

**STATEMENT OF DENNIS SAMIC
BEFORE THE HOUSE VETERAN AFFAIRS
SUBCOMMITTEE ON HEALTH
24 JUNE 2004 LEGISLATIVE HEARING**

Mr. Chairman, Ladies and Gentlemen of the Subcommittee,

My name is Dennis Samic. I appreciate the opportunity to appear before you today, to provide input to your deliberations regarding a Draft Bill on capital leases, enhanced-use lease authority and capital asset/construction matters.

I am a retired AF Brigadier General who served nearly 30 years on active duty, but I'm here today as a member of the Board of Trustees for the American Veterans Heritage Center (AVHC), a four year old, Dayton, Ohio based non-profit organization. The mission of the American Veterans Heritage Center is to increase awareness of veteran's issues, recognize veteran's contributions, endorse patriotism, promote tourism, and enhance our neighborhood by preserving and developing the Dayton, Ohio Veteran's Affairs Historic District.

I don't envy the task before you—the Draft Bill you're considering may well require the Department of Veterans Affairs to spend some portion of their already tight appropriated funds to identify, stabilize, and repair the most historically significant of the nearly 2000 facilities located on their medical campuses across the country. Many constituencies will be impacted by your decisions and the VA's implementation of any final legislation. Since these constituencies have varied opinions as to the value of spending VA resources on old buildings instead of medical care, Secretary Principi and his staff, members of this subcommittee, and your colleagues in Congress will have to make some difficult tradeoffs, which I'm certain won't please everyone.

I suggest, however, that despite the many differences of opinions on this issue held by individual veterans and the veterans service organizations that represent them, all veterans and VSOs agree on several things:

1. They want their service to and sacrifices for our nation to be appreciated by our citizens.
2. They want their service and sacrifices, and that of military members who come both before and after them, to be remembered.
3. They want their service and sacrifices to be a legacy which inspires future patriotism.

The American Veterans Heritage Center believes one of the best ways to honor our veterans and preserve their legacy is to rehabilitate and utilize many of the significant historic facilities owned by the VA. Preservation of historic facilities and structures owned and operated by the VA is a national issue in its scope. We believe the approach our community took and continues to pursue could serve as a possible guideline for a federal or national policy; we also hope our approach may be instructive for other communities as they develop their public/private partnerships.

It is especially fitting for the Dayton, Ohio community to address the need for historic preservation because the Dayton VA Campus is the foundation for modern VA health care.

- President Abraham Lincoln established the National Home for Disabled Volunteer Soldiers on March 3, 1865, to care for disabled veterans of the Civil War. The Dayton Soldiers Home, now called the Dayton VA Medical Center, was one of the original three facilities established - including Milwaukee, WI and Togus, ME - and it was the first to provide the “home-like” environment envisioned by the Board of Managers. The Dayton facility was referred to as the “Mother Home”.
- The groundbreaking approach to veteran’s care initiated at the Dayton Soldiers Home influenced the evolution of Federal Policy for the care of our nation’s veterans. Prior to the National Home for

Disabled Volunteer Soldiers, state and local governments were relied upon to provide for care of the needy.

- The National Home for Disabled Volunteer Soldiers demonstrated that the federal government is capable of providing comprehensive care and rehabilitation to a large number of veterans, establishing a significant Federal role for the care of the nation's veterans and serving as a forerunner for many of today's social programs, including Medicare and Social Security.
- Over its history, the National Home for Disabled Volunteer Soldiers evolved programmatically and physically to meet the changing needs of the nation's veterans. Congressional actions in 1884, allowed veterans disabled by old age or disease to apply without having to prove any service-related disability; and in 1917, Congress stipulated that all veterans were entitled to medical, surgical, and hospital care showcasing the evolution of Federal responsibility for the nation's veterans.
- The design of the various National Home for Disabled Volunteer Soldiers branches includes individual structures, which stand out for their history or design significance and integrity.
- The Department of Veterans Affairs has taken initial steps to safeguard this heritage by either listing each of the now eleven National Home for Disabled Volunteer Soldiers properties on the National Register of Historic Places, or determining their eligibility for listing. However, it is clear from the research completed by the Department that the full scope and national significance of the National Home for Disabled Volunteer Soldiers within the context of our Nation's history has not been assessed.

Some definitive action is needed to stimulate national preservation efforts and establish momentum.

