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SENATE JOINT RESOLUTION NO. 66
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on General Laws
on February 16, 2012)

(Patron Prior to Substitute—Senator McDougle)

Approving the Executive Reorganization Plan submitted by the Governor.

WHEREAS, Article 2 (§ 2.2-127 et seq.) of Chapter 1 of Title 2.2, entitled Executive Reorganization, directs the Governor from time to time to examine the organization of all executive agencies and determine what changes therein are necessary to (i) promote better execution of the laws, the more effective management of the executive branch of state government and of its agencies and functions, and the expeditious administration of the public business; (ii) reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of state government; (iii) increase the efficiency of the operations of state government to the fullest extent practicable; (iv) group, coordinate, and consolidate agencies and functions of state government, as nearly as may be, according to major purposes; (v) reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions thereof that are not necessary for the efficient conduct of the state government; and (vi) eliminate overlapping and duplication of effort; and

WHEREAS, Article 2 (§ 2.2-127 et seq.) of Chapter 1 of Title 2.2 requires the Governor to prepare a plan for reorganization and transmit the plan to each house of the General Assembly at least 45 days prior to the commencement of a regular or special session of the General Assembly; and

WHEREAS, on November 25, 2011, the Governor submitted his reorganization plan to the Clerks of the House of Delegates and the Senate of Virginia; and

WHEREAS, Article 2 (§ 2.2-127 et seq.) of Chapter 1 of Title 2.2 requires that, in order to become effective, the Governor's reorganization plan must be approved by the House of Delegates and the Senate of Virginia by resolution in whole or in part. Further, any portion of the reorganization plan may be deleted by either the Senate or the House of Delegates; and

WHEREAS, the Governor's reorganization plan in pertinent detail follows; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Governor's reorganization plan as contained in this resolution be approved, subject to the enactment of a bill by the 2012 Session of the General Assembly; and, be it

RESOLVED FURTHER, That the Clerk of the Senate transmit a copy of this resolution to the Governor in order that he may be apprised of the sense of the General Assembly in this matter.

GOVERNOR'S EXECUTIVE REORGANIZATION PLAN.

NOVEMBER 25, 2011.

ADMINISTRATION

1. Eliminate the Commonwealth Competition Council.

The Commonwealth Competition Council was created in 1995 as independent advisory body within the executive branch with the goal of finding opportunities for privatization of state government functions. At the time, Virginia was on the cutting edge of privatization of government functions. Today, privatization is frequently discussed throughout government, and the Commonwealth Competition Council is often circumvented as vendors work directly with agencies and take advantage of the PPTA and PPEA processes. The Competition Council meets approximately once a year and, in recent years, has primarily monitored actions happening elsewhere in state government rather than taking the lead role on these efforts. The Commission on Government Reform and Restructuring recommended elimination of the Council in 2011. The Commonwealth Competition Council was created with a laudable goal of promoting privatization. In the years since, it has succeeded in making privatization a common theme in state government and has served its purpose. Elimination of the Council is now appropriate.

2. Eliminate the Interagency Dispute Resolution Council.

The Interagency Dispute Resolution Council should be eliminated, and the Department of Human Resource Management should be authorized to perform agency training seminars and educational programs on the use of dispute resolution proceedings.

The Interagency Dispute Resolution Council was created in 1992 to conduct training seminars, publish educational materials, and report on the use of dispute resolution. The Council is made up of state employees and citizens. Costs of staffing and administration of this board were estimated at almost \$3,000 for FY2011 despite being unfunded by the General Assembly and without offering travel reimbursements to members. Many seats remain unfilled and participation is low. While Alternative Dispute Resolution is an important tool that can greatly increase efficiencies and effectiveness across state government, the Council is not necessary to promote its use. It will be more efficient for the

60 Department of Human Resource Management to manage this function directly.

61 The Commission on Government Reform and Restructuring recommended elimination of the Council
62 in 2011.

63 **3. Eliminate the Virginia Public Buildings Board.**

64 The Virginia Public Buildings Board should be eliminated and the responsibility to assist and advise
65 the Governor and the Department of General Services in the preparation and maintenance of a
66 long-range site plan at the seat of government should be transferred to the Capitol Square Preservation
67 Council.

68 Virginia Public Buildings Board is an advisory board made up of legislators, citizens, and the
69 Director of the Department of General Services. The Board advises on the preparation and maintenance
70 of a long-range site plan at the seat of government, and in the determination of the need for the
71 acquisition of land, buildings and improvements at the seat of government. The responsibilities of the
72 Board overlap with the Capitol Square Preservation Council, a legislative branch body, which develops
73 and reviews plans for architectural, historical, archeological and landscape maintenance and
74 enhancements in Capitol Square. The Board's responsibility for advising on long-range planning should
75 transfer to the Capitol Square Preservation Council. The Board has met four times in the last seven
76 years.

77 The Commission on Government Reform and Restructuring recommended elimination of the Council
78 in 2011.

79 **4. Eliminate the Virginia Council on Human Resources.**

80 The Virginia Council on Human Resources should be eliminated, and the Director of the Department
81 of Human Resource Management should be statutorily empowered to convene ad hoc working groups to
82 address issues regarding the state workforce.

83 The Virginia Council on Human Resources was created as a statutory means of communicating
84 employee issues and feedback across the enterprise of state government. Funding for the costs of
85 expenses is incurred by the Department of Human Resource Management as mandated by Code. In
86 order to get feedback on specific issues related to state employees, the Department of Human Resource
87 Management already forms state employee feedback workgroups on issues on an as-needed basis. The
88 functions of the Council can be performed through ad hoc working groups convened by the Department
89 of Human Resource Management. The Commission on Government Reform and Restructuring
90 recommended elimination of the Council in 2011. The Virginia Council on Human Resources should be
91 eliminated, and the Department of Human Resource Management should be statutorily empowered to
92 exercise this power and responsibility.

93 **5. Merge the Department of Employment Dispute Resolution into the Department of Human
94 Resource Management.**

95 The Department of Employment Dispute Resolution's primary function is to administer the state
96 personnel grievance process. The Department (DEDR) has eight employees and a budget of over
97 \$1,000,000. The Department of Human Resource Management is also involved in the employment
98 grievance process. Merger of the two agencies would result in operational efficiencies and cost savings.
99 In order to preserve the integrity and legal standing of the employment dispute process, the new office
100 within the Department of Human Resource Management will have a level of independence to protect the
101 dispute hearing process.

