1995 RECONVENED SESSION

ENROLLED

1

VIRGINIA ACTS OF ASSEMBLY - CHAPTER

2 An Act to amend and reenact §§ 2.1-1.3, 2.1-1.7, 2.1-20.4, 9-6.23, and 9-6.25:1 of the Code of Virginia and to amend the Code of Virginia by adding in Title 9 a chapter numbered 43, consisting of 3 sections numbered 9-334 through 9-343, relating to the Virginia Government Competition Act of 4 5 1995, including the creation of the Commonwealth Competition Council.

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[S 994]

8 Be it enacted by the General Assembly of Virginia:

9 1. That §§ 2.1-1.3, 2.1-1.7, 2.1-20.4, 9-6.23, and 9-6.25:1 of the Code of Virginia are amended and 10 reenacted and that the Code of Virginia is amended by adding in Title 9 a chapter numbered 43, consisting of sections numbered 9-334 through 9-343, as follows: 11

Approved

- 12
- § 2.1-1.3. Entities subject to standard nomenclature. The following independent administrative entities are subject to the standard nomenclature provisions 13 14 of § 2.1-1.2:
- 15 Chesapeake Bay Local Assistance Department.
- Commonwealth Competition Council. 16
- Department of Accounts. 17
- 18 Department for the Aging.
- Department of Agriculture and Consumer Services. 19
- 20 Department of Alcoholic Beverage Control.
- 21 Department of Aviation.
- 22 Department of Conservation and Recreation.
- 23 Department of Correctional Education.
- 24
- Department of Corrections. Department of Criminal Justice Services. 25
- 26 Department for the Deaf and Hard-of-Hearing.
- Department of Economic Development. 27
- 28 Department of Education.
- 29 Department of Emergency Services.
- 30 Department of Environmental Quality.
- Department of Employee Relations Counselors. 31
- 32 Department of Fire Programs.
- Department of Forestry. 33
- 34 Department of Game and Inland Fisheries.
- 35 Department of General Services.
- 36 Department of Health.
- 37 Department of Health Professions.
- 38 Department of Historic Resources.
- 39 Department of Housing and Community Development.
- 40 Department of Information Technology.
- 41 Department of Labor and Industry.
- 42 Department of Medical Assistance Services.
- Department of Mental Health, Mental Retardation and Substance Abuse Services. 43
- 44 Department of Military Affairs.
- Department of Mines, Minerals and Energy. 45
- Department of Minority Business Enterprise. 46
- Department of Motor Vehicles. 47
- 48 Department of Personnel and Training.
- Department of Planning and Budget. 49
- 50 Department of Professional and Occupational Regulation.
- Department of Rail and Public Transportation. 51
- 52 Department of Rehabilitative Services.
- 53 Department for Rights of Virginians With Disabilities.
- 54 Department of Social Services.
- 55 Department of State Police.
- 56 Department of Taxation.

