017 actual  | 2018 est. | 2019 est. |    |
| <b>Obligations by program activity:</b>                    |  |           |           |    |
| Credit program obligations:                                |  |           |           |    |
| 0710   | Direct loan obligations .....  | 2         | 2         | 2  |
| 0900   | Total new obligations, unexpired accounts .....                            | 2         | 2         | 2  |
| <b>Budgetary resources:</b>                                |  |           |           |    |
| Financing authority:                                       |  |           |           |    |
| Borrowing authority, mandatory:                            |  |           |           |    |
| 1400   | Authority to borrow (indefinite) .....                                     | 2         | 2         | 2  |
| 1422   | Borrowing authority applied to repay debt .....                            | -1        |           |    |
| 1440   | Borrowing authority, mandatory (total) .....                               | 1         | 2         | 2  |
| Spending authority from offsetting collections, mandatory: |  |           |           |    |
| 1800   | Collected .....  | 2         | 2         | 2  |
| 1825   | Spending authority from offsetting collections applied to repay debt ..... | -1        | -2        | -2 |
| 1850   | Spending auth from offsetting collections, mand (total) .....              | 1         |           |    |
| 1900   | Budget authority (total) .....   | 2         | 2         | 2  |

|      |   |   |   |   |
|------|---|---|---|---|
| 1930 | Total budgetary resources available ..... | 2 | 2 | 2 |
|------|---|---|---|---|

**Change in obligated balance:**

|                     |   |    |    |    |
|---------------------|---|----|----|----|
| Unpaid obligations: |   |    |    |    |
| 3010                | New obligations, unexpired accounts ..... | 2  | 2  | 2  |
| 3020                | Outlays (gross) .....                     | -2 | -2 | -2 |

**Financing authority and disbursements, net:**

|  |   |    |    |    |
|--|---|----|----|----|
| Mandatory:   |   |    |    |    |
| 4090   | Budget authority, gross .....                 | 2  | 2  | 2  |
| Financing disbursements:                                     |   |    |    |    |
| 4110   | Outlays, gross (total) .....                  | 2  | 2  | 2  |
| Offsets against gross financing authority and disbursements: |   |    |    |    |
| Offsetting collections (collected) from:                     |   |    |    |    |
| 4123   | Repayments and prepayments of principal ..... | -2 | -2 | -2 |
| 4180   | Budget authority, net (total) .....           |    |    |    |
| 4190   | Outlays, net (total) .....                    |    |    |    |

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

|  |   |           |           |    |
|--|---|-----------|-----------|----|
| Identification code 036-4112-0-3-702                                   |   |           |           |    |
|  | 2017 actual   | 2018 est. | 2019 est. |    |
| Position with respect to appropriations act limitation on obligations: |   |           |           |    |
| 1111   | Direct loan obligations from current-year authority ..... | 2         | 2         | 2  |
| 1150   | Total direct loan obligations .....                       | 2         | 2         | 2  |
| Cumulative balance of direct loans outstanding:                        |   |           |           |    |
| 1210   | Outstanding, start of year .....                          | 1         | 1         | 1  |
| 1231   | Disbursements: Direct loan disbursements .....            | 2         | 2         | 2  |
| 1251   | Repayments: Repayments and prepayments .....              | -2        | -2        | -2 |
| 1290   | Outstanding, end of year .....                            | 1         | 1         | 1  |

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

|                                      |  |             |   |
|--------------------------------------|--|-------------|---|
| Identification code 036-4112-0-3-702 |  |             |   |
|                                      | 2016 actual  | 2017 actual |   |
| <b>ASSETS:</b>                       |  |             |   |
| Federal assets:                      |  |             |   |
| Investments in US securities:        |  |             |   |
| 1104                                 | Investments US Securities .....  |             |   |
| 1401                                 | Net value of assets related to post-1991 direct loans receivable: Direct loans receivable, gross ..... | 2           | 1 |
| 1999                                 | Total assets .....   | 2           | 1 |
| <b>LIABILITIES:</b>                  |  |             |   |
| 2103                                 | Federal liabilities: Debt .....  | 2           | 1 |
| 4999                                 | Total liabilities and net position .....   | 2           | 1 |

**Trust Funds**

POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT

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

|                                      |  |           |           |    |
|--------------------------------------|--|-----------|-----------|----|
| Identification code 036-8133-0-7-702 |  |           |           |    |
|                                      | 2017 actual                                      | 2018 est. | 2019 est. |    |
| <b>Budgetary resources:</b>          |  |           |           |    |
| Unobligated balance:                 |  |           |           |    |
| 1000                                 | Unobligated balance brought forward, Oct 1 ..... | 62        | 62        | 62 |
| 1930                                 | Total budgetary resources available .....        | 62        | 62        | 62 |
| Memorandum (non-add) entries:        |  |           |           |    |
| 1941                                 | Unexpired unobligated balance, end of year ..... | 62        | 62        | 62 |
| <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 was established under Public Law 94-502, Veterans' Education and Employment Assistance Act, 1976. This program consists of voluntary contributions by eligible servicemembers and matching contributions provided by the Department of Defense and provides educational assistance payments to participants who entered the service after December

POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT—Continued  
31, 1976. 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. The estimated activity in the fund follows:

**CONTRIBUTIONS, PARTICIPANTS, DISENROLLMENTS, REFUNDS AND TRAINEES**

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Total program obligations (in thousands) .....      | \$161       | \$154     | \$147     |
| Number of disenrollments .....                      | 81          | 77        | 73        |
| Total refunds (in thousands) .....                  | \$159       | \$151     | \$144     |
| Average Refund .....                                | \$1,968     | \$1,968   | \$1,968   |
| Total trainees .....                                | 1           | 1         | 1         |
| Total trainee cost (in thousands) .....             | \$1         | \$1       | \$1       |
| Average trainee cost .....                          | \$1,922     | \$1,798   | \$1,893   |
| Section 901 trainees .....                          | 0           | 1         | 1         |
| Total Section 901 trainee cost (in thousands) ..... | \$0         | \$1       | \$1       |
| Average Section 901 trainee cost .....              | \$0         | \$1,033   | \$1,000   |

**NATIONAL SERVICE LIFE INSURANCE FUND**

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

| Identification code 036–8132–0–7–701             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 0100 Balance, start of year .....                | 3,400       | 2,851     | 2,345     |
| Receipts:  |             |           |           |
| Current law:                                     |             |           |           |
| 1130 NSLI Fund, Premium and Other Receipts ..... | 58          | 43        | 35        |
| 1140 NSLI Fund, Interest .....                   | 153         | 127       | 104       |
| 1199 Total current law receipts .....            | 211         | 170       | 139       |
| 1999 Total receipts .....                        | 211         | 170       | 139       |
| 2000 Total: Balances and receipts .....          | 3,611       | 3,021     | 2,484     |
| Appropriations:                                  |             |           |           |
| Current law:                                     |             |           |           |
| 2101 National Service Life Insurance Fund .....  | –211        | –170      | –139      |
| 2103 National Service Life Insurance Fund .....  | –549        | –506      | –454      |
| 2199 Total current law appropriations .....      | –760        | –676      | –593      |
| 2999 Total appropriations .....                  | –760        | –676      | –593      |
| 5099 Balance, end of year .....                  | 2,851       | 2,345     | 1,891     |

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

| Identification code 036–8132–0–7–701                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                   |             |           |           |
| 0001 Death claims .....                                   | 531         | 462       | 396       |
| 0002 Disability claims .....                              | 3           | 2         | 2         |
| 0003 Matured endowments .....                             | 98          | 112       | 109       |
| 0004 Cash surrenders .....                                | 40          | 18        | 16        |
| 0005 Dividends .....                                      | 42          | 33        | 28        |
| 0006 Interest paid on dividend credits and deposits ..... | 23          | 22        | 18        |
| 0007 Payment to general operating expenses .....          | 12          | 13        | 12        |
| 0091 Total operating expenses .....                       | 749         | 662       | 581       |
| 0201 Capital investment: Policy loans .....               | 10          | 14        | 13        |
| 0799 Total direct obligations .....                       | 759         | 676       | 594       |
| 0801 Death claims .....                                   | 36          | 42        | 35        |
| 0803 Matured endowments .....                             | 6           | 10        | 9         |
| 0804 Cash surrenders .....                                | 3           | 2         | 1         |
| 0805 Dividends .....                                      | 3           | 3         | 2         |
| 0806 Interest paid on dividend credits and deposits ..... | 2           | 2         | 2         |
| 0807 Payment to general operating expenses .....          | 1           | 1         | 1         |
| 0899 Total reimbursable obligations .....                 | 51          | 60        | 50        |
| 0900 Total new obligations, unexpired accounts .....      | 810         | 736       | 644       |
| <b>Budgetary resources:</b>                               |             |           |           |
| Unobligated balance:                                      |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....     |             | 1         | 1         |
| Budget authority:   |             |           |           |
| Appropriations, mandatory:                                |             |           |           |
| 1201 Appropriation (special or trust fund) .....          | 211         | 170       | 139       |
| 1203 Appropriation (previously unavailable) .....         | 549         | 506       | 454       |
| 1260 Appropriations, mandatory (total) .....              | 760         | 676       | 593       |

|  |       |       |       |
|--|-------|-------|-------|
| Spending authority from offsetting collections, mandatory:       |       |       |       |
| 1800 Collected .....   | 51    | 60    | 51    |
| 1900 Budget authority (total) .....                              | 811   | 736   | 644   |
| 1930 Total budgetary resources available .....                   | 811   | 737   | 645   |
| Memorandum (non-add) entries:                                    |       |       |       |
| 1941 Unexpired unobligated balance, end of year .....            | 1     | 1     | 1     |
| <b>Change in obligated balance:</b>                              |       |       |       |
| Unpaid obligations:  |       |       |       |
| 3000 Unpaid obligations, brought forward, Oct 1 .....            | 854   | 761   | 642   |
| 3010 New obligations, unexpired accounts .....                   | 810   | 736   | 644   |
| 3020 Outlays (gross) .....                                       | –903  | –855  | –749  |
| 3050 Unpaid obligations, end of year .....                       | 761   | 642   | 537   |
| Memorandum (non-add) entries:                                    |       |       |       |
| 3100 Obligated balance, start of year .....                      | 854   | 761   | 642   |
| 3200 Obligated balance, end of year .....                        | 761   | 642   | 537   |
| <b>Budget authority and outlays, net:</b>                        |       |       |       |
| Mandatory:   |       |       |       |
| 4090 Budget authority, gross .....                               | 811   | 736   | 644   |
| Outlays, gross:  |       |       |       |
| 4100 Outlays from new mandatory authority .....                  | 262   | 132   | 296   |
| 4101 Outlays from mandatory balances .....                       | 641   | 723   | 453   |
| 4110 Outlays, gross (total) .....                                | 903   | 855   | 749   |
| Offsets against gross budget authority and outlays:              |       |       |       |
| Offsetting collections (collected) from:                         |       |       |       |
| 4123 Non-Federal sources .....                                   | –51   | –60   | –51   |
| 4180 Budget authority, net (total) .....                         | 760   | 676   | 593   |
| 4190 Outlays, net (total) .....                                  | 852   | 795   | 698   |
| <b>Memorandum (non-add) entries:</b>                             |       |       |       |
| 5000 Total investments, SOY: Federal securities: Par value ..... | 4,246 | 3,604 | 2,901 |
| 5001 Total investments, EOY: Federal securities: Par value ..... | 3,604 | 2,901 | 2,341 |

*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**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Number of policies .....                       | 253,731     | 208,811   | 167,261   |
| Insurance in force (dollars in millions) ..... | \$3,218     | \$2,646   | \$2,110   |

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 \$3,114 million as of September 30, 2018 to \$2,549 million as of September 30, 2019. The actuarial estimate of policy obligations as of September 30, 2019, totals \$2,494 million, leaving a balance of \$55 million for contingency reserves.

