

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 23-278, 23-281, and 23-284 of the Code of Virginia, relating to the Commonwealth Health Research Board.

[S 484]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 23-278, 23-281, and 23-284 of the Code of Virginia are amended and reenacted as follows:

§ 23-278. Commonwealth Health Research Board created.

A. There is hereby created, as an independent body, the Commonwealth Health Research Board. The purpose of the Board shall be to provide financial support, in the form of grants, donations, or other assistance, for research efforts that have the potential of maximizing human health benefits for the citizens of the Commonwealth. Research efforts eligible for support by the Board shall include traditional medical and biomedical research relating to the causes and cures of diseases as well as research related to health services and the delivery of health care.

B. The Board shall be composed of seven members. The Governor shall appoint three members of the Board who shall be confirmed by the affirmative vote of a majority of those voting in each house of the General Assembly. The Joint Rules Committee shall appoint the other four members of the Board who shall be confirmed by the affirmative vote of a majority of those voting in each house of the General Assembly. The initial members shall be appointed for terms of office as follows: one of the members appointed by the Governor shall be appointed for a term of one year; one of the members appointed by the Joint Rules Committee shall be appointed for a term of two years; one of the members appointed by the Governor and one of the members appointed by the Joint Rules Committee shall be appointed for terms of three years; one of the members appointed by the Joint Rules Committee shall be appointed for a term of four years; and one of the members appointed by the Governor and one of the members appointed by the Joint Rules Committee shall be appointed for terms of five years. Appointments thereafter shall be for terms of five years. Vacancies in the membership of the Board shall be filled by appointment of the entity initially making the appointment for the unexpired portion of the term. No member shall be eligible to serve for more than two successive five-year terms; however, after the expiration of a term of four years or less, or after the expiration of the remainder of a term to which he was appointed to fill a vacancy, two additional terms may be served by such member if appointed thereto. Immediately after such appointment, the members shall enter upon the performance of their duties.

C. The members shall have substantial experience or expertise, personal or professional, in at least one of the following areas: medicine, medical or scientific research, public policy, government, business, or education. No member shall be an incumbent elected official, state official or employee, or member of the governing board of a state agency or institution. Members of the Board need not be residents of the Commonwealth.

D. The members shall elect annually a chairman and vice-chairman from among its members. The chairman, or in his absence, the vice-chairman, shall preside at all meetings of the Board. A majority of the members of the Board serving at any one time shall constitute a quorum for the transaction of business. The Board shall meet annually or more frequently at the call of the chairman.

E. *Notwithstanding the provisions of § 2.1-20.3*, members of the Board shall receive compensation for their services at the rate provided in ~~§ 2.1-20.3~~ *Item 1 of Chapter 924 of the 1997 Acts of Assembly used to compensate General Assembly members for the time actually spent in the discharge of their duties* and shall receive reimbursement for actual expenses incurred in the performance of their duties on behalf of the Board. Such compensation and expenses shall be paid from the Fund.

§ 23-281. Powers of the Board.

In order to carry out its purpose, the Board shall have the power to:

1. Make grants or other expenditures or disbursements from the Fund to provide support for research efforts approved by the Board in accordance with the purposes of this chapter; however, the Board shall not be obligated to make annual or other periodic disbursements or expenditures;

2. Contract for the services of consultants to review research proposals and to assist in the evaluation of the research efforts funded by the Board;

3. *Contract for other professional services to assist the Board in the performance of its duties and responsibilities;*

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3- 4. Accept, hold, administer, and solicit gifts, grants, bequests, contributions or other assistance from federal agencies, the Commonwealth, or any other public or private source to carry out the purposes of this chapter;

4- 5. Enter into any agreement or contract relating to the acceptance or use of any grant, assistance or support provided by or to the Board, or otherwise in furtherance of the purposes of this chapter; and

5- 6. Perform any lawful acts necessary or appropriate to carry out the purposes of the Board.

§ 23-284. Commonwealth Health Research Fund established; administration.

A. There is hereby created in the State Treasury a special, nonreverting revolving fund to be known as the Commonwealth Health Research Fund. The Fund shall be established on the books of the State Comptroller.

B. The Fund shall consist of all stock and cash distributed to the Commonwealth as a policyholder pursuant to the conversion of Blue Cross and Blue Shield of Virginia, doing business as Trigon Blue Cross Blue Shield, from a mutual insurance company to a Virginia stock corporation known as Trigon Healthcare, Inc., exclusive of (i) any such stock and cash distributed to the Commonwealth that is directly attributable to the health insurance plan or plans established for employees of local governments, local officers, teachers, and retirees, and the dependents of such employees, officers, teachers and retirees, as provided in subsection F of § 2.1-20.1:02, and (ii) cash paid by Blue Cross and Blue Shield of Virginia or its successor to the Commonwealth in connection with such conversion, which was assumed as general fund revenue in Chapter 912 of the 1996 Acts of Assembly. The Fund shall also consist of any moneys appropriated from the general fund, grants and donations received by the Board, and other moneys received by the State Treasurer and designated for deposit in the Fund. Interest and other income earned on the Fund shall be credited to the Fund. Any moneys remaining in the Fund, including interest and other income thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

C. Notwithstanding any other provision of law, the moneys and other property comprising the Fund shall be invested, reinvested and managed by the Board of the Virginia Retirement System as provided in § 51.1-124.36. The State Treasurer shall not be held liable for losses suffered by the Virginia Retirement System on investments made under the authority of this section.

D. The Fund shall be expended solely for the purpose of supporting research efforts approved by the Board and any other purpose permitted by this chapter.

E. ~~Not more than~~ An amount equal to ~~ninety percent~~ of the annual income, including but not limited to interest, ~~cash~~ dividends, ~~realized gains~~, fees, and other earnings, from the investment, reinvestment and management of the Fund, net of any administrative fee assessed pursuant to subsection E of § 51.1-124.36, ~~shall may~~ be expended in such year for any purpose permitted by this chapter. *However, annual income shall not include any noncash dividend paid on investments of the Fund or any realized gain on the sale of any investments of the Fund.* The Board shall not be required to expend such amount in any year, *and any amount not expended in any year may be expended in subsequent years.*

F. The disbursement of moneys from the Fund shall be made by the State Comptroller at the written request of the Board.