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- 57 Department of Transportation.
- 58 Department of the Treasury.
- 59 Department of Veterans' Affairs.
- 60 Department for the Visually Handicapped.
- 61 Department of Youth and Family Services.
- 62 Governor's Employment and Training Department.
- 63 § 2.1-1.7. State councils.
- A. There shall be, in addition to such others as may be established by law, the following permanent
 collegial bodies either affiliated with more than one agency or independent of an agency within the
 executive branch:
- 67 Adult Education and Literacy, Virginia Advisory Council for
- 68 Agricultural Council, Virginia
- 69 Alcohol and Drug Abuse Problems, Governor's Council on
- 70 Apprenticeship Council
- 71 Blue Ridge Regional Education and Training Council
- 72 Child Day Care and Early Childhood Programs, Virginia Council on
- 73 Child Day-Care Council
- 74 Citizens' Advisory Council on Furnishing and Interpreting the Executive Mansion
- 75 Commonwealth Competition Council
- 76 Commonwealth's Attorneys' Services Council
- 77 Developmental Disabilities Planning Council, Virginia
- 78 Disability Services Council
- 79 Equal Employment Opportunity Council, Virginia
- 80 Health Services Cost Review Council, Virginia
- 81 Housing for the Disabled, Interagency Coordinating Council on
- 82 Human Rights, Council on
- 83 Human Services Information and Referral Advisory Council
- 84 Indians, Council on
- 85 Interagency Coordinating Council, Virginia
- **86** Job Training Coordinating Council, Governor's
- 87 Land Evaluation Advisory Council
- 88 Local Debt, State Council on
- 89 Long-Term Care Council
- 90 Maternal and Child Health Council
- **91** Military Advisory Council, Virginia
- 92 Needs of Handicapped Persons, Overall Advisory Council on the
- **93** Prevention, Virginia Council on Coordinating
- 94 Public Records Advisory Council, State
- 95 Rate-setting for Children's Facilities, Interdepartmental Council on
- 96 Revenue Estimates, Advisory Council on
- **97** Southside Virginia Marketing Council
- **98** Specialized Transportation Council
- 99 State Health Benefits Advisory Council
- **100** Status of Women, Council on the
- **101** Technology Council, Virginia
- 102 Virginia Business-Education Partnership Program, Advisory Council on the
- 103 Virginia Recycling Markets Development Council.
- B. Notwithstanding the definition for "council" as provided in § 2.1-1.2, the following entities shall
- 105 be referred to as councils:
- **106** Council on Information Management
- **107** Higher Education, State Council of
- **108** Independent Living Council, Statewide
- **109** Rehabilitation Advisory Council, Statewide
- 110 Rehabilitation Advisory Council for the Blind, Statewide
- 111 World Trade Council, Virginia.
- 112 § 2.1-20.4. Bodies receiving compensation.
- A. Notwithstanding any other provision of law, the following commissions, boards, etc., shall be those which receive compensation from state funds pursuant to § 2.1-20.3:
- 115 Accountancy, Board for
- **116** Agriculture and Consumer Services, Board of
- 117 Air Pollution Control Board, State

- **118** Airports Authority, Virginia
- 119 Apprenticeship Council
- 120 Architects, Professional Engineers, Land Surveyors and Landscape Architects, State Board for
- **121** Athletic Board, Virginia
- **122** Auctioneers Board
- 123 Audiology and Speech-Language Pathology, Board of
- 124 Aviation Board, Virginia
- **125** Barbers, Board for
- **126** Branch Pilots, Board for
- 127 Building Code Technical Review Board, State
- 128 Chesapeake Bay Local Assistance Board
- 129 Child Day Care and Early Childhood Programs, Virginia Council on
- 130 Coal Mining Examiners, Board of
- 131 College Building Authority
- **132** Commonwealth Competition Council
- **133** Commonwealth Transportation Board
- 134 Conservation and Development of Public Beaches, Board on
- 135 Conservation and Recreation, Board of
- 136 Contractors, Board for
- **137** Correctional Education, Board of
- **138** Corrections, Board of
- **139** Cosmetology, Board for
- 140 Criminal Justice Services Board
- 141 Deaf and Hard-of-Hearing, Advisory Board for the
- 142 Dentistry, Board of
- 143 Education, State Board of
- 144 Education Loan Authority, Virginia Board of Directors
- 145 Elections, State Board of
- 146 Environment, Council on the
- 147 Fire Services Board, Virginia
- 148 Funeral Directors and Embalmers, Board of
- 149 Game and Inland Fisheries, Board of
- **150** Geology, Board for
- 151 Health, State Board of
- 152 Health Professions, Board of
- **153** Hearing Aid Specialists, Board for
- 154 Higher Education, State Council of
- 155 Historic Resources, Board of
- **156** Housing and Community Development, Board of
- 157 Information Management, Council on
- **158** Marine Resources Commission
- **159** Medical Assistance Services, Board of
- 160 Medical Complaint Investigation Committee
- 161 Medicine, Board of
- 162 Mental Health, Mental Retardation and Substance Abuse Services Board, State
- 163 Milk Commission
- 164 Mineral Mining Examiners, Board of
- 165 Nursing, Board of
- **166** Nursing Home Administrators, Board of
- 167 Occupational Therapy, Advisory Board on
- 168 Oil and Gas Conservation Board, Virginia
- **169** Opticians, Board for
- 170 Optometry, Board of
- 171 Pesticide Control Board
- 172 Pharmacy, Board of
- 173 Physical Therapy, Advisory Board on
- 174 Port Authority, Board of Commissioners of the Virginia
- 175 Professional and Occupational Regulation, Board for
- 176 Professional Counselors, Board of
- 177 Professional Soil Scientists, Board for
- 178 Psychology, Board of