102 Governor Tim Kaine recommended this merger in 2009 in his introduced budget.

103 **6. Merge the Human Rights Council into the Office of the Attorney General.**

104 The functions performed by the Human Rights Council should be transferred to the Department of
105 Law (Office of the Attorney General), and the Council should be eliminated.

106 The Human Rights Council is an agency of the Commonwealth that accepts complaints of
107 discrimination from the citizens of the Commonwealth and seeks to resolve those complaints. The
108 agency has a budget of approximately \$400,000 and a staff of four. The Office of the Attorney General
109 is already involved in the work of the Council. For example, the Council can only seek prevention of or
110 relief from an alleged unlawful discriminatory practice with the approval of the Attorney General and
111 Assistant Attorneys General review determinations to ensure they are compliant with the law. The
112 Council does not need to be a stand-alone agency. The Office of the Attorney General can take on this
113 responsibility. While they would likely need some staff to manage this additional responsibility, it could
114 likely do so at a cost-savings to the Commonwealth as they would likely not need the full complement
115 of employees currently staffing the stand-alone agency.

116 Additionally, in completing this merger, the Human Rights Council body can be eliminated. The
117 Council met only once in 2010 and twice in 2009. The Council oversees the work of the staff. Locating
118 the staff in the Office of the Attorney General will eliminate the need for a governing board.

119

120 **AGRICULTURE AND FORESTRY**

121 **7. Eliminate the Advisory Council to the Southeastern Interstate Forest Fire Protection**

Compact.

The Advisory Council to the Southeastern Interstate Forest Fire Protection Compact provides input to the State Forester in his role as a member of the Southern Interstate Forest Fire Protection Compact. The bylaws of the Compact require the State Forester to establish an advisory council. However, the bylaws are silent as to how the council is formed. If and when there is a need, the State Forester has the ability to form an advisory council to meet the Compact's bylaw requirements.

The elimination of the Council will not impact DOF operations and ability to meet its role in interstate forest fire protection assistance when needed. Existing agreements between USFS and DOF as well as compacts with other states allow this agency to work efficiently and effectively in forest fire assistance.

This was a recommendation of the Secretary of Agriculture and Forestry.

8. Merge the Office of Consumer Affairs into the Office of the Attorney General.

The Office of Consumer Affairs, currently part of the Virginia Department of Agriculture and Consumer Services, should be merged into the Office of the Attorney General.

The Office of Consumer Affairs, a division of the Department of Agriculture and Consumer Services, is the clearinghouse for consumer complaints. The Office handles incoming complaints and investigates those complaints. The Office of the Attorney General acts as an advocate for Virginia consumers through legal action, consumer alerts, and educational materials designed to protect Virginia consumers. Through its Division of Consumer Counsel, the Office is authorized to take action to stop patterns of illegal conduct against consumers, and, where appropriate, seek refunds for affected consumers. Having two separate agencies managing consumer protection leads to a disjointed system that is confusing for citizens of the Commonwealth. Merging the Office of Consumer Affairs into the Office of the Attorney General will lead to a more unified and efficient consumer protection operation for Virginia and better protect Virginia consumers.

9. Consolidate the Reforestation of Timberlands Board into the Board of Forestry.

The Reforestation of Timberlands Board is charged with advising the State Forester in all matters concerning the administration of the Reforestation of Timberlands Program (RTP). The General Assembly authorized the RTP in 1970 as a financial incentive for private landowners to plant pine seedlings in response to over-harvesting of pine timber. Funds for the program come from three sources: forest industry, the Commonwealth, and private landowners. The industry pays into the fund through a self-imposed severance tax when pine timber is harvested. This money is matched with General Fund revenue. The DOF's field offices located throughout the state run the program.

Consolidation of the boards makes sense because both the RT Board and the Board of Forestry are advisory boards. DOF is confident that the two boards can be combined without any loss of emphasis on the importance of the RTP. Consolidation will not result in any interruption of the program because the RTP is already being run out of DOF offices.

Consolidation of the boards also provides the opportunity for further reform to better represent the forestry industry. In order to retain the diversity required of the current RT Board, BOF membership can be adjusted in the Code. Reconfiguring the BOF will give the opportunity to better reflect industry interests by moving away from the current Congressional district allocations.

The current RT Board consists of three representatives of the pine pulpwood industry, three representatives of the pine lumber industry, one of whom is the owner of a sawmill annually producing not more than five million board feet, and three small forest landowners.

This was a recommendation of the Commission on Government Reform and Restructuring.

10. Consolidate the Seed Potato Board and the Potato Board into a single, unified Potato Board.

The Seed Potato Board is a policy board with the sole purpose of adopting regulations and establishing standards for seed potatoes.

The current Potato Board receives check-off funds from potato farmers in the amount of two cents per 100 pounds of potatoes harvested in Virginia. The funds are deposited in the Virginia Potato Fund and used to fund research, education and promotion of Virginia grown potatoes.

The boards have a narrow focus that would not be diminished by their combination. Given the limited number of commercial potato growers in Virginia, Board membership is similar and reflective of the industry's interests. Combining the boards would not result in any diminution of representation of the industry. The newly comprised board would have the responsibility of both regulating seed potatoes and promoting Virginia potatoes. In order to perform both functions, there would likely be a seed potato committee within the Potato Board that will handle the regulatory issues associated with seed potatoes.

Savings are expected based on the fact that VDACS currently provides any funds necessary to operate the Seed Potato Board. Combining the boards would streamline operations and efficiencies.

This was a recommendation of the Commission on Government Reform and Restructuring.

11. Consolidate the Bright Flue-Cured Tobacco Board and the Dark-Fired Tobacco Board into

183 a single, unified Tobacco Board.

184 The Bright Flue-Cured Tobacco Board and the Dark-Fired Tobacco Board administer separate
185 promotion funds for specific types of tobacco grown in Virginia, using funds collected from an excise
186 tax on tobacco paid by the growers. These two boards can more efficiently function and better promote
187 Virginia-grown tobacco as a single Tobacco Board.

188 Consolidation of these two boards is recommended because it will provide a more efficient use of the
189 limited resources generated through check-off fees by the two boards. The new board will be comprised
190 of representatives of both flue-cured and dark-fired regions. A single excise tax would be collected on
191 all tobacco, and then distributed based on the percentage of each type of tobacco grown in Virginia.
192 Each type of tobacco would continue to be the beneficiary of the fees generated from the sale of that
193 particular tobacco, but would further benefit from streamlined operations of a single board. Although
194 tobacco remains a top 10 agricultural commodity crop in Virginia, the number of producers eligible for
195 board membership has declined significantly during the last decade.

