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## HOUSE BILL NO. 1343

Offered January 21, 2016

A BILL to amend and reenact § 2.2-2101, as it is currently effective and as it shall become effective, and to amend the Code of Virginia by adding in Chapter 24 of Title 2.2 an article numbered 26, consisting of sections numbered 2.2-2484 through 2.2-2488, relating to the creation of the Commonwealth Competitiveness Board and the awarding of grants for certain research and development, technology, and economic development projects.

Patrons—Jones, Greason and Landes

Referred to Committee on Appropriations

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

1. That § 2.2-2101, as it is currently effective and as it shall become effective, of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Chapter 24 of Title 2.2 an article numbered 26, consisting of sections numbered 2.2-2484 through 2.2-2488, as follows:

**§ 2.2-2101. (Effective until July 1, 2017) Prohibition against service by legislators on boards, commissions, and councils within the executive branch; exceptions.**

Members of the General Assembly shall be ineligible to serve on boards, commissions, and councils within the executive branch of state government who are responsible for administering programs established by the General Assembly. Such prohibition shall not extend to boards, commissions, and councils engaged solely in policy studies or commemorative activities. If any law directs the appointment of any member of the General Assembly to a board, commission, or council in the executive branch of state government that is responsible for administering programs established by the General Assembly, such portion of such law shall be void, and the Governor shall appoint another person from the Commonwealth at large to fill such a position.

The provisions of this section shall not apply to members of the Board for Branch Pilots, who shall be appointed as provided for in § 54.1-901; to members of the Board of Trustees of the Southwest Virginia Higher Education Center, who shall be appointed as provided for in § 23-231.3; to members of the Board of Trustees of the Southern Virginia Higher Education Center, who shall be appointed as provided for in § 23-231.25; to members of the Board of Directors of the New College Institute who shall be appointed as provided for in § 23-231.31; to members of the Virginia Interagency Coordinating Council who shall be appointed as provided for in § 2.2-5204; to members of the Board of Veterans Services, who shall be appointed as provided for in § 2.2-2452; to members appointed to the Board of Trustees of the Roanoke Higher Education Authority pursuant to § 23-231.15; to members of the Virginia Geographic Information Network Advisory Board, who shall be appointed as provided for in § 2.2-2423; to members of the Standards of Learning Innovation Committee, who shall be appointed as provided for in § 22.1-253.13:10; to members of the Board of Visitors of the Virginia School for the Deaf and the Blind, who shall be appointed as provided for in § 22.1-346.2; to members of the Substance Abuse Services Council, who shall be appointed as provided for in § 2.2-2696; to members of the Criminal Justice Services Board, who shall be appointed as provided in § 9.1-108; to members of the Council on Virginia's Future, who shall be appointed as provided for in § 2.2-2685; to members of the State Executive Council for Children's Services, who shall be appointed as provided in § 2.2-2648; to members of the Virginia Board of Workforce Development, who shall be appointed as provided for in § 2.2-2471; to members of the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund Board, who shall be appointed as provided for in § 51.1-1201; to members of the Secure Commonwealth Panel, who shall be appointed as provided for in § 2.2-222.3; to members of the Forensic Science Board, who shall be appointed as provided for in § 9.1-1109; or to members of the Southwest Virginia Cultural Heritage Foundation, who shall be appointed as provided in § 2.2-2735; or to members of the Commonwealth Competitiveness Board, who shall be appointed as provided in § 2.2-2485.

**§ 2.2-2101. (Effective July 1, 2017) Prohibition against service by legislators on boards, commissions, and councils within the executive branch; exceptions.**

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HB1343

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81 Board, who shall be appointed as provided for in § 9.1-1109; ~~or~~ to members of the Southwest Virginia  
82 Cultural Heritage Foundation, who shall be appointed as provided in § 2.2-2735; *or to members of the*  
83 *Commonwealth Competitiveness Board, who shall be appointed as provided in § 2.2-2485.*

84 *Article 26.*

85 *Commonwealth Competitiveness Board.*

86 **§ 2.2-2484. Definitions.**

87 *As used in this article, unless the context requires a different meaning:*

88 *"Board" means the Commonwealth Competitiveness Board.*

89 *"Fund" means the Commonwealth Competitiveness Fund.*

90 **§ 2.2-2485. Commonwealth Competitiveness Board established; purpose; membership; terms;**  
91 **quorum; expenses.**

92 *A. The Commonwealth Competitiveness Board (the Board) is established as a policy board in the*  
93 *executive branch of state government. The purpose of the Board is to evaluate recommendations and*  
94 *award grants from moneys appropriated to the Commonwealth Competitiveness Fund (the Fund) for*  
95 *bioscience, biotechnology, commercialization of research, cybersecurity, genomics, other technological*  
96 *or scientific projects, regional economic development projects, and such other projects and programs*  
97 *specified in the general appropriation act that will be instrumental in driving Virginia's economy in the*  
98 *twenty-first century.*