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

| Identification code 036–8132–0–7–701                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Unexpended balance, start of year:                              |             |           |           |
| 0100 Balance, start of year .....                               | 4,254       | 3,613     | 2,988     |
| 0999 Total balance, start of year .....                         | 4,254       | 3,613     | 2,988     |
| Cash income during the year:                                    |             |           |           |
| Current law:  |             |           |           |
| Receipts:   |             |           |           |
| 1130 NSLI Fund, Premium and Other Receipts .....                | 58          | 43        | 35        |
| 1130 National Service Life Insurance Fund .....                 | 51          | 60        | 51        |
| 1150 NSLI Fund, Interest .....                                  | 153         | 127       | 104       |
| 1199 Income under present law .....                             | 262         | 230       | 190       |
| 1999 Total cash income .....                                    | 262         | 230       | 190       |
| Cash outgo during year:   |             |           |           |
| Current law:  |             |           |           |
| 2100 National Service Life Insurance Fund [029–25–8132–0] ..... | –903        | –855      | –749      |

|      |   |       |       |       |
|------|---|-------|-------|-------|
| 2199 | Outgo under current law .....               | -903  | -855  | -749  |
| 2999 | Total cash outgo (-) .....                  | -903  | -855  | -749  |
|      | Surplus or deficit:                         |       |       |       |
| 3110 | Excluding interest .....                    | -794  | -752  | -663  |
| 3120 | Interest .....                              | 153   | 127   | 104   |
| 3199 | Subtotal, surplus or deficit .....          | -641  | -625  | -559  |
| 3999 | Total change in fund balance .....          | -641  | -625  | -559  |
|      | Unexpended balance, end of year:            |       |       |       |
| 4100 | Uninvested balance (net), end of year ..... | 9     | 87    | 88    |
| 4200 | National Service Life Insurance Fund .....  | 3,604 | 2,901 | 2,341 |
| 4999 | Total balance, end of year .....            | 3,613 | 2,988 | 2,429 |

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

| Identification code 036-8132-0-7-701 | 2017 actual                                     | 2018 est. | 2019 est. |     |
|--------------------------------------|---|-----------|-----------|-----|
| <b>Direct obligations:</b>           |   |           |           |     |
| 33.0                                 | Investments and loans .....                     | 10        | 14        | 13  |
| 42.0                                 | Insurance claims and indemnities .....          | 672       | 594       | 522 |
| 43.0                                 | Interest and dividends .....                    | 77        | 68        | 58  |
| 99.0                                 | Direct obligations .....                        | 759       | 676       | 593 |
| 99.0                                 | Reimbursable obligations .....                  | 51        | 60        | 51  |
| 99.9                                 | Total new obligations, unexpired accounts ..... | 810       | 736       | 644 |

**UNITED STATES GOVERNMENT LIFE INSURANCE FUND**

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

| Identification code 036-8150-0-7-701 | 2017 actual  | 2018 est. | 2019 est. |   |
|--------------------------------------|--|-----------|-----------|---|
| 0100                                 | Balance, start of year .....                       | 3         | 2         | 2 |
| 2000                                 | Total: Balances and receipts .....                 | 3         | 2         | 2 |
|                                      | Appropriations:                                    |           |           |   |
|                                      | Current law:                                       |           |           |   |
| 2103                                 | United States Government Life Insurance Fund ..... | -1        |           |   |
| 5099                                 | Balance, end of year .....                         | 2         | 2         | 2 |

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

| Identification code 036-8150-0-7-701    | 2017 actual   | 2018 est. | 2019 est. |  |
|---|---|-----------|-----------|--|
| <b>Obligations by program activity:</b> |   |           |           |  |
| 0001                                    | Death claims .....  | 1         |           |  |
| 0900                                    | Total new obligations, unexpired accounts (object class 43.0) ..... | 1         |           |  |
| <b>Budgetary resources:</b>             |   |           |           |  |
| Budget authority:                       |   |           |           |  |
| Appropriations, mandatory:              |   |           |           |  |
| 1203                                    | Appropriation (previously unavailable) .....                        | 1         |           |  |
| 1900                                    | Budget authority (total) .....                                      | 1         |           |  |
| 1930                                    | Total budgetary resources available .....                           | 1         |           |  |

**Change in obligated balance:**

|                               |  |    |    |   |
|-------------------------------|--|----|----|---|
| Unpaid obligations:           |  |    |    |   |
| 3000                          | Unpaid obligations, brought forward, Oct 1 ..... | 2  | 2  | 1 |
| 3010                          | New obligations, unexpired accounts .....        | 1  |    |   |
| 3020                          | Outlays (gross) .....                            | -1 | -1 |   |
| 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 |

**Budget authority and outlays, net:**

|                 |                                       |   |   |  |
|-----------------|---------------------------------------|---|---|--|
| Mandatory:      |                                       |   |   |  |
| 4090            | Budget authority, gross .....         | 1 |   |  |
| Outlays, gross: |                                       |   |   |  |
| 4101            | Outlays from mandatory balances ..... | 1 | 1 |  |
| 4180            | Budget authority, net (total) .....   | 1 |   |  |
| 4190            | Outlays, net (total) .....            | 1 | 1 |  |

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

|      |   |   |   |   |
|------|---|---|---|---|
| 5000 | Total investments, SOY: Federal securities: Par value ..... | 4 | 3 | 2 |
| 5001 | Total investments, EOY: Federal securities: Par value ..... | 3 | 2 | 2 |

*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**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Number of policies .....                       | 124         | 36        | 0         |
| Insurance in force (dollars in millions) ..... | \$3         | \$0.04    | \$0.003   |

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 \$2.2 million as of September 30, 2018, to \$1.8 million as of September 30, 2019, as an increasing number of policies mature through death or disability. The actuarial evaluation of policy obligations as of September 30, 2019, totals \$1.4 million, leaving a balance of \$.4 million for contingency reserves.

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

| Identification code 036-8150-0-7-701 | 2017 actual  | 2018 est. | 2019 est. |   |
|--------------------------------------|--|-----------|-----------|---|
| Unexpended balance, start of year:   |  |           |           |   |
| 0100                                 | Balance, start of year .....                                       | 4         | 3         | 2 |
| 0999                                 | Total balance, start of year .....                                 | 4         | 3         | 2 |
| Cash outgo during year:              |  |           |           |   |
| Current law:                         |  |           |           |   |
| 2100                                 | United States Government Life Insurance Fund [029-25-8150-0] ..... | -1        | -1        |   |
| 2199                                 | Outgo under current law .....                                      | -1        | -1        |   |
| 2999                                 | Total cash outgo (-) .....   | -1        | -1        |   |
| Surplus or deficit:                  |  |           |           |   |
| 3110                                 | Excluding interest .....   | -1        | -1        |   |
| 3199                                 | Subtotal, surplus or deficit .....                                 | -1        | -1        |   |
| 3999                                 | Total change in fund balance .....                                 | -1        | -1        |   |
| Unexpended balance, end of year:     |  |           |           |   |
| 4100                                 | Uninvested balance (net), end of year .....                        |           |           |   |
| 4200                                 | United States Government Life Insurance Fund .....                 | 3         | 2         | 2 |
| 4999                                 | Total balance, end of year .....                                   | 3         | 2         | 2 |

**VETERANS SPECIAL LIFE INSURANCE FUND**

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

| Identification code 036-8455-0-8-701    | 2017 actual                                     | 2018 est. | 2019 est. |     |
|---|---|-----------|-----------|-----|
| <b>Obligations by program activity:</b> |   |           |           |     |
| 0801                                    | Death claims .....                              | 130       | 141       | 140 |
| 0802                                    | Cash surrenders .....                           | 13        | 6         | 6   |
| 0803                                    | Dividends .....                                 | 29        | 25        | 20  |
| 0804                                    | All other .....                                 | 18        | 18        | 16  |
| 0805                                    | Payments to insurance account .....             | 6         | 7         | 8   |
| 0806                                    | Capital investment .....                        | 6         | 6         | 6   |
| 0900                                    | Total new obligations, unexpired accounts ..... | 202       | 203       | 196 |

**Budgetary resources:**

|  |   |       |       |       |
|--|---|-------|-------|-------|
| Unobligated balance:                                       |   |       |       |       |
| 1000   | Unobligated balance brought forward, Oct 1 .....              | 1,294 | 1,210 | 1,106 |
| Budget authority:  |   |       |       |       |
| Spending authority from offsetting collections, mandatory: |   |       |       |       |
| 1800   | Collected .....   | 120   | 99    | 87    |
| 1801   | Change in uncollected payments, Federal sources .....         | -2    |       |       |
| 1850   | Spending auth from offsetting collections, mand (total) ..... | 118   | 99    | 87    |
| 1930   | Total budgetary resources available .....                     | 1,412 | 1,309 | 1,193 |
| Memorandum (non-add) entries:                              |   |       |       |       |
| 1941   | Unexpired unobligated balance, end of year .....              | 1,210 | 1,106 | 997   |