196 The new Tobacco Board would consist of nine seats, six from the Bright Flue-Cured Board and three
197 from the Dark-Fired Board. The seven areas represented on the Bright Flue-Cured Board will be
198 condensed to six areas. Stand alone areas—Area I (Pittsylvania), Area III (Halifax) and Area V
199 (Mecklenburg) will be retained. Pittsylvania will be stricken from Area II and the remainder of Area II
200 will be combined with Area IV. The three Dark-Fired members will come from the Eastern, Central and
201 Western Region of the dark-fired tobacco producing section of the Commonwealth.

202 This was a recommendation of the Commission on Government Reform and Restructuring.

203 12. Consolidate the Pesticide Control Board into the Board of Agriculture and Consumer
204 Services.

205 The Pesticide Control Board should be consolidated into the Board of Agriculture and Consumer
206 Services. One board seat should be designated to represent the pesticide industry.

207 The Pesticide Control Board (PCB) is a policy board that oversees the regulation of pesticides in
208 Virginia. The Office of Pesticide Services (VDACS) already provides staff support to the PCB,
209 including special projects. The Board of Agriculture and Consumer Services (BACS), whose members
210 include a wide range of pesticide stakeholders, can handle policy and regulatory issues associated with
211 the use of pesticides.

212 This was a recommendation of the Commission on Government Reform and Restructuring.

213
214 COMMERCE AND TRADE

215 13. Consolidate the Board for Opticians and the Board for Hearing Aid Specialists to form the
216 Board of Opticians and Hearing Aid Specialists.

217 The Board for Hearing Aid Specialists was established in 1970. The purpose of this Board is to
218 license those who are qualified, either by a temporary permit or full licensure, to test and fit individuals
219 who need the assistance of a hearing aid. The Board for Opticians was established in 1954 to regulate
220 individuals who fit and sell prescription glasses, and contact lenses were later added. The Board is
221 comprised of three licensed opticians, an ophthalmologist, and one citizen member. Each member is
222 appointed by the Governor for a four-year term and may not serve for more than two consecutive terms.
223 The Board meets a minimum of four times per year. The Board for Opticians and the Board for Hearing
224 Aid Specialists each receive few complaints. Individuals who contact the Board are typically concerned
225 with customer service issues rather than a violation of the regulations. The Office of Consumer Affairs
226 at the Virginia Department of Consumer and Agricultural Services (VDACS) manages customer service
227 issues related to hearing aid devices and prescription glasses and contact lenses.

228 The Governor's Commission on Government Reform and Restructuring recommended consolidations
229 of the Boards in 2011.

230 14. Consolidate the Board for Geology with the Board for Professional Soil Scientists and
231 Wetlands Professionals to form the Earth Science Board.

232 The Board for Geology should be merged with the Board for Professional Soil Scientists and
233 Wetlands Professionals as they serve the same purpose for their respective industry.

234 Merging the boards would reduce the number of meetings from six to three creating more efficiency
235 and cost savings. Additionally, the merger would produce a board with more diverse backgrounds to aid
236 in a more balanced process in which to promulgate regulations. The Department of Professional and
237 Occupational Regulation (DPOR) reports few complaints are made to either Board.

238 The Governor's Commission on Government Reform and Restructuring recommended consolidations
239 of the Boards in 2011. "Project Streamline" during the Wilder Administration recommended deregulating
240 these professions.

241 15. Eliminate the Small Business Advisory Board.

242 The Small Business Advisory Board should be eliminated, and two seats representing small business
243 owners should be added to the Small Business Commission.

244 The Small Business Advisory Board is strictly an advisory board, not a policymaking board. The

Board has not had a quorum in the past eight meetings. The Governor and/or the Secretary of Commerce and Trade have broad discretion to organize a task force to serve in an advisory capacity when necessary. The Small Business Advisory Board is duplicative of the efforts of the Small Business Commission, which exists to study, report, and make recommendations on issues of concern to small businesses in the Commonwealth. The Commission is made up of 14 members—four citizens and 10 legislators. Two additional seats should be added to the Small Business Commission to enhance the representation of Virginia's small business owners and their role in the policymaking process.

The Commission on Government Reform and Restructuring recommended elimination of the Board in 2011.

16. Eliminate the Board of Surface Mining Review.

The sole duty of the Board of Surface Mining Review is to hear appeals from orders, rules, or regulations issued by the Department of Mines, Minerals and Energy (DMME) related to the reclamation of mineral mining operations. The Board has not met in this capacity since 2008. All appeals of orders have been resolved at the informal conference stage of the process during this time.

The APA provides for the administrative review of agency actions through a uniform, statewide process. Since the Board meets so infrequently, it can be difficult for Board members to remain informed of current laws and regulations and industry best practices. It is possible that members may be appointed and never hear a single case during their term. The APA process and the decisions rendered by hearing officers are standardized. Additionally, informal resolution of issues can still take place without the Board. The authority now managed by the Board will be managed by DMME and streamlined through the process set out in the Administrative Process Act (APA).

The Commission on Government Reform and Restructuring recommended elimination of the Board in 2011.

17. Eliminate the Board of Mineral Mining Examiners.

The Board of Mineral Mining Examiners currently requires certification of persons who work in mineral mines and persons whose duties and responsibilities in relation to mineral mining require competency, skill, or knowledge in order to perform consistently with the health and safety of persons and property. While the Board also promulgates regulations pertaining to the conduct of examinations, determines the qualification necessary for certified individuals, and conducts hearings to revoke a certification in certain circumstances. This Board has typically met once a year and only represents a portion of the minerals industry, while the Department of Mines, Minerals and Energy (DMME) routinely works with all regulated entities on a regular basis.

The Code gives the Board the discretion to allow a hearing officer to hear these appeals under the Administrative Process Act managing the functions administratively within DMME's Division of Mineral Mining. The Director of DMME may call together regulatory advisory groups to provide stakeholder input during the regulatory process.

The Commission on Government Reform and Restructuring recommended elimination of the Board in 2011.

