

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

June 3, 2024 (House Rules)

STATEMENT OF ADMINISTRATION POLICY

<u>H.R. 8580 — Military Construction and Veterans Affairs, and Related Agencies</u> <u>Appropriations Act, 2025</u>

(Rep. Cole, R-OK)

The Administration strongly opposes House passage of H.R. 8580, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year (FY) ending September 30, 2025 and for other purposes.

Earlier this year, the Administration and members of both parties in the Congress came together to pass bipartisan appropriations bills to fund programs that keep Americans safe and healthy, invest in education and affordable housing, and build on the economic progress of the past three and a half years. These appropriations bills are consistent with the agreement the President and House Republican leadership reached last year to avoid a first-ever default and protect the President's investment agenda and critical programs from deep cuts, using necessary adjustments to statutory caps.

Rather than respecting their agreement and taking the opportunity to engage in a productive, bipartisan appropriations process to build on last year's bills, House Republicans are again wasting time with partisan bills that would result in deep cuts to law enforcement, education, housing, health care, consumer safety, energy programs that lower utility bills and combat climate change, and essential nutrition services.

Similar to last year, H.R. 8580 includes numerous, partisan policy provisions with devastating consequences including harming access to reproductive healthcare, threatening the health and safety of Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex (LGBTQI+) Americans, endangering marriage equality, hindering critical climate change initiatives, and preventing the Administration from promoting diversity, equity, and inclusion.

The Administration stands ready to engage with both chambers of the Congress in a bipartisan appropriations process to enact responsible appropriations bills that fully fund Federal agencies in a timely manner.

If the President were presented with H.R. 8580, he would veto it.

The Administration would like to take this opportunity to share additional views regarding the House Appropriations Committee's (Committee) version of the bill.

Department of Defense

Reprioritization of Military Construction Funding to Unrequested Projects. The Administration opposes the bill's realignment of military construction funding from priority projects to other projects. Contrary to the Administration's fiscally responsible policy to fully fund executable projects, the bill proposes to fund 11 military construction projects incrementally. This would effectively create an unfunded obligation of more than \$832 million needed to successfully execute these projects over time, divert those funds to projects that either are not executable in FY 2025 or were not requested by the Administration, and reduce the amount available for other high priority military construction requirements in future years by a comparable amount.

Guantanamo Bay Prohibitions. The Administration strongly opposes sections 113 and 412 of the bill, which would prohibit closure or realignment of United States Naval Station, Guantanamo Bay, or construction or modification of facilities in the United States to house transferred Guantanamo Bay Detention Facility (GTMO) detainees. These provisions would interfere with the President's ability to determine the appropriate disposition of GTMO detainees.

Department of Veterans Affairs (VA)

VA Programs. The Administration appreciates the \$129 billion in discretionary appropriations that the Committee provides for VA programs in FY 2025. Along with Toxic Exposures Fund resources already provided under the Fiscal Responsibility Act of 2023 (FRA), this level would enable VA to continue supporting key priorities including veterans' healthcare and critical investments in caregiver support programs, construction of needed facilities, claims processing, and national cemeteries.

Toxic Exposures Fund. The Administration appreciates the adherence to the FRA, negotiated by the President. The \$23 billion FY 2026 advance appropriation would support veterans that suffer disabilities resulting from toxic exposures.

VA Reproductive Health Services final rule. The Administration strongly opposes section 255 of the bill, which would prevent VA from using funds to implement, administer, or otherwise carry out the Final Rule published on March 4, 2024, which expanded access to abortion counseling and abortion under limited circumstances for certain veterans and VA beneficiaries. The Final Rule specified that VA is able to provide access to abortions when the life or health of the pregnant veteran would be endangered if the pregnancy were carried to term, or when the pregnancy is the result of rape or incest. The provision would restrict abortions to the case of rape or incest, or "where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed." This change would prevent VA from providing needed care when the health of the woman is endangered.

Gender Affirming Care. The Administration strongly opposes section 256 of the bill, which would prohibit VA from using funds to provide hormone therapies and surgical procedures for the purpose of gender affirming care, which could undermine VA's ability to ensure veterans receive the full extent of top-quality healthcare and services they deserve.

Ambulance Rates. The Administration opposes section 258 of the bill, which would prevent VA from using funds to implement the final rule "Change in Rates VA Pays for Special Modes of Transportation." The final rule amended beneficiary travel regulations to allow VA to align with the Medicare payment rate for ambulance fees, or rates otherwise negotiated into contracts for certain services.

COVID-19 Vaccine Program. The Administration opposes section 259 of the bill, which would prevent VA from carrying out a Departmental directive designed to ensure most Veterans Health Administration healthcare personnel receive COVID-19 vaccines. This section jeopardizes the health and safety of veterans enrolled in VA healthcare and VA healthcare providers.

Services for Individuals Lacking Legal Status. The Administration opposes section 260 of the bill, which would impact VA's statutory responsibility as a health system to provide emergency services or bill for emergency services, and to provide services required of its "fourth mission," which requires VA to serve as the back-up health system for the United States during a disaster or emergency.

National Instant Criminal Background Check System (NICS). The Administration strongly opposes section 261 of the bill, which would prohibit VA from reporting a person determined to be mentally incompetent during the VA benefits evaluation process without the order or finding of a judge, magistrate, or other judicial authority. Potential beneficiaries deemed mentally incompetent already can obtain further review of that determination. The proposed revision would effectively prohibit VA from reporting mentally incompetent beneficiaries who need a fiduciary to the National Instant Criminal Background Check System (NICS), thus creating a dangerous loophole that would allow these individuals to obtain firearms and endanger their safety and the safety of their communities.

Prohibition on Information Technology (IT) Purchases from China. The Administration shares concerns about IT safety. However, the Administration opposes section 421 of the bill, which would set onerous requirements to IT-related office equipment. In addition to concerns about implementation and the cost to VA to repurchase IT, this sweeping ban is contrary to the Administration's preferred risk-based approach to addressing IT prohibitions, including through use of the authorities provided to the Federal Acquisition Security Council (FASC). The Congress established the FASC, in part, to review and address risks to the U.S. Government technology supply chain.

Cross-Agency Impacts

Flags at Federal Facilities. The Administration opposes section 257 of the bill, which would prevent using funds to display any but the listed flags, thereby preventing agencies from displaying flags demonstrating support for historically marginalized groups such as Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex veterans and American citizens.

Protecting the Rights of Veterans and Their Loved Ones. The Administration opposes section 416 of the bill, which would prevent using funds made available in this Act or in previous Appropriations Acts to take "discriminatory action" regarding persons who do not support same sex marriage due to a "sincerely held religious belief or moral

conviction." This provision would undermine the rights of individuals in a same sex marriage while also unduly complicating the routine business of VA to provide healthcare and other services for veterans.

Constitutional Concerns

Certain provisions of the bill raise separation of powers concerns, including by conditioning the Executive authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations. The Administration looks forward to working with the Congress to address these and other concerns.

The Administration looks forward to working with the Congress as the FY 2025 appropriations process moves forward.

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