VETERANS SPECIAL LIFE INSURANCE FUND—Continued  
Program and Financing—Continued

| Identification code 036-8455-0-8-701                                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Unpaid obligations:  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                | 428         | 413       | 418       |
| 3010 New obligations, unexpired accounts .....                       | 202         | 203       | 196       |
| 3020 Outlays (gross) .....   | -217        | -198      | -174      |
| 3050 Unpaid obligations, end of year .....                           | 413         | 418       | 440       |
| Uncollected payments:  |             |           |           |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....    | -20         | -18       | -18       |
| 3070 Change in uncollected pymts, Fed sources, unexpired .....       | 2           |           |           |
| 3090 Uncollected pymts, Fed sources, end of year .....               | -18         | -18       | -18       |
| Memorandum (non-add) entries:  |             |           |           |
| 3100 Obligated balance, start of year .....                          | 408         | 395       | 400       |
| 3200 Obligated balance, end of year .....                            | 395         | 400       | 422       |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Mandatory:   |             |           |           |
| 4090 Budget authority, gross .....                                   | 118         | 99        | 87        |
| Outlays, gross:  |             |           |           |
| 4100 Outlays from new mandatory authority .....                      | 118         | 99        | 87        |
| 4101 Outlays from mandatory balances .....                           | 99          | 99        | 87        |
| 4110 Outlays, gross (total) .....                                    | 217         | 198       | 174       |
| Offsets against gross budget authority and outlays:                  |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4121 Interest on Federal securities .....                            | -78         | -68       | -60       |
| 4123 Non-Federal sources .....                                       | -13         | -11       | -10       |
| 4123 Non-Federal sources .....                                       | -26         | -17       | -15       |
| 4123 Non-Federal sources .....                                       | -3          | -3        | -2        |
| 4130 Offsets against gross budget authority and outlays (total) .... | -120        | -99       | -87       |
| Additional offsets against gross budget authority only:              |             |           |           |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....       | 2           |           |           |
| 4170 Outlays, net (mandatory) .....                                  | 97          | 99        | 87        |
| 4180 Budget authority, net (total) .....                             |             |           |           |
| 4190 Outlays, net (total) .....                                      | 97          | 99        | 87        |
| <b>Memorandum (non-add) entries:</b>                                 |             |           |           |
| 5000 Total investments, SOY: Federal securities: Par value .....     | 1,700       | 1,603     | 1,465     |
| 5001 Total investments, EOY: Federal securities: Par value .....     | 1,603       | 1,465     | 1,328     |

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.

**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**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Number of policies .....                       | 101,004     | 91,099    | 81,313    |
| Insurance in force (dollars in millions) ..... | \$1,476     | \$1,345   | \$1,210   |

**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 | 2017 actual | 2018 est. | 2019 est. |
|--------------------------------------|-------------|-----------|-----------|
| Reimbursable obligations:            |             |           |           |
| 33.0 Investments and loans .....     | 6           | 6         | 6         |

|      |   |     |     |     |
|------|---|-----|-----|-----|
| 42.0 | Insurance claims and indemnities .....          | 151 | 156 | 155 |
| 43.0 | Interest and dividends .....                    | 45  | 41  | 35  |
| 99.9 | Total new obligations, unexpired accounts ..... | 202 | 203 | 196 |

**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, \$1,127,486,000; of which \$647,486,000 shall remain available until September 30, 2023; and of which \$480,000,000 shall remain available until expended, of which \$400,000,000 shall be available for seismic improvement projects and seismic program management activities regardless of the estimated costs of the project: 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, and construction funds for gravesite expansion projects at existing National Cemeteries, and seismic improvement projects and program management activities of any amount, none of the funds made available under this heading shall be used for any project that has not been notified to Congress through the budgetary process or that has not been approved by the Congress 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 2019, for each approved project shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2019; and (2) by the awarding of a construction contract by September 30, 2020: 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 notwithstanding the requirements of section 8104(a) of title 38, United States Code, amounts made available under this heading for seismic improvement projects and seismic program management activities shall be available for the completion of both new and existing seismic projects of the Department: Provided further, That, of the amount made available under this heading, \$190,000,000 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.*

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-0110-0-1-703                                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Medical programs .....  | 600         | 914       | 940       |
| 0002 National cemeteries .....                                       | 154         | 207       | 269       |
| 0005 Staff offices .....   | 8           | 8         | 8         |
| 0799 Total direct obligations .....                                  | 762         | 1,129     | 1,217     |
| 0900 Total new obligations, unexpired accounts .....                 | 762         | 1,129     | 1,217     |
| <b>Budgetary resources:</b>  |             |           |           |
| Unobligated balance:   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 2,062       | 1,654     | 1,049     |
| 1021 Recoveries of prior year unpaid obligations .....               | 48          |           |           |
| 1050 Unobligated balance (total) .....                               | 2,110       | 1,654     | 1,049     |
| Budget authority:  |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....   | 326         | 524       | 1,127     |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -20         |           |           |
| 1160 Appropriation, discretionary (total) .....                      | 306         | 524       | 1,127     |
| 1900 Budget authority (total) .....                                  | 306         | 524       | 1,127     |
| 1930 Total budgetary resources available .....                       | 2,416       | 2,178     | 2,176     |
| Memorandum (non-add) entries:  |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 1,654       | 1,049     | 959       |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Unpaid obligations:  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                | 880         | 856       | 486       |
| 3010 New obligations, unexpired accounts .....                       | 762         | 1,129     | 1,217     |
| 3011 Obligations ("upward adjustments"), expired accounts .....      | 1           |           |           |
| 3020 Outlays (gross) .....   | -738        | -1,499    | -1,410    |
| 3040 Recoveries of prior year unpaid obligations, unexpired .....    | -48         |           |           |
| 3041 Recoveries of prior year unpaid obligations, expired .....      | -1          |           |           |
| 3050 Unpaid obligations, end of year .....                           | 856         | 486       | 293       |
| Memorandum (non-add) entries:  |             |           |           |
| 3100 Obligated balance, start of year .....                          | 880         | 856       | 486       |
| 3200 Obligated balance, end of year .....                            | 856         | 486       | 293       |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:   |             |           |           |
| 4000 Budget authority, gross .....                                   | 306         | 524       | 1,127     |
| Outlays, gross:  |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 21          | 366       | 788       |
| 4011 Outlays from discretionary balances .....                       | 717         | 1,133     | 622       |
| 4020 Outlays, gross (total) .....                                    | 738         | 1,499     | 1,410     |
| 4180 Budget authority, net (total) .....                             | 306         | 524       | 1,127     |
| 4190 Outlays, net (total) .....                                      | 738         | 1,499     | 1,410     |

The Construction, Major Projects appropriation funds construction projects currently costing more than \$10 million. Proposed legislation would raise this threshold to \$20 million. Funding is requested to complete a new spinal cord injury unit in Dallas, TX; construction of a community based outpatient clinic and renovation of the domiciliary in Canandaigua, NY; and a cemetery expansion at the St. Louis, MO medical facility. In addition, three expansions at existing national cemeteries in Rittman, OH; Mims, FL; and Holly, MI will be funded. Funds are also requested for salaries and associated expenses of resident engineers and contracting officers who oversee the Department's capital investments and to support advance planning and design activities, and to fund seismic correction, asbestos and hazardous waste abatement projects.

\$244 million of funds appropriated in 2017 are not reflected in the available balance in the tables. These funds will become available for use once VA meets the specific conditions required by law (P.L. 114-113) and the funds are made available by the Treasury.

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

| Identification code 036-0110-0-1-703                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 25.2 Other services from non-Federal sources .....       | 30          | 40        | 40        |
| 25.3 Other goods and services from Federal sources ..... | 26          | 26        | 26        |
| 32.0 Land and structures .....                           | 706         | 1,063     | 1,151     |

|      |   |     |       |       |
|------|---|-----|-------|-------|
| 99.0 | Direct obligations .....                        | 762 | 1,129 | 1,217 |
| 99.9 | Total new obligations, unexpired accounts ..... | 762 | 1,129 | 1,217 |

**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, \$706,889,000, to remain available until September 30, 2023, 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.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-0111-0-1-703                              | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0001 Medical programs .....                                       | 390         | 296       | 385       |
| 0002 National cemeteries .....                                    | 81          | 88        | 155       |
| 0003 Regional offices .....                                       | 40          | 97        | 65        |
| 0004 Staff offices .....  | 24          | 23        | 41        |
| 0005 Choice Act, P.L. 113-146, Sec. 801 .....                     | 72          | 82        |           |
| 0900 Total new obligations, unexpired accounts .....              | 607         | 586       | 646       |
| <b>Budgetary resources:</b>                                       |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 673         | 535       | 318       |
| 1021 Recoveries of prior year unpaid obligations .....            | 96          |           |           |
| 1033 Recoveries of prior year paid obligations .....              | 1           |           |           |
| 1050 Unobligated balance (total) .....                            | 770         | 535       | 318       |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....  | 372         | 369       | 707       |
| 1900 Budget authority (total) .....                               | 372         | 369       | 707       |
| 1930 Total budgetary resources available .....                    | 1,142       | 904       | 1,025     |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 535         | 318       | 379       |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 999         | 947       | 1,168     |
| 3010 New obligations, unexpired accounts .....                    | 607         | 586       | 646       |
| 3020 Outlays (gross) .....  | -563        | -365      | -417      |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -96         |           |           |
| 3050 Unpaid obligations, end of year .....                        | 947         | 1,168     | 1,397     |
| Memorandum (non-add) entries:                                     |             |           |           |
| 3100 Obligated balance, start of year .....                       | 999         | 947       | 1,168     |
| 3200 Obligated balance, end of year .....                         | 947         | 1,168     | 1,397     |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Discretionary:  |             |           |           |
| 4000 Budget authority, gross .....                                | 372         | 369       | 707       |
| Outlays, gross:   |             |           |           |
| 4010 Outlays from new discretionary authority .....               | 18          | 67        | 128       |
| 4011 Outlays from discretionary balances .....                    | 457         | 260       | 251       |
| 4020 Outlays, gross (total) .....                                 | 475         | 327       | 379       |
| Offsets against gross budget authority and outlays:               |             |           |           |
| Offsetting collections (collected) from:                          |             |           |           |
| 4033 Non-Federal sources .....                                    | -1          |           |           |