18. Eliminate the Virginia National Defense Industrial Authority.

In 2005, the General Assembly created the Virginia National Defense Industrial Authority (VNDIA)—previously an advisory board created through executive order—"To foster and promote business, technology, transportation, education, economic development and other efforts in support of the mission, execution, and transformation of the United States government military and national defense activities located in the Commonwealth." VNDIA is governed by a Board appointed by the Governor and the General Assembly. VNDIA is an affiliated agency of the Secretary of Commerce and Trade—with budget funding passed through the Virginia Economic Development Partnership, where they are co-located. The Board may appoint an executive director and has chosen to do so. VNDIA currently has three full time employees. With the winding down of the 2005 BRAC and the creation of the Secretary of Homeland Security and Veterans Affairs, VNDIA is duplicative of the new Secretariat efforts as outlined in the Code of Virginia. Additionally, Governor McDonnell issued Executive Order 22 in 2010 to support a working group on military installations and one working group on non-military national security facilities. In 2011, Governor McDonnell instituted Executive Order 39, to protect the military and national security assets located in the Commonwealth as authorized in Executive Order 22, and continuously seek new opportunities for growth. VEDP also has staff focused on this sector of the Commonwealth's economy. The elimination of the Authority would produce a cost savings to the Commonwealth of nearly \$790,000 per biennium.

As was recommended by the Commission on Government Reform and Restructuring in 2010 and 2011, the Secretary of Commerce and Trade and the Secretary of Homeland Security and Veterans Affairs recommends the elimination of VNDIA.

19. Deregulate the Profession of Hair Braiding.

The Board for Barbers and Cosmetology currently regulates hair braiders, among other professions.

306 The Board should no longer regulate hair braiders.

307 The Board for Barbers and Cosmetology was created by merging the Board for Barbers and the
308 Board for Cosmetology, both originally established in 1962, through legislation signed by Governor
309 Gilmore in April 2000. In accordance with Virginia statute, the Board is composed of 10 members,
310 eight members are licensed practitioners in the respective regulated professions, and two are citizen
311 members. The Board regulates businesses and individuals that engage in barbering, cosmetology, nail
312 care, waxing, hair braiding, tattooing, body-piercing, and esthetics. The Board also regulates individuals
313 who teach and schools that provide training in barbering, cosmetology nail care, waxing, hair braiding,
314 tattooing, and esthetics. The Board regulates approximately 73,000 individuals, businesses, and schools.

315 There are currently 382 licensed hair braiders, 42 hair braiding salons, and eight hair braiding
316 schools. The regulation of hair braiders is a burden to those who chose this as their sole profession
317 costing each individual \$75 for an exam and \$140 for a two-year license. The hair braiding industry
318 poses a minimal risk of public harm. Additionally, a Colorado study in 2008 found 23 states do not
319 reference hair braiding as a regulated profession. Over the past five years, there have been two fines for
320 hair braiders, one revocation, and one fine against a hair braider salon. Legislation should be introduced
321 to remove hair braiders, braider schools and braider salons from the list of regulated professions by the
322 Board for Barbers and Cosmetology through § 54.1-700 of the Code of Virginia. This would only
323 impact those who practice or teach only hair braiding and none of the other regulated professions.

324 **20. Deregulate Mold Inspectors and Mold Remediators.**

325 The Virginia Board for Asbestos, Lead, Mold, and Home Inspectors currently regulates mold
326 inspectors and mold remediators, among other professions. The Board should no longer regulate mold
327 inspectors and mold remediators.

328 The Virginia Board for Asbestos, Lead, Mold, and Home Inspectors regulates the licensure of mold
329 inspectors and mold remediators. The licensing Board was created by the General Assembly in 1993 to
330 oversee the asbestos licensing regulations. It was expanded in 1994 to include lead-based paint activities
331 licensing, and again in 2001 to include home inspector certification. The 2009 General Assembly
332 directed the Board to develop a licensure program for mold remediators and inspectors, effective in
333 2011. The U.S. Environmental Protection Agency (EPA) does not see a need to regulate mold
334 remediation in a home. This is an example of Virginia over regulating where the EPA does not.
335 Currently, there are only three states that regulate the mold industry.

336 **21. Deregulate the Profession of Interior Design.**

337 The Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers and
338 Landscape Architects currently regulates interior designers, among other professions. The Board should
339 no longer regulate interior designers.

340 The Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers and
341 Landscape Architects oversees the Certified Interior Designer Program. There are few, if any complaints
342 in this section and very few regulatory violations. Of the 26 states that legally recognize interior
343 designers, only 10 are like Virginia inasmuch as they offer title protection and certification. The private
344 sector can provide the relevant credentials. Decertification for interior designers will allow for more
345 choice and competition.

346
347 **EDUCATION**

348 **22. Eliminate the Virginia Public Broadcasting Board.**

349 The functions of the Virginia Public Broadcasting Board should be transferred to the Board of
350 Education, and the Virginia Public Broadcasting Board should be eliminated. The Virginia Public
351 Broadcasting Board allocates awards grants to public broadcasting stations. The Commonwealth
352 appropriates \$10,000 per year for the functioning of this Board, and the Board has not met in the last
353 two years. The Board of Education can absorb this responsibility, yielding a savings for the
354 Commonwealth.

355 The Commission on Government Reform and Restructuring recommended elimination of the Council
356 in 2010.

357
358 **HEALTH AND HUMAN RESOURCES**

359 **23. Create a new agency consisting of the Department of Rehabilitative Services and the**
360 **Department for the Aging.**

361 A new state agency, consisting of Virginia Department for the Aging and the Department of
362 Rehabilitative Services, will be created to provide services to a population that can be better served with
363 unified resources.

364 Under a memorandum of agreement, the Department of Rehabilitative Services (DRS) currently
365 performs certain human resources, information technology, fiscal and general services,
366 communications/public relations and internal audit services for the Virginia Department for the Aging
367 (VDA). The creation of this new agency would reduce confusion for Virginians who currently seek

services from more than one agency. It also reduces confusion for providers that currently report to and receive funds from more than one state agency. This new agency would simplify and streamline service delivery, avoid duplication, improve alignment and manage costs, increase access, and make better use of information and other resources among agencies performing similar functions in the Health and Human Resources Secretariat.

The new agency would create a unified vision and improved outcomes for similar services and supports. Additionally, it will streamline and avoid duplication in oversight of similar functions as well as making better use of information, training and staff resources.

This was a recommendation of the Commission on Government Reform and Restructuring in 2011.

24. The Virginia Department for the Deaf and Hard of Hearing should join the new agency along with the Virginia Department for the Aging and the Virginia Department of Rehabilitative Services.

Under a memorandum of agreement, the Department of Rehabilitative Services (DRS) currently performs certain human resources, information technology, fiscal and general services, communications/public relations, and internal audit services for the Virginia Department for the Deaf and Hard of Hearing (VDDHH).

