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**HOUSE BILL NO. 1529**

Offered January 8, 2003

Prefiled December 19, 2002

*A BILL to amend and reenact §§ 2.2-200, 2.2-211, 2.2-1102, 2.2-1162, 2.2-1180, 2.2-1303, 2.2-2428, 2.2-2435, 2.2-2705, 2.2-2817.1, 2.2-4118, 2.2-4306, 2.2-4307, 15.2-2903, 18.2-340.17, 51.1-126, and 62.1-215 of the Code of Virginia, to amend the Code of Virginia by adding in Article 5 of Chapter 2 of Title 2.2 sections numbered 2.2-211.1 and 2.2-211.2, and to repeal Article 2 (§§ 2.2-203, 2.2-203.1 and 2.2-203.2) of Chapter 2 of Title 2.2 of the Code of Virginia, relating to the Secretary of Finance and the Secretary of Administration.*

Patrons—Landes, Cole, Dudley, Reese and Saxman

Referred to Committee on General Laws

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

**1. That §§ 2.2-200, 2.2-211, 2.2-1102, 2.2-1162, 2.2-1180, 2.2-1303, 2.2-2428, 2.2-2435, 2.2-2705, 2.2-2817.1, 2.2-4118, 2.2-4306, 2.2-4307, 15.2-2903, 18.2-340.17, 51.1-126, and 62.1-215 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 5 of Chapter 2 of Title 2.2 sections numbered 2.2-211.1 and 211.2 as follows:**

§ 2.2-200. Appointment of Governor's Secretaries; general powers.

A. The Governor's Secretaries shall be appointed by the Governor, subject to confirmation by the General Assembly if in session when the appointment is made, and if not in session, then at its next succeeding session. Each Secretary shall hold office at the pleasure of the Governor for a term coincident with that of the Governor making the appointment or until a successor is appointed and qualified. Before entering upon the discharge of duties, each Secretary shall take an oath to faithfully execute the duties of the office.

B. Each Secretary shall be subject to direction and supervision by the Governor. Except as provided in Article 5 (§ 2.2-208 et seq.) of this chapter, the agencies assigned to each Secretary shall:

1. Exercise their respective powers and duties in accordance with the general policy established by the Governor or by the Secretary acting on behalf of the Governor;

2. Provide such assistance to the Governor or the Secretary as may be required; and

3. Forward all reports to the Governor through the Secretary.

C. Unless the Governor expressly reserves such power to himself and except as provided in Article 5 (§ 2.2-208 et seq.) of this chapter, each Secretary may:

1. Resolve administrative, jurisdictional, operational, program, or policy conflicts between agencies or officials assigned;

2. Direct the formulation of a comprehensive program budget for the functional area identified in § 2.2-1508 encompassing the services of agencies assigned for consideration by the Governor;

3. Hold agency heads accountable for their administrative, fiscal and program actions in the conduct of the respective powers and duties of the agencies;

4. Direct the development of goals, objectives, policies and plans that are necessary to the effective and efficient operation of government;

5. Sign documents on behalf of the Governor that originate with agencies assigned to the Secretary; and

6. Employ such personnel and to contract for such consulting services as may be required to perform the powers and duties conferred upon the Secretary by law or executive order.

D. As used in this chapter, "Governor's Secretaries" means ~~the Secretary of Administration~~, the Secretary of Commerce and Trade, the Secretary of Education, the Secretary of Finance, the Secretary of Health and Human Resources, the Secretary of Natural Resources, the Secretary of Public Safety, the Secretary of Technology, and the Secretary of Transportation.

§ 2.2-211. Position established; agencies for which responsible; additional powers.

A. The position of Secretary of Finance (the "Secretary") is created. The Secretary shall be responsible for the following agencies: Department of Accounts, Department of Planning and Budget, Department of Taxation, Department of the Treasury and , Department of the State Internal Auditor, Department of Human Resource Management, Department of General Services, Compensation Board, Secretary of the Commonwealth, Department of Employment Dispute Resolution, Department of Veterans' Affairs, Virginia Veterans Care Center Board of Trustees, Commission on Local Government, Charitable Gaming Commission, and Virginia Public Broadcasting Board. The Governor, by executive order, may assign any other state executive agency to the Secretary of Finance, or reassign any agency

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59 listed.

