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**HOUSE BILL NO. 902**

Offered January 13, 2016

Prefiled January 12, 2016

*A BILL to amend the Code of Virginia by adding in Chapter 22 of Title 2.2 an article numbered 11, consisting of sections numbered 2.2-2351 through 2.2-2359, relating to creation of the Commonwealth Genomics and Personalized Medicine Authority.*

Patron—Greason

Referred to Committee on Appropriations

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

**1. That the Code of Virginia is amended by adding in Chapter 22 of Title 2.2 an article numbered 11, consisting of sections numbered 2.2-2351 through 2.2-2359, as follows:**

*Article 11.**Commonwealth Genomics and Personalized Medicine Authority.***§ 2.2-2351. Declaration of purpose; Authority created.**

*A. The General Assembly has determined that its public and private assets position the Commonwealth to be a leader in the field of genomics and personalized medicine, but that a need exists to encourage coordination and collaboration of research, development, and commercialization of innovation and technology in this field.*

*B. To achieve the objective of subsection A, there is created a political subdivision of the Commonwealth to be known as the Commonwealth Genomics and Personalized Medicine Authority (the Authority). The Authority's exercise of powers and duties conferred by this article shall be deemed the performance of an essential governmental function and matters of public necessity for which public moneys may be spent and private property acquired.*

*C. The Authority shall be composed of the Secretaries of Commerce and Trade and Health and Human Resources and five additional members appointed by the Governor, subject to confirmation by the General Assembly. Unconfirmed appointments shall expire 30 days after the convening of the General Assembly. Members of the Authority shall not be entitled to compensation for their services as members, but shall be reimbursed for all reasonable and necessary expenses incurred in the discharge of their duties as provided in § 2.2-2825. Ex officio members of the Board shall serve terms coincident with their terms of office. The term of each member appointed by the Governor shall be five years.*

*D. Vacancies in the membership of the Authority shall be filled by appointment for the unexpired portion of the term. The Governor shall designate one member of the Authority as chairman who shall serve a two-year term. No member shall be eligible to serve more than two consecutive terms as chairman.*

**§ 2.2-2352. Board of directors; members and officers; chief executive officer.**

*The powers of the Authority shall be exercised by a governing body consisting of the members of the Authority acting as a board (the Board). The Board shall elect from its membership a vice-chairman, treasurer, and secretary. The offices of secretary and treasurer may be combined. The Board may elect such other officers who need not be members of the Board.*

*The Board shall have full authority to manage the properties and business of the Authority and to prescribe, amend, and repeal bylaws, rules, and regulations governing the manner in which the business of the Authority may be conducted and the powers granted to it may be exercised.*

*The Board shall appoint the chief executive officer of the Authority, who shall not be a member of the Board, whose title shall be president and chief executive officer, and who shall serve at the pleasure of the Board and carry out such powers and duties conferred upon him by the Board. The president and chief executive officer shall employ or retain such agents or employees as may be necessary to fulfill the duties of the Authority as conferred upon the president and chief executive officer. Employees of the Authority, including the president and chief executive officer, shall be eligible for membership in the Virginia Retirement System and participation in all of the health and related insurance and other benefits available to state employees as provided by law.*

**§ 2.2-2353. Powers and duties of the Authority.**

*The Authority is granted all powers necessary or convenient for the carrying out of its statutory purposes, including, but not limited to, the power to:*

- 1. Sue and be sued, implead and be impleaded, complain and defend in all courts;*
- 2. Adopt, use, and alter at will a common seal;*
- 3. Acquire, purchase, hold, use, lease, or otherwise dispose of any property, real, personal, or mixed,*

59 *tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of the*  
60 *Authority, and to lease as lessee, any property, real, personal, or mixed, tangible or intangible, or any*  
61 *interest therein, at such annual rental and on such terms and conditions as may be determined by the*  
62 *Board and to lease as lessor to any person, any property, real, personal, or mixed, tangible or*  
63 *intangible, or any interest therein, at any time acquired by the Authority, whether wholly or partially*  
64 *completed, at such annual rental and on such terms and conditions as may be determined by the Board*  
65 *and to sell, transfer, or convey any property, real, personal, or mixed, tangible or intangible, or any*  
66 *interest therein, at any time acquired or held by the Authority on such terms and conditions as may be*  
67 *determined by the Board, provided that the terms of any conveyance or lease of real property shall be*  
68 *subject to the prior written approval of the Governor;*

69 4. *Fix, alter, charge, and collect rates, rentals, fees, and other charges for the use of property of, the*  
70 *sale of products of, or services rendered by the Authority at rates to be determined by it for the purpose*  
71 *of providing for the payment of the expenses of the Authority;*

72 5. *Make and enter into all contracts and agreements necessary or incidental to the performance of*  
73 *its duties, the furtherance of its purposes, and the execution of its powers under this article, including*  
74 *agreements with any person or federal agency;*

