

2742 TITLE 32.1. HEALTH.

2743 CHAPTER ~~22~~ 5.3.

2744 COMMONWEALTH HEALTH RESEARCH BOARD AND FUND; CHRISTOPHER REEVE
2745 STEM CELL RESEARCH FUND.

2746 **Drafting note: Existing Chapters 22 (§ 23-277 et seq.) and 22.1 (§ 23-286.1) are**
2747 **logically reorganized as proposed Chapter 5.3 of Title 32.1 (Health). Obsolete provisions**
2748 **are stricken and technical changes are made.**

2749 ~~§ 23-277. Definitions.~~

2750 ~~As used in this chapter, unless the context clearly indicates otherwise:~~

2751 ~~"Board" means the Commonwealth Health Research Board.~~

2752 ~~"Council" means the State Council of Higher Education for Virginia.~~

2753 ~~"Fund" means the Commonwealth Health Research Fund.~~

2754 **Drafting note: The definitions of "Board" and "Fund" are incorporated in**
2755 **proposed § 32.1-162.23 of Chapter 5.3 of Title 32.1. The definition of "Council" is stricken**
2756 **as obsolete ("Council" is defined for existing Chapter 22 but not used in the chapter).**

2757 ~~§ 23-278~~ 32.1-162.23. Commonwealth Health Research Board ~~created~~ established.

2758 A. ~~There is hereby created, as an independent body, the~~ The Commonwealth Health
2759 Research Board (the Board) is established as an independent body. The purpose of the Board
2760 ~~shall be~~ is to provide financial support; from the Commonwealth Health Research Fund (the
2761 Fund), in the form of grants, donations, or other assistance, for research efforts that have the
2762 potential of maximizing human health benefits for the citizens of the Commonwealth. Research
2763 efforts eligible for support by the Board shall include traditional medical and biomedical
2764 research ~~relating to the causes and cures of diseases as well as research~~ related to health services
2765 ~~and~~, the delivery of health care, and the causes and cures of diseases.

2766 B. The Board shall be composed of seven members. ~~The, of whom three shall be~~
2767 ~~appointed by the~~ Governor ~~shall appoint three members of the Board who shall be confirmed by~~
2768 ~~the affirmative vote of a majority of those voting in each house of the General Assembly. The~~
2769 ~~and four shall be appointed by the~~ Joint Rules Committee ~~shall appoint the other four members~~
2770 ~~of the Board who shall be confirmed by the affirmative vote of a majority of those voting in~~
2771 ~~each house of.~~ All appointments to the Board are subject to confirmation by the General
2772 Assembly. ~~The initial members shall be appointed for terms of office as follows: one of the~~
2773 ~~members appointed by the Governor shall be appointed for a term of one year; one of the~~
2774 ~~members appointed by the Joint Rules Committee shall be appointed for a term of two years;~~
2775 ~~one of the members appointed by the Governor and one of the members appointed by the Joint~~
2776 ~~Rules Committee shall be appointed for terms of three years; one of the members appointed by~~
2777 ~~the Joint Rules Committee shall be appointed for a term of four years; and one of the members~~
2778 ~~appointed by the Governor and one of the members appointed by the Joint Rules Committee~~
2779 ~~shall be appointed for terms of five years.~~ Appointments ~~thereafter~~ shall be for terms of five
2780 years. Appointments to fill vacancies, other than by expiration of a term, shall be for the
2781 unexpired terms. Vacancies ~~in the membership of the Board~~ shall be filled ~~by appointment of~~
2782 ~~the entity initially making the appointment for the unexpired portion of the term in the same~~
2783 manner as the original appointments.

2784 No member shall ~~be eligible to~~ serve ~~for~~ more than two ~~succcessive~~ consecutive five-year
2785 terms; however, ~~after the expiration of a term of four years or less or after the expiration of the~~
2786 ~~remainder of a term to which he was appointed to fill a vacancy, two additional terms may be~~
2787 ~~served by such member if appointed thereto. Immediately after such appointment, the members~~
2788 ~~shall enter upon the performance of their duties~~ a member appointed to serve an unexpired term
2789 shall be eligible to serve two additional consecutive five-year terms immediately succeeding
2790 such unexpired term.