60 B. To the greatest extent practicable, the agencies assigned to the Secretary shall pay all amounts due  
61 and owing by the Commonwealth through electronic transfers of funds from the general fund or  
62 appropriate special fund to the bank account of the payee or a party identified by law to receive funds  
63 on behalf of the payee. All wire transfer costs associated with the electronic transfer shall be paid by the  
64 payee subject to exemptions authorized by the State Treasurer affecting the investment, debt, and  
65 intergovernmental transactions of the Commonwealth and its agencies, institutions, boards, and  
66 authorities.

67 § 2.2-211.1. Secretary to establish telecommuting policy.

68 A. The Secretary, in cooperation with the Secretary of Technology and in consultation with the  
69 Council on Technology Services, shall establish a comprehensive statewide telecommuting policy under  
70 which eligible employees of state agencies, as determined by state agencies, may telecommute, and the  
71 Secretary shall periodically update such policy as necessary.

72 B. The telecommuting policy described in subsection A shall include, but not be limited to, model  
73 guidelines, rules and procedures for telecommuting. Such policy may also include an incentive program,  
74 to be established and administered by the Department of Human Resources Management, that may  
75 encourage state employees to telecommute and that may encourage the state agencies' management  
76 personnel to promote telecommuting.

77 § 2.2-211.2. Secretary to advise and assist public and private sectors regarding telecommuting;  
78 report to the General Assembly.

79 A. The Secretary shall advise and assist state agencies, and upon request of the localities, the  
80 Secretary may advise and assist localities in planning, developing and administering programs, projects,  
81 plans, policies and other activities to promote telecommuting by employees of state agencies or  
82 localities.

83 B. The Secretary, upon request, may advise and assist private sector employers in the Commonwealth  
84 in planning, developing and administering programs, projects, plans, policies and other activities for  
85 telecommuting by private sector employees and in developing incentives provided by the private sector  
86 to encourage private sector employers in the Commonwealth to utilize employee telecommuting.

87 C. The Secretary shall report annually to the General Assembly on the status and efficiency of  
88 telecommuting in the Commonwealth.

89 § 2.2-1102. Additional powers of Department.

90 A. The Department shall have the following additional powers, all of which, with the approval of the  
91 Director of the Department, may be exercised by a division of the Department with respect to matters  
92 assigned to that division:

93 1. Prescribe regulations necessary or incidental to the performance of duties or execution of powers  
94 conferred under this chapter; and

95 2. Establish fee schedules that may be collectible from users when general fund appropriations are  
96 not applicable to the services rendered.

97 B. All statewide contracts and agreements made and entered into by the Department for the purchase  
98 of computers, software, supplies, and related peripheral equipment and services shall provide for the  
99 inclusion of counties, cities, and towns in such contracts and agreements. For good cause shown, the  
100 Secretary of ~~Administration~~ Finance may disapprove the inclusion from a specific contract or agreement.

101 C. The Department may operate or provide for the operation of hazardous waste management  
102 facilities.

103 § 2.2-1162. Definitions.

104 As used in this article:-

105 "Asbestos" means any material containing more than one percent of the asbestiform varieties of:

106 1. chrysotile (serpentine),

107 2. crocidolite (riebeckite),

108 3. amosite (cummingtonite-grunerite),

109 4. anthophyllite,

110 5. tremolite, or

111 6. actinolite.

112 "Director" means the Director of the Department of General Services.

113 "Friable" means material that is capable of being crumbled, pulverized or reduced to powder by hand  
114 pressure or which under normal use or maintenance emits or can be expected to emit asbestos fibers into  
115 the air.

116 "Local education agency" or "LEA" means the same as that term is defined in the United States  
117 Environmental Protection Agency Asbestos Hazard and Emergency Response Act regulations set forth in  
118 40 CFR 763.

119 "Operations and maintenance program" means work practices to maintain asbestos-containing material  
120 in good condition and to minimize and control disturbance or damage to such materials.

