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SENATE BILL NO. 557

Offered January 22, 1996

A BILL to amend and reenact §§ 2.1-1.6, 2.1-526.3, 2.1-526.5, 2.1-526.11:1, and 9-6.25:1 of the Code of Virginia and to repeal § 2.1-526.4 of the Code of Virginia, relating to the State Insurance Advisory Board.

Patron—Quayle

Referred to the Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.1-1.6, 2.1-526.3, 2.1-526.5, 2.1-526.11:1, and 9-6.25:1 of the Code of Virginia are amended and reenacted as follows:

§ 2.1-1.6. State boards.

A. There shall be, in addition to such others as may be established by law, the following permanent collegial bodies affiliated with a state agency within the executive branch:

Accountancy, Board for

Aging, Advisory Board on the

Agriculture and Consumer Services, Board of

Air Pollution, State Advisory Board on

Alcoholic Beverage Control Board, Virginia

Apple Board, Virginia State

Appomattox State Scenic River Advisory Board

Aquaculture Advisory Board

Architects, Professional Engineers, Land Surveyors and Landscape Architects, State Board for

Art and Architectural Review Board

Athletic Board, Virginia

Auctioneers Board

Audiology and Speech-Language Pathology, Board of

Aviation Board, Virginia

Barbers, Board for

Branch Pilots, Board for

Bright Flue-Cured Tobacco Board, Virginia

Building Code Technical Review Board, State

Catoctin Creek State Scenic River Advisory Board

Cattle Industry Board, Virginia

Cave Board

Certified Seed Board, State

Chesapeake Bay Local Assistance Board

Chickahominy State Scenic River Advisory Board

Child Abuse and Neglect, Advisory Board on

Chippokes Plantation Farm Foundation, Board of Trustees

Clinch Scenic River Advisory Board

Coal Mining Examiners, Board of

Coal Research and Development Advisory Board, Virginia

Coal Surface Mining Reclamation Fund Advisory Board

Coastal Land Management Advisory Council, Virginia

Conservation and Development of Public Beaches, Board on

Conservation and Recreation, Board of

Contractors, Board for

Corn Board, Virginia

Correctional Education, Board of

Corrections, State Board of

Cosmetology, Board for

Criminal Justice Services Board

Dark-Fired Tobacco Board, Virginia

Deaf and Hard-of-Hearing, Advisory Board for the Department for the

Dentistry, Board of

Education, State Board of

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60	Egg Board, Virginia
61	Emergency Medical Services Advisory Board
62	Employment Agency Advisory Board
63	Farmers Market Board, Virginia
64	Film Office Advisory Board
65	Fire Services Board, Virginia
66	Forensic Science Advisory Board
67	Forestry, Board of
68	Funeral Directors and Embalmers, Board of
69	Game and Inland Fisheries, Board of
70	Geology, Board for
71	Goose Creek Scenic River Advisory Board
72	Health Planning Board, Virginia
73	Health Professions, Board of
74	Health, State Board of
75	Hearing Aid Specialists, Board for
76	Hemophilia Advisory Board
77	Historic Resources, Board of
78	Housing and Community Development, Board of
79	Industrial Development Services Advisory Board
80	Insurance Advisory Board, State
81	Irish Potato Board, Virginia
82	Laboratory Services Advisory Board
83	Litter Control and Recycling Fund Advisory Board
84	Marine Products Board, Virginia
85	Medical Advisory Board, Department of Motor Vehicles
86	Medical Board of the Virginia Retirement System
87	Medicare and Medicaid, Advisory Board on
88	Medicine, Board of
89	Mental Health, Mental Retardation and Substance Abuse Services Board, State
90	Migrant and Seasonal Farmworkers Board
91	Military Affairs, Board of
92	Mineral Mining Examiners, Board of
93	Minority Business Enterprise, Interdepartmental Board of the Department of
94	Networking Users Advisory Board, State
95	Nottoway State Scenic River Advisory Board
96	Nursing, Board of
97	Nursing Home Administrators, Board of
98	Occupational Therapy, Advisory Board on
99	Oil and Gas Conservation Board, Virginia
100	Opticians, Board for
101	Optometry, Board of
102	Peanut Board, Virginia
103	Personnel Advisory Board
104	Pesticide Control Board
105	Pharmacy, Board of
106	Physical Therapy to the Board of Medicine, Advisory Board on
107	Plant Pollination Advisory Board
108	Polygraph Examiners Advisory Board
109	Pork Industry Board, Virginia
110	Poultry Products Board, Virginia
111	Private College Advisory Board
112	Private Security Services Advisory Board
113	Professional and Occupational Regulation, Board for
114	Professional Counselors, Board of
115	Professional Soil Scientists, Board for
116	Psychiatric Advisory Board
117	Psychology, Board of
118	Public Buildings Board, Virginia
119	Public Telecommunications Board, Virginia
120	Radiation Advisory Board
121	Real Estate Appraiser Board

