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## SENATE BILL NO. 843

Senate Amendments in [ ] — February 3, 1999

*A BILL to amend and reenact § 1 of Chapter 639 of the 1995 Acts of Assembly, relating to the operation of the local health departments by certain cities.*

Patrons—Lambert, Marsh and Watkins; Delegates: Baskerville, Cantor, Hall, Jones, D.C., McEachin and Rhodes

Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:****1. That § 1 of Chapter 639 of the 1995 Acts of Assembly is amended and reenacted as follows:**

§ 1. Option of certain cities to operate local health departments under contract with the State Board of Health.

Notwithstanding any other provision of law to the contrary, general or special, the governing body of any city having a population between 200,000 and 250,000 may enter into a contract with the State Board of Health to provide local health services in that city. The governing body may provide such health services either through a separate local department or through another organizational arrangement. The governing body shall not eliminate any service required by law or reduce the level of service below that required by law. In addition, the local governing body shall not eliminate or reduce the level of any service currently delivered in connection with the Virginia Medicaid Program.

Any contract executed between the city and the Board shall set forth the rights and responsibilities of the local governing body for the delivery of health services and shall require that the governing body, with the concurrence of the State Health Commissioner, appoint the local health director of health services in accordance with local procedures, who shall be employed full-time as an employee of the governing body shall be responsible for directing all state mandated public health programs. All employees of the local health department operated by the governing body of the city shall be employees of the governing body.

The local governing body shall maintain and submit such financial and statistical records as may be required by the State Board of Health.

The city shall be the sole owner of all equipment and supplies, including all equipment and supplies used by the local health department at the time of execution of the contract, which were or are purchased for providing public health services regardless of the source of the funds for such purchases.

The local governing body shall operate the local health department, pursuant to the terms of the contract, within local appropriations and any state funds which may be made available to it, pursuant to the appropriations act. State funds for the operation of health services and facilities shall continue to be allocated to any city which has elected to provide health services by contract pursuant to this section as if such services were provided in a city without such a contract.

Notwithstanding any other provision of law to the contrary, any person who is transferred from state to local employment in accordance with a contractor authorized by this section, and who is a member of the Virginia Retirement System at the time of the transfer, shall continue to be a member of the Virginia Retirement System during the period of local employment. Any such transferred employee shall remain a member of the Virginia Retirement System, *and be eligible for retirement health benefits*, under the same terms and conditions as would apply if the transferred employee had remained a state employee, so long as the employee is employed with a local health department pursuant to a contract under this section [ *is employed by another agency of the city,* ] or returns to state employment. For purposes of any employment of the transferred employee as a state employee after local employment, the membership in the Virginia Retirement System during local employment shall be treated the same as any other membership in the Virginia Retirement System.

For any employee who is transferred to local employment in accordance with a contract authorized by this section, that employee's membership in the Virginia Retirement System during local employment shall be treated the same as any other membership in the Virginia Retirement System. The local governing body shall collect and pay all employee and employer contributions to the Virginia Retirement System for retirement and group life insurance in accordance with the provisions of Chapter 1 of Title 51.1 of the Code of Virginia, as amended.

The power to contract conferred by this section shall not be deemed to confer any additional authority for any such city providing local health services to impose fees for local health services.

ENGROSSED

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