

fiscal year, and the fiscal year covered by the budget.

(Added Pub. L. 108-422, title IV, §411(a)(1), Nov. 30, 2004, 118 Stat. 2388; amended Pub. L. 112-37, §10(g), Oct. 5, 2011, 125 Stat. 397.)

#### AMENDMENTS

2011—Subsec. (a)(5). Pub. L. 112-37 substituted “December 31, 2018” for “the date that is seven years after the date of the enactment of this section”.

#### TRANSFER OF UNOBLIGATED BALANCES TO CAPITAL ASSET FUND

Pub. L. 108-422, title IV, §411(d), Nov. 30, 2004, 118 Stat. 2389, provided that: “Any unobligated balances in the nursing home revolving fund under section 8116 of title 38, United States Code, as of the date of the enactment of this Act [Nov. 30, 2004] shall be deposited in the Department of Veterans Affairs Capital Asset Fund established under section 8118 of title 38, United States Code (as added by subsection (a)).”

[Section 411(d) of Pub. L. 108-422, set out above, is effective at the end of the 30-day period beginning on the date on which the Secretary of Veterans Affairs certifies to Congress that the Secretary is in compliance with section 1710B(b) of this title, see section 411(f) of Pub. L. 108-422, set out as an Effective Date of 2004 Amendment note under section 1710B of this title.]

#### § 8119. Annual report on outpatient clinics

(a) ANNUAL REPORT REQUIRED.—The Secretary shall submit to the committees an annual report on community-based outpatient clinics and other outpatient clinics of the Department. The report shall be submitted each year not later than the date on which the budget for the next fiscal year is submitted to the Congress under section 1105 of title 31.

(b) CONTENTS OF REPORT.—Each report required under subsection (a) shall include the following:

(1) A list of each community-based outpatient clinic and other outpatient clinic of the Department, and for each such clinic, the type of clinic, location, size, number of health professionals employed by the clinic, workload, whether the clinic is leased or constructed and operated by the Secretary, and the annual cost of operating the clinic.

(2) A list of community-based outpatient clinics and other outpatient clinics that the Secretary opened during the fiscal year preceding the fiscal year during which the report is submitted and a list of clinics the Secretary proposes opening during the fiscal year during which the report is submitted and the subsequent fiscal year, together with the cost of activating each such clinic and the information required to be provided under paragraph (1) for each such clinic and proposed clinic.

(3) A list of proposed community-based outpatient clinics and other outpatient clinics that are, as of the date of the submission of the report, under review by the National Review Panel and a list of possible locations for future clinics identified in the Department's strategic planning process, including any identified locations in rural and underserved areas.

(4) A prioritized list of sites of care identified by the Secretary that the Secretary could establish without carrying out construction or entering into a lease, including—

(A) any such sites that could be expanded by hiring additional staff or allocating staff to Federal facilities or facilities operating in collaboration with the Federal Government; and

(B) any sites established, or able to be established, under sections 8111 and 8153 of this title.

(Added Pub. L. 110-387, title VII, §708(a), Oct. 10, 2008, 122 Stat. 4139.)

#### DEADLINE FOR FIRST ANNUAL REPORT

Pub. L. 110-387, title VII, §708(b), Oct. 10, 2008, 122 Stat. 4140, provided that: “The Secretary of Veterans Affairs shall submit the first report required under section 8119(a) of title 38, United States Code, as added by subsection (a), by not later than 90 days after the date of the enactment of this Act [Oct. 10, 2008].”

#### SUBCHAPTER II—PROCUREMENT AND SUPPLY

##### § 8121. Revolving supply fund

(a) The revolving supply fund established for the operation and maintenance of a supply system for the Department (including procurement of supplies, equipment, and personal services and the repair and reclamation of used, spent, or excess personal property) shall be—

(1) available without fiscal year limitations for all expenses necessary for the operation and maintenance of such supply system;

(2) reimbursed from appropriations for the cost of all services, equipment, and supplies furnished, at rates determined by the Secretary on the basis of estimated or actual direct cost (which may be based on the cost of recent significant purchases of the equipment or supply item involved) and indirect cost; and

(3) credited with advances from appropriations for activities to which services or supplies are to be furnished, and all other receipts resulting from the operation of the fund, including property returned to the supply system when no longer required by activities to which it had been furnished, the proceeds of disposal of scrap, excess or surplus personal property of the fund, and receipts from carriers and others for loss of or damage to personal property.

(b) The Secretary may authorize the Secretary of Defense to make purchases through the fund in the same manner as activities of the Department. When services, equipment, or supplies are furnished to the Secretary of Defense through the fund, the reimbursement required by paragraph (2) of subsection (a) shall be made from appropriations made to the Department of Defense, and when services or supplies are to be furnished to the Department of Defense, the fund may be credited, as provided in paragraph (3) of subsection (a), with advances from appropriations available to the Department of Defense.

(c) At the end of each fiscal year, there shall be covered into the Treasury of the United States as miscellaneous receipts such amounts as the Secretary determines to be in excess of the requirements necessary for the maintenance of adequate inventory levels and for the effective financial management of the revolving supply fund.

(d) An adequate system of accounts for the fund shall be maintained on the accrual method, and financial reports prepared on the basis of such accounts. An annual business type budget shall be prepared for operations under the fund.