- 122 Real Estate Board
- 123 Reciprocity Board, Department of Motor Vehicles
- 124 Recreational Fishing Advisory Board, Virginia
- 125 Recreation Specialists, Board of
- 126 Reforestation Board
- 127 Rehabilitation Providers, Advisory Board on
- 128 Rehabilitative Services, Board of
- 129 Respiratory Therapy, Advisory Board on
- 130 Retirement System Review Board
- 131 Rockfish State Scenic River Advisory Board
- 132 Safety and Health Codes Board
- 133 Seed Potato Board
- 134 Sewage Handling and Disposal Appeal Review Board, State Health Department
- 135 Shenandoah State Scenic River Advisory Board
- 136 Small Business Advisory Board
- 137 Small Business Environmental Compliance Advisory Board
- 138 Small Grains Board, Virginia
- 139 Social Services, Board of
- 140 Social Work, Board of
- 141 Soil and Water Conservation Board, Virginia
- 142 Soybean Board, Virginia
- 143 State Air Pollution Control Board
- 144 Substance Abuse Certification Board
- 145 Surface Mining Review, Board of
- 146 Sweet Potato Board, Virginia
- 147 T & M Vehicle Dealers' Advisory Board
- 148 Teacher Education and Licensure, Advisory Board on
- 149 Tourism and Travel Services Advisory Board
- 150 Transportation Board, Commonwealth
- 151 Transportation Safety, Board of
- 152 Treasury Board, The, Department of the Treasury
- 153 Veterans' Affairs, Board on
- 154 Veterinary Medicine, Board of
- 155 Virginia Board for Asbestos Licensing
- 156 Virginia Coal Mine Safety Board
- 157 Virginia Correctional Enterprises Advisory Board
- 158 Virginia Employment Commission, State Advisory Board for the
- 159 Virginia Higher Education Tuition Trust Fund, Board of the
- 160 Virginia Horse Industry Board
- 161 Virginia Manufactured Housing Board
- 162 Virginia Retirement System, Board of Trustees
- 163 Virginia Sheep Industry Board
- 164 Virginia Veterans Cemetery Board
- 165 Virginia Waste Management Board
- 166 Visually Handicapped, Virginia Board for the
- 167 Voluntary Formulary Board, Virginia
- 168 War Memorial Foundation, Virginia, Board of Trustees
- 169 Waste Management Facility Operators, Board for
- 170 Water Resources Research Center Statewide Advisory Board, Virginia
- 171 Waterworks and Wastewater Works Operators, Board for
- 172 Well Review Board, Virginia
- 173 Youth and Family Services, State Board of.
- 174 B. Notwithstanding the definition for "board" as provided in § 2.1-1.2, the following entities shall be
- 175 referred to as boards:
- 176 Compensation Board
- 177 State Board of Elections
- 178 State Water Control Board
- 179 Virginia Parole Board
- 180 Virginia Veterans Care Center Board of Trustees.
- 181 § 2.1-526.3. Inspection of state-owned properties for insurance purposes; determination of coverage;
- 182 procurement, discontinuance, etc., of insurance.