"Response actions" means any action, including removal, encapsulation, enclosure, repair, method of operation, maintenance, record keeping or notification that protects human health from building materials containing asbestos.

"Secretary" means the Secretary of ~~Administration~~ *Finance*.

§ 2.2-1180. Regulations governing state-owned passenger-type vehicles.

The Director may promulgate regulations for the purchase, use, storage, maintenance, repair and disposal of all passenger-type vehicles owned by the Commonwealth and assigned to the centralized fleet. By executive order of the Governor, such regulations may extend to all motor vehicles of any type owned by the Commonwealth, or such of them as the Governor may designate.

If any state officer, agent, or employee fails to comply with any regulation of the Director made pursuant to the provisions of this section, the Secretary of ~~Administration~~ *Finance* shall be so notified, and the Comptroller shall, upon request of the Secretary, refuse to issue any warrant or warrants on account of expenses incurred, or to be incurred in the purchase, operation, maintenance, or repair of any motor vehicle now or to be in the possession or under the control of such officer, agent or employee, or the Secretary of ~~Administration~~ *Finance* may order the Director to take possession of any such vehicle and to return or transfer it to the centralized fleet for assignment or use as prescribed by this chapter. Regulations previously promulgated by the Commonwealth Transportation Board under the authority granted by § 33.1-407 concerning the purchase, use, storage, maintenance, repair and disposal of all passenger-type vehicles owned by the Commonwealth and assigned to the centralized fleet shall remain in effect until the Director promulgates replacement regulations under the authority granted by this article.

§ 2.2-1303. Additional powers and duties relating to communications equipment and services and information technology equipment and services.

A. The Department shall have the following additional powers and duties concerning the planning, budgeting, acquiring, using and disposing of communications equipment and services:

1. Formulate specifications for telecommunications, automated data and word processing, and management information systems.

2. Analyze and approve all procurements of interconnective telecommunications facilities, telephones, automated data and word processing, and other communications equipment and goods.

3. Review and approve all agreements and contracts for communications services prior to execution between a state agency and another public or private agency.

4. Develop and administer a system to monitor and evaluate executed contracts and billing and collection systems.

5. Exempt from review requirements, but not from the state's competitive procurement process, any state agency that establishes, to the satisfaction of the Department, (i) its ability and willingness to administer efficiently and effectively the procurement of communications services or (ii) that it has been subjected to another review process coordinated through or approved by the Department.

B. The Department shall have the following powers and duties concerning the development, operation and management of communications services:

1. Manage and coordinate the various communications facilities, centers, and operations used by the Commonwealth.

2. Acquire, lease, or construct such facilities and equipment as necessary to deliver comprehensive communications services; and to maintain such facilities and equipment owned or leased.

3. Provide technical assistance to state agencies in such areas as: (i) designing management information systems; (ii) performing systems development services, including design, application programming, and maintenance; (iii) conducting research and sponsoring demonstration projects pertaining to all facets of telecommunications; (iv) effecting economies in telephone systems and equipment; (v) planning and forecasting for future needs in communications services; and (vi) management studies and surveys of organizational structure, management practices and systems and procedures.

4. Develop and implement information, billing and collections systems that will aid state agencies in forecasting their needs and managing their operations.

C. Notwithstanding § 2.2-1110, telecommunications goods and services of every description may and information technology goods and services of every description shall be procured by (i) the Department for its own benefit or on behalf of other state agencies and institutions or (ii) such other agencies or institutions to the extent authorized by the Department. Procurements made in accordance with this subsection shall be made in accordance with the regulations specified in § 2.2-1111, unless the Department has adopted alternative regulations governing these procurements pursuant to the Administrative Process Act (§ 2.2-4000 et seq.).

D. All statewide contracts and agreements made and entered into by the Department for the purchase of computers, software, supplies, and related peripheral equipment and services shall provide for the

182 inclusion of counties, cities, and towns in such contracts and agreements. For good cause shown, the  
183 Secretary of ~~Administration~~ *Finance* may disapprove the inclusion from a specific contract or agreement.  
184 Notwithstanding the provisions of § 2.2-4301, the Department may enter into multiple vendor contracts  
185 for the referenced hardware, software, and services.