(e) The Secretary is authorized to capitalize, at fair and reasonable values as determined by the Secretary, all supplies and materials and depot stocks of equipment on hand or on order. (Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1253, § 5011; amended Pub. L. 87-314, Sept. 26, 1961, 75 Stat. 675; Pub. L. 94-581, title II, § 210(e)(6), Oct. 21, 1976, 90 Stat. 2865; renumbered § 5021, Pub. L. 96-22, title III, § 301(b)(1), June 13, 1979, 93 Stat. 61; Pub. L. 96-330, title IV, § 402(a), Aug. 26, 1980, 94 Stat. 1051; renumbered § 8121, Pub. L. 102-40, title IV, § 402(b)(1), May 7, 1991, 105 Stat. 238; Pub. L. 102-83, § 4(a)(3), (4), (b)(1), (2)(E), Aug. 6, 1991, 105 Stat. 404, 405; Pub. L. 108-170, title IV, § 403(a), Dec. 6, 2003, 117 Stat. 2062.)

#### AMENDMENTS

2003—Pub. L. 108-170 redesignated last sentence of subsec. (a) as subsec. (c), added subsec. (b), and redesignated former subsecs. (b) and (c) as (d) and (e), respectively.

1991—Pub. L. 102-40 renumbered section 5021 of this title as this section.

Subsec. (a). Pub. L. 102-83, § 4(b)(1), (2)(E), substituted "Secretary" for "Administrator" in par. (2) and in last sentence.

Pub. L. 102-83, § 4(a)(3), (4), substituted "Department" for "Veterans' Administration" in introductory provisions.

Subsec. (c). Pub. L. 102-83, § 4(b)(1), (2)(E), substituted "Secretary" for "Administrator" in two places.

1980—Subsec. (a). Pub. L. 96-330 substituted "actual direct cost (which may be based on the cost of recent significant purchases of the equipment or supply item involved)" for "actual direct" in par. (2), and, in provisions following par. (3), substituted "At the end of each fiscal year, there shall be covered into the Treasury of the United States as miscellaneous receipts such amounts as the Administrator determines to be in excess of the requirements necessary for the maintenance of adequate inventory levels and for the effective financial management of the revolving supply fund" for "At the end of each fiscal year, any net income of the fund, after making provision for prior losses, shall be covered into the Treasury of the United States as miscellaneous receipts".

1976—Subsec. (c). Pub. L. 94-581 substituted "the Administrator" for "him".

1961—Subsec. (a). Pub. L. 87-314 included among the purposes for which the supply fund was established, the repair and reclamation of used, spent, or excess personal property, and authorized the crediting of the fund with property returned to the supply system when no longer required by activities to which it had been furnished.

#### EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108-170, title IV, § 403(b), Dec. 6, 2003, 117 Stat. 2062, provided that: "The amendments made by subsection (a) [amending this section] shall apply only with respect to funds appropriated for a fiscal year after fiscal year 2003."

#### EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-330, title IV, § 402(b), Aug. 26, 1980, 94 Stat. 1051, provided that: "The amendments made by subsection (a) [amending this section] shall take effect as of October 1, 1979."

#### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-581 effective Oct. 21, 1976, see section 211 of Pub. L. 94-581, set out as a note under section 111 of this title.

### § 8122. Authority to procure and dispose of property and to negotiate for common services

(a)(1) The Secretary may lease for a term not exceeding three years lands or buildings, or parts or parcels thereof, belonging to the United States and under the Secretary's control. Any lease made pursuant to this subsection to any public or nonprofit organization may be made without regard to the provisions of section 6101(b) to (d) of title 41. Notwithstanding section 1302 of title 40, or any other provision of law, a lease made pursuant to this subsection to any public or nonprofit organization may provide for the maintenance, protection, or restoration, by the lessee, of the property leased, as a part or all of the consideration for the lease. Prior to the execution of any such lease, the Secretary shall give appropriate public notice of the Secretary's intention to do so in the newspaper of the community in which the lands or buildings to be leased are located. The proceeds from such leases, less expenses for maintenance, operation, and repair of buildings leased for living quarters, shall be covered into the Treasury of the United States as miscellaneous receipts.

(2) Except as provided in paragraph (3), the Secretary may not during any fiscal year transfer to any other department or agency of the United States or to any other entity real property that is owned by the United States and administered by the Secretary unless the proposed transfer is described in the budget submitted to Congress pursuant to section 1105 of title 31 for that fiscal year.

(3)(A) Subject to subparagraph (B) of this paragraph, the Secretary may, without regard to paragraph (2) of this subsection or any other provision of law relating to the disposition of real property by the United States, transfer to a State for use as the site of a State nursing-home or domiciliary facility real property described in subparagraph (E) of this paragraph which the Secretary determines to be excess to the needs of the Department.

(B) A transfer of real property may not be made under this paragraph unless—

(i) the Secretary has determined that the State has provided sufficient assurance that it has the resources (including any resources which are reasonably likely to be available to the State under subchapter III of chapter 81 of this title and section 1741 of this title) necessary to construct and operate a State home nursing or domiciliary care facility; and

(ii) the transfer is made subject to the conditions (I) that the property be used by the State for a nursing-home or domiciliary care facility in accordance with the conditions and limitations applicable to State home facilities constructed with assistance under subchapter III of chapter 81 of this title, and (II) that, if the property is used at any time for any other purpose, all right, title, and interest in and to the property shall revert to the United States.

(C) A transfer of real property may not be made under this paragraph until—

(i) the Secretary submits to the Committees on Veterans' Affairs of the Senate and House of Representatives, not later than June 1 of the year in which the transfer is proposed to