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**HOUSE BILL NO. 814****FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by Delegate Orrock  
on January 26, 2012)

(Patron Prior to Substitute—Delegate Orrock)

A *BILL to amend the Code of Virginia by adding in Chapter 27 of Title 2.2 an article numbered 11, consisting of sections numbered 2.2-2738 through 2.2-2744, relating to the Virginia Public Health Foundation.*

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Chapter 27 of Title 2.2 an article numbered 11, consisting of sections numbered 2.2-2738 through 2.2-2744, as follows:**

*Article 11.**Virginia Public Health Foundation.*

§ 2.2-2738. *Virginia Public Health Foundation established.*

A. *The Virginia Public Health Foundation (the Foundation) is hereby established to serve as an advisory foundation, within the meaning of § 2.2-2100, in the executive branch of state government. The purpose of the Foundation shall be to support the development and implementation of innovative activities and creative solutions for addressing significant public health issues, with a particular focus on emergency preparedness and response, as well as environmental health issues including provision of safe drinking water and sanitary onsite sewage disposal, and to secure and distribute resources in support of core public health functions and essential services. In initiatives relating to the prevention of disease and promotion of public health, the Virginia Public Health Foundation shall collaborate with the Virginia Health Care Foundation.*

B. *The Foundation shall be governed and administered by a board of trustees (the Board). The Board shall establish the general policies of the Foundation.*

C. *The Foundation shall be established and maintained as a nonprofit tax exempt organization as described in § 501(c)(3) of the Internal Revenue Code.*

D. *The Foundation shall administer the Virginia Public Health Fund (the Fund) established pursuant to § 2.2-2744 in order to provide financial support for innovative and creative solutions to public health problems and challenges.*

E. *The Department of Health shall provide the Foundation with administrative and other services.*

§ 2.2-2739. *Board of Trustees.*

A. *The Board of the Foundation shall consist of 11 members to be appointed as follows: five nonlegislative citizen members appointed by the Governor; four nonlegislative citizen members appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; and two nonlegislative citizen members appointed by the Senate Committee on Rules. The Board shall adopt bylaws governing the Foundation and may amend the same. The trustees shall elect from their number a chairman and such other officers as their bylaws may provide.*

B. *The Board shall meet four times a year at such times as it deems appropriate or on call of the chairman. A majority of the voting members of the Board shall constitute a quorum. After initial appointments, members shall be appointed for a term of four years. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms. All members may be reappointed. However, no member shall serve more than two consecutive four-year terms. The remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in determining the member's eligibility for reappointment. Vacancies shall be filled in the same manner as the original appointments. Any member of the Board may be removed at the pleasure of the appointing authority.*

C. *Trustees shall be reimbursed for their actual expenses incurred while attending meetings of the Board or performing other duties. However, such reimbursement shall not exceed the per diem rate established for members of the General Assembly pursuant to § 30-19.12.*

§ 2.2-2740. *Authority of the Foundation.*

*The Foundation shall have the authority to:*

1. *Apply for and accept federal, state, and local public and private grants, loans, appropriations, and donations, except that the Foundation shall not accept funds, money, securities, or other property of any character whatsoever from any facility or program that is licensed or regulated by the Board of Health, or from any foundation or other charitable entity affiliated with a facility or program that is licensed or regulated by the Board of Health;*

2. *Enter into contracts and execute all instruments necessary and appropriate to carry out the Foundation's purposes;*

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60 3. Make expenditures from the Fund's interest and income;  
61 4. Hire and compensate staff, including an executive director;  
62 5. Rent, lease, buy, own, acquire, and dispose of property, real or personal;  
63 6. Participate in joint ventures, including to make contracts and other agreements with public and  
64 private entities in order to carry out its public purpose and objectives; and  
65 7. Perform all lawful acts necessary or appropriate to carry out the purposes of the Foundation.  
66 The Foundation shall be exempt from the provisions of Chapters 29 (§ 2.2-2900 et seq.) and 43  
67 (§ 2.2-4300 et seq.) of Title 2.2.  
68 § 2.2-2741. Form of accounts and records; annual audit.  
69 The accounts and records of the Foundation showing the receipt and disbursement of funds from  
70 whatever source derived shall be in a form prescribed by the Auditor of Public Accounts. The Auditor of  
71 Public Accounts, or his legally authorized representative, shall annually examine the accounts of the  
72 Foundation. The cost of such audit shall be borne by the Foundation.  
73 § 2.2-2742. Gifts and bequests; exemption from taxation.  
74 Gifts and bequests of money, securities, or other property to the Fund, and the interest or income  
75 therefrom, shall be deemed gifts to the Commonwealth, and the Fund shall be exempt from all state and  
76 local taxes. Unless otherwise restricted by the terms of the gift or bequest, the Foundation may sell,  
77 exchange, or otherwise dispose of such gifts and bequests. The proceeds from such transactions shall be  
78 deposited to the credit of the Fund.  
79 § 2.2-2743. Annual report.  
80 The Foundation shall submit an annual report to the Governor and General Assembly on or before  
81 November 30 of each year.  
82 § 2.2-2744. Virginia Public Health Fund established.  
83 A. There is created the Virginia Public Health Fund (the Fund), a special nonreverting trust fund on  
84 the books of the Comptroller, to be administered by the Foundation.  
85 B. The Fund shall include such funds as may be appropriated by the General Assembly; revenues  
86 transferred to the Fund from other state programs established for the Fund's benefit; and designated  
87 gifts, contributions, and bequests of money, securities, or other property of whatsoever character subject  
88 to limitations set forth in § 2.2-2740.  
89 C. The Fund shall be used solely for the purposes of carrying out the applicable provisions of this  
90 article. The Fund may be used for Foundation expenses, subject to approval by the Board of Trustees.  
91 Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued  
92 by the Comptroller upon written request.  
93 D. All money, securities, or other property designated for the Fund and any interest or income  
94 therefrom shall remain in the Fund and shall not revert to the general fund.  
95 **2. That the initial appointments to the Board of Trustees for the Virginia Public Health**  
96 **Foundation shall be as follows: three of the nonlegislative citizen members appointed by the**  
97 **Governor shall be appointed to four-year terms, and two of the nonlegislative citizen members**  
98 **appointed by the Governor shall be appointed to two-year terms; two of the nonlegislative citizen**  
99 **members appointed by the Speaker of the House of Delegates shall be appointed to four-year**  
100 **terms, and two of the nonlegislative citizen members appointed by the Speaker of the House of**  
101 **Delegates shall be appointed to two-year terms; one of the nonlegislative citizen members**  
102 **appointed by the Senate Committee on Rules shall be appointed to a four-year term, and one of**  
103 **the nonlegislative citizen members appointed by the Senate Committee on Rules shall be appointed**  
104 **to a two-year term.**