186 E. This section shall not be construed or applied so as to infringe upon, in any manner, the  
187 responsibilities for accounting systems assigned to the Comptroller under § 2.2-803.

188 § 2.2-2428. Virginia Public Broadcasting Board; membership; terms; chairman; compensation.

189 A. To achieve the public purposes set forth in § 2.2-2426, the Virginia Public Broadcasting Board  
190 (the "Board") is established as a policy board, within the meaning of § 2.2-2100, in the executive branch  
191 of state government. The Board shall be under the direction and supervision of the Secretary of  
192 ~~Administration~~ *Finance*. The exercise by the Board of the powers conferred by this article shall be  
193 deemed and held to be the performance of essential governmental functions.

194 B. The Board shall consist of fifteen members. The Governor shall appoint eleven members, one  
195 from each congressional district of the Commonwealth, each of whom shall be confirmed by the  
196 affirmative vote of a majority of those voting in each house of the General Assembly. Three of the  
197 appointees shall have expertise in at least one of the areas of education, tourism, telecommunications,  
198 and economic development, and two shall be participating members of different public broadcasting  
199 stations in the Commonwealth. The president of the State Board of Education and the chairmen of the  
200 State Council of Higher Education, the State Board of Community Colleges, and the Board of Trustees  
201 of the Virginia Museum of Fine Arts, or their designees, shall serve as Board members concurrent with  
202 their terms in office. No Board member shall be the chief executive officer or head of any state agency,  
203 a member of the General Assembly, or an officer, director, employee, or member of the board of  
204 directors of any public broadcasting station.

205 C. After the original appointments, all other appointments shall be for four-year terms. A member  
206 appointed to an initial term may serve one additional four-year term.

207 D. Vacancies for unexpired terms shall be filled by the Governor in the same manner as the original  
208 appointment. If the General Assembly refuses or fails to confirm any appointment, such person shall not  
209 be eligible for reappointment.

210 E. The Governor shall designate a Board member to serve as chairman, who shall preside over  
211 meetings of the Board, communicate on behalf of the Board to the outside entities interested in public  
212 broadcasting, and perform additional duties as may be set by resolution of the Board. Board members  
213 may elect a vice-chairman from their membership and appoint a secretary who need not be a member of  
214 the Board. The Board shall meet at the call of its chairman. A majority of the Board members shall  
215 constitute a quorum.

216 F. Board members shall be reimbursed for the reasonable and necessary expenses incurred in  
217 discharge of their duties as provided in § 2.2-2823. Such reimbursements and other expenses of the  
218 Board shall be paid from funds that the Department of Planning and Budget shall annually withhold  
219 from appropriations to public broadcasting stations in an amount sufficient to defray the estimated  
220 reasonable and necessary expenses of the Board.

221 § 2.2-2435. Virginia Veterans Care Center Board of Trustees; purpose; membership; terms; quorum.

222 A. The Virginia Veterans Care Center Board of Trustees (the "Board") is established as a supervisory  
223 board, within the meaning of § 2.2-2100, in the executive branch of state government. The Board shall  
224 operate as an agency under the supervision and direction of the Secretary of ~~Administration~~ *Finance*.  
225 The Board shall govern and oversee the administration of (i) the Virginia Veterans Care Center, located  
226 in the City of Roanoke, adjacent to the United States Veterans Administration hospital, and (ii) any  
227 other centers that may be established for the care of Virginia veterans. The purpose of the Virginia  
228 Veterans Care Center is to provide adult home and nursing home care for Virginia residents who are  
229 veterans of the armed forces of the United States or those who were Virginia residents at the time of  
230 their entry in the armed forces.

231 B. The Board shall consist of ten members, all residents of the Commonwealth who possess the  
232 qualifications and experience necessary to control the operations of the Virginia Veterans Care Center,  
233 so as to provide financially sound, high quality care to its residents, to be appointed as follows: five  
234 members shall be appointed by the Governor; three members shall be appointed by the Speaker of the  
235 House of Delegates; and two members shall be appointed by the Senate Committee on Privileges and  
236 Elections.

