



# COMMONWEALTH of VIRGINIA

*Joint Legislative Audit and Review Commission  
Suite 1100, General Assembly Building, Capitol Square  
Richmond, Virginia 23219*

*Philip A. Leone  
Director*

*(804) 786-1258*

## MINUTES

October 10, 2006

### Attending

#### JLARC Members:

Senator Thomas K. Norment, Chairman; Delegate Leo C. Wardrup, Vice-Chairman; Senator John H. Chichester; Delegate Kirkland Cox; Delegate Morgan Griffith; Delegate Frank D. Hargrove, Sr.; Delegate Johnny Joannou; Delegate Lacey E. Putney; Senator Martin E. Williams; and Mr. Walter J. Kucharski, *ex officio*.

#### JLARC Staff:

Phil Leone, Director; Glen Tittermary, Deputy Director; Trish Bishop, Jamie Bitz, Jenny Breidenbaugh, Justin Brown, Martha Erwin, Hal Greer, Joan Irby, Brad Marsh, Greg Rest, Bob Rotz, Pinki Shah, Walt Smiley, Elisabeth Thomson, and Christine Wolfe.

#### Others:

Karen Halderman, Auditor of Public Accounts (APA); Goran Gustavsson, APA; Suzette Denslow, Virginia Municipal League; Brett Vassey, Virginia Manufacturers Association, (VMA); Allan Sharret, VMA; Joe Croce, VMA; Dave Paylor, Department of Environmental Quality; Mike Edwards, Virginia Association of Counties; Rob McClintock, Virginia Economic Development Partnership; Bo Harris, Department of Social Services; Lem Stewart, Virginia Information Technologies Agency (VITA); Jim Roberts, VITA; Jerry Simonoff, VITA; Paul Van Lenten, House Appropriations Committee (HAC); Anne Oman, HAC; Delegate Jack Reid;

The meeting was called to order at 10:17 a.m. by Senator Norment, Chairman. Senator Norment recognized Phil Leone who provided the Commission with an overview of the meeting agenda (Enclosure 1).

Mr. Leone then introduced Mr. Justin Brown, who presented the findings from the JLARC report, Impact of Regulations on Virginia's Manufacturing Sector (Enclosure 2). Mr. Brown answered several questions from the Commission. At the conclusion of Mr. Brown's presentation, Mr. Brett A. Vassey, President and CEO, Virginia Manufacturers Association, commented briefly on the report. At the conclusion of Mr. Vassey's remarks, Senator Norment then requested a motion to receive the Impact of Regulations on Virginia's Manufacturing Sector report (Enclosure 3). Senator Chichester made a motion to receive the report, which was seconded by Delegate Putney and approved by the Commission.

Following the receipt of the Impact of Regulations on Virginia's Manufacturing Sector report, Mr. Leone introduced Lem Stewart, Chief Information Officer, Virginia Information Technologies Agency. Mr. Stewart provided the Commission with an update on the activities of the Virginia Information Technologies Agency (Enclosure 4). Mr. Stewart also informed the Commission of current negotiations with the U.S. Department of Health and Human Services regarding approval of VITA's cost allocation plan and brought to the Commission's attention a recent NASCIO paper seeking changes to the way the federal government funds IT expenses at the State level (Enclosure 5).

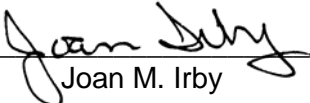
The Chairman again recognized Mr. Leone. In light of the time constraints, Mr. Leone informed the Commission that the final agenda item, JLARC Technology Applications (Enclosure 6) would be presented in the spring.

Senator Norment appointed the following members to the JLARC Revenue Forecasting Subcommittee: Delegate Callahan, Chairman; Senator Chichester; Senator Stosch; Senator Colgan; Delegate Griffith; Delegate Wardrup; Delegate Joannou; and Delegate Purkey.

There being no further business, the Commission rose at 12:30 p.m.

Approved by:   
Philip A. Leone, Director

Date: October 17, 2006

Prepared by:   
Joan M. Irby