2791 | C. ~~The members~~ Members of the Board shall have substantial experience or expertise,
2792 | personal or professional, in at least one of the following areas: medicine, medical or scientific
2793 | research, public policy, government, business, or education. No member shall be an incumbent
2794 | elected official, state official ~~or, state~~ employee, or member of the governing board of a state
2795 | agency or institution. Members of the Board need not be residents of the Commonwealth.

2796 | D. The ~~members~~ Board shall elect annually a chairman and vice-chairman from among
2797 | its ~~members~~ membership. The chairman, or in his absence, the vice-chairman, shall preside at
2798 | all meetings of the Board.

2799 | E. A majority of the members of the Board serving at any one time shall constitute a
2800 | quorum for the transaction of business.

2801 | F. The Board shall meet annually or more frequently at the call of the chairman.

2802 | ~~E. Notwithstanding the provisions of § 2.2-2813, members of the Board shall receive~~
2803 | ~~compensation for their services at the rate provided in Item 1 of Chapter 924 of the 1997 Acts of~~
2804 | ~~Assembly used to compensate General Assembly members for the time actually spent in the~~
2805 | ~~discharge of their duties and shall receive reimbursement for actual expenses incurred in the~~
2806 | ~~performance of their duties on behalf of the Board.~~

2807 | G. The members of the Board shall receive no compensation for their services but shall
2808 | be reimbursed for the reasonable and necessary expenses incurred in the performance of their
2809 | duties as provided in § 2.2-2825. Such ~~compensation and~~ expenses shall be paid from the Fund.

2810 | **Drafting note: The first sentence of subsection E of existing § 23-278 is stricken as**
2811 | **obsolete. Currently, members of the Board do not receive such compensation for their**
2812 | **services but are reimbursed for reasonable and necessary expenses. Technical changes are**
2813 | **made, including removing language concerning the initial staggering of terms.**

2814 | § ~~23-279~~ 32.1-162.24. Duties of the Board.

2815 | The Board shall ~~perform the following duties~~:

2816 1. Establish specific criteria and procedures governing its decisions to support research
2817 efforts consistent with its purposes, including, ~~but not limited to~~, (i) encouraging collaborative
2818 research efforts among two or more institutions or organizations, (ii) giving priority to those
2819 research efforts ~~where from which~~ Board support can be leveraged to foster contributions from
2820 federal agencies or other entities, and (iii) supporting both new research efforts and the
2821 expansion or continuation of existing research efforts;

2822 2. Establish requirements for the submission of research proposals, including, ~~but not~~
2823 ~~limited to~~, (i) a clear statement of the problem or opportunity to be addressed; (ii) the specific
2824 objectives; (iii) a description of how the results will maximize human health benefits for the
2825 citizens of the Commonwealth; (iv) a budget for the research effort, including other anticipated
2826 sources of financial assistance; and (v) the time frame for ~~the conduct of~~ conducting the
2827 research;

2828 3. Evaluate the proposals in accordance with the criteria established by the Board and the
2829 provisions of this chapter; and

2830 4. Evaluate the implementation and results of all research efforts receiving support from
2831 the Board.

2832 **Drafting note: The phrase "but not limited to" is removed when using the term**
2833 **"including" based on § 1-218, which states "'Includes' means includes, but not limited to."**
2834 **Technical changes are made.**

2835 § ~~23-284~~ 32.1-162.25. Powers of the Board.