The addition of VDDHH to the newly formed agency would reduce confusion for individuals and caregivers who seek services provided through more than one agency. The function of VDDHH and its service to Virginians in need of hearing, interpreting, and other audio services, must be maintained and easily accessible in order to ensure the safety and well-being of Virginians who are deaf and hard of hearing. The new agency would support better informed referrals and improved outcomes. Additionally, it would increase awareness and make better use of information, training, and staff resources.

This is a recommendation of the Commission on Government Reform and Restructuring in 2011.

25. Consolidate the Virginia Department of Social Services Adult Services and Adult Protective Services into the newly proposed agency consisting of the Virginia Department for the Aging, Department of Rehabilitative Services, the Virginia Department for the Deaf and Hard of Hearing, or any combination thereof.

Adult Protective Services investigates reports of abuse, neglect, and exploitation of adults 60 years of age or older and incapacitated adults age 18 or older. If protective services are needed and accepted by the individual, local Adult Protective Services social workers may arrange for a wide variety of adult services, including; health, housing, social and legal services to stop the mistreatment or prevent further mistreatment. Services offered may include home-based care, transportation, adult day services, adult foster care, nutrition services and legal intervention in order to protect the adult. Services may also be arranged for individuals in emergency situations who lack the capacity to consent to services.

In state fiscal year 2011, there were nearly 18,000 reports of abuse, neglect, or financial exploitation of older adults and adults with disabilities in Virginia. By 2030, nearly one-quarter of Virginia's residents will be age 65 or older, and individuals with disabilities are moving out of institutions and into their communities. Consolidation of these functions into the state agency that focuses on serving these individuals will strengthen our ability to respond to these realities. This consolidation would reduce redundancy in the oversight and state administration of similar functions. For example, the average constituent will call the Department for the Aging (VDA) with concerns of alleged elder abuse or exploitation, rather than contacting the Adult Services/Protective Services unit of DSS.

This is a recommendation of the Commission on Government Reform and Restructuring in 2011.

26. Consolidate the Public Guardian and Conservator Advisory Board with the Commonwealth Council on Aging and the Alzheimer's Disease and Related Disorders Commission.

The Commonwealth Council on Aging promotes an efficient, coordinated approach by state government to meeting the needs of older Virginians. The Council has 19 appointed members and five ex-officio members. The Governor appoints 11 members, one from each of Virginia's congressional districts. Of the remaining eight at-large members, four are appointed by the Speaker of the House of Delegates and four by the Senate Committee on Privileges and Elections. The Council meets quarterly.

The Public Guardian and Conservator Advisory Board, established by § 2.2-2411 of the Code of Virginia, provides advice to the Commissioner of the Department for the Aging about public guardianship. The Board also assists in the coordination and management of local public guardianship programs. The Board consists of no more than 15 members appointed by the Governor.

The Alzheimer's Commission serves in an advisory capacity to the Governor and the Secretary of Health and Human Resources (HHR), and exists to assist people with Alzheimer's disease or related disorders, as well as their caregivers. The Commission consists of non-legislative citizen members, appointed as follows: Three members are appointed by the Speaker of the House of Delegates, two members are appointed by the Senate Committee on Privileges and Elections; and 10 members are appointed by the Governor.

When identifying appropriate consolidation measure of boards and commissions, it is difficult to

429 validate leaving the Alzheimer's Disease and Related Disorders Commission out of the Aging board
430 consolidation package. Not unlike the merger of the Public Guardian and Conservator Advisory Board
431 with the Commonwealth Council on Aging, there is no desire to mitigate the important issues considered
432 and addressed by the Alzheimer's Commission. Notwithstanding the reduction in size of representation,
433 it is expected that specific seats of the Commonwealth Council on Aging will be designated for
434 individuals who represent the Alzheimer's perspective.

435 This was a recommendation of the Commission on Government Reform and Restructuring in 2011.

436 **27. Consolidate the Advisory Board on Child Abuse and Neglect with the Family and**
437 **Children's Trust Fund to create the Family and Children's Trust Fund and Advisory Board.**

438 The Advisory Board on Child Abuse and Neglect is composed of nine persons appointed by the
439 Governor for three-year staggered terms, and permanent members including the Superintendent of Public
440 Instruction, the Commissioner of Health, the Commissioner of Behavioral Health and Developmental
441 Services, the Commissioner of Social Services, the Director of the Department of Juvenile Justice, the
442 Director of the Department of Corrections, the Director of the Department of Criminal Justice Services,
443 and the Attorney General of Virginia, or their designees. The Advisory Board meets quarterly and, as
444 the need may arise, advise the Department, Board and Governor on matters concerning programs for the
445 prevention and treatment of abused and neglected children and their families and child abuse and neglect
446 issues identified by the Commissioner of Social Services.

447 Consolidation would allow the Commonwealth to focus on ending generational abuse and aligning
448 Virginia's child abuse prevention efforts. Additionally, the consolidation provides expertise created
449 through merger which will improve overall response to family abuse.

450 The Family and Children's Trust Fund (FACT) provides for the support and development of services
451 for the prevention and treatment of violence within families. This goal is achieved through public and
452 private collaboration.

453 This was a recommendation of the Commission on Government Reform and Restructuring in 2011.

454 **28. Eliminate the Hemophilia Advisory Board.**

455 The Hemophilia Advisory Board should be eliminated and the Commissioner of the Virginia
456 Department of Health (VDH) should maintain authority to convene issue-based workgroups as needed.

457 The Virginia Hemophilia Advisory Board is a governor-appointed board who advises and assists the
458 Virginia Department of Health in the administration of the CSHCN Hemophilia Program. The board
459 includes representatives from voluntary agencies interested in hemophilia, hematologists, blood
460 banks/pharmacies, medical schools, hospitals, local public health agencies and the general public.

461 An existing framework is in place to programmatically set and carry out goals and objectives for
462 CSHCN programs, including the Virginia Bleeding Disorders Program (VBDP), under the Maternal and
463 Child Health Block Grant. The Virginia Genetics Advisory Committee could be more effective with a
464 broader scope and membership; the change in leadership with this group presents an opportunity at this
465 time to make modifications. At any time and by discretion, the Commissioner of the Virginia
466 Department of Health (VDH) may bring together an Advisory Committee regarding any topic under the
467 purview of the Health Department. Acknowledging that Hemophilia is of specific concern to some
468 constituencies, this, like any other related matter, can be discussed and addressed through a more
469 flexible framework with less cost and administrative burden to the Commonwealth.

