



HOUSE COMMITTEE ON  
**VETERANS' AFFAIRS**  
*Republicans | Ranking Member Phil Roe, M.D.*

**H.R. 1947: To exempt transfers of funds from Federal agencies to VA for nonprofit corporations from certain provisions of the Economy Act**

**Background:**

The Department of Veterans Affairs (VA) has a statutory mission to conduct research in order to more effectively care for veterans and contribute to the nation's understanding of disease and disability. Over its more than 90 year history, VA's medical and prosthetic research program has led to numerous discoveries and advances including the development of the pacemaker in 1959 and the approval of the shingles vaccine in 2006.

In 1988, Congress authorized the establishment of non-profit corporations (NPCs) at VA medical centers to provide a flexible funding mechanism to support VA research. NPCs are non-profit, state-chartered entities that accept and administer funds from non-VA Federal and private sector sources. There are currently 83 NPCs affiliated with the VA healthcare system and, collectively, they have contributed more than \$2 billion to VA research over the last ten years.

Typically, when VA receives research funding from a non-VA source - such as the National Institute of Health or the Center for Disease Control and Prevention - those funds are transferred by VA to the NPC to administer. In 2018, however, VA's Office of General Counsel uncovered an appropriations law limitation that prevents funding from being transferred to the NPCs for longer than one fiscal year. This has negatively impacted a number of ongoing, multi-year research projects across the country. This legislation would provide explicit authority for NPCs to administer amounts transferred to them without regard to fiscal year limitations.

**The Message:**

- One of VA's primary missions is to conduct research to improve the lives of our nation's veterans and further medical advancements for all Americans.
- NPCs are an important tool in facilitating successful research projects across the country.
- Given that many of the important research projects that VA pursues can extend over multiple years, money transferred to NPCs to support research should be available without regard to fiscal year limitations.