2836 In order to carry out its ~~purpose~~ purposes, the Board ~~shall have the power to~~ may:

2837 1. Make grants ~~or other expenditures or~~ and disbursements from the Fund ~~to provide that~~
2838 support ~~for~~ research efforts approved by the Board in accordance with the purposes of this
2839 chapter; ~~however, the~~ and pay expenditures from the Fund that are necessary to carry out the
2840 purposes of this chapter. The Board shall not be obligated to make annual or other periodic
2841 disbursements or expenditures;

2842 | 2. Contract for the services of consultants to review research proposals and ~~to~~ assist in
2843 | the evaluation of the research efforts funded by the Board;

2844 | 3. Contract for other professional services to assist the Board in the performance of its
2845 | duties and responsibilities;

2846 | 4. Accept, hold, administer, and solicit gifts, grants, bequests, contributions, or other
2847 | assistance from federal agencies, the Commonwealth, or any other public or private source to
2848 | carry out the purposes of this chapter;

2849 | 5. Enter into any agreement or contract relating to the acceptance or use of any grant,
2850 | assistance, or support provided by or to the Board, or otherwise in furtherance of the purposes of
2851 | this chapter;

2852 | 6. Perform any lawful acts necessary or appropriate to carry out the purposes of the
2853 | Board; and

2854 | 7. Employ such staff as is necessary to perform the Board's duties. The Board may
2855 | determine the duties of such staff and fix the salaries and compensation of such staff, which
2856 | shall be paid from the Fund. Such staff shall be employees of the Department of Accounts and
2857 | shall be entitled to all benefits available to state employees as provided by law.

2858 | **Drafting note: Technical changes.**

2859 | § ~~23-280~~ 32.1-162.26. Conditions and restrictions on financial assistance.

2860 | A. The Board shall provide financial support only ~~to~~ for research efforts that satisfy the
2861 | following conditions:

2862 | 1. The research shall be conducted by ~~state~~ public institutions of higher education,
2863 | agencies of the Commonwealth, or nonprofit organizations exempt from income taxation
2864 | pursuant to § 501(c)(3) of the Internal Revenue Code and located in the Commonwealth;

2865 2. The institution, agency, or organization shall ~~provide a cash amount for the support~~
2866 ~~provided by the Board in such~~ match a percentage of the Board's support ~~as~~ in a cash amount
2867 required by the Board ~~deems appropriate~~;

2868 3. ~~Support~~ No support provided by the Board shall ~~not~~ be used by the recipient to
2869 finance capital improvements or renovations; for indirect costs incurred by the institution,
2870 agency, or organization in its administration of the financial support; or for any other purpose
2871 proscribed by the Board; and

2872 4. Recipients of support provided by the Board shall agree to provide the Board with
2873 such information regarding the implementation of the research effort; ~~and to~~ allow such
2874 monitoring and review of the research effort; as may be required by the Board to ensure
2875 compliance with the terms by under which the support is provided.

2876 B. Any support provided by the Board shall be used by the recipient only for personal
2877 services, contractual services, material, supplies, and equipment directly related to the approved
2878 research effort.

2879 **Drafting note: Technical changes.**

2880 § ~~23-283~~ 32.1-162.27. Cooperation with other agencies.

2881 All agencies of the Commonwealth shall cooperate with the Board and, upon request,
2882 assist the Board in the performance of its duties and responsibilities.

2883 **Drafting note: No change.**

2884 § ~~23-284~~ 32.1-162.28. Commonwealth Health Research Fund established;
2885 administration.

2886 A. There is hereby created in the ~~State Treasury~~ state treasury a special; nonreverting
2887 revolving fund to be known as the Commonwealth Health Research Fund (the Fund). The Fund
2888 shall be established on the books of the ~~State~~ Comptroller.