CONSTRUCTION, MINOR PROJECTS—Continued  
Program and Financing—Continued

| Identification code 036-0111-0-1-703                                     | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Additional offsets against gross budget authority only:                  |             |           |           |
| 4053 Recoveries of prior year paid obligations, unexpired accounts ..... | 1           |           |           |
| 4070 Budget authority, net (discretionary) .....                         | 372         | 369       | 707       |
| 4080 Outlays, net (discretionary) .....                                  | 474         | 327       | 379       |
| Mandatory:   |             |           |           |
| Outlays, gross:  |             |           |           |
| 4101 Outlays from mandatory balances .....                               | 88          | 38        | 38        |
| 4180 Budget authority, net (total) .....                                 | 372         | 369       | 707       |
| 4190 Outlays, net (total) .....  | 562         | 365       | 417       |

The Construction, Minor Projects appropriation, which funds construction projects costing equal to or less than \$10 million. Pending legislation will raise the dollar threshold for this account to projects costing \$20 million or less. This account 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                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Direct obligations:                                  |             |           |           |
| 25.2 Other services from non-Federal sources .....   | 20          | 20        | 20        |
| 31.0 Equipment .....                                 | 10          | 10        | 10        |
| 32.0 Land and structures .....                       | 577         | 556       | 616       |
| 99.9 Total new obligations, unexpired accounts ..... | 607         | 586       | 646       |

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, \$150,000,000, to remain available until expended.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036-0181-0-1-703                                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Grants for construction of state extended care facilities ..... | 32          | 197       | 155       |
| 0900 Total new obligations (object class 41.0) .....                 | 32          | 197       | 155       |
| <b>Budgetary resources:</b>  |             |           |           |
| Unobligated balance:   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 23          | 92        | 10        |
| 1021 Recoveries of prior year unpaid obligations .....               | 11          | 26        | 10        |
| 1050 Unobligated balance (total) .....                               | 34          | 118       | 20        |
| Budget authority:  |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....   | 90          | 89        | 150       |
| 1930 Total budgetary resources available .....                       | 124         | 207       | 170       |
| Memorandum (non-add) entries:  |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 92          | 10        | 15        |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Unpaid obligations:  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                | 312         | 194       | 256       |
| 3010 New obligations, unexpired accounts .....                       | 32          | 197       | 155       |
| 3020 Outlays (gross) .....   | -139        | -109      | -105      |
| 3040 Recoveries of prior year unpaid obligations, unexpired .....    | -11         | -26       | -10       |
| 3050 Unpaid obligations, end of year .....                           | 194         | 256       | 296       |
| Memorandum (non-add) entries:  |             |           |           |
| 3100 Obligated balance, start of year .....                          | 312         | 194       | 256       |

|   |     |     |     |
|---|-----|-----|-----|
| 3200 Obligated balance, end of year .....           | 194 | 256 | 296 |
| <b>Budget authority and outlays, net:</b>           |     |     |     |
| Discretionary:                                      |     |     |     |
| 4000 Budget authority, gross .....                  | 90  | 89  | 150 |
| Outlays, gross:                                     |     |     |     |
| 4010 Outlays from new discretionary authority ..... |     | 2   | 3   |
| 4011 Outlays from discretionary balances .....      | 139 | 107 | 102 |
| 4020 Outlays, gross (total) .....                   | 139 | 109 | 105 |
| 4180 Budget authority, net (total) .....            | 90  | 89  | 150 |
| 4190 Outlays, net (total) .....                     | 139 | 109 | 105 |

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, \$45,000,000, to remain available until expended.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036-0183-0-1-705                              | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0001 Grants for construction of state veterans cemeteries .....   | 53          | 45        | 45        |
| 0900 Total new obligations (object class 41.0) .....              | 53          | 45        | 45        |
| <b>Budgetary resources:</b>                                       |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 9           | 4         | 7         |
| 1021 Recoveries of prior year unpaid obligations .....            | 3           | 3         | 3         |
| 1050 Unobligated balance (total) .....                            | 12          | 7         | 10        |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....  | 45          | 45        | 45        |
| 1930 Total budgetary resources available .....                    | 57          | 52        | 55        |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 4           | 7         | 10        |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 87          | 96        | 114       |
| 3010 New obligations, unexpired accounts .....                    | 53          | 45        | 45        |
| 3020 Outlays (gross) .....  | -41         | -24       | -68       |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -3          | -3        | -3        |
| 3050 Unpaid obligations, end of year .....                        | 96          | 114       | 88        |
| Memorandum (non-add) entries:                                     |             |           |           |
| 3100 Obligated balance, start of year .....                       | 87          | 96        | 114       |
| 3200 Obligated balance, end of year .....                         | 96          | 114       | 88        |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Discretionary:  |             |           |           |
| 4000 Budget authority, gross .....                                | 45          | 45        | 45        |
| Outlays, gross:   |             |           |           |
| 4010 Outlays from new discretionary authority .....               |             | 24        | 24        |
| 4011 Outlays from discretionary balances .....                    | 41          |           | 44        |
| 4020 Outlays, gross (total) .....                                 | 41          | 24        | 68        |
| 4180 Budget authority, net (total) .....                          | 45          | 45        | 45        |
| 4190 Outlays, net (total) .....                                   | 41          | 24        | 68        |

**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, \$367,629,000, of which not to exceed 5 percent shall remain available until September 30, 2020: Provided, That funds provided under this heading may be transferred to "General Operating Expenses, Veterans Benefits Administration".

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036–0142–0–1–705                                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                   |             |           |           |
| 0014 General administration   | 334         | 352       | 368       |
| 0806 General administration, reimbursable program                         | 297         | 390       | 406       |
| 0900 Total new obligations, unexpired accounts                            | 631         | 742       | 774       |
| <b>Budgetary resources:</b>   |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                           | 9           | 11        | 2         |
| 1012 Unobligated balance transfers between expired and unexpired accounts | 3           |           |           |
| 1050 Unobligated balance (total)  | 12          | 11        | 2         |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:  |             |           |           |
| 1100 Appropriation  | 345         | 343       | 368       |
| Spending authority from offsetting collections, discretionary:            |             |           |           |
| 1700 Collected  | 283         | 390       | 406       |
| 1701 Change in uncollected payments, Federal sources                      | 14          |           |           |
| 1750 Spending auth from offsetting collections, disc (total)              | 297         | 390       | 406       |
| 1900 Budget authority (total)   | 642         | 733       | 774       |
| 1930 Total budgetary resources available                                  | 654         | 744       | 776       |
| Memorandum (non-add) entries:   |             |           |           |
| 1940 Unobligated balance expiring   | –12         |           |           |
| 1941 Unexpired unobligated balance, end of year                           | 11          | 2         | 2         |
| <b>Change in obligated balance:</b>                                       |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1                           | 204         | 128       | 87        |
| 3010 New obligations, unexpired accounts                                  | 631         | 742       | 774       |
| 3011 Obligations ("upward adjustments"), expired accounts                 | 15          |           |           |
| 3020 Outlays (gross)  | –688        | –783      | –757      |
| 3041 Recoveries of prior year unpaid obligations, expired                 | –34         |           |           |
| 3050 Unpaid obligations, end of year                                      | 128         | 87        | 104       |
| Uncollected payments:   |             |           |           |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1               | –1          | –15       | –15       |
| 3070 Change in uncollected pymts, Fed sources, unexpired                  | –14         |           |           |
| 3090 Uncollected pymts, Fed sources, end of year                          | –15         | –15       | –15       |
| Memorandum (non-add) entries:   |             |           |           |
| 3100 Obligated balance, start of year                                     | 203         | 113       | 72        |
| 3200 Obligated balance, end of year                                       | 113         | 72        | 89        |
| <b>Budget authority and outlays, net:</b>                                 |             |           |           |
| Discretionary:  |             |           |           |
| 4000 Budget authority, gross  | 642         | 733       | 774       |
| Outlays, gross:   |             |           |           |
| 4010 Outlays from new discretionary authority                             | 522         | 666       | 697       |
| 4011 Outlays from discretionary balances                                  | 166         | 117       | 60        |
| 4020 Outlays, gross (total)   | 688         | 783       | 757       |
| Offsets against gross budget authority and outlays:                       |             |           |           |
| Offsetting collections (collected) from:                                  |             |           |           |
| 4030 Federal sources  | –283        | –390      | –406      |
| 4033 Non-Federal sources  | –2          |           |           |
| 4040 Offsets against gross budget authority and outlays (total)           | –285        | –390      | –406      |
| Additional offsets against gross budget authority only:                   |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired                  | –14         |           |           |
| 4052 Offsetting collections credited to expired accounts                  | 2           |           |           |
| 4060 Additional offsets against budget authority only (total)             | –12         |           |           |

|  |     |     |     |
|--|-----|-----|-----|
| 4070 Budget authority, net (discretionary) | 345 | 343 | 368 |
| 4080 Outlays, net (discretionary)          | 403 | 393 | 351 |
| 4180 Budget authority, net (total)         | 345 | 343 | 368 |
| 4190 Outlays, net (total)                  | 403 | 393 | 351 |

*General Administration.*—Includes departmental executive direction, departmental support offices, the Office of General Counsel, and the Office of Accountability and Whistleblower Protection. 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                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| Direct obligations:                                       |             |           |           |
| Personnel compensation:                                   |             |           |           |
| 11.1 Full-time permanent                                  | 189         | 205       | 219       |
| 11.5 Other personnel compensation                         | 3           | 2         | 3         |
| 11.9 Total personnel compensation                         | 192         | 207       | 222       |
| 12.1 Civilian personnel benefits                          | 65          | 66        | 70        |
| 21.0 Travel and transportation of persons                 | 4           | 6         | 6         |
| 23.2 Rental payments to others                            | 8           | 21        | 21        |
| 23.3 Communications, utilities, and miscellaneous charges | 2           |           |           |
| 25.2 Other services from non-Federal sources              | 62          | 49        | 47        |
| 26.0 Supplies and materials                               | 1           | 1         | 1         |
| 31.0 Equipment  |             | 2         | 1         |
| 99.0 Direct obligations                                   | 334         | 352       | 368       |
| 99.0 Reimbursable obligations                             | 297         | 390       | 406       |
| 99.9 Total new obligations, unexpired accounts            | 631         | 742       | 774       |

**Employment Summary**

| Identification code 036–0142–0–1–705                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment       | 1,662       | 1,816     | 1,933     |
| 2001 Reimbursable civilian full-time equivalent employment | 862         | 1,121     | 1,102     |