237 C. Members of the Board shall be appointed for four-year terms. Any appointment to fill a vacancy  
238 shall be for the unexpired term. No person shall be eligible to serve for more than two successive  
239 four-year terms. However, any person appointed to fill a vacancy may be eligible for two successive full  
240 terms after the term of the vacancy for which he was appointed has expired.

241 D. The Board shall elect from its members a chairman and other such officers as its bylaws may  
242 provide. The Board shall meet at such times as it deems appropriate and on call of the chairman. A  
243 majority of the members of the Board shall constitute a quorum.

§ 2.2-2705. Virginia War Memorial Foundation; purpose; membership; terms; compensation; staff.

A. The Virginia War Memorial Foundation (the Foundation) is established to serve as a policy foundation, within the meaning of § 2.2-2100, in the executive branch of state government. The Foundation shall be governed and administered by a board of trustees for the purpose of honoring patriotic Virginians who rendered faithful service and sacrifice in the cause of freedom and liberty for the Commonwealth and the nation in time of war.

B. The Foundation shall consist of the Secretary of ~~Administration~~ *Finance*, who shall serve ex officio, and seventeen other persons as follows: four members of the House of Delegates to be appointed by the Speaker of the House; three members of the Senate to be appointed by the Committee on Privileges and Elections of the Senate; and ten other persons appointed by the Governor, subject to confirmation by the General Assembly. A majority of the trustees shall be members or veterans of the armed forces of the United States or the Virginia National Guard. Members appointed should include representatives of some or all of the various veterans organizations active in Virginia, as the Governor deems appropriate.

C. Except for initial appointments, all appointments shall be for a term of three years. Appointments to fill vacancies shall be made for the unexpired term. No person shall be eligible to serve for more than three successive full three-year terms. However, any person appointed to an initial term of less than three years or to a vacancy shall be eligible to serve three additional successive full three-year terms thereafter. Trustees may be removed by the Governor at his pleasure.

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 Secretary of ~~Administration~~ *Finance* shall designate a state agency to provide the Foundation with administrative 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. They shall also appoint an executive committee, composed of not less than five trustees, which committee shall exercise the powers and duties imposed on the Foundation by this section to the extent permitted by the trustees in their bylaws.

§ 2.2-2817.1. State agencies to establish telecommuting policy; reporting requirement.

In accordance with the statewide telecommuting policy, to be developed by the Secretary of ~~Administration~~ *Finance* pursuant to § ~~2.2-203.1~~ *2.2-211.1*, the head of each state agency shall establish a telecommuting policy under which eligible employees of such agency may telecommute to the maximum extent possible without diminished employee performance or service delivery. The policy shall identify types of employees eligible for telecommuting and any benefits of telecommuting and shall be updated periodically as necessary. The head of each state agency shall annually report to the Secretary of ~~Administration~~ *Finance* or his designee on the status and efficiency of telecommuting.

§ 2.2-4118. Interagency Dispute Resolution Advisory Council.

A. The Interagency Dispute Resolution Advisory Council is hereby created as an advisory council to the Secretary of ~~Administration~~ *Finance*.

B. The Council shall consist of two dispute resolution coordinators from each Secretariat appointed by each Secretary, the Director of the Department of Employment Dispute Resolution, and three persons who are not employees of the Commonwealth, at least two of whom have experience in mediation, appointed by the Governor. The appointees who are not employees of the Commonwealth may be selected from nominations submitted by the Virginia Mediation Network and the Virginia State Bar and the Virginia Bar Association Joint Committee on Alternative Dispute Resolution, who shall each nominate two persons for each such vacancy. In no case shall the Governor be bound to make any appointment from such nominations. The Secretary of ~~Administration~~ *Finance* or his designee shall serve as chairman of the Council.

C. The Council shall have the power and duty to:

1. Conduct training seminars and educational programs for the members and staff of agencies and public bodies and other interested persons on the use of dispute resolution proceedings.

2. Publish educational materials as it deems appropriate on the use of dispute resolution proceedings.

3. Report on its activities as may be appropriate and on the use of dispute resolution proceedings, including recommendations for changes in the law to the Governor and General Assembly.