470 This is a recommendation of the Commission on Government Reform and Restructuring in 2011.

471 **29. Eliminate the Sewage Handling and Disposal Appeal Review Board.**

472 The State Health Department Sewage Handling and Disposal Appeal Review Board (ARB) consists
473 of seven members, appointed by the Governor subject to confirmation by the General Assembly. The
474 members include one member who is a soil scientist; one member who is a professional engineer in
475 private practice; one member who is a residential builder; one member who is an academic professional
476 engaged in research and teaching in a soils-related discipline; one member who has had experience in
477 the field of enforcement of onsite sewage disposal regulations; one member who is engaged in private
478 soils analysis work related to the installation of onsite sewage systems; and one member from the public
479 at large who may have experience in the installation of onsite sewage systems. The members shall serve
480 at the pleasure of the Governor. The ARB hears the appeals of denials of onsite sewage permits and
481 certification letters, Betterment Loan Eligibility Letters, and requests for reimbursement from the Onsite
482 Sewage Indemnification Fund.

483 The ARB is unique among state agencies in that its decisions constitute final agency decisions and
484 cannot be challenged by the agency, even if an error of fact or law occurs. In the absence of the ARB,
485 citizens could appeal adverse decisions to circuit court in accordance with the Administrative Process
486 Act. The agency, in consultation with the Office of the Attorney General, has an option to appeal an
487 adverse decision in circuit court. Eliminating the ARB would reduce expenses for the agency (travel
488 reimbursement, time, materials, etc.) and realign VDH with more normal processes for making agency
489 decisions (case decisions).

490 Eliminating the Board would remove a step and would streamline the judicial process. While this

recommendation does remove the Health Department from this appeal process, it does not remove the right to an appeal away from those seeking a different decision. It is believed that this recommended process will reduce the burden put on the Department and would again streamline the process for those seeking an appeal.

This was a recommendation of the Commission on Government Reform and Restructuring in 2011.

30. Eliminate the Child Day Care Council.

The Child Day Care Council should be eliminated and the Board of Social Services should be designated as the authority to adopt regulatory standards for licensure and operations of child day care centers. Two seats should be added to the Board of Social Services to represent the day care industry.

Since its inception in 1987, the licensing and regulation of Child Day Care Centers was performed by the Board of Social Services. The Child Day-Care Council has revised, simplified, and adopted several new standards for the benefit and safety of children. Under the council, child day centers are child day programs offered to (i) two or more children under the age of 13 years in a facility that is not the residence of the provider or of any of the children in care or (ii) 13 or more children at any location. Examples of child day centers include child care centers, before- and after-school programs, nursery schools, and certain camps. Originally, the Council was composed of a minimum of 13 members; however, in 2002, membership was increased by the General Assembly to a minimum of 29. All members are appointed by the Governor and represent a variety of interests from around the state. The standards cover a range of topics including such things as background checks for day center staff, physical plant requirements, nutrition and food services, and first aid.

Elimination of the Child Day Care Council would significantly reorganize and streamline DSS's regulatory process by abolishing the 29-member Council, which oversees only three regulations, and delegating its responsibility for adopting regulations for the licensure and operation of child day centers to the nine-member DSS Board of Social Services. Two of these regulations, Background Checks for Licensed Child Day Centers and Public Participation Guidelines, are an exact duplication of the regulations for all the other children's programs and are unnecessary.

The approval authority for all other regulations in DSS is the State Board, which does not consist of a majority of members with a vested interest in a regulation. In fact, § 63.2-215 of the Code of Virginia states "No director, officer or employee of an institution subject to the provisions of this title shall be appointed a member of the Board."

The Board is experienced in overseeing regulations governing child day programs. The Board has the responsibility for overseeing 50 DSS regulations, of which eight are related to child care and govern over 9,600 child care providers. The Council has the responsibility for only three regulations that govern slightly over 2,500 licensed child day centers.

The CDCC is authorized by the Code of Virginia to adopt regulatory standards for licensure and operation of child day care centers in Virginia. While the Administration values the role of the Child Day Care Council in assuring that Virginia's children are cared for in a safe environment while away from home, it is believed that the duties and responsibilities of the Child Day Care Council can be assumed through representation on the Board of Social Services.

This was a recommendation of the Commission on Government Reform and Restructuring in 2011.

NATURAL RESOURCES

31. Transfer the Virginia Office of Environmental Education to the Department of Conservation and Recreation from the Department of Environmental Quality.

The Virginia Office of Environmental Education is a one-stop-shop for environmental education and information. The office's stated mission is to work with public and private organizations to deliver quality environmental education programs that meet state academic standards and engage citizens in conservation activities.

The Department of Conservation and Recreation (DCR) interfaces with the general public, including students and teachers, on a regular basis through the operation of state parks, natural heritage programs, and planning and recreational resources. Moving the Office of Environmental Education to DCR will elevate the program and enable it to more successfully achieve its mission.

This move compliments other program realignments which aim to make the Department of Environmental Quality the one-stop-shop for regulatory environmental activities and the Department of Conservation and Recreation the agency for state parks, recreation and conservation issues.

This move was a recommendation of the Commission on Government Reform and Restructuring in 2011.

32. Transfer Municipal Separate Storm Sewer (MS4) Permitting.

Municipal Separate Storm Sewer (MS4) permitting should be moved to the Department of Environmental Quality from the Department of Conservation and Recreation.

The Commission on Government Reform and Restructuring recommended consolidating all water

quality permitting at the Department of Environmental Quality (DEQ) to create a one-stop-shop for water quality issues. Consolidating water quality permitting into a single agency will streamline and strengthen the process for obtaining these permits in Virginia. The first step in achieving this consolidation is moving the MS4 permits to DEQ. The administration will lead a review over the next year to evaluate moving the remaining water quality programs. The goals of this review would be to provide optimum service to citizens; provide continuity of approach to permits, compliance, and grant management; and strengthen coordination with federal mandates at the lowest cost. There are currently two agencies under the Secretary of Natural Resources that manage water quality issues, so customers and stakeholders in some instances must work with multiple agencies on a single project for water quality issues alone. Two separate agencies manage the Commonwealth's Chesapeake Bay Watershed Implementation Plan resulting in duplication of efforts and inefficiencies.

This move was a recommendation of the Commission on Government Reform and Restructuring in 2011.

33. Merge the Chippokes Plantation Farm Foundation and Board of Trustees.

The Chippokes Plantation Farm Foundation should be merged into the Chippokes Plantation State Park and the Board of Trustees should be merged into the Board of Conservation and Recreation.

