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# VIRGINIA STATE BUDGET

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2001 Special Session I

## Budget Bill - HB3 (Introduced)

Bill Order » Office of Commerce and Trade » Item 92

Secretary of Commerce and Trade

| Item 92  | First Year - FY2001 | Second Year - FY2002 |
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| <b>Administrative and Support Services (71900)</b> | <b>\$618,051</b>    | <b>\$619,268</b>     |
| General Management and Direction (71901)           | \$618,051           | \$619,268            |
| Fund Sources:                                      |                     |                      |
| General  | \$618,051           | \$619,268            |

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Authority: Title 2.1, Chapter 5.9; § 2.1-51.10:1, Code of Virginia.

A. It is the intent of the General Assembly that state programs providing financial, technical, or training assistance to local governments for economic development projects or directly to businesses seeking to relocate or expand operations in Virginia should not be used to help a company relocate or expand its operations in one or more Virginia communities when the same company is simultaneously closing facilities in other Virginia communities. It is the responsibility of the Secretary of Commerce and Trade to enforce this policy and to inform the Chairmen of the Senate Finance and House Appropriations Committees in writing of the justification to override this policy for any exception.

B. The Secretary shall report to the Chairman of the Senate Finance Committee and the Chairmen of the House Committees on Appropriations and Finance by November 4 of each year, on the use and efficacy of state incentives in creating investments and jobs in Virginia. The report shall identify, by planning district commissions, the following items using the most recent data available: (1) the number of companies receiving business incentives; (2) the dollar amounts received by each company for each incentive; (3) the number of jobs to be created, average salary, and the amount of investment agreed upon by the state and the company as a condition for receiving the incentives; and (4) the actual number of jobs created, average salary, and level of investments made by each company. For the purposes of this report, the incentives to be reviewed in the study are those incentives included in the Virginia Economic Development Partnership publication, "Virginia Business Incentives 1997-98." Furthermore, the report shall not identify by name the companies participating in the state's incentive programs. All state agencies, including the Virginia Economic Development Partnership, shall provide assistance to the Secretary, upon request.

C.1. The Secretary of Commerce and Trade shall coordinate the development of a Web-based system to provide Virginians and Virginia small businesses with information of interest to small businesses on state services, incentives, regulations, and taxation. The project shall involve the Secretaries of Finance, Natural Resources, and Technology; the Departments of Business Assistance, Minority Business Enterprise, Technology Planning, Environmental Quality, General Services, and Taxation; the Virginia Employment Commission; and other state agencies designated by the Secretary of Commerce and Trade.

2. The project's scope shall include, but not be limited to (1) identifying existing Web sites and databases that are of interest to small and minority-owned businesses; (2) identifying appropriate links to other nonstate Web sites, including federal and local government agencies, nonprofit organizations, and for-profit entities; (3) developing the necessary protocols to ensure that each participating agency regularly updates its databases and that the most

current information is available to this system; and (4) estimating the costs in terms of equipment, staff, software, and other nonpersonal services to develop and maintain the Web-based system. The project shall examine and evaluate the experiences of other states with similar systems.

3. The operating principle of this Web-based system is to provide access for small businesses to information by linking users with the state and nonstate entities responsible for developing the information, providing the service, or implementing the regulation. The Web-based system shall not serve as a research service or as an ombudsman for small businesses.

4. Funding of \$150,000 for the project is appropriated to the Departments of Business Assistance and Minority Business Enterprise. An interim report shall be provided to the Chairmen of the Senate Finance and House Appropriations Committees prior to the 2001 Session of the General Assembly.