D. Every state agency shall cooperate with and provide such assistance to the Council as the Council may request.

§ 2.2-4306. Design-build or construction management contracts for Commonwealth authorized.

A. Notwithstanding any other provisions of law, the Commonwealth may enter into contracts on a fixed price design-build basis or construction management basis in accordance with the provisions of this section and § 2.2-1502. Procedures to implement this section and any changes to such procedures

305 shall be adopted by the Secretary of ~~Administration~~ *Finance* after a public hearing and reviewed by the  
306 House Committee on Appropriations and the Senate Committee on Finance.

307 B. Procurement of construction by the design-build method shall be a two-step competitive  
308 negotiation process. In the first step, offerors shall be requested to submit their qualifications. Based  
309 upon the information submitted and any other relevant information which the Commonwealth may  
310 obtain, no more than five offerors deemed most suitable for the project shall be selected by the  
311 Commonwealth and requested to submit proposals.

312 C. Design-build contracts may be used by the Commonwealth only for those types of construction  
313 projects designated in the procedures adopted by the Secretary of ~~Administration~~ *Finance* to implement  
314 this section.

315 § 2.2-4307. Fixed-price or not-to-exceed-price design-build and construction management contracts  
316 for juvenile correctional facilities authorized.

317 Notwithstanding the provisions of § 2.2-4306, but subject to the procedures adopted by the Secretary  
318 of ~~Administration~~ *Finance* to implement the provisions of that section, the Commonwealth may enter  
319 into contracts for juvenile correctional facilities on a fixed-price or not-to-exceed-price design-build basis  
320 or construction management basis, including related leases, lease/purchase contracts, agreements relating  
321 to the sale of securities to finance such facilities, and similar financing agreements.

322 § 15.2-2903. General powers and duties of Commission.

323 The Commission shall have the following general powers and duties:

324 1. To make regulations, including rules of procedure for the conducting of hearings;

325 2. To keep a record of its proceedings and to be responsible for the custody and preservation of its  
326 papers and documents;

327 3. To serve as a mediator between localities;

328 4. To investigate, analyze, and make findings of fact, as directed by law, as to the probable effect on  
329 the people residing in any area of the Commonwealth of any proposed action in that area:

330 a. To annex territory,

331 b. To have an area declared immune from annexation,

332 c. To establish a town or independent city,

333 d. To settle or adjust boundaries between localities,

334 e. To make a transition from city status to town status,

335 f. To make a transition from a county to a city,

336 g. To consolidate two or more localities, at least one of which is a county, into a city, or

337 h. To enter into economic growth-sharing agreements among localities;

338 5. To conduct investigations, analyses and determinations, in the sole discretion of the Commission,  
339 for the guidance of localities in the conduct of their affairs upon the request of such localities;

340 6. To receive from all agencies, as defined in § 2.2-128, assessments of all mandates imposed on  
341 localities administered by such agencies. The assessments shall be conducted on a schedule to be set by  
342 the Commission, with the approval of the Governor and the Secretary of ~~Administration~~ *Finance*,  
343 provided that the assessments shall not be required to be performed more than once every four years.  
344 The purpose of the assessments shall be to determine which mandates, if any, may be altered or  
345 eliminated. If an assessment reveals that such mandates may be altered or eliminated without  
346 interruption of local service delivery and without undue threat to the health, safety and welfare of the  
347 residents of the Commonwealth, the Commission shall so advise the Governor and the General  
348 Assembly;

349 7. To prepare and annually update a catalog of state and federal mandates imposed on localities  
350 including, where available, a summary of the fiscal impact on localities of all new mandates. All  
351 departments, agencies of government, and localities are directed to make available such information and  
352 assistance as the Commission may request in maintaining the catalog; and

353 8. To perform such other duties as may be imposed upon it, from time to time, by law.

354 § 18.2-340.17. Charitable Gaming Commission established.

