

Department of Planning and Budget 2001 Fiscal Impact Statement

1. **Bill Number** HB1626

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron** John H. Tate, Jr.

3. **Committee** Health, Welfare & Institutions

4. **Title** Performance Contracts

5. **Summary/Purpose:** This bill amends § 37.1-198 and 248.1 of the Code of Virginia to clarify that Community Services Boards (CSBs) and Behavioral Health Authorities (BHAs) must submit their performance contracts for mental health, mental retardation and substance abuse services to their local governing bodies for approval in accordance with the schedule determined by the governing body or at least 15 days before the meeting at which the governing body is scheduled to consider approval of the contract. It also clarifies that the submission of the performance contract to the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) shall include the approval by formal vote of operating or administrative CSBs and BHAs.

6. **No Fiscal Impact.**

7. **Budget amendment necessary:** No.

8. **Fiscal implications:** There is no fiscal impact projected at this time. This bill clarifies that CSBs and BHAs must approve their performance contracts by formal votes of their boards of directors. This is already required in those performance contracts and is done by all CSBs and BHAs. The amendment also requires CSBs and BHAs to submit the performance contract to the local governing body based on a schedule determined by that body or at least 15 days before the meeting at which the governing body is scheduled to consider approval of the contract. § 37.1-198 already allows local governing bodies to review and approve CSB performance contracts, and it also states that if a governing body does not approve the contract by September 15, the contract is deemed to be approved. HB 428 in 1998 added this language to allow local governments to approve contracts if they chose to do so, but it does not require them to do so.

There may be some concerns that a CSB or BHA would not have enough time to prepare the contract, provide a 30-day public comment period on the contract, submit the contract to its local government(s), and send the contract to DMHMRSAS in time to be negotiated and approved so that funding can continue after the fifth payment authorized by § 37.1-198. However, because the deadline for local government approval is September 15, this probably will not be a problem.

9. **Specific agency or political subdivisions affected:** Community Services Boards and Behavioral Health Authorities.

10. Technical amendment necessary: No.

11. Other comments: None.

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cc: Secretary of Health and Human Resources [PDF Created 1/8/2001 3:30:59 PM](#)