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# VIRGINIA STATE BUDGET

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1997 Session

## Budget Bill - SB700 (Introduced)

Bill Order » Office of Finance » Item 286

Department of the Treasury

### Item 286

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A.1. There is hereby appropriated to the Department of the Treasury a sum sufficient for the transfer to the federal government, in accordance with the provisions of the federal Cash Management Improvement Act of 1990 and related federal regulations, of the interest owed by the state on federal funds advanced to the state for federal assistance programs, where such funds are held by the state from the time they are deposited in the state's bank account until they are paid out to redeem warrants, checks or payments by other means. This sum sufficient appropriation is funded from the interest earned on federal funds deposited and invested by the state. The actual amount for transfer shall be established by the State Comptroller.

2. When permitted by applicable federal laws or administrative regulations, the State Comptroller shall first offset and reduce the amount to be transferred by any and all amounts of interest payments calculated to be received by the state from the federal government, where such payments are due to the state because the state was required to disburse its own funds for federal program purposes prior to the receipt of federal funds.

3. Should the interest payments calculated to be made by the federal government to the state exceed the interest calculated to be transferred from the state to the federal government, reduced by the federally approved direct cost reimbursement to the state, the State Comptroller shall then notify the federal government of the net amount of interest due to the state and shall record such net interest, upon its receipt, as interest revenue earned by the general fund.

B.1. All shares of stock distributed to the Commonwealth as a policyholder pursuant to a conversion of Blue Cross and Blue Shield of Virginia, doing business as Trigon Blue Cross Blue Shield, from a mutual insurance company to a stock corporation, shall be accepted and held by the State Treasurer. Within 90 days of the receipt of such stock, estimated at 1.8 million shares, the State Treasurer shall enter into an agreement with the Virginia Retirement System to act as a custodian until such time as the General Assembly directs through an act another disposition of such stock, pursuant to Item 1, paragraph F. ~~No disposition of such stock may be proposed in any budget bill for direct or indirect support of any operating or capital expense of the Commonwealth, prior to the end of the 1997 regular session of the General Assembly, during which time the General Assembly shall consider the appropriate disposition of such stock.~~

*2. Upon receipt of the proceeds from the disposition of the Commonwealth's policyholder shares resulting from the conversion of Trigon Blue Cross Blue Shield from a mutual insurance company to a public stock corporation, the State Treasurer shall transfer 40 percent of such proceeds to the University of Virginia, 40 percent to Virginia Commonwealth University, and 20 percent to the Medical College of Hampton Roads. These proceeds shall be transferred to the endowment trust and invested by the respective institutions and the interest thereon to be used exclusively for financial incentives to encourage residents/physicians to practice in medically underserved areas of the commonwealth.*