2006 Special Session I

Budget Bill - HB5002 (Chapter 3)

Virginia Economic Development Partnership

Item 119	First Year - FY2007	Second Year - FY2008
Economic Development Services (53400)	**$18,562,701**	**$16,962,701**
Financial Assistance for Economic Development (53410)	$100,000	$100,000
Economic Development Services (53412)	$18,462,701	$16,862,701
Fund Sources:		
General	$18,562,701	$16,962,701

Authority: Title 2.2, Chapter 22, Article 4 and Chapter 51; and § 15.2-941, Code of Virginia.

A. Upon authorization of the Governor, the Virginia Economic Development Partnership may transfer funds appropriated to it by this act to a nonstock corporation.

B. Prior to July 1 of each fiscal year, the Virginia Economic Development Partnership shall provide to the Chairmen of the House Appropriations and Senate Finance Committees and the Director of the Department of Planning and Budget a report of its operating plan. Prior to September 1 of each fiscal year, the Partnership shall provide to the Chairmen of the House Appropriations and Senate Finance Committees and the Director of the Department of Planning and Budget a detailed expenditure report and a listing of the salaries and bonuses for all Partnership employees for the prior fiscal year. All three reports shall be prepared in the formats as previously approved by the Department of Planning and Budget.

C. In developing the criteria for any pay for performance plan, the Board shall include, but not be limited to, these variables: 1) the number of economic development prospects committed to move to or expand operations in Virginia; 2) dollar investment made in Virginia for land acquisition, construction, buildings, and equipment; 3) number of full-time jobs directly related to an economic development project; and 4) location of the project. To that end, the pay for performance plan shall be weighted to recognize and reward employees who successfully recruit new economic development prospects or cause existing prospects to expand operations in localities with fiscal stress greater than the statewide average. Fiscal Stress shall be based on the Index published by the Commission on Local Government. If a prospect is physically located in more than one contiguous locality, the highest Fiscal Stress Index of the participating localities will be used.

D.1. The Virginia Economic Development Partnership shall report before the General Assembly convenes in January of each year on the status of the implementation of the state's comprehensive economic development strategy, and shall recommend legislative actions related to the implementation of the comprehensive economic development strategy. The report shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees, and shall include the number of site visits made by employees of the Virginia Economic Development Partnership with potential economic development prospects.

2. The Virginia Economic Development Partnership shall identify and target industries suited for location in the southside and southwest regions of the state.

E. The State Comptroller shall disburse the first and second year appropriations in twelve equal monthly installments. The Director of the Department of Planning and Budget may authorize an increase in disbursements for any month, not to exceed the total appropriation for the fiscal year, if such an advance is necessary to meet payment obligations.

F. The Virginia Economic Development Partnership shall provide administrative and support services for the Virginia Tourism Authority as prescribed in the Memorandum of Agreement until July 1, 2008, or until the Authority is able to provide such services.

G. The Virginia Economic Development Partnership shall report one month after the close of each quarter to the Chairmen of the Senate Finance and House Appropriations Committees on the Governor's Development Opportunity Fund. The report shall include, but not be limited to, total appropriations made or transferred to the Fund, total grants awarded, cash balances, and balances available for future commitments.

H. The Virginia Coalfield Economic Development Authority is authorized to spend funds provided by Chapters 91 and 1066 of the Acts of Assembly of 2000, which extended the coalfield employment enhancement tax credit, for workforce development and training.

I. Prior to purchasing airline and hotel accommodations related to overseas trade shows, the Virginia Economic Development Partnership shall provide an itemized list of projected costs for review by the Secretary of Commerce and Trade.

J. The amounts for Economic Development Services include $500,000 the first year and $500,000 the second year from the general fund to market distressed areas of the Commonwealth.

K. Out of the amounts for Economic Development Services shall be provided $100,000 the first year and $100,000 the second year from the general fund to the Virginia Commercial Space Flight Authority.

L. Out of the amounts for Economic Development Services shall be provided $215,000 the first year and $215,000 the second year from the general fund to assist small manufacturers with the export of advanced manufacturing products.

M. Out of the amounts for Economic Development Services shall be provided $125,000 the first year and $125,000 the second year from the general fund to attract motor sports-related businesses to Virginia.

N. Out of the amounts for Economic Development Services shall be provided $125,000 the first year and $125,000 the second year from the general fund to market the Commonwealth's modeling and simulation industry.

O. Out of the amounts for Economic Development Services shall be transferred to the Pulaski County Industrial Development Authority $1,000,000 the first year from the general fund in satisfaction of the Commonwealth's commitment, by Memorandum of Agreement dated August 25, 2003, to fund construction and development costs for the New River Valley Center of Excellence for worker training and retraining. Such funding shall not be provided until such time as Volvo Trucks North America, Inc., conveys the property on which the Center shall be sited to the Pulaski County Industrial Development Authority and the parties enter into an agreement stipulating the financial plan, provision of maintenance, utilities and other services, and develops, in conjunction with New River Valley Community College, a curriculum of courses to be offered at the Center for the benefit of the surrounding community.

P.1. Out of the amounts for Economic Development Services shall be provided $510,000 the first year and $510,000 the second year from the general fund for operations of the Virginia National Defense Industrial Authority.

2. Employees of the Authority shall be eligible for membership in the Virginia Retirement System and participation in all of the health and related insurance and other benefits, including premium conversion and flexible benefits, available to state employees as provided by law.

Q. The Virginia Economic Development Partnership is authorized to provide support as it deems appropriate to Virginia businesses seeking to develop public-private relationships with foreign governmental entities, such as Virginia's sister province of Gyeong-gi in the Republic of Korea, if such relationships will result in an economic benefit for the Commonwealth, including increased foreign investments, tourism and academic exchange.

R. It is the intent of the General Assembly to fulfill the commitment made to the Virginia Advanced Shipbuilding and Carrier Integration Center to support the Center's operating costs, as stipulated in § 2.2-2444, Code of Virginia.