99 *B. The Board shall consist of 22 members that include 12 legislative members, five nonlegislative*  
100 *citizen members to be appointed by the Governor, and five state officials, as follows: the Chairman of*  
101 *the House Committee on Appropriations and six members of the House of Delegates to be appointed by*  
102 *the Speaker of the House of Delegates; the Chairman of the Senate Committee on Finance and four*  
103 *members of the Senate to be appointed by the Senate Committee on Rules; five nonlegislative citizen*  
104 *members to be appointed by the Governor, three of whom shall be presidents of major research public*  
105 *institutions of higher education and two of whom shall have previously demonstrated experience or*  
106 *expertise in bioscience, biotechnology, commercialization of research, cybersecurity, genomics, or*  
107 *similar fields; and the Secretaries of Commerce and Trade, Education, and Technology and the Staff*  
108 *Directors of the House Committee on Appropriations and the Senate Committee on Finance. The*  
109 *Secretaries of Commerce and Trade, Education, and Technology and the Staff Directors of the House*  
110 *Committee on Appropriations and the Senate Committee on Finance shall serve ex officio with*  
111 *nonvoting privileges. All other Board members shall have voting privileges. Nonlegislative citizen*  
112 *members shall be citizens of the Commonwealth of Virginia.*

113 *C. Legislative members and ex officio members of the Board shall serve terms coincident with their*  
114 *terms of office. After the initial staggering of terms, other members shall be appointed for a term of four*  
115 *years. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired*  
116 *terms. Vacancies shall be filled in the same manner as the original appointment. No appointed member*  
117 *shall serve more than two consecutive four-year terms. The remainder of any term to which a member is*  
118 *appointed to fill a vacancy shall not constitute a term in determining the member's eligibility for*  
119 *reappointment.*

120 *D. The Board shall elect a chairman and vice-chairman from among its membership. A majority of*

the members shall constitute a quorum.

E. Members of the Board shall be compensated for their service and reimbursed for all reasonable and necessary expenses incurred in the performance of their duties as provided in the general appropriation act.

F. Staff support and technical assistance to the Board shall be provided by the agencies of the Secretariats of Commerce and Trade, Education, and Technology.

**§ 2.2-2486. Powers and duties of the Board.**

The Board shall have the power and duty to:

1. Hold meetings and functions at any place within the Commonwealth that it deems necessary;

2. Develop criteria for awarding grants, including the potential for the project or program to (i) culminate in the commercialization of research; (ii) culminate in the formation or spin-off of viable bioscience, biotechnology, cybersecurity, genomics, or similar companies; (iii) promote the build-out of centers of excellence in science or technology; (iv) promote research and development; (v) provide modern facilities or infrastructure for research and development; (vi) result in significant capital investment and job creation; (vii) foster regional economic development or diversification; or (viii) address workforce shortages in high-demand fields;

3. Receive recommendations for the funding of projects and programs from the Virginia Biosciences Health Research Corporation, the Innovation and Entrepreneurship Investment Authority, the Virginia Academy of Science, Engineering and Medicine, and other scientific advisory boards; and

4. Report on or before December 1 of each year on grants made during the year and the progress or status of projects or programs funded with grants. The annual report shall be submitted by the chairman as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be published as a state document.

**§ 2.2-2487. Awarding of grants.**

An affirmative vote by four of at least five of the seven members of the Board from the House of Delegates, three of the five members of the Board from the Senate, and three of the five nonlegislative citizen members of the Board appointed by the Governor shall be required for any grant to be awarded. In awarding grants, preference shall be given by the Board to projects and programs for which matching funds are allocated by businesses or local government entities. Decisions of the Board shall be final and not subject to review or appeal.

**§ 2.2-2488. Commonwealth Competitiveness Fund established.**

There is hereby created in the state treasury a special nonreverting fund to be known as the Commonwealth Competitiveness Fund (the Fund). The Fund shall be established on the books of the Comptroller. All moneys appropriated by the General Assembly for the Fund, and from any other sources public or private, 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. Expenditures and disbursement from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the chairman of the Board.

The moneys in the Fund shall be used solely for awarding grants for the programs and projects described under this article. The Board may award grants to institutions, including but not limited to the Virginia Biosciences Health Research Corporation and the Innovation and Entrepreneurship Investment Authority, for purposes of implementing the provisions of this chapter.

**2. That the initial appointments of members to the Commonwealth Competitiveness Board shall be staggered as follows: (i) of the presidents of major research public institutions of higher education appointed by the Governor, one shall be appointed for a term of two years, one shall be appointed for a term of three years, and one shall be appointed for a term of four years and (ii) of the remaining two nonlegislative citizen members appointed by the Governor, one shall be appointed for a term of three years and one shall be appointed for a term of four years.**