

LEGISLATIVE DIVISION UPDATE

Congress

In the early hours of Friday, March 23, the \$1.3 trillion FY18 omnibus spending bill, **H.R. 1625**, made its way to the White House for the President's signature. The bill, the text of which was only released to the public at 8:00 pm Wednesday night, was largely finalized by House and Senate Party leadership prior to floor action. This led to many complaints, especially from Republicans, over the lack of openness and time to read all 2,232 pages (plus explanatory statements).

Regardless, the House passed the bill at noon on Thursday, with a vote of 256 to 167, with 90 Republicans and 77 Democrats voting against the measure.

On the other side of the Hill, where a single senator can delay the process by days, the drama began. Sen. Rand Paul (KY), who caused last month's short government closure, began live-tweeting his reading of the bill. However, by 10:00 pm, Senate Majority Leader Mitch McConnell (KY) had gotten him to agree to let the full Senate vote.

It turned out that Paul was not the only holdout. Sen. Jim Risch (R-ID) was upset that the bill renamed a wilderness area after a political opponent (who died last August). Hours of behind-closed-door huddles between McConnell, Risch and other Republican senators resulted in the bill's passage on a recorded vote of 65 to 32 shortly after midnight. This gives the President just under 24 hours to sign the bill before the government officially runs out of money.

Most senators were fairly desperate to get out of town. Rep. Louise Slaughter's (NY) funeral takes place Friday. In addition, with a two-week recess ahead of them, many lawmakers are scheduled to go on official travels around the world. Finally, thousands of young people are expected to participate in the Washington March for Our Lives on Saturday, which could get awkward for some legislators.

When they return from recess, Congress will resume the process of crafting FY19 appropriations bills. After all, they only have just over six months to finish the job.

FY 2018 MilCon/VA Funding in Omnibus Measure

On Thursday, March 22 Congress passed **H.R. 1625**, the legislative vehicle for fiscal year (FY) 2018 government spending. The measure now goes to the White House for the President's signature. The overall bill contains \$1.3 trillion to fund the operations of the federal government until September 30, 2018 – the new fiscal year begins on October 1.

Military Construction accounts will be funded at \$10.1 billion, \$2.4 billion above the FY 2017 level and \$308 million above the budget request. Overseas Contingency Operations projects will receive \$750 million. Other accounts will receive:

- **Military Family Housing** – \$1.4 billion for construction, operation and maintenance of military family housing, \$133 million more than the previous fiscal year;
- **Guard and Reserve** – this account will receive \$645 million to support the construction needs of National Guard and reserve forces;
- **Military Medical Facilities** – \$556 million for construction or alteration of military medical facilities;
- **Overseas Contingency Operations** – a total of \$442 million will be assigned to construction projects in direct support of military operations in the Middle East;
- **European Reassurance Initiative** – \$308 million will fund construction projects in support of U.S. European allies;
- **Department of Defense Education Facilities** – this account will receive \$249 million for essential safety improvements and infrastructure work at four overseas military schools; and,
- **NATO Security Investment Program** – a total of \$178 million will provide infrastructure for training, deterrence, and the NATO Alliance’s response to challenges posed by Russia and threats from the Middle East and North Africa.

Department of Veterans Affairs (VA) will receive \$81.5 billion in discretionary funding for the balance of FY18, an increase of \$7.1 billion above the FY17 level. The measure provides an additional \$3.2 billion for medical care accounts. This funding will focus on: hepatitis C treatments, opioid addiction treatments, veterans’ caregiver services, and homeless veterans assistance. Highlights of VA funding amounts include:

- **VA Medical Care** – A total of \$70.3 billion will support medical treatment and healthcare for approximately 9.2 million enrolled patients in FY18. This includes: \$5.5 billion to care for Iraq and Afghanistan veterans; \$840 million for the essential Caregiver program; \$722 million for important medical and prosthetic research; \$525 million for women veterans’ health care; \$316 million for treatment of traumatic brain injury; and, \$270 million for rural health initiatives.
- **Disability Claims Processing** – This category includes: \$115 million for digital scanning of health records; \$38 million for the paperless claims processing system; and, \$27 million for centralized mail.
- **Construction** – This account will receive \$855 million for major and minor construction associated with VA hospital replacement, correction of seismic deficiencies, projects to improve access to VA health care, and the VA’s National Cemeteries. The bill also includes an additional \$595 million in construction grants for State Extended Care Facilities.
- **Advance Appropriations** – A total of \$70.7 billion for FY 2019 advance discretionary funding was included in the omnibus, as well as \$107.7 billion in FY19 advance mandatory funding for veterans benefits.
- **Electronic Health Records (EHR)** – \$782 million was set aside for VA’s new electronic health record contract. The bill creates a new account to fund this initiative and monitor the spending associated with the new Cerner contract.
- **Opioid Treatment** – This account will receive \$385.8 million, a \$12.5 million increase, to fund opioid treatment and prevention throughout the VA.

