

TITLE 38 - VETERANS BENEFITS
PART V - BOARDS, ADMINISTRATIONS, AND SERVICES
CHAPTER 73 - VETERANS HEALTH ADMINISTRATION - ORGANIZATION AND FUNCTIONS
SUBCHAPTER IV - RESEARCH CORPORATIONS

§ 7361. Authority to establish; status

(a) The Secretary may authorize the establishment at any Department medical center of a nonprofit corporation to provide a flexible funding mechanism for the conduct of approved research and education at the medical center. Except as otherwise required in this subchapter or under regulations prescribed by the Secretary, any such corporation, and its directors and employees, shall be required to comply only with those Federal laws, regulations, and executive orders and directives which apply generally to private nonprofit corporations. Such a corporation may be established to facilitate either research or education or both research and education.

(b) If by the end of the four-year period beginning on the date of the establishment of a corporation under this subchapter the corporation is not recognized as an entity the income of which is exempt from taxation under the Internal Revenue Code of 1986, the Secretary shall dissolve the corporation.

(Added Pub. L. 100–322, title II, § 204(a), May 20, 1988, 102 Stat. 510, § 4161; renumbered § 7361 and amended Pub. L. 102–40, title IV, §§ 401(a)(4)(B), 403 (a)(1), (2), May 7, 1991, 105 Stat. 221, 239; Pub. L. 102–291, § 3(a), May 20, 1992, 106 Stat. 179; Pub. L. 104–262, title III, § 343(b), Oct. 9, 1996, 110 Stat. 3207; Pub. L. 106–117, title II, § 204(a), Nov. 30, 1999, 113 Stat. 1562.)

References in Text

The Internal Revenue Code of 1986, referred to in subsec. (b), is classified generally to Title 26, Internal Revenue Code.

Amendments

1999—Subsec. (a). Pub. L. 106–117 inserted “and education” after “research” and inserted at end “Such a corporation may be established to facilitate either research or education or both research and education.”

1996—Subsec. (b). Pub. L. 104–262 struck out “section 501(c)(3) of” before “the Internal Revenue Code of 1986”.

1992—Subsec. (b). Pub. L. 102–291 substituted “four-year period” for “three-year period”.

1991—Pub. L. 102–40, § 401(a)(4)(B), renumbered section 4161 of this title as this section.

Subsec. (a). Pub. L. 102–40, § 403(a)(2), substituted “Department” for “Veterans’ Administration”.

Pub. L. 102–40, § 403(a)(1), substituted “Secretary” for “Administrator” in two places.

Subsec. (b). Pub. L. 102–40, § 403(a)(1), substituted “Secretary” for “Administrator”.

Effective Date of 1992 Amendment

Section 3(c) of Pub. L. 102–291 provided that: “The amendments made by subsections (a) and (b) [amending this section and section 7368 of this title] shall take effect as of October 1, 1991.”

Ratification of Actions of Secretary of Veterans Affairs During Lapsed Period

Section 3(d) of Pub. L. 102–291 provided that: “The following actions of the Secretary of Veterans Affairs during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act [May 20, 1992] are hereby ratified:

“(1) A failure to dissolve a nonprofit corporation established under section 7361 (a) of title 38, United States Code, that, within the three-year period beginning on the date of the establishment of the corporation, was not recognized as an entity the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 [26 U.S.C. 501 (c)(3)].

“(2) The establishment of a nonprofit corporation for approved research under section 7361 (a) of title 38, United States Code.”