- While the American Veteran's Heritage Center supports the draft bill before us here today we have very basic concerns about how such a bill would be implemented, how the Capital Asset Fund would

be utilized and what can be done to make the Enhanced Use Lease program more effective. The disposition of those buildings that are either listed on, or eligible for listing on, the National Register should be given serious consideration by the sub-committee. It is essential that the properties owned by the Veterans Administration, with the most historic character receive the proper attention that they deserve. To ensure that this important part of our nation's heritage is preserved and protected, we urge your committee to include in your Bill an incentive, if not a requirement, for the Department of Veterans Affairs to more actively partner with the National Park Service to prepare an Assessment of Significance of the National Home for Disabled Volunteer Soldiers to determine which of the historic facilities are the **most historic**. Working with the National Park Service, the VA should prepare one or more National Historic Landmark nominations for the properties that best illustrate or commemorate this story. The goal is to keep the most historically significant buildings from being torn down before preservation can start.

- This Assessment should provide a narrative historic context that outlines the history, events, and persons associated with the administrative and physical development of the National Home for Disabled Volunteer Soldiers. In addition, the documentation should describe the physical characteristics of each property selected for nomination and how those features illustrate the National Home for Disabled Volunteer Soldiers story.
- This Assessment and preparation of National Landmark nominations is consistent with the language and intent of the Historic Sites Act (1935), the National Historic Preservation Act (1966), with Executive Order 13287 – Preserve America (March 3, 2003), and with HR 1762, the Veterans National Heritage Preservation Act of 2003. And, the legislation you're considering would add to the VA's imperative to preserve its history.

As you mark up your Bill, we urge you to incorporate as many of the provisions as you can of HR 1762 introduced by Congressman Turner. For example:

- Once the Assessments of Significance I mentioned earlier are completed, we urge your committee to require the VA to fund the creation of a master utilization plan for their campuses; such a plan for the Dayton VA campus could serve as a pilot for future such plans at other campuses.
- While we applaud the establishment of a VA Capital Asset Fund, the bill you are considering establishes a priority for use of the fund that will make it difficult, if not impossible, for the funds to be used for historic preservation. Environmental clean-up, maintenance and repair, and other costs for current and future transfer of assts have priority over historic preservation. We urge you to establish a guaranteed percentage, perhaps 25%, that could be used for historic preservation. Without that guarantee, the fund will probably not be used for historic preservation.
- The draft bill gives the authority to transfer property below fair market value for the purposes enumerated in Title 28, Chapter 20 of the United States Code. This chapter deals with benefits for homeless veterans. We urge you to include historic preservation as a purpose for which property can be transferred below fair market value. Under this change, a historic building could be transferred to an organization which could maintain the historic significance of the building as a condition for receiving the property.
- Finally, the bill describes a process for transferring real property. That process includes a series of notification steps. We urge you to include in one of those notices, a statement certifying that the transfer would have no impact on a building on the National Register of Historic Places (or eligible for such listing); and if the transfer would have an effect, the department should state that it has found no adaptive reuse for the building. This will provide the department with an incentive to seek new uses for existing historic buildings.

We understand that Secretary Principi is about to sign a request to the Director of the National Park Service to begin an Assessment of Significance for all eleven sites associated with the Home for Disabled Volunteer Soldiers, and we are pleased about that. If it is completed and the VA identifies its most historically significant facilities, the VA can initiate development of local master utilization plans for each facility as discussed earlier. Creative local partnerships between local VA organization, VSOs, state and city officials, non-profit organizations, the National Parks Service and private individuals and foundations can be established to implement those plans.

We have such a partnership in Dayton, Ohio and Secretary Principi was kind enough to “cut the ribbon” on our American Veterans Heritage Center Office in April of last year and we are making further progress. Our Dayton VA campus has been added to the National Historic Register and we look forward to historical landmark status. We are rehabilitating the first permanent chapel built by the United States Government, and in the long term want to turn the Dayton VA’s historic chapel, patient library, administration building, and barracks into a National Veterans Hall of Fame to honor veterans and educate the nation’s youth on the value of patriotism.

We appreciate you holding these hearings to gain stakeholder input. We don’t believe the VA will receive a large enough appropriation to provide for all the costs of both health care and preservation. We do believe, however, that with your help and direction, the VA will devote enough of the money it has to stabilize its historic facilities and fund master utilization plans for its campuses. If the VA then encourages creative local partnerships, which use these master utilization plans to build business cases to stimulate contributions, together we can satisfy the needs for both outstanding health care and preservation of these national treasures. Some will view the expense associated with these recommendations as a cost. We view them as an investment that will significantly reduce the fiscal

burden the VA faces today to maintain buildings no longer needed for patient care, while allowing our nation to provide those few things all veterans want and deserve—thanks, remembrance, and a legacy.