**BOARD OF VETERANS APPEALS**

For necessary operating expenses of the Board of Veterans Appeals, \$174,748,000, of which not to exceed 10 percent shall remain available until September 30, 2020.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036–1122–0–1–705                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                   |             |           |           |
| 0014 Board of Veterans' Appeals                           | 131         | 170       | 175       |
| <b>Budgetary resources:</b>                               |             |           |           |
| Unobligated balance:                                      |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1           | 3           | 15        |           |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:                            |             |           |           |
| 1100 Appropriation  | 156         | 155       | 175       |
| 1120 Appropriations transferred to other acct [036–0151]  | –10         |           |           |
| 1160 Appropriation, discretionary (total)                 | 146         | 155       | 175       |
| 1930 Total budgetary resources available                  | 149         | 170       | 175       |
| Memorandum (non-add) entries:                             |             |           |           |
| 1940 Unobligated balance expiring                         | –3          |           |           |
| 1941 Unexpired unobligated balance, end of year           | 15          |           |           |
| <b>Change in obligated balance:</b>                       |             |           |           |
| Unpaid obligations:                                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1           | 10          | 10        | 30        |
| 3010 New obligations, unexpired accounts                  | 131         | 170       | 175       |
| 3020 Outlays (gross)                                      | –129        | –150      | –169      |
| 3041 Recoveries of prior year unpaid obligations, expired | –2          |           |           |
| 3050 Unpaid obligations, end of year                      | 10          | 30        | 36        |

BOARD OF VETERANS APPEALS—Continued  
Program and Financing—Continued

| Identification code 036-1122-0-1-705          | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Memorandum (non-add) entries:</b>          |             |           |           |
| 3100 Obligated balance, start of year         | 10          | 10        | 30        |
| 3200 Obligated balance, end of year           | 10          | 30        | 36        |
| <b>Budget authority and outlays, net:</b>     |             |           |           |
| <b>Discretionary:</b>                         |             |           |           |
| 4000 Budget authority, gross                  | 146         | 155       | 175       |
| <b>Outlays, gross:</b>                        |             |           |           |
| 4010 Outlays from new discretionary authority | 118         | 131       | 148       |
| 4011 Outlays from discretionary balances      | 11          | 19        | 21        |
| 4020 Outlays, gross (total)                   | 129         | 150       | 169       |
| 4180 Budget authority, net (total)            | 146         | 155       | 175       |
| 4190 Outlays, net (total)                     | 129         | 150       | 169       |

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. On August 23, 2017, the Veterans Appeals Improvement and Modernization Act of 2017 became law. This act reformed the current appeals process by moving away from a complex system with no predicable end and replacing it with a transparent, understandable process that provides veterans with clear options on their appeal after receiving their initial decision on a claim.

Object Classification (in millions of dollars)

| Identification code 036-1122-0-1-705           | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Direct obligations:</b>                     |             |           |           |
| <b>Personnel compensation:</b>                 |             |           |           |
| 11.1 Full-time permanent                       | 85          | 113       | 112       |
| 11.5 Other personnel compensation              | 2           | 2         | 2         |
| 11.9 Total personnel compensation              | 87          | 115       | 114       |
| 12.1 Civilian personnel benefits               | 27          | 36        | 37        |
| 21.0 Travel and transportation of persons      |             | 1         | 1         |
| 23.2 Rental payments to others                 | 11          | 9         | 4         |
| 25.2 Other services from non-Federal sources   | 6           | 8         | 18        |
| 41.0 Grants, subsidies, and contributions      |             | 1         | 1         |
| 99.9 Total new obligations, unexpired accounts | 131         | 170       | 175       |

Employment Summary

| Identification code 036-1122-0-1-705                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment | 840         | 1,105     | 1,025     |

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.), \$172,054,000, of which not to exceed 10 percent shall remain available until September 30, 2020.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 036-0170-0-1-705                                  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                               |             |           |           |
| 0101 Office of Inspector General (Direct)                             | 155         | 174       | 173       |
| 0192 Total direct program   | 155         | 174       | 173       |
| <b>Budgetary resources:</b>   |             |           |           |
| <b>Unobligated balance:</b>   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                       | 9           | 16        | 1         |
| <b>Budget authority:</b>  |             |           |           |
| <b>Appropriations, discretionary:</b>                                 |             |           |           |
| 1100 Appropriation  | 160         | 159       | 172       |
| <b>Spending authority from offsetting collections, discretionary:</b> |             |           |           |
| 1700 Collected  | 2           |           |           |
| 1900 Budget authority (total)   | 162         | 159       | 172       |
| 1930 Total budgetary resources available                              | 171         | 175       | 173       |
| <b>Memorandum (non-add) entries:</b>                                  |             |           |           |
| 1941 Unexpired unobligated balance, end of year                       | 16          | 1         |           |
| <b>Change in obligated balance:</b>                                   |             |           |           |
| <b>Unpaid obligations:</b>  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1                       | 17          | 20        | 41        |
| 3010 New obligations, unexpired accounts                              | 155         | 174       | 173       |
| 3011 Obligations ("upward adjustments"), expired accounts             | 5           |           |           |
| 3020 Outlays (gross)  | -150        | -153      | -165      |
| 3041 Recoveries of prior year unpaid obligations, expired             | -7          |           |           |
| 3050 Unpaid obligations, end of year                                  | 20          | 41        | 49        |
| <b>Memorandum (non-add) entries:</b>                                  |             |           |           |
| 3100 Obligated balance, start of year                                 | 17          | 20        | 41        |
| 3200 Obligated balance, end of year                                   | 20          | 41        | 49        |
| <b>Budget authority and outlays, net:</b>                             |             |           |           |
| <b>Discretionary:</b>   |             |           |           |
| 4000 Budget authority, gross  | 162         | 159       | 172       |
| <b>Outlays, gross:</b>  |             |           |           |
| 4010 Outlays from new discretionary authority                         | 131         | 118       | 129       |
| 4011 Outlays from discretionary balances                              | 19          | 35        | 36        |
| 4020 Outlays, gross (total)   | 150         | 153       | 165       |
| <b>Offsets against gross budget authority and outlays:</b>            |             |           |           |
| <b>Offsetting collections (collected) from:</b>                       |             |           |           |
| 4030 Federal sources  | -2          |           |           |
| 4180 Budget authority, net (total)                                    | 160         | 159       | 172       |
| 4190 Outlays, net (total)   | 148         | 153       | 165       |

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 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                      | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                |             |           |           |
| <b>Personnel compensation:</b>                            |             |           |           |
| 11.1 Full-time permanent                                  | 81          | 98        | 95        |
| 11.5 Other personnel compensation                         | 7           | 8         | 8         |
| 11.9 Total personnel compensation                         | 88          | 106       | 103       |
| 12.1 Civilian personnel benefits                          | 33          | 40        | 39        |
| 21.0 Employee Travel                                      | 7           | 7         | 7         |
| 23.1 Rental payments to GSA                               | 5           | 5         | 9         |
| 23.3 Communications, utilities, and miscellaneous charges | 4           |           |           |
| 25.2 Other services from non-Federal sources              | 14          | 13        | 12        |
| 31.0 Equipment  | 2           | 3         | 3         |
| 99.0 Direct obligations                                   | 153         | 174       | 173       |
| 99.0 Reimbursable obligations                             | 2           |           |           |

|      |   |     |     |     |
|------|---|-----|-----|-----|
| 99.9 | Total new obligations, unexpired accounts ..... | 155 | 174 | 173 |
|------|---|-----|-----|-----|

**Employment Summary**

| Identification code 036-0170-0-1-705                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 732         | 855       | 827       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 13          |           |           |

**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, \$4,184,571,000, plus reimbursements: Provided, That \$1,243,220,000 shall be for pay and associated costs, of which not to exceed \$36,100,000 shall remain available until September 30, 2020: Provided further, That \$2,560,780,000 shall be for operations and maintenance, of which not to exceed \$179,000,000 shall remain available until September 30, 2020: Provided further, That \$380,571,000 shall be for information technology systems development, and shall remain available until September 30, 2020: Provided further, That amounts made available for information technology systems development 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 may be transferred among the three subaccounts after the Secretary of Veterans Affairs submits notice thereof to the Committees on Appropriations of both Houses of Congress: Provided further, That amounts made available for the "Information Technology Systems" account for development may be transferred among projects or to newly defined projects: Provided further, That no project may be increased or decreased by more than \$3,000,000 of cost prior to submitting notice thereof to the Committees on Appropriations of both Houses of Congress.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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

| Identification code 036-0167-0-1-705                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| 0001 Development .....  | 533         | 538       | 381       |
| 0002 Operations and maintenance .....                           | 2,569       | 2,523     | 2,557     |
| 0003 Administrative and salaries .....                          | 1,233       | 1,276     | 1,239     |
| 0004 P.L. 113-146, Sec. 801 - IT Support .....                  | 114         | 118       |           |
| 0799 Total direct obligations .....                             | 4,449       | 4,455     | 4,177     |
| 0802 Operations and maintenance .....                           | 44          | 37        | 36        |
| 0803 Administrative and salaries .....                          | 9           | 12        | 13        |
| 0899 Total reimbursable obligations .....                       | 53          | 49        | 49        |
| 0900 Total new obligations, unexpired accounts .....            | 4,502       | 4,504     | 4,226     |
| <b>Budgetary resources:</b>                                     |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....           | 390         | 222       |           |
| 1021 Recoveries of prior year unpaid obligations .....          | 15          |           |           |
| 1033 Recoveries of prior year paid obligations .....            | 2           |           |           |
| 1050 Unobligated balance (total) .....                          | 407         | 222       |           |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:                                  |             |           |           |
| 1100 Appropriation .....  | 4,271       | 4,241     | 4,185     |
| 1120 Appropriations transferred to other accts [036-0169] ..... | -7          | -8        | -8        |
| 1160 Appropriation, discretionary (total) .....                 | 4,264       | 4,233     | 4,177     |
| Spending authority from offsetting collections, discretionary:  |             |           |           |
| 1700 Collected .....  | 54          | 49        | 49        |
| 1900 Budget authority (total) .....                             | 4,318       | 4,282     | 4,226     |
| 1930 Total budgetary resources available .....                  | 4,725       | 4,504     | 4,226     |

|   |     |  |  |
|---|-----|--|--|
| <b>Memorandum (non-add) entries:</b>                  |     |  |  |
| 1940 Unobligated balance expiring .....               | -1  |  |  |
| 1941 Unexpired unobligated balance, end of year ..... | 222 |  |  |