183 A. The Division may inspect or may administer a program of self-inspection for all state-owned
184 properties and confer with the proper officials or employees of the several agencies of the
185 Commonwealth for the purpose of determining (i) insurance coverages which shall be carried on or with
186 respect to properties under their control; and to determine (ii) the manner whereby savings and costs of
187 such insurance may be made. It may seek the assistance of insurance companies; and their
188 representatives, and the Fire Marshal of the Commonwealth, and the State Insurance Advisory Board in
189 devising means by which hazards may be reduced or eliminated. The Division shall have final
190 responsibility with respect to coverage, noncoverage, provisions of policies, quantity and type of fire and
191 extended coverage, vandalism and malicious mischief, and optional perils or all risk insurance coverage.
192 The Governor may exempt any agency, institution of higher education, or part thereof from any part of
193 the risk management and insurance program.

194 B. The Division shall have the authority to change or discontinue fire and extended coverage,
195 vandalism and malicious mischief, optional perils or all risk insurance coverage carried pursuant to bond
196 indentures and other contractual requirements, provided such change or discontinuance meets with the
197 written approval of the trustee or trustees of the bond indenture and those signatory to the contracts.

198 C. As its programs are implemented, the Division shall assume the sole responsibility, with the
199 approval of the Governor, for purchasing insurance, self-insuring or combining insurance and
200 self-insurance (i) on all properties of the Commonwealth or (ii) for protection of liabilities or other
201 casualties.

202 § 2.1-526.5. State Insurance Reserve Trust Fund.

203 A. The State Insurance Reserve Trust Fund established under former § 2.1-109.8 is continued. The
204 fund shall consist of the payments required by subsection B of this section. The fund shall be under the
205 management and control of the Department of General Services, through the Division of Risk
206 Management, and any claims for losses payable out of the fund shall be at the direction of the Division.
207 The fund shall be invested as provided in § 2.1-185 and interest shall be added to the fund as earned.

208 B. Each agency, department, division, or institution of state government having control over any state
209 structure and contents thereof, or which participates in any program of insurance operated by the
210 Division of Risk Management, shall pay each year into the State Insurance Reserve Trust Fund or any
211 trust fund established pursuant to the provisions of this article amounts necessary to maintain the trusts
212 at levels of funding deemed adequate by the Division. The Division shall, in consultation with the State
213 Insurance Advisory Board, set the premium and administrative costs to be paid to it for providing an
214 insurance plan established pursuant to this section. The premiums and administrative costs set by the
215 Division shall be payable in the amounts, at the time and in the manner that the Division in its sole
216 discretion requires. Premiums and administrative costs need not be uniform among participants, but shall
217 be set to best insure the financial stability of the plan. Whenever any building or structure is under the
218 control of two or more agencies, departments, divisions or institutions of the Commonwealth, the
219 payment required herein shall be prorated upon the basis of percentage of the area controlled.

220 C. In the event of loss or damage exceeding \$1000 to property on which there is no insurance
221 recovery or limited insurance recovery as a consequence of any action by the Division of Risk
222 Management resulting in noncoverage, reduced insurance, elimination of insured perils or otherwise, the
223 Division shall determine the amount, if any, payable out of the fund, and such amount, when approved
224 by the Governor, shall be final. The amount payable shall be used for the purpose of restoring the
225 damaged structure or rebuilding the same, as the circumstances may require, but in no event shall the
226 amount payable on account of such loss exceed the actual cash value or the replacement cost value of
227 the property in accordance with the basis of insurance, nor shall the amount payable when added to the
228 insurance recovered exceed the actual cash value or the replacement cost value of the property, as
229 recorded in the property and insurance records of the Division of Risk Management.