- 179 Public Defender Commission
- 180 Public School Authority, Virginia
- Purchases and Supply Appeals Board 181
- 182 Real Estate Appraiser Board
- 183 Real Estate Board
- 184 Recreation Specialists, Board of
- Rehabilitative Services, Board of 185
- 186 Respiratory Therapy, Advisory Board on
- 187 Safety and Health Codes Board
- 188 Seed Potato Board
- 189 Social Services, Board of
- 190 Social Work, Board of
- 191 State Health Department Sewage Handling and Disposal Appeal Review Board
- 192 Substance Abuse Certification Board
- 193 Surface Mining Review, Board of
- 194
- Treasury Board Veterans' Affairs, Board on 195
- 196 Veterinary Medicine, Board of
- 197 Virginia Board for Asbestos Licensing
- 198 Virginia Health Planning Board
- 199 Virginia Manufactured Housing Board
- 200 Virginia Veterans Care Center Board of Trustees
- 201 Virginia Waste Management Board
- 202 Visually Handicapped, Virginia Board for the
- 203 Waste Management Facility Operators, Board for
- 204 Water Control Board, State
- Waterworks and Wastewater Works Operators, Board for 205
- Well Review Board, Virginia 206
- 207 Youth and Family Services, State Board of.

208 B. Individual members of boards, commissions, committees, councils, and other similar bodies 209 appointed at the state level and receiving compensation for their services on January 1, 1980, but who 210 will not receive compensation under the provisions of this article, shall continue to receive compensation 211 at the January 1, 1980, rate until such member's current term expires.

212 § 9-6.23. Prohibition against service by legislators on boards and commissions within the executive 213 branch.

214 Members of the General Assembly shall be ineligible to serve on boards and commissions within the 215 executive branch which are responsible for administering programs established by the General Assembly. 216 Such prohibition shall not extend to boards and commissions engaged solely in policy studies or commemorative activities. If any law directs the appointment of any member of the General Assembly 217 to a board or commission in the executive branch which is responsible for administering programs 218 219 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 220 section shall not apply, however, to members of the Board for Branch Pilots, who shall be appointed as 221 provided for in § 54.1-901; to members of the Board on Veterans' Affairs, who shall be appointed as 222 223 provided for in § 2.1-741; to members of the Council on Indians, who shall be appointed as provided 224 for in § 9-138.1; to members of the Virginia Technology Council, who shall be appointed as provided 225 for in § 9-145.51; to members of the Board of Trustees of the Southwest Virginia Higher Education 226 Center, who shall be appointed as provided in § 23-231.3; to members of the Maternal and Child Health Council, who shall be appointed as provided for in § 9-318; to members of the Virginia Interagency 227 Coordinating Council who shall be appointed as provided in § 2.1-750; to members of the Advisory 228 229 Council on the Virginia Business-Education Partnership Program, who shall be appointed as provided in § 9-326; to members of the Advisory Commission on Welfare Reform, who shall be appointed as 230 231 provided in § 63.1-133.44; or to members of the Virginia Correctional Enterprises Advisory Board, who 232 shall be appointed as provided in § 2.1-451.2; or to members of the Commonwealth Competition 233 Commission, who shall be appointed as provided in § 9-337.

234 § 9-6.25:1. Advisory boards, commissions and councils.

