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# VIRGINIA STATE BUDGET

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2001 Special Session I

## Budget Bill - HB3 (Introduced)

Bill Order » Office of Finance » Item 266

Secretary of Finance

Item 266	First Year - FY2001	Second Year - FY2002
<b>Administrative and Support Services (71900)</b>	<b>\$501,031</b>	<b>\$501,719</b>
General Management and Direction (71901)	\$501,031	\$501,719
Fund Sources:		
General	\$501,031	\$501,719

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Authority: Title 2.1, Chapter 5.7; § 2.1-51.10:1, Code of Virginia.

A. The Secretary of Finance shall monitor revenue generating programs, and shall report to the Chairmen of the House Appropriations and Senate Finance Committees on a quarterly basis.

B.1. The decentralization programs of selected finance and administrative functions in the institutions of higher education are hereby continued. The Secretary of Finance, in consultation with the ~~Secretaries of Administration and Secretary of Education~~ and the Director of the State Council of Higher Education, shall subject requests from the institutions for relief from rules, regulations, and reporting requirements in the ~~areas~~ area of finance and accounting, ~~the purchase of goods and services, and human resource management~~ to rigorous review and shall not grant such requests unless the Secretary of Finance has a high degree of confidence in the capability of the institution to carry out the decentralization activity. ~~However, no programs shall be authorized in the area of correctional enterprises and in the area of enterprises operated by the Department for the Visually Handicapped (Virginia Industries for the Blind); and, unless specifically authorized in this act, no programs shall be authorized in the areas of capital outlay or telephone and data communication service.~~

2. Prior to the Secretary of Finance authorizing any *decentralization* project, the board of visitors of the requesting institution must approve the project and agree to terms and conditions as prescribed by the Secretary, including central agency oversight, internal controls, internal audit, and post-audit evaluation requirements.

~~2.a. There is hereby established a Task Force on Decentralization in Higher Education to be chaired by the Secretary of Finance and composed of one member to be appointed or designated by each of the Secretaries of Education, Technology, and Administration, the Director of the State Council of Higher Education, the Chairman of the Senate Finance Committee and the Chairmen of the House Appropriations Committee. In addition, the Council of Presidents shall designate representatives of four institutions of higher education to serve on the task force.~~

~~b. The task force shall develop proposals that provide greater operational autonomy to institutions of higher education, while maintaining appropriate post-audit and reporting procedures, in the areas of capital outlay, real estate and property management, procurement, and personnel management.~~

~~c. The task force shall report its findings and recommendations to the Governor and the Chairmen of the Senate Finance Committee and the House Appropriations Committee by December 1, 2000.~~

C. The Secretary of Finance, in cooperation with the Secretaries of Administration and Health and Human Resources, shall conduct a study of the rising utilization of pharmaceuticals in government-funded healthcare programs in Virginia. The study shall include cost trends; drivers of cost trends; the impact that higher utilization has on overall healthcare; the impact that increased pharmaceutical utilization has on the quality of patient care; and the future budgetary impact and potential savings to all healthcare segments within government-funded healthcare programs. The Secretary of Finance shall establish an advisory group to assist in the conduct of the study. The advisory group shall be composed of two representatives of patient advocacy organizations, to be selected by the Virginia Quality Health Care Network, and one representative from each of the following organizations, as selected by the named organizations: the Medical Society of Virginia, the Old Dominion Medical Society, the Virginia Hospital and Healthcare Association, the Virginia Association of Health Plans, the Virginia Pharmacists Association, the Virginia Society of Health-System Pharmacists, and the Pharmaceutical Research and Manufacturers of America. The Secretaries shall present their report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by October 20, 2000.

D. The Secretary of Finance and the Secretary of Technology shall study the sales and use taxation of tangible personal property purchased by persons providing Internet services. This study shall be presented to the Governor and the Chairmen of the Senate Finance and General Laws Committees, the House Appropriations and Science and Technology Committees, and the Joint Commission on Technology and Science by October 1, 2000.

*E. The Secretary of Finance, with the assistance of the Secretary of Education, shall develop recommendations for the establishment of an ongoing financing program for the acquisition and replacement of educational exhibits at museums or cultural agencies wholly owned and operated by the Commonwealth. The program, patterned after the Higher Education Equipment Trust Fund or the Master Equipment Lease Program, may employ the Virginia Public Building Authority or other such funding mechanism as may be appropriate. The Secretary shall report his recommendations to the chairmen of the Senate Finance and House Appropriations Committees by September 1, 2001.*