
VIRGINIA STATE BUDGET

2024 Special Session I

Budget Bill - HB6001 (Chapter 2)

Bill Order » Office of Commerce and Trade » Item 113

Virginia Economic Development Partnership

Item 113	First Year - FY2025	Second Year - FY2026
Economic Development Services (53400)	\$52,951,862	\$53,451,862
Financial Assistance for Economic Development (53410)	\$5,374,070	\$5,874,070
Economic Development Services (53412)	\$47,577,792	\$47,577,792
Fund Sources:		
General	\$52,951,862	\$53,451,862

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 Chairs of the House Appropriations and Senate Finance and Appropriations Committees and the Director, Department of Planning and Budget a report of its operational plan. Prior to November 1 of each fiscal year, the Partnership shall provide to the Chairs of the House Appropriations and Senate Finance and Appropriations 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. 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.

E. 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, 2026, or until the authority is able to provide such services.

F. The Virginia Economic Development Partnership shall report one month after the close of each quarter to the Chairs of the Senate Finance and Appropriations and House Appropriations Committees on the Commonwealth'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.

G. 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.

H.1. Out of the amounts in this Item, \$2,250,000 in the first year and \$2,250,000 in the second year from the general fund shall be deposited in the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund established pursuant to § [10.1-1237](#), Code of Virginia.

2. Guidelines developed by the Virginia Economic Development Partnership, in consultation with the Department of Environmental Quality, governing the use of the Fund shall provide for grants of up to \$500,000 for site remediation and include a requirement that sites with potential for redevelopment and economic benefits to the surrounding community be prioritized for consideration of such grants.

I. Any requests for administrative or staff support for the Committee on Business Development and Marketing or the Committee on International Trade established to advise the Virginia Economic Development Partnership shall be directed to, and are subject to the approval of, the Chair or the Chief Executive Officer of the Virginia Economic Development Partnership.

J. Out of the amounts in this Item, \$9,000,000 the first year and \$9,000,000 the second year from the general fund is provided to support the development of a workforce program to provide training and recruitment services to select companies locating or expanding in the Commonwealth.

K. Out of the amounts in this Item, \$1,562,500 the first year and \$1,562,500 the second year from the general fund is provided for the Virginia Economic Development Partnership Authority to administer a comprehensive Virginia Business Ready Sites program. The funds in this paragraph may be used to administer the program established by § [2.2-2240.2:1](#), Code of Virginia, § [2.2-2761](#), Code of Virginia, and House Bill 1125 of the 2024 General Assembly and characterize, inventory, develop, market and deploy economic sites in the Commonwealth, which includes business investment activities.

L.1. Out of the amounts in this Item, \$1,983,600 the first year and \$2,233,600 the second year from the general fund is provided to support the Office of Education and Labor Market Alignment in accordance with § [2.2-2238](#), Code of Virginia.

2. Notwithstanding any provision of law, the Office of Labor Market Alignment (the Office) shall serve as a resource for education and workforce programs administered by state government to better inform programmatic decisions on workforce education and training. Additionally, the Office shall serve as a guide and resource for the Governor and the General Assembly in determining strategic education and workforce investments in current and future education and workforce training programs with a particular focus on those programs supported with state general fund dollars.

3. The Office shall develop and report an annual research agenda to the Governor and General Assembly on or before June 30th of each year in collaboration with the Secretaries of Education, Labor, and Commerce and Trade, the State Council of Higher Education for Virginia, institutions of higher education, the Virginia Department of Education, the Virginia Employment Commission, the Virginia Initiative for Growth and Opportunity Board, and the Department of Workforce Development and Advancement, members of or staff to the House Committee on Education, Senate Committee on Education and Health, House Committee on Appropriations, and the Senate Committee on Finance and Appropriations.

4. The Virginia Economic Development Partnership Authority shall include in its annual report, due on November 1st of each year, an update on the activities of the Office of Labor Market Alignment.

M. Out of the amounts in this Item, \$4,600,000 the first year and \$4,600,000 the second year from the general fund is provided to fully implement Virginia's International Trade Plan.

N. Out of this appropriation, \$1,158,969 the first year and \$1,158,969 the second year from the general fund is provided to establish the Division of Incentives consistent with the provisions of § [2.2-2237.3](#), Code of Virginia.

O. Out of this appropriation, \$200,000 the first year and \$200,000 the second year from the general fund is provided to establish an internal audit function for the authority, consistent with the provisions of § [2.2-2236.1](#), Code of Virginia.

P. Out of this appropriation, \$200,000 the first year and \$200,000 the second year from the general fund is provided for the authority to enhance cyber security initiatives.

Q. Out of this appropriation, \$300,000 the first year and \$300,000 the second year from the general fund is provided to support the opening of the Virginia-Taiwan Trade Office.

R. Notwithstanding any provision of subsection D of § [2.2-2237.1](#), Code of Virginia, to the contrary, the Virginia Economic Development Partnership Authority may include in its annual report on its operational plan the most recent audit report from the Auditor of Public Account's examination of the Authority's accounts and books pursuant to § [2.2-2242](#), Code of Virginia, in lieu of the audited financial statements of the Authority for the year ending the previous June 30.

S. Out of this appropriation, \$1,000,000 the first year and \$1,250,000 the second year from the general fund is provided to support reorganizing economic development services at the authority.