235 There shall be, in addition to such others as may be designated in accordance with § 9-6.25, the 236 following advisory boards, commissions and councils within the executive branch:

- 237 Advisory Board for the Department for the Deaf and Hard-of-Hearing
- 238 Advisory Board for the Department for the Aging
- Advisory Board on Child Abuse and Neglect 239

- 240 Advisory Board on Medicare and Medicaid
- 241 Advisory Board on Occupational Therapy
- 242 Advisory Board on Physical Therapy to the Board of Medicine
- 243 Advisory Board on Rehabilitation Providers
- Advisory Board on Respiratory Therapy to the Board of Medicine
- 245 Advisory Board on Teacher Education and Licensure
- 246 Advisory Council on Revenue Estimates
- 247 Advisory Council on the Virginia Business-Education Partnership Program
- 248 Appomattox State Scenic River Advisory Board
- 249 Aquaculture Advisory Board
- 250 Art and Architectural Review Board
- **251** (Effective until July 1, 1995) Board for the Visually Handicapped
- 252 Board of Directors, Virginia Truck and Ornamentals Research Station
- **253** Board of Forestry
- **254** Board of Military Affairs
- **255** Board of Rehabilitative Services
- 256 Board of Transportation Safety
- 257 Board of Trustees of the Family and Children's Trust Fund
- **258** Board of Visitors, Gunston Hall Plantation
- **259** Board on Veterans' Affairs
- 260 Catoctin Creek State Scenic River Advisory Board
- 261 Cave Board
- 262 Chickahominy State Scenic River Advisory Board
- 263 Clinch Scenic River Advisory Board
- 264 Coal Surface Mining Reclamation Fund Advisory Board
- 265 Commonwealth Competition Council
- 266 Council on Indians
- **267** Council on the Status of Women
- **268** Debt Capacity Advisory Committee
- **269** Emergency Medical Services Advisory Board
- 270 Falls of the James Committee
- **271** Film Office Advisory Board
- 272 Forensic Science Advisory Board
- 273 Goose Creek Scenic River Advisory Board
- 274 Governor's Council on Alcohol and Drug Abuse Problems
- 275 Governor's Mined Land Reclamation Advisory Committee
- 276 Hemophilia Advisory Board
- 277 Human Services Information and Referral Advisory Council
- 278 Industrial Development Services Advisory Board
- 279 Interagency Coordinating Council on Housing for the Disabled
- 280 Interdepartmental Board of the State Department of Minority Business Enterprise
- 281 Laboratory Services Advisory Board
- 282 Local Advisory Board to the Blue Ridge Community College
- 283 Local Advisory Board to the Central Virginia Community College
- 284 Local Advisory Board to the Dabney S. Lancaster Community College
- **285** Local Advisory Board to the Danville Community College
- **286** Local Advisory Board to the Eastern Shore Community College
- **287** Local Advisory Board to the Germanna Community College
- 288 Local Advisory Board to the J. Sargeant Reynolds Community College
- **289** Local Advisory Board to the John Tyler Community College
- 290 Local Advisory Board to the Lord Fairfax Community College
- 291 Local Advisory Board to the Mountain Empire Community College
- 292 Local Advisory Board to the New River Community College
- 293 Local Advisory Board to the Northern Virginia Community College
- 294 Local Advisory Board to the Patrick Henry Community College
- **295** Local Advisory Board to the Paul D. Camp Community College
- 296 Local Advisory Board to the Piedmont Virginia Community College297 Local Advisory Board to the Rappahannock Community College
- **298** Local Advisory Board to the Southwest Virginia Community College
- 299 Local Advisory Board to the Thomas Nelson Community College
- **300** Local Advisory Board to the Tidewater Community College