230 D. In addition to the amounts payable under subsection C of this section, the costs of operating the
231 Division which are properly allocated to its functions concerning the State Insurance Reserve Trust
232 Fund, the cost of operating the State Insurance Advisory Board and other administrative and contractual
233 costs of the Division not otherwise provided for shall be paid out of the State Insurance Reserve Trust
234 Fund, for which purposes such funds are hereby appropriated.

235 § 2.1-526.11:1. Loss prevention.

236 The Division of Risk Management may develop and implement risk management and loss prevention
237 programs related to insurance plans established pursuant to the provisions of this article. The Division
238 may confer with the proper officials or employees of all agencies and institutions of the Commonwealth
239 and of participating entities and persons pursuant to § 2.1-526.8:1, for the purpose of determining risk
240 management and loss prevention programs which shall be carried on with respect to properties and
241 governmental operations under their control and may determine the manner in which such programs may
242 be developed, implemented and enforced. The Division may seek the assistance of risk management
243 consulting companies, insurance companies, loss prevention engineering companies, and their
244 representatives, the Fire Marshal of the Commonwealth, and the Division of Engineering and Buildings

245 and the State Insurance Advisory Board in devising means by which causes of loss may be reduced or
 246 eliminated. The Division shall have the final responsibility with respect to implementation or
 247 nonimplementation of a plan or plans by an agency or institution of the Commonwealth and by a
 248 participating entity or person pursuant to § 2.1-526.8:1. Information contained in investigative reports of
 249 any state or local police department, sheriff's office, fire department or fire marshal relevant to insurance
 250 plans established pursuant to the provisions of this article shall be made available to the Division of
 251 Risk Management upon request. The relevant information requested shall be furnished within a
 252 reasonable time, not to exceed thirty days.

253 § 9-6.25:1. Advisory boards, commissions and councils.

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

256 Advisory Board for the Department for the Deaf and Hard-of-Hearing
 257 Advisory Board for the Department for the Aging
 258 Advisory Board on Child Abuse and Neglect
 259 Advisory Board on Medicare and Medicaid
 260 Advisory Board on Occupational Therapy
 261 Advisory Board on Physical Therapy to the Board of Medicine
 262 Advisory Board on Rehabilitation Providers
 263 Advisory Board on Respiratory Therapy to the Board of Medicine
 264 Advisory Board on Teacher Education and Licensure
 265 Advisory Council on Revenue Estimates
 266 Advisory Council on the Virginia Business-Education Partnership Program
 267 Appomattox State Scenic River Advisory Board
 268 Aquaculture Advisory Board
 269 Art and Architectural Review Board
 270 Board for the Visually Handicapped
 271 Board of Directors, Virginia Truck and Ornaments Research Station
 272 Board of Forestry
 273 Board of Military Affairs
 274 Board of Rehabilitative Services
 275 Board of Transportation Safety
 276 Board of Trustees of the Family and Children's Trust Fund
 277 Board of Visitors, Gunston Hall Plantation
 278 Board on Veterans' Affairs
 279 Catocin Creek State Scenic River Advisory Board
 280 Cave Board
 281 Chickahominy State Scenic River Advisory Board
 282 Clinch Scenic River Advisory Board
 283 Coal Surface Mining Reclamation Fund Advisory Board
 284 Coastal Land Management Advisory Council, Virginia
 285 Commonwealth Competition Council
 286 Council on Indians
 287 Council on the Status of Women
 288 Debt Capacity Advisory Committee
 289 Emergency Medical Services Advisory Board
 290 Falls of the James Committee
 291 Film Office Advisory Board
 292 Forensic Science Advisory Board
 293 Goose Creek Scenic River Advisory Board
 294 Governor's Council on Alcohol and Drug Abuse Problems
 295 Governor's Mined Land Reclamation Advisory Committee
 296 Hemophilia Advisory Board
 297 Human Services Information and Referral Advisory Council
 298 Industrial Development Services Advisory Board
 299 Interagency Coordinating Council on Housing for the Disabled
 300 Interdepartmental Board of the State Department of Minority Business Enterprise
 301 Laboratory Services Advisory Board
 302 Litter Control and Recycling Fund Advisory Board
 303 Local Advisory Board to the Blue Ridge Community College
 304 Local Advisory Board to the Central Virginia Community College
 305 Local Advisory Board to the Dabney S. Lancaster Community College