2889 B. The Fund shall consist of all stock and cash distributed to the Commonwealth as a
2890 policyholder pursuant to the conversion of Blue Cross and Blue Shield of Virginia, doing

2891 business as Trigon Blue Cross Blue Shield, from a mutual insurance company to a Virginia
2892 stock corporation known as Trigon Healthcare, Inc., exclusive of cash paid by Blue Cross and
2893 Blue Shield of Virginia or its successor to the Commonwealth in connection with such
2894 conversion, which was assumed as general fund revenue in Chapter 912 of the 1996 Acts of
2895 Assembly. The Fund shall also consist of any moneys appropriated from the general fund,
2896 grants and donations received by the Board, and other moneys received by the State Treasurer
2897 and designated for deposit in the Fund. Interest and other income earned on moneys in the Fund
2898 shall remain in the Fund and be credited to ~~the Fund~~ it. Any moneys remaining in the Fund,
2899 including interest and other income thereon, at the end of each fiscal year shall not revert to the
2900 general fund but shall remain in the Fund.

2901 C. Notwithstanding any other provision of law, the moneys and other property
2902 comprising constituting the Fund shall be invested, reinvested, and managed by the Board of the
2903 Virginia Retirement System as provided in § 51.1-124.36. The State Treasurer shall not be held
2904 liable for losses suffered by the Virginia Retirement System on investments made under the
2905 authority of this section.

2906 D. ~~The Moneys in the~~ Fund shall be expended solely for the purpose of supporting
2907 research efforts approved by the Board and any other purpose permitted by this chapter.

2908 E. An amount not to exceed six percent of the moving average of the market value of the
2909 Fund calculated over the previous five years or since inception, whichever is shorter, on a one-
2910 year delayed basis, net of any administrative fee assessed pursuant to subsection E of § 51.1-
2911 124.36, may be expended in a calendar year for any purpose permitted by this chapter. The
2912 Board shall not be required to expend such amount in a calendar year, and any amount up to
2913 such six percent that is not expended in a calendar year may be expended in any other calendar
2914 year.

2915 F. ~~The disbursement of moneys~~ Expenditures and disbursements from the Fund shall be
2916 made by the State Treasurer on warrants issued by the ~~State~~ Comptroller ~~at the~~ upon written
2917 request ~~of~~ signed by the chairman of the Board.

2918 **Drafting note: Technical changes are made, including updating special fund**
2919 **language to reflect current standard language for such funds.**

2920 § ~~23-285~~ 32.1-162.29. ~~Forms~~ Form and audit of accounts and records; ~~audit of same.~~

2921 A. The accounts and records of the Board showing the receipt and disbursement of funds
2922 from whatever source derived shall be in such form as the Auditor of Public Accounts
2923 prescribes.

2924 B. The accounts and records of the Board shall be subject to an annual audit by the
2925 Auditor of Public Accounts or his legal representative.

2926 **Drafting note: Technical changes.**

2927 § ~~23-286~~ 32.1-162.30. ~~Reports to the Governor and General Assembly~~ Annual report.

2928 The Board shall submit ~~a report annually~~ to the Governor and the General Assembly an
2929 annual executive summary of the interim activity and work of the Board no later than the first
2930 day of each regular session of the General Assembly. The executive summary shall be submitted
2931 as a report document as provided in the procedures of the Division of Legislative Automated
2932 Systems for the processing of legislative documents and reports and shall be posted on the
2933 General Assembly's website. The ~~report~~ executive summary shall include information regarding
2934 research efforts supported by the Board and expenditures from the Fund.

2935 **Drafting note: The current standard language for submitting reports to the**
2936 **Governor and the General Assembly is incorporated into the existing reporting language.**

2937 CHAPTER 22.1.

2938 CHRISTOPHER REEVE STEM CELL RESEARCH FUND.

2939 **Drafting note: The contents of existing Chapter 22.1 (§ 23-286.1) are logically**
2940 **incorporated into proposed Chapter 5.3 of Title 32.1 (Health) since the Christopher Reeve**

2941 **Stem Cell Research Fund is created to be administered and implemented by the**
2942 **Commonwealth Health Research Board.**

2943 § ~~23-286.1~~ 32.1-162.31. Christopher Reeve Stem Cell Research Fund.