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- **301** Local Advisory Board to the Virginia Highlands Community College
- 302 Local Advisory Board to the Virginia Western Community College
- **303** Local Advisory Board to the Wytheville Community College
- **304** Long-Term Care Council
- 305 Maternal and Child Health Council
- **306** Medical Advisory Board, Department of Motor Vehicles
- 307 Medical Board of the Virginia Retirement System
- **308** Migrant and Seasonal Farmworkers Board
- **309** Motor Vehicle Dealer's Advisory Board
- 310 Nottoway State Scenic River Advisory Board
- **311** Personnel Advisory Board
- **312** Plant Pollination Advisory Board
- 313 Private College Advisory Board
- **314** Private Enterprise Commission
- 315 Private Security Services Advisory Board
- **316** Psychiatric Advisory Board
- **317** Radiation Advisory Board
- **318** Rappahannock Scenic River Advisory Board
- **319** Recreational Fishing Advisory Board, Virginia
- **320** Reforestation Board
- 321 Retirement System Review Board
- 322 Rockfish State Scenic River Advisory Board
- 323 Shenandoah State Scenic River Advisory Board
- 324 Small Business Advisory Board
- 325 Small Business Environmental Compliance Advisory Board
- **326** St. Mary's Scenic River Advisory Committee
- 327 State Advisory Board on Air Pollution
- 328 State Advisory Board for the Virginia Employment Commission
- **329** State Building Code Technical Review Board
- **330** State Council on Local Debt
- 331 State Health Benefits Advisory Council
- **332** State Insurance Advisory Board
- 333 State Land Evaluation Advisory Council
- **334** State Networking Users Advisory Board
- 335 State Public Records Advisory Council
- **336** Statewide Independent Living Council
- **337** Statewide Rehabilitation Advisory Council
- 338 Statewide Rehabilitation Advisory Council for the Blind
- **339** Staunton Scenic River Advisory Committee
- 340 Telecommunications Relay Service Advisory Board
- **341** Tourism and Travel Services Advisory Board
- **342** Toxic Substances Advisory Board
- 343 Virginia Advisory Commission on Intergovernmental Relations
- 344 Virginia Advisory Council for Adult Education and Literacy
- 345 Virginia Coal Mine Safety Board
- 346 Virginia Coal Research and Development Advisory Board
- **347** Virginia Commission for the Arts
- **348** Virginia Commission on the Bicentennial of the United States Constitution
- 349 Virginia Correctional Enterprises Advisory Board
- **350** Virginia Council on Coordinating Prevention
- 351 Virginia Equal Employment Opportunity Council
- 352 Virginia Interagency Coordinating Council
- 353 Virginia Military Advisory Council
- 354 Virginia Public Buildings Board
- 355 Virginia Recycling Markets Development Council
- **356** Virginia Technology Council
- 357 Virginia Transplant Council

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- 358 Virginia Water Resources Research Center, Statewide Advisory Board
- 359 Virginia Winegrowers Advisory Board.360

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362 § 9-334. Short title.

363 This chapter shall be known and may be cited as the "Virginia Government Competition Act of **364** 1995."

365 § 9-335. Definitions.

366 As used in this chapter, unless the context otherwise requires:

367 *"Council" means the Commonwealth Competition Council.*

368 "Privatization" means a variety of techniques and activities which promote more involvement of the
369 private sector in providing services that have traditionally been provided by government. It also includes
370 methods of providing a portion or all of select government-provided or government-produced programs
371 and services through the private sector.

372 "State agency" means any board, council, authority, department, agency, or institution of the
 373 Commonwealth which employs state or nonstate personnel.

374 § 9-336. Commonwealth Competition Council created; duties.

There is hereby created in the executive branch the Commonwealth Competition Council. The Council shall:

377 1. Examine and promote methods of providing a portion or all of select government-provided or
378 government-produced programs and services through the private sector by a competitive contracting
379 program, and advise the Governor, the General Assembly, and executive branch agencies of the
380 Council's findings and recommendations.

381 2. Develop an institutional framework for a statewide competitive program to encourage innovation382 and competition within state government.

383 3. Establish a system to encourage the use of feasibility studies and innovation to determine where 384 competition could reduce government costs without harming the public.

385
 4. Monitor the products and services of state agencies to bring an element of competition and to
 386 ensure a spirit of innovation and entrepreneurship to compete with the private sector.

387 5. Advocate, develop and accelerate implementation of a competitive program for state entities to
388 ensure competition for the provision or production of government services, or both, from both public
389 and private sector entities.

6. Establish approval, planning, and reporting processes required to carry out the functions of the Council.

392 7. Determine the privatization potential of a program or activity; perform cost/benefit analyses; and
393 conduct public and private performance analyses. The Secretary of Finance shall independently certify
394 the results of the comparison.