75 6. *Employ, at its discretion, consultants, researchers, architects, engineers, accountants, financial*  
76 *experts, investment bankers, superintendents, managers, and such other employees and agents as may be*  
77 *necessary, and to fix their compensation to be payable from funds made available to the Authority. The*  
78 *Authority may hire employees within and without the Commonwealth and the United States without*  
79 *regard to whether such employees are citizens of the Commonwealth. Legal services for the Authority*  
80 *shall be provided by the Attorney General in accordance with Chapter 5 (§ 2.2-500 et seq.);*

81 7. *Receive and accept from any federal or private agency, foundation, corporation, association, or*  
82 *person grants or other aid to be expended in accomplishing the objectives of the Authority, and receive*  
83 *and accept from the Commonwealth or any state, and any municipality, county, or other political*  
84 *subdivision thereof or from any other source, aid or contributions of either money, property, or other*  
85 *things of value, to be held, used, and applied only for the purposes for which such grants and*  
86 *contributions may be made. All federal moneys accepted under this section shall be accepted and*  
87 *expended by the Authority upon such terms and conditions as are prescribed by the United States and*  
88 *as are consistent with state law, and all state moneys accepted under this section shall be expended by*  
89 *the Authority upon such terms and conditions as are prescribed by the Commonwealth;*

90 8. *Adopt, alter, and repeal bylaws, rules, and regulations governing the manner in which its business*  
91 *shall be transacted and the manner in which the powers of the Authority shall be exercised and its*  
92 *duties performed;*

93 9. *Develop, undertake, and provide programs, alone or in conjunction with any person, to*  
94 *incentivize, incubate, or otherwise encourage translational research and commercialization related to*  
95 *genomics and personalized medicine;*

96 10. *Administer any program authorized by the General Assembly related to providing grants, loans,*  
97 *or other economic assistance to public or private entities engaged in translational research or*  
98 *commercialization related to genomics and personalized medicine; and*

99 11. *Do all acts and things necessary or convenient to carry out the powers granted to it by law, and*  
100 *perform any act or carry out any function not inconsistent with state law that may be useful in carrying*  
101 *out the provisions of this article.*

102 **§ 2.2-2354. Moneys of Authority.**

103 *All moneys of the Authority, from whatever source derived, shall be paid to the treasurer of the*  
104 *Authority. Such moneys shall be deposited in the first instance by the treasurer in one or more banks or*  
105 *trust companies, in one or more special accounts. All banks and trust companies are authorized to give*  
106 *such security for such deposits, if required by the Authority. The moneys in such accounts shall be paid*  
107 *out on the warrant or other orders of such persons as the Authority may authorize to execute such*  
108 *warrants or orders.*

109 **§ 2.2-2355. Forms of accounts and records; audits; annual report.**

110 *The accounts and records of the Authority showing the receipt and disbursement of funds from*  
111 *whatever source derived shall be in a form prescribed by the Auditor of Public Accounts. The Auditor of*  
112 *Public Accounts or his legally authorized representatives shall annually examine the accounts and books*  
113 *of the Authority.*

114 *The Authority shall submit an annual report to the Governor and General Assembly on or before*  
115 *November 1 of each year. Such report shall contain the audited annual financial statements of the*  
116 *Authority for the year ending the previous June 30.*

117 *The Authority shall submit a detailed annual operational plan and budget to the Secretary of Health*  
118 *and Human Services and the Director of the Department of Planning and Budget by November 1.*  
119 *Notwithstanding other provisions of this article, the form and content of the operating plan and budget*  
120 *shall be determined by the Director of the Department of Planning and Budget and shall include*

information on salaries, expenditures, indebtedness, and other information as determined by the Director of the Department of Planning and Budget.

**§ 2.2-2356. Exemptions from taxes or assessments.**

The exercise of the powers granted by this article shall be in all respects for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity, and for the improvement of their living conditions, and as the undertaking of activities in the furtherance of the purposes of the Authority constitutes the performance of essential governmental functions, the Authority shall not be required to pay any taxes or assessments upon any property acquired or used by the Authority under the provisions of this article or upon the income therefrom, including sales and use taxes on the tangible personal property used in the operations of the Authority. The exemption granted in this section shall not be construed to extend to persons conducting on the premises of any property of the Authority businesses for which local or state taxes would otherwise be required.

**§ 2.2-2357. Exemption of Authority from procurement procedures.**

The provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the Authority in the exercise of any power conferred under this article.

**§ 2.2-2358. Appropriations by any government.**

Any government may make appropriations for the acquisition, construction, improvement, maintenance, or operation of any property acquired, constructed, improved, maintained, or operated by the Authority.

**§ 2.2-2359. Conveyance, lease, or transfer of property by a city or county to the Authority.**

Any city or county within the Commonwealth in order to provide for the construction, reconstruction, improvement, repair, or management of any property or in order to accomplish any of the purposes of this article may, with or without consideration or for a nominal consideration, lease, sell, convey, or otherwise transfer to the Authority any real, personal, or mixed property located within such city or county.