2944 A. From such funds as may be appropriated by the General Assembly and any gifts,
2945 grants, or donations from public or private sources, there is hereby created in the state treasury a
2946 special, nonreverting, revolving, and permanent fund, to be known as the Christopher Reeve
2947 Stem Cell Research Fund ~~(the Fund)~~. The Christopher Reeve Stem Cell Research Fund shall be
2948 established ~~in on~~ the books of the ~~State~~ Comptroller and shall be administered and implemented
2949 by the ~~Commonwealth Health Research~~ Board, ~~the independent body created in Chapter 22 (§~~
2950 23-277 et seq.) in accordance with the provisions of this section. Interest earned on moneys in
2951 the Christopher Reeve Stem Cell Research Fund shall remain in the Christopher Reeve Stem
2952 Cell Research Fund and be credited to it. Any moneys remaining in the Christopher Reeve Stem
2953 Cell Research Fund, including interest thereon, at the end of each fiscal year, ~~including interest~~
2954 ~~thereon~~, shall not revert to the general fund but shall remain in the Christopher Reeve Stem Cell
2955 Research Fund. Expenditures and disbursements from the Christopher Reeve Stem Cell
2956 Research Fund, which may consist of grants, donations, or other assistance, shall be made by the
2957 State Treasurer on warrants issued by the Comptroller upon written request ~~bearing the~~
2958 ~~signature of~~ signed by the chairman or ~~the~~ vice-chairman of the ~~Commonwealth Health~~
2959 Research Board.

2960 B. Moneys in the Christopher Reeve Stem Cell Research Fund shall be used solely to
2961 support medical and biomedical stem cell research conducted in ~~Virginia~~ institutions of higher
2962 education in the Commonwealth that relates to the causes and cures of disease, including, ~~but~~
2963 ~~not limited to~~, paralysis caused by spinal cord injury, diabetes, cancer, heart disease, and
2964 neurological disorders, such as amyotrophic lateral sclerosis (Lou Gehrig's disease) and multiple
2965 sclerosis.

2966 C. The grants, donations, or other assistance provided ~~hereunder pursuant to this section~~
2967 shall be awarded in accordance with the ~~Commonwealth Health Research~~ Board's specific
2968 criteria and procedures, requirements for submission of research proposals, and evaluation
2969 mechanisms established pursuant to ~~Chapter 22 (§ 23-277 et seq.)~~ this chapter. However, no
2970 requirement for matching funds shall apply to the grants, donations, or other assistance awarded
2971 pursuant to the Christopher Reeve Stem Cell Research Fund, and the leveraging of funds shall
2972 be incidental to the support provided under this section. The grants, donations, or other
2973 assistance provided hereunder may be awarded to support stem cell research that is not eligible
2974 for federal research funds through the National Institutes of Health. No moneys from the
2975 Christopher Reeve Stem Cell Research Fund may be provided to any entity that conducts human
2976 stem cell research from stem cells obtained from human embryos; or for conducting such
2977 research; however, research conducted using stem cells other than embryonic stem cells may be
2978 funded.

2979 **Drafting note: Technical changes are made, including (i) incorporating language**
2980 **from existing § 23-286.2 that clarifies the role of the Commonwealth Health Research**
2981 **Board in administering the Christopher Reeve Stem Cell Research Fund and (ii) updating**
2982 **special fund language to reflect current standard language for such funds.**

2983 ~~§ 23-286.2. Duties of the Commonwealth Health Research Board vis-a-vis the Fund.~~
2984 ~~In addition to the duties conferred on the Commonwealth Health Research Board~~
2985 ~~pursuant to Chapter 22 (§ 23-277 et seq.), the Board shall administer and implement the~~
2986 ~~Christopher Reeve Stem Cell Research Fund in accordance with the provisions of this chapter~~
2987 ~~and, except where otherwise required, the provisions of its originating chapter.~~

2988 **Drafting note: The provision of existing § 23-286.2 is incorporated in existing**
2989 **subsection A of § 23-286.1 (proposed § 32.1-162.31) to remove redundancy.**

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