**Change in obligated balance:**

|   | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Unpaid obligations:</b>  |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 2,110       | 2,098     | 2,282     |
| 3010 New obligations, unexpired accounts .....                    | 4,502       | 4,504     | 4,226     |
| 3011 Obligations ("upward adjustments"), expired accounts .....   | 93          |           |           |
| 3020 Outlays (gross) .....  | -4,377      | -4,320    | -4,227    |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -15         |           |           |
| 3041 Recoveries of prior year unpaid obligations, expired .....   | -215        |           |           |
| 3050 Unpaid obligations, end of year .....                        | 2,098       | 2,282     | 2,281     |
| <b>Uncollected payments:</b>                                      |             |           |           |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -2          | -1        | -1        |
| 3071 Change in uncollected pymts, Fed sources, expired .....      | 1           |           |           |
| 3090 Uncollected pymts, Fed sources, end of year .....            | -1          | -1        | -1        |
| <b>Memorandum (non-add) entries:</b>                              |             |           |           |
| 3100 Obligated balance, start of year .....                       | 2,108       | 2,097     | 2,281     |
| 3200 Obligated balance, end of year .....                         | 2,097       | 2,281     | 2,280     |

**Budget authority and outlays, net:**

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Discretionary:</b>  |             |           |           |
| 4000 Budget authority, gross .....                                       | 4,318       | 4,282     | 4,226     |
| <b>Outlays, gross:</b>   |             |           |           |
| 4010 Outlays from new discretionary authority .....                      | 2,457       | 2,437     | 2,442     |
| 4011 Outlays from discretionary balances .....                           | 1,825       | 1,834     | 1,736     |
| 4020 Outlays, gross (total) .....  | 4,282       | 4,271     | 4,178     |
| <b>Offsets against gross budget authority and outlays:</b>               |             |           |           |
| <b>Offsetting collections (collected) from:</b>                          |             |           |           |
| 4030 Federal sources .....   | -56         | -49       | -49       |
| 4033 Non-Federal sources .....   | -19         |           |           |
| 4040 Offsets against gross budget authority and outlays (total) .....    | -75         | -49       | -49       |
| <b>Additional offsets against gross budget authority only:</b>           |             |           |           |
| 4052 Offsetting collections credited to expired accounts .....           | 19          |           |           |
| 4053 Recoveries of prior year paid obligations, unexpired accounts ..... | 2           |           |           |
| 4060 Additional offsets against budget authority only (total) .....      | 21          |           |           |
| 4070 Budget authority, net (discretionary) .....                         | 4,264       | 4,233     | 4,177     |
| 4080 Outlays, net (discretionary) .....                                  | 4,207       | 4,222     | 4,129     |
| <b>Mandatory:</b>  |             |           |           |
| <b>Outlays, gross:</b>   |             |           |           |
| 4101 Outlays from mandatory balances .....                               | 95          | 49        | 49        |
| 4180 Budget authority, net (total) .....                                 | 4,264       | 4,233     | 4,177     |
| 4190 Outlays, net (total) .....  | 4,302       | 4,271     | 4,178     |

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 Community Care Program, modernizations to veterans benefits and appeals processing, as well as the divestiture of legacy IT systems.

**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                                       | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Direct obligations:</b>   |             |           |           |
| <b>Personnel compensation:</b>   |             |           |           |
| 11.1 Full-time permanent .....   | 683         | 704       | 701       |
| 11.1 Full-time permanent - Choice Act, P.L. 113-146, Sec. 801 .....        | 13          | 5         |           |
| 11.9 Total personnel compensation .....                                    | 696         | 709       | 701       |
| 12.1 Civilian personnel benefits .....                                     | 227         | 351       | 349       |
| 12.1 Civilian personnel benefits -Choice Act, P.L. 113-146, Sec. 801 ..... | 4           | 2         |           |
| 21.0 Travel and transportation of persons .....                            | 9           | 8         | 10        |
| 23.3 Communications, utilities, and miscellaneous charges .....            | 912         | 884       | 833       |

INFORMATION TECHNOLOGY SYSTEMS—Continued  
Object Classification—Continued

| Identification code 036-0167-0-1-705   | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 23.3 Communications/utilities - Choice Act, P.L. 113-146, Sec. 801 .....       | 24          | 28        | .....     |
| 25.2 Other services from non-Federal sources .....                             | 1,822       | 1,796     | 1,561     |
| 25.2 Other services from non-Federal -Choice Act, P.L. 113-146, Sec. 801 ..... | 2           | .....     | .....     |
| 26.0 Supplies and materials .....  | 14          | 12        | 25        |
| 31.0 Equipment .....   | 666         | 579       | 690       |
| 31.0 Equipment - Choice Act, P.L. 113-146, Sec. 801 .....                      | 71          | 83        | .....     |
| 32.0 Land and structures .....   | 2           | 2         | 7         |
| 42.0 Insurance claims and indemnities .....                                    | .....       | 1         | 1         |
| 99.0 Direct obligations .....  | 4,449       | 4,455     | 4,177     |
| 99.0 Reimbursable obligations .....  | 53          | 49        | 49        |
| 99.9 Total new obligations, unexpired accounts .....                           | 4,502       | 4,504     | 4,226     |

Employment Summary

| Identification code 036-0167-0-1-705                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 7,159       | 7,795     | 8,045     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 82          | 94        | 93        |

VETERANS ELECTRONIC HEALTH CARE RECORD

(INCLUDING TRANSFER OF FUNDS)

For activities related to implementation, preparation, development, interface, management, rollout, and maintenance of a veterans electronic health record system, including contractual costs associated with operations authorized by section 3109 of title 5, United States Code, \$1,207,000,000, to remain available until expended: Provided, That amounts made available for the "Medical Services", "Medical Support and Compliance", "Medical Facilities", and "Information Technology Systems" accounts in this Act may be transferred to and merged with this account.

Program and Financing (in millions of dollars)

| Identification code 036-1123-0-1-703                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0001 EHR Contract .....                              | .....       | .....     | 675       |
| 0002 PMO Support .....                               | .....       | .....     | 120       |
| 0003 Infrastructure Readiness .....                  | .....       | .....     | 412       |
| 0900 Total new obligations, unexpired accounts ..... | .....       | .....     | 1,207     |
| <b>Budgetary resources:</b>                          |             |           |           |
| Budget authority:                                    |             |           |           |
| Appropriations, discretionary:                       |             |           |           |
| 1100 Appropriation .....                             | .....       | .....     | 1,207     |
| 1930 Total budgetary resources available .....       | .....       | .....     | 1,207     |
| <b>Change in obligated balance:</b>                  |             |           |           |
| Unpaid obligations:                                  |             |           |           |
| 3010 New obligations, unexpired accounts .....       | .....       | .....     | 1,207     |
| 3020 Outlays (gross) .....                           | .....       | .....     | -579      |
| 3050 Unpaid obligations, end of year .....           | .....       | .....     | 628       |
| Memorandum (non-add) entries:                        |             |           |           |
| 3200 Obligated balance, end of year .....            | .....       | .....     | 628       |
| <b>Budget authority and outlays, net:</b>            |             |           |           |
| Discretionary:                                       |             |           |           |
| 4000 Budget authority, gross .....                   | .....       | .....     | 1,207     |
| Outlays, gross:                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....  | .....       | .....     | 579       |
| 4180 Budget authority, net (total) .....             | .....       | .....     | 1,207     |
| 4190 Outlays, net (total) .....                      | .....       | .....     | 579       |

The Veterans Electronic Health Care Record appropriation funds necessary expenses related to the development and deployment of a new veterans electronic health record (EHR) system. This new EHR will allow VA to move toward a single common health record that has full interoperability between DoD and VA, as well as community providers. From the veteran

perspective, the new system will provide a single, accurate, lifetime health record while improving patient care and safety.

Object Classification (in millions of dollars)

| Identification code 036-1123-0-1-703                 | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Direct obligations:                                  |             |           |           |
| 25.2 Other services from non-Federal sources .....   | .....       | .....     | 1,107     |
| 31.0 Equipment .....                                 | .....       | .....     | 100       |
| 99.9 Total new obligations, unexpired accounts ..... | .....       | .....     | 1,207     |

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, \$315,836,000, of which not to exceed 10 percent shall remain available until September 30, 2020.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 036-0129-0-1-705                        | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| 0100 Balance, start of year .....                           | 1           | 2         | 2         |
| Receipts:   |             |           |           |
| Current law:  |             |           |           |
| 1130 Gifts and Donations, National Cemetery Gift Fund ..... | 1           | .....     | .....     |
| 2000 Total: Balances and receipts .....                     | 2           | 2         | 2         |
| 5099 Balance, end of year .....                             | 2           | 2         | 2         |

Program and Financing (in millions of dollars)

| Identification code 036-0129-0-1-705  | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 0201 Administrative expenses .....  | 288         | 288       | 317       |
| <b>Budgetary resources:</b>   |             |           |           |
| Unobligated balance:  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 4           | 4         | .....     |
| 1012 Unobligated balance transfers between expired and unexpired accounts ..... | 6           | .....     | 1         |
| 1050 Unobligated balance (total) .....  | 10          | 4         | 1         |
| Budget authority:   |             |           |           |
| Appropriations, discretionary:  |             |           |           |
| 1100 Appropriation .....  | 286         | 284       | 316       |
| 1900 Budget authority (total) .....   | 286         | 284       | 316       |
| 1930 Total budgetary resources available .....                                  | 296         | 288       | 317       |
| Memorandum (non-add) entries:   |             |           |           |
| 1940 Unobligated balance expiring .....   | -4          | .....     | .....     |
| 1941 Unexpired unobligated balance, end of year .....                           | 4           | .....     | .....     |
| <b>Change in obligated balance:</b>   |             |           |           |
| Unpaid obligations:   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 .....                           | 64          | 63        | 54        |
| 3010 New obligations, unexpired accounts .....                                  | 288         | 288       | 317       |
| 3011 Obligations ("upward adjustments"), expired accounts .....                 | 3           | .....     | .....     |
| 3020 Outlays (gross) .....  | -284        | -297      | -279      |
| 3041 Recoveries of prior year unpaid obligations, expired .....                 | -8          | .....     | .....     |
| 3050 Unpaid obligations, end of year .....                                      | 63          | 54        | 92        |
| Memorandum (non-add) entries:   |             |           |           |
| 3100 Obligated balance, start of year .....                                     | 64          | 63        | 54        |
| 3200 Obligated balance, end of year .....                                       | 63          | 54        | 92        |
| <b>Budget authority and outlays, net:</b>                                       |             |           |           |
| Discretionary:  |             |           |           |
| 4000 Budget authority, gross .....  | 286         | 284       | 316       |
| Outlays, gross:   |             |           |           |
| 4010 Outlays from new discretionary authority .....                             | 229         | 240       | 238       |

