

Department of Planning and Budget

2001 Fiscal Impact Statement

1. Bill Number SB1116

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Edwards

3. Committee General Laws

4. Title Veterans Care Center; Board of Trustees.

5. Summary/Purpose:

Removes the Virginia Veterans Care Center and its Board of Trustees from under the direction and supervision of the Secretary of Administration, authorizes the board to oversee any new veterans care center that may be constructed in the future, allows the Governor to remove trustees only for cause as provided in existing law and not at his pleasure, and changes the manner in which trustees are appointed. Currently, the Governor makes all appointments to the board, with the House and Senate suggesting nominees. The bill would require the Governor to make five appointments, the Speaker of the House to three appointments, and the Senate Privileges and Elections Committee to make two appointments.

6. Fiscal impact is tentative

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2000-01	0	0	--
2001-02	\$42,505	1.0	NGF
2002-03	\$42,505	1.0	NGF

6b. Revenue Impact: None

7. Budget amendment necessary: Yes. If this bill were adopted, additional nongeneral fund dollars and positions would need to be appropriated in Item 91 of the budget bill (HB 1600/SB 800).

8. Fiscal implications: Two components of the bill have fiscal implications:

- a) ***Removing the board from the oversight of the Secretary of Administration.*** Currently the Veterans Care Center receives fiscal support services (such as human resources, accounting, budgeting, and procurement support) from the Secretary of Administration's Division of Selected Support Services. If the center were no longer under the jurisdiction of the Secretary of Administration, as this bill proposes, it would need to handle these services internally. Because the facility currently has only two staff (a director and a secretary), additional personnel would be necessary to handle fiscal and personnel services. The Governor has proposed an additional position in his introduced budget bill, but this position is a marketing director that will encourage private donations and provide representation at meetings of veterans' service organizations. This fiscal impact assumes that a fourth position would be necessary. Assuming the hiring of one administrative and

program specialist 3 (for the full year in FY 2002 and FY 2003) in the middle of the salary range, fiscal impact would be \$42,505 in FY 2002. Source of nongeneral funds would be the rental fees paid to the center by the private management company that operates the facility. Currently, these fees are used to pay the executive director and secretary, to purchase equipment for residents, and to support facility upgrades and maintenance.

- b) ***Authorizing the board to oversee any new veterans care centers.*** Should the board need to hold additional meetings in order to also oversee an additional facility, some minor additional costs for travel expenses of board members might be incurred, but these additional costs would be minimal. Because it is not possible to determine at this time if the board would require additional meetings, no fiscal impact is assumed in the estimate above.

- 9. Specific agency or political subdivisions affected:** Affects the Virginia Veterans Care Center and its board of trustees. It also affects the Department of Veterans' Affairs, which is responsible for the construction of any new veterans care centers, including the center scheduled to be built in Richmond.
- 10. Technical amendment necessary:** It may be necessary to amend Section 2.1-51.27 of the Code, which designates the agencies for which the Secretary of Administration is responsible, to remove the Veterans Care Center Board of Trustees.
- 11. Other comments:** This bill includes the provisions of HB 2305. It is also identical to a bill introduced in the 2000 Session (HB 1505), which was carried over to 2001.

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cc: Secretary of Administration

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