The Chippokes Plantation Farm Foundation, which operates the Chippokes Plantation Farm and Forestry Museum, is a separate state agency and is overseen by a Board of Trustees. The Foundation operates within the boundaries of Chippokes Plantation State Park which is managed by the Department of Conservation and Recreation Division of State Parks. Consolidating this small agency and its farm and forestry museum into the state park will create efficiencies and savings.

The Chippokes Plantation Farm Foundation provides many of the same functions at Chippokes Plantation State Park as the park staff. It creates confusion for the public in terms of who has responsibilities for activities. DCR's state parks system is recognized nationally as one of the nation's best managed and most successful systems. This merger will enable this small agency to benefit from DCR and the state park system's available resources and shared services rather than handling operational functions on its own. It will result in simplified planning and coordination and more efficient operations throughout the Park. The existing code requirements for the continuation and preservation of the model farm will remain in place.

For several years, the Foundation has had little fundraising actions taken aside from revenue tied to entrance fees (a share of the state park parking fee), gift shop proceeds, and other events. According to DCR, the Foundation has not historically raised any significant funds and this year any funds were negligible. The Board of Conservation and Recreation (BCR) has the same fundraising authorities as the Chippokes Plantation Farm Foundation, so the BCR can handle those duties upon elimination of the Foundation Board. No fundraising ability will be jeopardized by this action.

This merger was a recommendation of Governor Warner's Commission on Efficiency and Effectiveness in 2002. This merger was a recommendation of the Commission on Government Reform and Restructuring in 2010 and 2011.

34. Merge Virginia Scenic River Board into Board of Conservation and Recreation.

The Virginia Scenic River Board should be eliminated, and its duties to advise the Governor and the Director concerning the protection and management of the Virginia Scenic Rivers System should be absorbed by the Board of Conservation and Recreation.

The Virginia Scenic River Board has no regulatory authority and its only duties are to advise the Governor and Director on issues related to the Virginia Scenic Rivers System. These duties can be absorbed into the Board of Conservation and Recreation with the continued support of the Department of Conservation and Recreation staff.

35. Eliminate the Boating Advisory Committee.

The Boating Advisory Committee was dissolved during the Wilder Administration and has not been reconstituted since. There are no current appointees. The Department of Game and Inland Fisheries instead regularly works with the Virginia Safe Boating Alliance. This alliance is a non-governmental grass-roots organization which consists of 12 diverse boating interest groups who have worked successfully and closely with the Agency and legislators on issues of interest to the Commonwealth's recreational boating public.

36. Eliminate the Virginia Council on Indians.

The Virginia Council on Indians should be eliminated and the Secretary of Natural Resources should develop an alternative mechanism for facilitating relations between the Commonwealth and her Indian Tribes.

The Virginia Council on Indians has faced a number of challenges in recent years that have left the council inoperable. The Council has been unable to conduct business in more than two years as many tribes have opted not to participate in the council any longer. The last time a Council meeting achieved a quorum was at its September of 2009 business meeting.

A majority of the tribes wrote letters to the Commission on Government Reform and Restructuring

requesting that the Council be disbanded. They have suggested that the Virginia Council on Indians has outlived its usefulness and that it should be abolished.

This elimination was a recommendation of the Commission on Government Reform and Restructuring in 2011.

37. Eliminate the Litter Control and Recycling Advisory Board.

The Litter Control and Recycling Fund Advisory Board should be eliminated, and its responsibilities for advising the Director for the award of all grants should be absorbed within the Department of Environmental Quality.

The Litter Control and Recycling Fund Advisory Board is responsible for reviewing applications for grants from the Litter Control and Recycling Fund and recommending their approval or denial to the Director, depending on whether or not the applications meet the criteria outlined in the Department's Guidelines for Litter Prevention and Recycling Grants. This function can be handled within the Department of Environmental Quality.

The role of the Board changed in 2009 when legislation was enacted that eliminated the funding and the annual competitive grants program for litter prevention and recycling projects and transferred those monies to funds allocated in the pass-through formula grants awarded to localities each year for their base litter prevention and recycling programs. Because the program no longer has competitive grants, DEQ distributes 95% of the revenue to localities for litter prevention and recycling grants based on population and road miles (the other 5% is used to administer the program). All localities are eligible assuming they follow the guidelines/restrictions for use of the funds developed by the Board and submit an annual accounting report. This change has dramatically altered the role of the Board.

The Director can seek the input of stakeholders and localities without this advisory board, including advice on how to promote the control, prevention and elimination of litter from the Commonwealth and how to encourage recycling in Virginia.

This board elimination proposal was heard by the Government Simplification & Operations Committee of the Commission on Government Reform and Restructuring in 2010 and identified in the Commission's 2010 report for possible consolidation.

38. Eliminate the Foundation for Virginia's Natural Resources.

The Foundation for Virginia's Natural Resources should be eliminated from the Code of Virginia. The Foundation has not been able to raise money to carry out its stated mission of assisting in developing and encouraging non-regulatory conservation programs, fostering collaboration between business communities and natural resources groups, promoting natural resource education and pollution prevention, encouraging volunteer monitoring of all natural resources, and developing goals and guidelines for grant applications to the trust. These goals are currently being carried out by state agencies, business organizations, schools and other citizen groups not identified in the Code of Virginia or appointed by the Governor.

This elimination was a recommendation of the Commission on Government Reform and Restructuring in 2010.

PUBLIC SAFETY

39. Merge the Department of Correctional Education into the Department of Corrections and the Department of Juvenile Justice.

The adult education functions of the Department of Correctional Education should be merged into the Department of Corrections, and the juvenile education functions of the Department of Correctional Education should be made a part of the Department of Juvenile Justice. The Department of Correctional Education should then be eliminated.

The Department of Correctional Education serves two very distinct functions. The first is to provide adult and vocational education to inmates who are under the supervision of the Department of Corrections. The second is to serve as the local educational division equivalent for the youth who are detained at facilities run by the Department of Juvenile Justice. Because of the very distinct nature of these two responsibilities—providing adult education and providing juvenile education—there is little overlap between the two programs.

Merging the adult education functions of the Department of Correctional Education into the structural organization of the Department of Corrections and the juvenile education functions as a part of the Department of Juvenile Justice will increase program efficiencies and provides cost savings. Rather than a stand-alone agency with its own management and other infrastructure needs, these two important functions could be divisions under the Department of Corrections and the Department of Juvenile Justice. Additionally, this arrangement would allow for better collaboration and integration of educational programs with the other programs and services provided by the Department of Corrections and the Department of Juvenile Justice.

