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HOUSE BILL NO. 696

Offered January 9, 2008

Prefiled January 8, 2008

A BILL to amend and reenact § 4.1-116 of the Code of Virginia and to amend the Code of Virginia by adding in Article 6 of Chapter 2 of Title 2.2 a section numbered 2.2-214.2, relating to alcoholic beverage control; substance abuse treatment.

 Patron—Armstrong

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § 4.1-116 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 6 of Chapter 2 of Title 2.2 a section numbered 2.2-214.2 as follows:

2.2-214.2. Substance Abuse Treatment Fund established.

A. The Secretary shall administer the Substance Abuse Treatment Fund created pursuant to subsection B. The Secretary, in consultation with the Department of Mental Health, Mental Retardation and Substance Abuse Services, shall (i) develop criteria for eligible programs to receive disbursements from the Substance Abuse Treatment Fund and (ii) determine the appropriate allocation of such funds to eligible programs.

B. There is hereby created in the state treasury a special nonreverting fund to be known as the Substance Abuse Treatment Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys received pursuant to subsection C of § 4.1-116 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the support of substance abuse treatment programs throughout Virginia. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Secretary of Health and Human Resources or his designee.

§ 4.1-116. Disposition of moneys collected by Board; creation of Enterprise Fund; reserve fund; substance abuse treatment programs.

A. All moneys collected by the Board shall be paid directly and promptly into the state treasury, or shall be deposited to the credit of the State Treasurer in a state depository, without any deductions on account of salaries, fees, costs, charges, expenses, refunds or claims of any description whatever, as required by § 2.2-1802.

All moneys so paid into the state treasury, less the net profits determined pursuant to subsection C, shall be set aside as and constitute an Enterprise Fund, subject to appropriation, for the payment of (i) the salaries and remuneration of the members, agents, and employees of the Board and (ii) all costs and expenses incurred in establishing and maintaining government stores and in the administration of the provisions of this title, including the purchasing, building, leasing and operation of distilleries and the manufacture of alcoholic beverages.

B. The net profits derived under the provisions of this title shall be transferred by the Comptroller to the general fund of the state treasury quarterly, within fifty days after the close of each quarter or as otherwise provided in the appropriation act. As allowed by the Governor, the Board may deduct from the net profits quarterly a sum for the creation of a reserve fund not exceeding the sum of \$2.5 million in connection with the administration of this title and to provide for the depreciation on the buildings, plants and equipment owned, held or operated by the Board.

C. *The Board shall deduct quarterly five percent from the net profits to be paid into the Substance Abuse Treatment Fund created pursuant to § 2.2-214.2.*

D. The term "net profits" as used in this section means the total of all moneys collected by the Board less all costs, expenses, deductions, and charges authorized by this section.

INTRODUCED

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