Funding for related agencies of interest to The American Legion Include:

- The **American Battle Monuments Commission** – \$79 million;
- **U.S. Court of Appeals for Veterans Claims** –\$33.6 million;
- **Arlington National Cemetery** – the \$247.8 million, including \$167 million to begin to fund the cemetery’s Southern Expansion project; and,
- **Armed Forces Retirement Home** – \$64.3 million.

Highlights of the Omnibus

Both the Department of Defense (DoD) and the Department of Veterans Affairs (VA) received bumps in their funding. Interestingly, lawmakers touted the fact that this bill provides a 2.4 percent pay raise to those in uniform. However, they have been receiving that raise since the start of the year. This bill simply funds what has been happening. Importantly, the bill also provides DoD with more flexibility in spending its new money, since they are already halfway through the fiscal year. The DoD can spend up to 25 percent of the funds in the last two months of the year, and increases the amount of O&M funds that can be reprogrammed.

Within the VA, mental health care is extended to those with other than honorable (OTH) discharges who served in a combat zone (and was in uniform for at least 100 days), or who are victims of sexual assault or harassment. The bill also urges the VA to find a way to provide service-connected care for Blue Water Navy veterans from the Vietnam War, and to ensure that claims are approved for those impacted by contaminated drinking water at Camp Lejeune.

Section 538 prohibits the Department of Justice from taking action in states where marijuana has been legalized. This could be a first step towards allowing VA physicians to help veterans in those states gain access to medical marijuana.

The Centers for Disease Control (CDC) is given permission to research gun violence.

The President got \$1.57 billion to build his border wall. However, the legislation restricts how the money can be used. As a result, for the most part, no new concrete wall can be erected. Rather, existing fencing can be reinforced and other measures – such as drones – can be put in place to monitor the border.

Throughout the government, the bill provides more than \$4.65 billion to address the opioid epidemic. The funding covers prevention, treatment and law enforcement initiatives.

TRICARE Retiree Dental Program (TDRP) changes

This week, the Defense Health Agency (DHA) announced that the TDRP will end on December 31, 2018. Eligible retirees will now be able to choose from the 10 dental carriers in the Federal Employees Dental and Vision Insurance Program (FEDVIP). The open enrollment season runs from November 12 to December 10, with coverage starting on January 1, 2019. Beneficiaries will also be able to enroll in one of the four FEDVIP vision plans.

Nonprofit (with VA) to increase generic drugs competition

A new nonprofit organization has formed to produce more generic drugs to increase supply and to drive down costs. They will focus on generic drugs that are already in short supply as well as providing competition for drugs that have gone off patent but do not have any generic equivalent at this point. Reportedly, 70 hospitals and the VA say they will join the nonprofit, which only launched six weeks ago. Dan Liljenquist, vice president at Intermountain Healthcare in Utah, is the driving force behind the project.

The nonprofit, which will be incorporated this summer, intends to ship directly to hospitals, and to publish its product prices. This would be a major drive towards price transparency in the market. They hope to be in business by fall, targeting off-patent drugs deemed to be essential but which are in short supply, such as insulin.

Letters of Support

On March 14, The American Legion sent a letter of support to Rep. Steve Knight (CA), giving our organization's support for **H.R. 5177**, entitled the *Encouraging Veteran Employment Act of 2018*. The legislation will amend title 10, United States Code, to authorize the Secretary of Defense to award a contract for the procurement of goods or services, to give a preference to offerors that employ veterans. **[Resolution #316]**

On March 14, The American Legion sent a letter of support to Sen. Elizabeth Warren (MA), giving our organization's support for draft legislation entitled the *Servicemembers Improved Transition through Reforms for Ensuring Progress (SIT-REP) Act*. In order for a school or training program to be eligible for GI Bill benefits, the school must adopt a policy that disallows them from imposing a late fee, denial of access to facilities, or other penalty due to a late payment from VA. **[Resolution #318]**

On March 19, The American Legion sent a letter of support to Sen. Richard Burr (MA), giving our organization's support for draft legislation designating April 5, 2018 as "Gold Star Wives Day.". The proposed legislation recognizes the work of the Gold Star Wives of America, Inc., and their dedication to service, support, and friendship to the spouses of fallen servicemembers and veterans.

Update on Flag Amendment Bill

The American Legion is continuing its efforts to protect the American flag in the 115th Congress. As he did in the previous Congress, Rep. Steve Womack (AR) re-introduced a flag protection constitutional amendment, **House Joint Resolution (H.J. Res.) 61**. The measure currently boasts 27 co-sponsors.

On Flag Day, Sen. Steve Daines (MT) introduced a Senate companion measure, **Senate Joint Resolution (S.J. Res.) 46**, in that chamber. The amendment currently has 13 cosponsors. You can read Sen. Daines' press release here: <https://www.daines.senate.gov/news/press-releases/on-flag-day-daines-introduces-constitutional-amendment-to-prohibit-flag-burning>

The American Legion issued the following congratulatory response here:
<https://www.legion.org/commander/237811/american-legion-national-commander-salutes-senate-bill-flag-day>

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For Week Ending 03-23-18