|      |  |     |     |     |
|------|--|-----|-----|-----|
| 4011 | Outlays from discretionary balances .....                      | 55  | 57  | 41  |
| 4020 | Outlays, gross (total) .....                                   | 284 | 297 | 279 |
|      | Offsets against gross budget authority and outlays:            |     |     |     |
|      | Offsetting collections (collected) from:                       |     |     |     |
| 4030 | Federal sources .....  | -1  |     |     |
| 4033 | Non-Federal sources .....                                      | -1  |     |     |
| 4040 | Offsets against gross budget authority and outlays (total) ... | -2  |     |     |
|      | Additional offsets against gross budget authority only:        |     |     |     |
| 4052 | Offsetting collections credited to expired accounts .....      | 2   |     |     |
| 4070 | Budget authority, net (discretionary) .....                    | 286 | 284 | 316 |
| 4080 | Outlays, net (discretionary) .....                             | 282 | 297 | 279 |
| 4180 | Budget authority, net (total) .....                            | 286 | 284 | 316 |
| 4190 | Outlays, net (total) .....                                     | 282 | 297 | 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 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                            | 2017 actual | 2018 est. | 2019 est. |
| Direct obligations:   |             |           |           |
| Personnel compensation:   |             |           |           |
| 11.1 Full-time permanent .....                                  | 109         | 109       | 115       |
| 11.3 Other than full-time permanent .....                       | 5           | 5         | 4         |
| 11.5 Other personnel compensation .....                         |             |           | 6         |
| 11.9 Total personnel compensation .....                         | 114         | 114       | 125       |
| 12.1 Civilian personnel benefits .....                          | 42          | 42        | 45        |
| 21.0 Travel and transportation of persons .....                 | 4           | 4         | 3         |
| 22.0 Transportation of things .....                             | 2           | 2         | 2         |
| 23.1 Rent .....   | 4           | 4         | 3         |
| 23.2 Rental payments to others .....                            |             |           | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 10          | 10        | 12        |
| 24.0 Printing and reproduction .....                            | 2           | 2         | 2         |
| 25.2 Other services from non-Federal sources .....              | 91          | 91        | 102       |
| 26.0 Supplies and materials .....                               | 11          | 11        | 14        |
| 31.0 Equipment .....  | 7           | 7         | 7         |
| 32.0 Land and structures .....                                  | 1           | 1         | 1         |
| 99.9 Total new obligations, unexpired accounts .....            | 288         | 288       | 317       |

**Employment Summary**

|  |             |           |           |
|--|-------------|-----------|-----------|
| Identification code 036-0129-0-1-705                       | 2017 actual | 2018 est. | 2019 est. |
| 1001 Direct civilian full-time equivalent employment ..... | 1,851       | 1,881     | 1,903     |

**SUPPLY FUND**

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

|   |             |           |           |
|---|-------------|-----------|-----------|
| Identification code 036-4537-0-4-705  | 2017 actual | 2018 est. | 2019 est. |
| <b>Obligations by program activity:</b>   |             |           |           |
| 0801 Reimbursable program-COGS-Merchandizing .....                              | 477         | 320       | 320       |
| 0802 Reimbursable program-Other-Operations .....                                | 272         | 345       | 345       |
| 0803 Reimbursable program-COGS-Printing and publications .....                  | 9           | 20        | 20        |
| 0804 Reimbursable program-Other .....   | 60          | 437       | 437       |
| 0805 Reimbursable program-Equipment-Procurement services and distribution ..... | 346         | 978       | 978       |
| 0900 Total new obligations, unexpired accounts .....                            | 1,164       | 2,100     | 2,100     |

**Budgetary resources:**

|  |       |       |       |
|--|-------|-------|-------|
| 1000 Unobligated balance brought forward, Oct 1 .....              | 228   | 497   | 497   |
| 1021 Recoveries of prior year unpaid obligations .....             | 179   |       |       |
| 1050 Unobligated balance (total) .....                             | 407   | 497   | 497   |
| <b>Budget authority:</b>   |       |       |       |
| <b>Spending authority from offsetting collections, mandatory:</b>  |       |       |       |
| 1800 Collected .....   | 1,537 | 2,100 | 2,100 |
| 1801 Change in uncollected payments, Federal sources .....         | -283  |       |       |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 1,254 | 2,100 | 2,100 |
| 1930 Total budgetary resources available .....                     | 1,661 | 2,597 | 2,597 |
| <b>Memorandum (non-add) entries:</b>                               |       |       |       |
| 1941 Unexpired unobligated balance, end of year .....              | 497   | 497   | 497   |

**Change in obligated balance:**

|   |        |        |        |
|---|--------|--------|--------|
| <b>Unpaid obligations:</b>  |        |        |        |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 1,229  | 836    | 147    |
| 3010 New obligations, unexpired accounts .....                    | 1,164  | 2,100  | 2,100  |
| 3020 Outlays (gross) .....  | -1,378 | -2,789 | -2,058 |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -179   |        |        |
| 3050 Unpaid obligations, end of year .....                        | 836    | 147    | 189    |
| <b>Uncollected payments:</b>                                      |        |        |        |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -1,288 | -1,005 | -1,005 |
| 3070 Change in uncollected pymts, Fed sources, unexpired .....    | 283    |        |        |
| 3090 Uncollected pymts, Fed sources, end of year .....            | -1,005 | -1,005 | -1,005 |
| <b>Memorandum (non-add) entries:</b>                              |        |        |        |
| 3100 Obligated balance, start of year .....                       | -59    | -169   | -858   |
| 3200 Obligated balance, end of year .....                         | -169   | -858   | -816   |

**Budget authority and outlays, net:**

|   |        |        |        |
|---|--------|--------|--------|
| <b>Mandatory:</b>   |        |        |        |
| 4090 Budget authority, gross .....                                  | 1,254  | 2,100  | 2,100  |
| <b>Outlays, gross:</b>  |        |        |        |
| 4100 Outlays from new mandatory authority .....                     |        | 1,995  | 1,995  |
| 4101 Outlays from mandatory balances .....                          | 1,378  | 794    | 63     |
| 4110 Outlays, gross (total) .....                                   | 1,378  | 2,789  | 2,058  |
| <b>Offsets against gross budget authority and outlays:</b>          |        |        |        |
| <b>Offsetting collections (collected) from:</b>                     |        |        |        |
| 4120 Federal sources .....  | -1,348 | -2,100 | -2,100 |
| 4123 Non-Federal sources .....                                      | -189   |        |        |
| 4130 Offsets against gross budget authority and outlays (total) ... | -1,537 | -2,100 | -2,100 |
| <b>Additional offsets against gross budget authority only:</b>      |        |        |        |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....      | 283    |        |        |
| 4170 Outlays, net (mandatory) .....                                 | -159   | 689    | -42    |
| 4180 Budget authority, net (total) .....                            |        |        |        |
| 4190 Outlays, net (total) .....                                     | -159   | 689    | -42    |

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

SUPPLY FUND—Continued

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                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Reimbursable obligations:</b>                                |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 105         | 105       | 106       |
| 12.1 Civilian personnel benefits .....                          | 33          | 35        | 35        |
| 21.0 Travel and transportation of persons .....                 | 15          | 10        | 10        |
| 23.1 Rental payments to GSA .....                               | 7           | 7         | 7         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 5           | 5         | 5         |
| 24.0 Printing and reproduction .....                            | 9           | 20        | 20        |
| 25.2 Other services from non-Federal sources .....              | 263         | 444       | 443       |
| 26.0 Supplies and materials .....                               | 423         | 500       | 500       |
| 31.0 Equipment .....  | 303         | 974       | 974       |
| 32.0 Land and structures .....                                  | 1           |           |           |
| 99.9 Total new obligations, unexpired accounts .....            | 1,164       | 2,100     | 2,100     |

Employment Summary

| Identification code 036-4537-0-4-705                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 1,145       | 1,150     | 1,150     |

FRANCHISE FUND

Program and Financing (in millions of dollars)

| Identification code 036-4539-0-4-705                               | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0801 Franchise Fund (Reimbursable) .....                           | 950         | 924       | 956       |
| <b>Budgetary resources:</b>  |             |           |           |
| Unobligated balance:   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 156         | 114       | 127       |
| 1021 Recoveries of prior year unpaid obligations .....             | 41          |           |           |
| 1050 Unobligated balance (total) .....                             | 197         | 114       | 127       |
| Budget authority:  |             |           |           |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....   | 876         | 937       | 969       |
| 1701 Change in uncollected payments, Federal sources .....         | -9          |           |           |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 867         | 937       | 969       |
| 1930 Total budgetary resources available .....                     | 1,064       | 1,051     | 1,096     |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 114         | 127       | 140       |

Change in obligated balance:

|   |      |        |      |
|---|------|--------|------|
| Unpaid obligations:   |      |        |      |
| 3000 Unpaid obligations, brought forward, Oct 1 .....             | 289  | 363    | 239  |
| 3010 New obligations, unexpired accounts .....                    | 950  | 924    | 956  |
| 3020 Outlays (gross) .....  | -835 | -1,048 | -961 |
| 3040 Recoveries of prior year unpaid obligations, unexpired ..... | -41  |        |      |
| 3050 Unpaid obligations, end of year .....                        | 363  | 239    | 234  |
| Uncollected payments:   |      |        |      |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -216 | -207   | -207 |
| 3070 Change in uncollected pymts, Fed sources, unexpired .....    | 9    |        |      |
| 3090 Uncollected pymts, Fed sources, end of year .....            | -207 | -207   | -207 |
| Memorandum (non-add) entries:                                     |      |        |      |
| 3100 Obligated balance, start of year .....                       | 73   | 156    | 32   |
| 3200 Obligated balance, end of year .....                         | 156  | 32     | 27   |

Budget authority and outlays, net:

|   |      |       |      |
|---|------|-------|------|
| Discretionary:                                      |      |       |      |
| 4000 Budget authority, gross .....                  | 867  | 937   | 969  |
| Outlays, gross:                                     |      |       |      |
| 4010 Outlays from new discretionary authority ..... | 390  | 703   | 727  |
| 4011 Outlays from discretionary balances .....      | 445  | 345   | 234  |
| 4020 Outlays, gross (total) .....                   | 835  | 1,048 | 961  |
| Offsets against gross budget authority and outlays: |      |       |      |
| Offsetting collections (collected) from:            |      |       |      |
| 4030 Federal sources .....                          | -876 | -937  | -969 |

|  |     |     |    |
|--|-----|-----|----|
| Additional offsets against gross budget authority only:        |     |     |    |
| 4050 Change in uncollected pymts, Fed sources, unexpired ..... | 9   |     |    |
| 4080 Outlays, net (discretionary) .....                        | -41 | 111 | -8 |
| 4180 Budget authority, net (total) .....                       |     |     |    |
| 4190 Outlays, net (total) .....                                | -41 | 111 | -8 |