395 8. Devise, in consultation with the Secretary of Finance, evaluation criteria to be used in conducting
 396 performance reviews of any program or activity which is subject to a privatization recommendation.

397 9. To the extent practicable and to the extent that resources are available, make its services **398** available for a fair compensation to any political subdivision of the Commonwealth.

399 § 9-337. Membership; appointment; terms; vacancies; chairman; quorum; compensation.

A. The Council shall be composed of ten members to be appointed as follows: four employees of
executive branch agencies to be appointed by the Governor; one member of the House of Delegates to
be appointed by the Speaker of the House; one member of the Senate to be appointed by the Senate
Committee on Privileges and Elections; two members of the private sector to be appointed by the
Governor; one member of the private sector to be appointed by the House; and one
member of the private sector to be appointed by the Senate Committee on Privileges and Elections.

406 B. Legislative members shall serve on the Council until the expiration of their terms of office or until 407 their successors shall qualify. Two of the members who are employees of executive branch agencies and 408 one member from the private sector appointed by the Governor shall be appointed for terms of one 409 year. Two of the members who are employees of executive branch agencies and one member from the 410 private sector appointed by the Governor shall be appointed for terms of two years. The nonlegislative 411 members appointed by the Speaker of the House of Delegates and the Senate Committee on Privileges 412 and Elections shall be appointed for terms of three years. Thereafter all nonlegislative members of the 413 Council shall be appointed for terms of three years.

414 C. Appointments to fill vacancies shall be for the unexpired terms. No person shall be eligible to
415 serve for or during more than two successive three-year terms. Executive branch agency members shall
416 serve only as long as they retain their positions.

417 D. The Council shall annually elect its chairman and vice chairman from among its members.

418 *E.* Six members of the Council shall constitute a quorum. No action shall be taken by the Council **419** without the concurrence of at least six members.

420 F. Legislative members shall be compensated as specified in § 14.1-18, and all members of the

421 Council shall be reimbursed for their actual expenses incurred in the performance of their duties.

422 § 9-338. Cooperation of other state agencies.

423 All agencies of the Commonwealth shall cooperate with the Council and, upon request, assist the 424 Council in the performance of its duties and responsibilities. The Council shall not impose unreasonable 425 burdens or costs in connection with requests of agencies.

426 § 9-339. Staff support; application for an acceptance of gifts and grants.

427 A. The Council shall employ such staff as necessary to enable it to perform its duties as directed in 428 the appropriation act.

429 B. The Council may apply for, accept, and expend gifts, grants, or donations from public or private 430 sources to enable it to better carry out its objectives. No entity which provides a gift, donation or grant 431 shall be eligible for a contract award which results from action of a Council recommendation.

§ 9-340. Unsolicited proposals.

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The Governor or the General Assembly may direct any state agency to perform a public/private 433 performance analysis covering any service for which the Council has received a qualifying unsolicited 434 proposal from a private entity which is consistent with the Council's purposes and duties as provided in 435 436 § 9-336. 437

§ 9-341. Public/private performance analysis.

A. The Council shall use the procurement methods cited in the Virginia Public Procurement Act 438 439 (§ 11-35 et seq.) to solicit proposals and bids from private entities in order to make cost comparison 440 decisions. However, the Council shall not execute contracts.

441 B. The Council shall explore methods to encourage state agencies to compete for contracts.

442 § 9-342. Duties of the Department of Planning and Budget.

443 The Department of Planning and Budget shall determine the amount of the existing appropriation no 444 longer needed by the state agency or institution and shall unallot such funding. The Department shall 445 also ensure that all appropriate reporting requirements to the Governor and the General Assembly are met. Nothing in this section shall preclude the Governor from recommending in future budget 446 447 submissions the restoration of a portion of the original appropriation to the state agency or institution. **448** § 9-343. Reports to Governor and General Assembly.

The Council shall annually by December 1 report its findings and recommendations to the Governor 449 and the General Assembly. The Council may make interim reports to the Governor and the General 450 451 Assembly as it deems advisable.