Preservation is such an important issue; we suggest this Subcommittee consider separate hearings just to this topic.

Thank you for the opportunity to appear.

RESUME

Dennis R. Samic, BGen USAF (Ret.)

Fairborn, OH 45324

May 2000 to Present: CACI, Inc.-Federal; Vice President. Has P&L responsibilities for three company directorates with activities in five geographic areas providing system support to Air Force, Navy, Marines, and State of Ohio organizations. In addition, as the senior CACI official in Ohio, Mr. Samic integrates the efforts of a 320-person office with representatives from all five of CACI's US business groups.

1995 - 2000: Air Force Materiel Command, WPAFB OH; Chief Financial Officer. Mr. Samic was CFO of a \$35.5 billion, 90,000-person provider of research and development, weapons systems acquisition and testing, materiel management, and major depot maintenance for the Air Force, other Department of Defense, and foreign military customers. He led a 190-person, 5-Division Organization, responsible for all fiscal issues. Mr. Samic installed an integrated cost accounting capability and cost reduction culture across the organization while improving product quality and timeliness for our customers.

1992 - 1995: Air Education and Training Command, San Antonio, Texas; Chief Financial Officer. Mr. Samic was CFO of \$6.8 billion provider of flight training, technical training, and professional education to over 300,000 Department of Defense students annually. He led an 85-person, 4-division organization which made current and long-range policy and operating decisions for all fiscal matters. Mr. Samic provided financial direction for integration of the Air Force Institute of Technology into the Command. He focused attention on activity-based management of student costs and operating cost reductions at the largest medical facility in the Air Force, Wilford Hall Medical Center.

1990 - 1992: Air Mobility Command, O'Fallon, Illinois; Assistant Chief Financial Officer. Mr. Samic served as senior financial manager of an \$8.1 billion organization. He managed a 90-person financial organization which provided world-wide airlift of Department of Defense personnel, patients, and materiel. He was project leader in identifying and reporting all revenue and recouping all costs associated with the most intensive airlift operation since Berlin - Operation DESERT STORM.

1989 - 1990: Alaskan Air Command, Anchorage, Alaska; Chief Financial Officer. Mr. Samic led a 50-person staff managing an \$850 million annual program used to finance fighter aircraft and radar operations. He was responsible for financial support to the government-wide effort to cleanup the Valdez, Alaska oil spill.

1986 - 1988: Pentagon, Washington D.C.; Executive Officer to Comptroller of the Air Force. Mr. Samic was directly involved in all financial policy issues for the Air Force. He orchestrated interfaces with the Congress, Office of the Secretary of Defense, other services, and all the Air Force's Major Commands. He was project officer for the development of the Air Force's long-range automated financial systems architecture.

1985 - 1986: Pentagon, Washington D.C.; Chief of the Air Force Comptroller's Financial Information Systems Office. Mr. Samic was responsible for developing the comptroller's Air Force-wide information system architecture.

1981 - 1985: Air Force Accounting and Finance Center, Denver, CO; Chief of Air Force Retired Pay. Mr. Samic led a 120-person organization which paid the Air Force's 560,000 retirees.

1977 - 1980: Army and Air Force Exchange Service, Dallas, TX; Financial Analyst and Assistant Chief of Staff. Mr. Samic was responsible for an organization that employed 60,000 people, operated 16,000 stores and sold \$3.2 billion in retail goods and services annually.

1970 - 1977: Base and Major Command Levels with Air Force. Mr. Samic served as Budget Analyst during this time in various financial positions as base and major command levels.

EDUCATION:

University of Southern California 1973 MS in Systems Management

Ohio State University 1970 BS in Corporate Finance

**American Veteran's Heritage Center's
Save America's Treasures Grant
From the National Park Service**

The American Veteran's Heritage Center received a three year \$130,000 Save America's Treasures Grant from the National Park Service on 9 August 2001. The grant was provided to repair the floor in the Dayton VA chapel, and was only available to the extent that American Veteran's Heritage Center raised matching contributions, in-kind or cash. We have successfully raised these matching contributions, and have obligated \$121,088 of the grant for floor repair. Currently the American Veteran's Heritage Center is working with the National Park Service to extend the grant timeline and expand its purpose to allow us to spend the balance on other chapel repairs.