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 billings of about \$969 million and employ 1,849 in 2019. 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                            | 2017 actual | 2018 est. | 2019 est. |
|---|-------------|-----------|-----------|
| <b>Reimbursable obligations:</b>                                |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 175         | 176       | 178       |
| 12.1 Civilian personnel benefits .....                          | 4           | 3         | 4         |
| 21.0 Travel and transportation of persons .....                 | 2           | 2         | 2         |
| 23.1 Rental payments to GSA .....                               | 11          | 10        | 10        |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 100         | 100       | 100       |
| 24.0 Printing and reproduction .....                            | 6           | 6         | 5         |
| 25.2 Other services from non-Federal sources .....              | 600         | 580       | 610       |
| 26.0 Supplies and materials .....                               | 4           | 4         | 4         |
| 31.0 Equipment .....  | 45          | 40        | 40        |
| 32.0 Land and structures .....                                  | 3           | 3         | 3         |
| 99.9 Total new obligations, unexpired accounts .....            | 950         | 924       | 956       |

Employment Summary

| Identification code 036-4539-0-4-705                             | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 1,314       | 1,750     | 1,849     |

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 201. Any appropriation for fiscal year 2019 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 submit notice thereof to the Committees on Appropriations of both Houses of Congress.

(INCLUDING TRANSFER OF FUNDS)

SEC. 202. Amounts made available for the Department of Veterans Affairs for fiscal year 2019, in this or any other Act, under the "Medical Services", "Medical Support and Compliance", and "Medical Facilities" accounts, including amounts warranted pursuant to section 226 of this Act, may be transferred among the accounts: Provided, That any transfers among 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 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 2018.

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 2019, 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 2019 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 2019 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, the Office of Employment Discrimination Complaint Adjudication, the Office of Accountability and Whistleblower Protection, the Office of Diversity and Inclusion, and the Office of the Executive Director of Accountability and Whistleblower Protection for all services provided at rates which will recover actual costs but not to exceed \$48,431,000 for the Office of Resolution Management, \$4,333,000 for the Office of Employment Discrimination Complaint Adjudication, \$17,700,000 for the Office of Accountability and Whistleblower Protection, and \$3,230,000 for the Office of Diversity and Inclusion: 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.

SEC. 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. 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. 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. 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" account, to remain available until expended for the purposes of such account.

SEC. 215. The Secretary of Veterans Affairs may enter into agreements with Federally Qualified Health Centers in the State of Alaska and Indian tribes and tribal organizations which are party to the Alaska Native Health Compact with the Indian Health Service, to provide healthcare, including behavioral health and dental care, to veterans in rural Alaska. 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 which are not within the boundaries of the municipality of Anchorage or the Fairbanks North Star Borough.

(INCLUDING TRANSFER OF FUNDS)

SEC. 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.

(INCLUDING TRANSFER OF FUNDS)

SEC. 217. Amounts made available under the "Medical Services", "Medical Support and Compliance", "Medical Facilities", "General Operating Expenses, Veterans Benefits Administration", "Board of Veterans Appeals", "General Administration", and "National Cemetery Administration" accounts, including amounts warranted pursuant to section 226 of this Act, for fiscal year 2019 may be transferred to or from the "Information Technology Systems" account: Provided, That, 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.

(INCLUDING TRANSFER OF FUNDS)

SEC. 218. Of the amounts appropriated to the Department of Veterans Affairs for fiscal year 2019 for "Medical Services", including amounts warranted pursuant to section 226 of this Act, "Medical Support and Compliance", "Medical Facilities", "Construction, Minor Projects", and "Information Technology Systems", up to \$301,578,000, 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. 219. Of the amounts appropriated to the Department of Veterans Affairs which become available on October 1, 2019, for "Medical Services", "Medical Support and Compliance", and "Medical Facilities", up to \$307,609,000, 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. 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): Provided, That, notwithstanding section 1704(b)(3) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84; 123 Stat. 2573), amounts transferred to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund shall remain available until expended.

(INCLUDING TRANSFER OF FUNDS)

SEC. 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 TRANSFER OF FUNDS)

SEC. 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 2019 in this title or any discretionary unobligated balances within the Department of Veterans Affairs, including those appropriated for fiscal year 2019, 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 notify the Committees on Appropriations of both Houses of Congress.

(INCLUDING TRANSFER OF FUNDS)

SEC. 223. Amounts made available for the Department of Veterans Affairs for fiscal year 2019, 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 submit notice thereof to the Committees on Appropriations of both Houses of Congress.

SEC. 224. (a) Notwithstanding any other provision of law, the amounts appropriated or otherwise made available to the Department of Veterans Affairs for the "Medical Services" account may be used to provide—

- (1) fertility counseling and treatment using assisted reproductive technology to a covered veteran or the spouse of a covered veteran; or
- (2) adoption reimbursement to a covered veteran.

(b) In this section:

- (1) The term "service-connected" has the meaning given such term in section 101 of title 38, United States Code.
- (2) The term "covered veteran" means a veteran, as such term is defined in section 101 of title 38, United States Code, who has a service-connected disability that results in the inability of the veteran to procreate without the use of fertility treatment.
- (3) The term "assisted reproductive technology" means benefits relating to reproductive assistance provided to a member of the Armed Forces who incurs a serious injury or illness on active duty pursuant to section 1074(c)(4)(A) of title 10, United States Code, as described in the memorandum on the subject of "Policy for Assisted Reproductive Services for the Benefit of Seriously or Severely Ill/Injured (Category II or III) Active Duty Service Members" issued by the Assistant Secretary of Defense for Health Affairs on April 3, 2012, and the guidance issued to implement such policy, including any limitations on the amount of such benefits available to such a member.
- (4) The term "adoption reimbursement" means reimbursement for the adoption-related expenses for an adoption that is finalized after the date of the enactment

of this Act under the same terms as apply under the adoption reimbursement program of the Department of Defense, as authorized in Department of Defense Instruction 1341.09, including the reimbursement limits and requirements set forth in such instruction.

(c) Amounts made available for the purposes specified in subsection (a) of this section are subject to the requirements for funds contained in section 508 of division H of the Consolidated Appropriations Act, 2016 (Public Law 114-113).

(INCLUDING TRANSFER OF FUNDS)

SEC. 225. 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 2019 by this Act between any discretionary appropriations accounts for fiscal year 2019: Provided, That amounts so transferred shall be merged with the account to which transferred: Provided further, That the total amount 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 2019 by this Act: Provided further, That a transfer of funds between the "Medical Services", "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 higher priority than those undertaken in the appropriations account from which the 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.

SEC. 226. (a) Upon enactment of this Act:

- (1) unobligated and obligated balances in 36-17-0140 shall be transferred to and merged with 36-17-0160, and any adjustments to obligations incurred in 36-17-0140 may be made from 36-17-0160;
- (2) unobligated and obligated balances in 36-18-0140 shall be transferred to and merged with 36-18-0160, and any adjustments to obligations incurred in 36-18-0140 may be made from 36-18-0160;
- (3) unobligated and obligated balances in 36-1720-0140 shall be transferred to and merged with 36-1819-0160, and any adjustments to obligations incurred in 36-1720-0140 may be made from 36-1819-0160;
- (4) unobligated and obligated balances in 36-1821-0140 shall be transferred to and merged with 36-1920-0160, and any adjustments to obligations incurred in 36-1821-0140 may be made from 36-1920-0160;
- (5) any amounts appropriated to "Medical Community Care" in a prior appropriations Act that become available on October 1, 2018 and are available through September 30, 2019 shall be warranted to 36-19-0160, and available for the purposes of such account; and
- (6) any amounts appropriated to "Medical Community Care" in a prior appropriations Act that become available on October 1, 2018 and are available through September 30, 2022 shall be available through September 30, 2020, and warranted to 36-1920-0160, and available for the purposes of such account.

(b) Following the transfer of balances in 36-17-0140, 36-18-0140, 36-1720-0140, and 36-1821-0140, such accounts shall be closed. Any collections authorized or required to be credited to these accounts that are not received before the closing of such accounts shall be credited to the accounts to which such balances are transferred and merged.

SEC. 227. Of the amounts appropriated to the "Medical Services" account for fiscal year 2019 in this or prior Acts, including amounts warranted to such account pursuant to section 226 of this Act, up to \$39,000,000 may be transferred to the "Medical Facilities" account: Provided, That such transfer authority is in addition to any other transfer authority provided by law.

SEC. 228. Of the amounts appropriated to the "Medical Support and Compliance" account for fiscal year 2019 in this or prior Acts, up to \$211,000,000 may be transferred to the "Medical Facilities" account: Provided, That such transfer authority is in addition to any other transfer authority provided by law.

**GENERAL FUND RECEIPT ACCOUNTS**

(in millions of dollars)

|  | 2017 actual | 2018 est. | 2019 est. |
|--|-------------|-----------|-----------|
| Offsetting receipts from the public:   |             |           |           |
| 036-143500 General Fund Proprietary Interest Receipts, not Classified                          |             | 4         | 13        |
| 036-247300 Contributions from Military Personnel, Veteran's Educational Assistance Act of 1984 | 156         | 136       | 113       |

|  |  |       |       |       |
|--|--|-------|-------|-------|
| 036-273330   | Housing Downward Reestimates .....   | 1,702 | 2,475 | ..... |
| 036-275110   | Native American Veteran Housing Loans, Negative Subsidies .....                        | 1     | 2     | 1     |
| 036-275510   | Housing Negative Subsidies .....   |       | 71    | 18    |
| 036-322000   | All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....   | 29    | 40    | 40    |
| General Fund Offsetting receipts from the public ..... |  | 1,892 | 2,737 | 187   |
| Intragovernmental payments:                            |  |       |       |       |
| 036-388500   | Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts ..... | 9     | -5    | -5    |
| General Fund Intragovernmental payments .....          |  | 9     | -5    | -5    |

**TITLE IV—GENERAL PROVISIONS**

**GENERAL PROVISIONS**

SEC. 501. 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. 502. 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. 503. 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. 504. 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. 505. 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. 506. (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. 507. 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. 508. 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.

