

17104947D

## SENATE BILL NO. 1075

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology  
on January 30, 2017)

(Patron Prior to Substitute—Senator Ruff)

A *BILL to amend and reenact §§ 2.2-2715, 2.2-2716, and 2.2-2718 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 2.2-2715.1, relating to Veterans Services Foundation; powers and duties; appointment of executive director; report.*

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

**1. That §§ 2.2-2715, 2.2-2716, and 2.2-2718 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 2.2-2715.1 as follows:**

**§ 2.2-2715. Veterans Services Foundation; purpose; report; membership; terms; compensation; staff.**

A. The Veterans Services Foundation (the Foundation) is established as an independent body politic and corporate agency of the Commonwealth supporting the interests of veterans and their families and contributors through the Secretary of Veterans and Defense Affairs and the programs and services of the Department of Veterans Services in the executive branch of state government. The Foundation shall be governed and administered by a board of trustees. The membership of the Foundation shall be composed of the board of trustees, supporting staff, donors, volunteers, and other interested parties.

B. The Foundation shall (i) administer the Veterans Services Fund (the Fund), (ii) provide funding for veterans services and programs in the Commonwealth through the Fund, and (iii) accept and raise revenue from all sources, including private source fundraising, to support the Fund. The Foundation shall submit a quarterly report to the Commissioner of Veterans Services on the Foundation's funding levels and services and an annual report to the Secretary of Veterans and Defense Affairs and the General Assembly on or before November 30 of each year. The quarterly report and the annual report shall be submitted electronically. *The annual report to the General Assembly shall be submitted for publication as a report document as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.*

C. The board of trustees of the Foundation shall consist of the Commissioner of Veterans Services and the Chairmen of the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations or their designees, who shall serve as ex officio voting trustees, and 16 trustees to be appointed as follows: eight nonlegislative citizens appointed by the Governor; five nonlegislative citizens appointed by the Speaker of the House of Delegates; and three nonlegislative citizens appointed by the Senate Committee on Rules. A majority of the appointed trustees shall be active or retired chairmen, chief executive officers, or chief financial officers for large private corporations or nonprofit organizations or individuals who have extensive fundraising experience in the private sector. Trustees appointed shall, insofar as possible, be veterans. Each appointing authority shall endeavor to ensure a balanced representation among the officer and enlisted ranks of the armed services and geographical representation on the board of trustees to facilitate fundraising efforts across the state.

Trustees 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 trustees may be reappointed. However, no trustee shall serve more than two consecutive four-year terms. The remainder of any term to which a trustee is appointed to fill a vacancy shall not constitute a term in determining the trustee's eligibility for reappointment. Vacancies shall be filled in the same manner as the original appointments. Any trustee may be removed at the pleasure of the appointing authority.

D. Trustees shall be reimbursed for their actual expenses incurred while attending meetings of the trustees 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.

E. The Department of Veterans Services shall provide the Foundation with administrative and staff support and other services.

F. The trustees shall adopt bylaws governing their organization and procedures and may amend the same. The trustees shall elect from their number a chairman and such other officers as their bylaws may provide. Ex officio trustees shall not be eligible to serve as chairman. The trustees shall meet four times a year at such times as they deem appropriate or on call of the chairman. A majority of the voting trustees of the board of trustees shall constitute a quorum.

G. The Director of Finance for the Department of Veterans Services shall serve as the treasurer and the Director of Development for the Department of Veterans Services shall serve as the secretary and development officer of the Foundation.

SENATE SUBSTITUTE

SB1075S1

60     **§ 2.2-2715.1. Executive Director.**

61     A. *The Board may hire an Executive Director of the Foundation, who shall serve at the pleasure of*  
62 *the Board, to direct the day-to-day operations and activities of the Foundation and carry out the powers*  
63 *and duties conferred upon him by the trustees. The Executive Director shall also exercise and perform*  
64 *such other powers and duties as may be lawfully delegated to him and such powers and duties as may*  
65 *be conferred or imposed upon him by law.*

66     B. *The Executive Director may employ or retain such agents or employees subordinate to him as*  
67 *necessary to fulfill the duties of the Foundation as conferred upon the Executive Director. Employees of*  
68 *the Foundation, including the Executive Director, shall be eligible for membership in the Virginia*  
69 *Retirement System and participation in all of the health and related insurance and other benefits,*  
70 *including premium conversion and flexible benefits, available to state employees as provided by law.*

71     **§ 2.2-2716. Authority of Foundation.**

72     The Foundation has the authority to:

73     1. Administer the Veterans Services Fund, *request appropriations*, and make allocations of revenue  
74 from the Fund to the Department of Veterans Services to provide supplemental funding for the  
75 Department's services and programs;

76     2. Accept, hold, and administer gifts and bequests of money, securities, or other property, absolutely  
77 or in trust, for the purposes for which the Foundation is created;

78     3. Enter into contracts and execute all instruments necessary and appropriate to carry out the  
79 Foundation's purposes;

80     4. Take such actions as may be reasonably necessary to seek, promote, and stimulate contributions  
81 for the Fund;

82     5. Develop other possible dedicated revenue sources for the Fund; ~~and~~

83     6. Perform any lawful acts necessary or appropriate to carry out the purposes of the Foundation; *and*

84     7. *Develop policies and procedures applicable to the management and functioning of the Foundation*  
85 *and the Department of Veterans Services relating to (i) administration of the Fund, (ii) provision of*  
86 *funding for veterans services and programs through the Fund, and (iii) acceptance and fundraising to*  
87 *strengthen the structure of the Fund.*

88     **§ 2.2-2718. Veterans Services Fund established.**

89     A. There is created the Veterans Services Fund, a special nonreverting trust fund on the books of the  
90 Comptroller, to be administered by the Foundation.

91     B. The Fund shall include such funds as may be appropriated by the General Assembly; revenues  
92 transferred to the Fund from other state programs established for the Fund's benefit; and designated gifts,  
93 contributions and bequests of money, securities, or other property of whatsoever character.

94     C. The Fund shall be used solely for the purposes of carrying out the applicable provisions of ~~Article~~  
95 ~~6 (§ 2.2-2715 et seq.) of Chapter 27 of this title article.~~ *The unrestricted portion of the Fund may be*  
96 *used for Foundation expenses, subject to approval by the Board of Trustees board of trustees.*  
97 *Allocations and expenditures of donated restricted funds shall be in accordance with the provisions of*  
98 *Uniform Prudent Management of Institutional Funds Act (§ 64.2-1100 et seq.). Expenditures and*  
99 *disbursements from the Fund shall be made by the State Treasurer on warrants issued by the*  
100 *Comptroller upon written request authorization of the Executive Director with the approval of the board*  
101 *of trustees.*

102     D. All money, securities, or other property designated for the Fund and any interest or income  
103 therefrom shall remain in the Fund and shall not revert to the general fund.