355 A. There is hereby established, in the Office of the Secretary of ~~Administration~~ *Finance*, the  
356 Charitable Gaming Commission. The Commission shall consist of seven members appointed by the  
357 Governor, subject to confirmation by the General Assembly. Each member of the Commission shall  
358 have been a resident of the Commonwealth for a period of at least three years next preceding his  
359 appointment, and his continued residency shall be a condition of his tenure in office. To the extent  
360 practicable, the Commission shall consist of individuals from different geographic regions of the  
361 Commonwealth. Upon initial appointment, three members shall be appointed for four-year terms, two for  
362 three-year terms, and two for two-year terms. Thereafter, all members shall be appointed for four-year  
363 terms. Vacancies shall be filled by the Governor in the same manner as the original appointment for the  
364 unexpired portion of the term. Each Commission member shall be eligible for reappointment for a  
365 second consecutive term at the discretion of the Governor. Persons who are first appointed to initial  
366 terms of less than four years shall thereafter be eligible for reappointment to two consecutive terms of

four years each. The Commission shall elect a chairman from among its members. No member of the General Assembly while serving as a member shall be eligible for appointment to the Commission.

B. The members of the Commission shall serve at the pleasure of the Governor.

C. For each day or part thereof spent in the performance of his duties, each member of the Commission shall receive such compensation and reimbursement for his reasonable expenses as provided in § 2.2-2104.

D. A quorum shall consist of four members. The decision of a majority of those members present and voting shall constitute a decision of the Commission.

E. The Commission shall adopt rules and procedures for the conduct of its business. The Commission shall establish and maintain a business office within the Commonwealth at a place to be determined by the Commission. The Commission shall meet at least six times a year, and other meetings may be held at any time or place determined by the Commission or upon call of the chairman or upon a written request to the chairman by any two members. Except for emergency meetings and meetings governed by § 2.2-3708 requiring a longer notice, all members shall be duly notified of the time and place of any regular or other meeting at least ten days in advance of such meetings.

F. The Commission shall keep a complete and accurate record of its proceedings. A copy of the record and any other public records not exempt from disclosure under the Freedom of Information Act (§ 2.2-3700 et seq.) shall be available for public inspection and copying during regular office hours at its principal office.

§ 51.1-126. Employees of institutions of higher education.

A. Any institution of higher education which has established, or establishes, a retirement plan covering in whole or in part its employees who are engaged in the performance of teaching, administrative, or research duties is hereby authorized to make contributions for the benefit of its employees who elect to participate in such plan rather than in the retirement system established by this chapter. Any present or future employee of such institution may elect to participate in either the retirement system established by this chapter or the plan provided by the institution employing him, in accordance with guidelines established by the Virginia Retirement System. The election herein provided shall, as to any future employee, be exercised not later than sixty days from the time of entry upon the performance of his duties. The University of Virginia is authorized on and after July 1, 1996, to transfer any University of Virginia Medical Center employee who is a participant in a retirement plan established pursuant to this section to any retirement plan established pursuant to § 51.1-126.3 as an alternative to the retirement system established by this chapter, provided that the employee has elected to transfer to the plan established pursuant to § 51.1-126.3. All University of Virginia Medical Center employees who are (i) first employed by the Medical Center on or after July 1, 2000, and (ii) engaged in the performance of teaching, administrative or research duties, shall be afforded the retirement plan coverage provided by § 51.1-126.3 rather than the election options provided by this section.

B. No employee of an institution of higher education who is an active member in a plan established under this section shall also be an active member of the retirement system or beneficiary other than a contingent annuitant.

C. 1. The contribution by the Commonwealth to such employee's retirement plan shall be 10.4 percent of creditable compensation. An institution of higher education may adopt a supplementation program for participants who, before January 1, 1991, exercise or have exercised the election to participate in the plan provided by the institution employing him as referred to in subsection A. Under such supplementation program, the institution may supplement such contribution using funds other than general funds, tuition or fees, up to an additional 2.17 percent of creditable compensation.

2. These contribution rates shall be examined by the Secretary of ~~Administration~~ *Finance* prior to July 1, 1996, and at least once every six years thereafter. The Secretary shall consider the salary peer group mean contribution as determined by the State Council of Higher Education and the Virginia Retirement System actuary, and, if necessary, recommend a revision to the rate of contribution by the Commonwealth.