40. Eliminate the Board of Correctional Education.

675 The Board of Correctional Education's primary function is to oversee the operations of the
676 Department of Correctional Education. With the Department merging into the Department of Corrections
677 and the Department of Juvenile Justice (see above), the Board is no longer necessary.

678 The authority that the Board of Correctional Education currently holds should be transferred to the
679 Board of Corrections and the Board of Juvenile Justice with the merger of the education functions.

680 **41. Eliminate the Virginia Juvenile Enterprise Committee.**

681 The Virginia Juvenile Enterprise Committee reviews work program proposals for juveniles committed
682 to the Department of Juvenile Justice. This authority is duplicative of authority granted to the
683 Department of Juvenile Justice. The Juvenile Enterprise Committee is redundant and unnecessary. The
684 Committee should be eliminated.

685 **42. Transfer the Functions of the Governor's Office of Substance Abuse Prevention to the**
686 **Virginia Department of Alcoholic Beverage Control.**

687 The responsibilities of the Governor's Office of Substance Abuse Prevention should be transferred to
688 the Department of Alcoholic Beverage Control, and the Governor's Office of Substance Abuse
689 Prevention should be eliminated.

690 The Code of Virginia states that it is "the responsibility of the Governor to administer the substance
691 abuse prevention program within the Commonwealth." The program was designed to be the link
692 between state and local law enforcement and substance abuse prevention efforts and was designed to
693 administer federal grant funds that are no longer available. Dedicated staff are required to manage this
694 program. It would be more appropriate to house it at an agency where the program can benefit from
695 expertise and collaboration with other programs. In recent years, the primary objective of the Governor's
696 Office of Substance Abuse Prevention has been on alcohol abuse prevention. As such, the Department of
697 Alcoholic Beverage Control is the appropriate agency to administer the Commonwealth's substance
698 abuse prevention program in conjunction with its other prevention programs.

699
700 **TRANSPORTATION**

701 **43. Eliminate the Board of Transportation Safety.**

702 The functions of the Board of Transportation Safety are already being performed by the Department
703 of Motor Vehicles (DMV). The Board of Transportation Safety should be eliminated.

704 The Board of Transportation Safety is comprised of 12 members appointed by the Governor and has
705 been established within the Virginia Department of Motor Vehicles. The Board may consider, study, and
706 report on: the identification of the unique safety needs of each particular mode of transportation; the
707 identification of the common elements of safe transportation operation, regardless of mode of
708 transportation; the adoption of proven safety practices and technology in use in one mode to other
709 modes of transportation; the identification of the common elements of accident situations; and the
710 allocation of grant funds made available to the Department. These functions are primarily performed by
711 DMV leadership and staff. An advisory board is not required. The Commission of Motor Vehicles can
712 pull together advisory groups as needed to address particular instances and can do so based on the
713 expertise required. This approach will allow DMV to better address transportation safety in the
714 Commonwealth and will save taxpayer dollars.

715 The Secretary of Transportation recommended the elimination of the Board in 2011.

716 **44. Consolidate the Northern Virginia Transportation Commission and the Northern Virginia**
717 **Transportation Authority.**

718 The Northern Virginia Transportation Commission (NVTC) would be consolidated with the Northern
719 Virginia Transportation Authority (NVTa) so that the NVTa would assume all powers and
720 responsibilities of the NVTC. The merger would create a singular, unified group to represent Northern
721 Virginia's localities on transportation issues.

722 The Northern Virginia Transportation Commission is a regional body comprised of 20
723 commissioners. Of the commissioners, 13 are selected from local government officials in Northern
724 Virginia, six are appointed by the General Assembly, and one represents the Secretary of Transportation.
725 The NVTC allocates transit funding provided by the state among the member jurisdictions and is
726 responsible for selecting Virginia's representation on the WMATA Board of Directors. The Northern
727 Virginia Transportation Authority is a 17-member regional transportation authority charged with
728 developing a regional transportation plan, including mass transit, and has the authority to administer
729 locally imposed taxes and fees to support issuance bonds for the construction of regional transportation
730 projects.

731 Under the consolidation, the powers and duties of the NVTC would be assumed by the NVTa,
732 except that the NVTC would remain as a subsidiary solely for the purposes of appointing Virginia's
733 representation to the WMATA Board of Directors. The consolidation will provide for more direct
734 funding of transit, consolidate duplicative organizations, and create one unified organization for
735 improving transportation in Northern Virginia.

736 The Secretary of Transportation recommended the merger in 2011.

45. Eliminate the Board for Recovery and Towing Operators.

The Board for Towing and Recovery Operations is a supervisory Board and functions should be absorbed into the Virginia State Police (VSP) and Department of Motor Vehicles (DMV). This re-organization will include a transfer of regulations, enforcement, background checks, state and local lists of authorized towers and licensing of trucks and drivers.

This elimination was a recommendation of the Commission on Government Reform and Restructuring in 2011.

VETERANS AFFAIRS AND HOMELAND SECURITY**46. Transfer the Virginia War Memorial to the Department of Veterans Services.**

In the most recent annual audit, the Auditor of Public Accounts concluded that the Virginia War Memorial is a state agency. The annual audit also concluded that the relationship of the War Memorial to both the Commonwealth and the Virginia War Memorial Educational Foundation is poorly defined and does not serve the best interest of either the War Memorial or the Commonwealth. Finally, the annual audit noted that the Code of Virginia gives the War Memorial Board of Trustees certain specific duties and responsibilities and clearly states that the War Memorial is a part of the Executive Branch of government.

Section 2.2-2707 of the Code of Virginia requires that all accounts and records of the War Memorial be established by the Auditor of Public Accounts "in a manner similar to other organizations." The Auditor is also required to audit the accounts of the War Memorial annually. The General Assembly does not provide for direct state appropriations for the support of the War Memorial; however, a substantial amount of state support is provided by both the Departments of Veterans Services and General Services. Therefore, the War Memorial is indirectly receiving substantial monetary support from the Commonwealth. Finally, a 2010 informal opinion of the Attorney General concludes that the War Memorial is an agency of the Commonwealth.

Placing the War Memorial in the Department of Veterans Services is advisable because, at present, the War Memorial is an independent entity that is entirely governed by an independent policy Board of Trustees. Realignment will result in clarification that the War Memorial is an agency of the Commonwealth subject to the Governor's direction as a part of the executive branch of government.

The only change affecting the War Memorial is that its operation would be under the direct supervision of the Commissioner of Veterans Services subject to the advice and recommendations of the Board of Trustees.

This is a recommendation of the Virginia War Memorial Foundation Board of Trustees by vote taken on September 16, 2011.