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# VIRGINIA STATE BUDGET

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2011 Session

## Budget Bill - SB800 (Introduced)

Bill Order » Office of Commerce and Trade » Item 114

Virginia Economic Development Partnership

Item 114	First Year - FY2011	Second Year - FY2012
<b>Economic Development Services (53400)</b>	<b>\$19,944,647</b>	<b>\$19,415,259</b> <b>\$20,178,808</b>
Financial Assistance for Economic Development (53410)	\$1,379,095	\$1,000,000 \$1,379,095
Economic Development Services (53412)	\$18,565,552	\$18,415,259 \$18,799,713
Fund Sources:		
General	\$19,944,647	\$19,415,259 \$20,178,808

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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, 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, 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, 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, 2012, 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 \$1,379,095 the first year and ~~\$1,000,000~~\$1,379,095 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.1. Out of the amounts for Economic Development Services shall be provided \$403,317 the first year and ~~\$403,317~~ \$395,251 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.

N. The Virginia Economic Development Partnership shall establish a working group with representatives from the Commonwealth Center for Advanced Manufacturing, the University of Virginia, James Madison University, Blue Ridge Community College, the Shenandoah Valley Partnership, the Virginia Association of Manufacturers, and other affected parties to develop a plan for a satellite site of the Commonwealth Center for Advanced Manufacturing to support the economic development needs of the Shenandoah Valley region of the Commonwealth. The Partnership shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the feasibility of such a satellite site and provide any recommendations regarding its establishment by November 15, 2010.

O.1. Out of the amounts provided in this item, \$1,500,000 in the first year and ~~\$1,500,000~~\$900,000 in the second

year from the general fund is appropriated to establish a Virginia Biotechnology Wet-Laboratory Program at the Virginia Economic Development Partnership to provide loans, loan guarantees, or grants to construct, improve, furnish, equip, maintain, acquire and renovate biotechnology laboratories designed to accommodate and provide wet-lab space or other needed laboratory, research, or production space to attract biosciences and other related technology companies to the state, as well as to accommodate the growth of companies already located in Virginia. Funds under this program may be used for loan guarantees, credit enhancement, or grants, in cooperation with, or on behalf of, applying local governments, private development entities, or other qualified applicants under the program guidelines.

2. The promulgation of program guidelines, and any decisions regarding the size and scope of the biotechnology “shell buildings,” the selection of sites, and the selection of users, tenants or purchasers of such buildings shall be made by a panel consisting of the Secretary of Commerce and Trade, the President of the Center for Innovative Technology, the Executive Director of the Virginia Economic Development Partnership, the Executive Director of the Virginia Biotechnology Association and the President of a research university selected by the Council of University and College Presidents. The funds shall be administered within the “Virginia Shell Building Initiative” as established pursuant to § 15.2-941, Code of Virginia. By November 15 of each year the Secretary shall provide a detailed report on the number of companies and jobs created pursuant to this funding.

3. George Mason University, in collaboration with the University of Virginia, Virginia Tech, Virginia Commonwealth University and Eastern Virginia Medical School shall create a research consortium hereby known as the Virginia Immunology Center. The Virginia Immunology Center is authorized to solicit proposals under the Public-Private Education Facilities and Infrastructure Act (PPEA) to partner with private, for-profit companies to conduct research on vaccines for the treatment of multiple infectious diseases. In no case shall the terms of the public-private partnership obligate the Commonwealth to the appropriation of additional general funds.

4. \$1,500,000 from the general fund the first year is provided for George Mason University to upgrade laboratory facilities located on its Prince William County campus and to purchase the necessary antibody samples for immunology research. However, no funds authorized in this item shall be allotted or expended until the Virginia Immunology Center and consortium receives an acceptable PPEA proposal and submits the proposal to the Chairmen of the House Appropriations Committee and the Senate Finance Committee for its approval.

5. Antibody samples and/or libraries purchased with these funds are to be made available to all public colleges and universities in the Commonwealth for research purposes and are to be available without any additional charge.

P. Out of the amounts for economic development services shall be provided \$500,000 the first year and \$1,000,000 the second year from the general fund to establish economic development offices in China, India and the United Kingdom and to expand the VALET program at the Virginia Economic Development Partnership.

Q. Out of the amounts for economic development services shall be provided \$2,250,000 the first year and \$2,250,000 the second year from the general fund to implement an aggressive national and international advertising campaign and to market Virginia through the Virginia Economic Development Partnership.

*R. Out of the amounts in this appropriation, \$400,000 the second year from the general fund is provided to improve economic development efforts through regional collaboration.*