D. The Virginia Retirement System shall develop policies and procedures for the administration of all retirement plans established pursuant to this section. To assist the Virginia Retirement System in developing such policies and procedures, the Board may appoint an advisory committee of higher education employees to supply guidance in the process. Such policies and procedures shall not, under any circumstances, result in the elimination of any benefit program at any institution as such benefit program existed on June 30, 1991.

§ 62.1-215. Establishment of capital reserve funds.

A. 1. The Authority may create and establish one or more capital reserve funds and may pay into each capital reserve fund (i) any moneys appropriated and made available by the Commonwealth for the purpose of such a fund, (ii) any proceeds of the sale of bonds of the Authority, to the extent provided in the resolution authorizing the issuance of, or the trust indenture securing, the bonds, and (iii) any other

428 moneys which may be made available to the Authority for the purpose of such a fund from any other  
429 source. All moneys held in any capital reserve fund, except as hereinafter provided, shall be used solely  
430 for the payment when due of the principal of and premium, if any, and interest on the bonds or  
431 obligations under credit enhancements issued by the Authority secured in whole or in part by such a  
432 fund. If, however, moneys in any such fund are ever less than the minimum capital reserve fund  
433 requirement established for the fund, the Authority shall not use the moneys for any optional purchase  
434 or redemption of bonds. Any income or interest earned on, or increment to, any capital reserve fund due  
435 to its investment may be transferred by the Authority to other funds or accounts of the Authority to the  
436 extent it does not reduce the amount of the capital reserve fund below its minimal requirement.

437 2. The Authority shall not at any time issue bonds or credit enhancements secured in whole or in  
438 part by any capital reserve fund, if upon the issuance of the bonds or credit enhancements, the amount  
439 in the capital reserve fund will be less than its minimal requirement unless the Authority, at the time of  
440 issuance of the bonds or credit enhancements, deposits in the fund an amount which, together with the  
441 amount then in the fund, will not be less than the fund's minimal capital reserve requirement.

442 B. In order to assure further the maintenance of capital reserve funds, the chairman of the Authority  
443 shall annually, on or before December 1, make and deliver to the Governor and the Secretary of  
444 ~~Administration~~ Finance a certificate stating the sum, if any, required to restore each capital reserve fund  
445 to its minimal requirement. Within five days after the beginning of each session of the General  
446 Assembly, the Governor shall submit to the presiding officer of each House of the General Assembly  
447 printed copies of a budget including the sum, if any, required to restore each capital reserve fund to its  
448 minimal requirement. All sums, if any, which may be appropriated by the General Assembly for any  
449 restoration and paid to the Authority shall be deposited by the Authority in the applicable capital reserve  
450 fund. All amounts paid to the Authority by the Commonwealth pursuant to the provisions of this section  
451 shall constitute and be accounted for as advances by the Commonwealth to the Authority and, subject to  
452 the rights of the holders of any bonds of the Authority or the beneficiaries of credit enhancements of the  
453 Authority, shall be repaid to the Commonwealth without interest from available operating revenues of  
454 the Authority in excess of amounts required for the payment of bonds, credit enhancements or other  
455 obligations of the Authority, the maintenance of capital reserve funds, and operating expenses. In  
456 addition, no bonds issued by the Authority to finance a professional sports facility shall be secured by a  
457 capital reserve fund.

458 C. The Authority may create and establish other funds as necessary or desirable for its corporate  
459 purposes.

460 D. Nothing in this section shall be construed as limiting the power of the Authority to issue bonds or  
461 credit enhancements not secured by a capital reserve fund.

462 **2. That Article 2 (§§ 2.2-203, 2.2-203.1 and 2.2-201.2) of Chapter 2 of Title 2.2 of the Code of**  
463 **Virginia is repealed.**

464 **3. That as of the effective date of this act, the Office of the Secretary of Finance shall be deemed**  
465 **the successor in interest to the Office of the Secretary of Administration. All right, title and**  
466 **interest in and to any real or tangible personal property vested in the Office of the Secretary of**  
467 **Administration as of the effective date of this act shall be transferred to and taken as standing in**  
468 **the name of the Office of the Secretary of Finance.**

469 **4. That the maximum employment level for the Office of the Secretary of Finance and**  
470 **Administration shall not exceed 15 general fund positions.**