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SENATE BILL NO. 296

Senate Amendments in [] — January 24, 2002

A BILL to amend and reenact §§ 23-9.4, 23-281 and 23-284 of the Code of Virginia and to repeal § 23-282 of the Code of Virginia, relating to the powers of the Commonwealth Health Research Board.

Patron prior to Engrossment—Senator Chichester

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 23-9.4, 23-281, and 23-284 of the Code of Virginia are amended and reenacted as follows:

§ 23-9.4. Employment of director and other personnel.

A. The Council shall employ and appoint a director who shall be the chief executive officer of the Council, and such personnel as may be required to assist it in the exercise and performance of its powers and duties.

B. ~~The director shall serve as executive secretary of the Commonwealth Health Research Board. The director and other personnel are authorized to perform all duties imposed on them pursuant to Chapter 22 (§ 23-277 et seq.) of this title.~~

§ 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;

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;

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~~

6. Perform any lawful acts necessary or appropriate to carry out the purposes of the Board; ~~and~~

7. ~~Employ such staff as is necessary to perform the Board's duties. The Board may determine the duties of such staff and fix the salaries and compensation of such staff, which shall be paid from the Fund.~~

§ 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 § 2.2-1204, 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

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59 Retirement System on investments made under the authority of this section.

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

62 E. An amount equal to the annual income, including but not limited to interest, cash dividends, fees,
63 and other earnings, from the investment, reinvestment and management of the Fund, net of any
64 administrative fee assessed pursuant to subsection E of § 51.1-124.36, may be expended in such year for
65 any purpose permitted by this chapter. However, annual income shall not include any noncash dividend
66 paid on investments of the Fund or any realized gain on the sale of any investments of the Fund. The
67 Board shall not be required to expend such amount in any year, and any amount not expended in any
68 year may be expended in subsequent years. *An amount not to exceed six percent of the moving average*
69 *of the market value of the Fund calculated over the previous five years or since inception, whichever is*
70 *shorter, on a one-year delayed basis, net of any administrative fee assessed pursuant to subsection E of*
71 *§ 51.1-124.36, may be expended in a calendar year for any purpose permitted by this chapter. [The*
72 *Board shall not be required to expend such amount in a calendar year, and any amount up to such six*
73 *percent that is not expended in a calendar year may be expended in any other calendar year.]*

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

76 **2. That § 23-282 of the Code of Virginia is repealed.**