306	Local Advisory Board to the Danville Community College
307	Local Advisory Board to the Eastern Shore Community College
308	Local Advisory Board to the Germanna Community College
309	Local Advisory Board to the J. Sargeant Reynolds Community College
310	Local Advisory Board to the John Tyler Community College
311	Local Advisory Board to the Lord Fairfax Community College
312	Local Advisory Board to the Mountain Empire Community College
313	Local Advisory Board to the New River Community College
314	Local Advisory Board to the Northern Virginia Community College
315	Local Advisory Board to the Patrick Henry Community College
316	Local Advisory Board to the Paul D. Camp Community College
317	Local Advisory Board to the Piedmont Virginia Community College
318	Local Advisory Board to the Rappahannock Community College
319	Local Advisory Board to the Southwest Virginia Community College
320	Local Advisory Board to the Thomas Nelson Community College
321	Local Advisory Board to the Tidewater Community College
322	Local Advisory Board to the Virginia Highlands Community College
323	Local Advisory Board to the Virginia Western Community College
324	Local Advisory Board to the Wytheville Community College
325	Maternal and Child Health Council
326	Medical Advisory Board, Department of Motor Vehicles
327	Medical Board of the Virginia Retirement System
328	Migrant and Seasonal Farmworkers Board
329	Motor Vehicle Dealer's Advisory Board
330	Nottoway State Scenic River Advisory Board
331	Personnel Advisory Board
332	Plant Pollination Advisory Board
333	Private College Advisory Board
334	Private Enterprise Commission
335	Private Security Services Advisory Board
336	Psychiatric Advisory Board
337	Radiation Advisory Board
338	Rappahannock Scenic River Advisory Board
339	Recreational Fishing Advisory Board, Virginia
340	Reforestation Board
341	Retirement System Review Board
342	Rockfish State Scenic River Advisory Board
343	Shenandoah State Scenic River Advisory Board
344	Small Business Advisory Board
345	Small Business Environmental Compliance Advisory Board
346	St. Mary's Scenic River Advisory Committee
347	State Advisory Board on Air Pollution
348	State Advisory Board for the Virginia Employment Commission
349	State Building Code Technical Review Board
350	State Council on Local Debt
351	State Health Benefits Advisory Council
352	State Insurance Advisory Board
353	State Land Evaluation Advisory Council
354	State Networking Users Advisory Board
355	State Public Records Advisory Council
356	Statewide Independent Living Council
357	Statewide Rehabilitation Advisory Council
358	Statewide Rehabilitation Advisory Council for the Blind
359	Staunton Scenic River Advisory Committee
360	Telecommunications Relay Service Advisory Board
361	Tourism and Travel Services Advisory Board
362	Virginia Advisory Commission on Intergovernmental Relations
363	Virginia Advisory Council for Adult Education and Literacy
364	Virginia Coal Mine Safety Board
365	Virginia Coal Research and Development Advisory Board
366	Virginia Commission for the Arts
367	Virginia Commission on the Bicentennial of the United States Constitution

368 Virginia Correctional Enterprises Advisory Board
369 Virginia Council on Coordinating Prevention
370 Virginia Equal Employment Opportunity Council
371 Virginia Interagency Coordinating Council
372 Virginia Military Advisory Council
373 Virginia Public Buildings Board
374 Virginia Recycling Markets Development Council
375 Virginia Technology Council
376 Virginia Transplant Council
377 Virginia Veterans Cemetery Board
378 Virginia Water Resources Research Center, Statewide Advisory Board
379 Virginia Winegrowers Advisory Board.
380 2. That § 2.1-526.4 of the Code of Virginia is repealed.

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