
VIRGINIA STATE BUDGET

2024 Special Session I

Budget Bill - HB6002 (Introduced)

Bill Order » Office of Commerce and Trade » Item 115

Department of Housing and Community Development

Item 115	First Year - FY2023	Second Year - FY2024
Community Development Services (53300)	\$176,626,786	\$151,560,442
Community Development and Revitalization (53301)	\$74,125,874	\$75,395,874
Financial Assistance for Regional Cooperation (53303)	\$35,408,251	\$35,388,251
Financial Assistance for Community Development (53305)	\$67,092,661	\$40,776,317
Fund Sources:		
General	\$147,096,483	\$122,030,139
Special	\$5,221,893	\$5,221,893
Trust and Agency	\$150,000	\$150,000
Federal Trust	\$24,158,410	\$24,158,410

Authority: Title 15.2, Chapter 13, Article 3 and Chapter 42; Title 36, Chapters 8, 10 and 11; and Title 59.1, Chapter 22, Code of Virginia.

A. Out of the amounts in this Item, \$351,930 the first year and \$351,930 the second year from the general fund is provided for annual membership dues to the Appalachian Regional Commission.

B. The department and local program administrators shall make every reasonable effort to provide participants basic financial counseling to enhance their ability to benefit from the Indoor Plumbing Program and to foster their movement to economic self-sufficiency.

C. Out of the amounts in this Item shall be paid from the general fund in four equal quarterly installments each year:

1. To the Lenowisco Planning District Commission, \$89,971 the first year and \$89,971 the second year, which includes \$38,610 the first year and \$38,610 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

2. To the Cumberland Plateau Planning District Commission, \$89,971 the first year and \$89,971 the second year, which includes \$42,390 the first year and \$42,390 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

3. To the Mount Rogers Planning District Commission, \$89,971 the first year and \$89,971 the second year.

4. To the New River Valley Planning District Commission, \$89,971 the first year and \$89,971 the second year.

5. To the Roanoke Valley-Alleghany Regional Commission, \$89,971 the first year and \$89,971 the second year.

6. To the Central Shenandoah Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 7. To the Northern Shenandoah Valley Regional Commission, \$89,971 the first year and \$89,971 the second year.
 8. To the Northern Virginia Regional Commission, \$165,943 the first year and \$165,943 the second year.
 9. To the Rappahannock-Rapidan Regional Commission, \$89,971 the first year and \$89,971 the second year.
 10. To the Thomas Jefferson Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 11. To the Region 2000 Local Government Council, \$89,971 the first year and \$89,971 the second year.
 12. To the West Piedmont Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 13. To the Southside Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 14. To the Commonwealth Regional Council, \$89,971 the first year and \$89,971 the second year.
 15. To the Richmond Regional Planning District Commission, \$127,957 the first year and \$127,957 the second year.
 16. To the George Washington Regional Commission, \$89,971 the first year and \$89,971 the second year.
 17. To the Northern Neck Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 18. To the Middle Peninsula Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 19. To the Crater Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 20. To the Accomack-Northampton Planning District Commission, \$89,971 the first year and \$89,971 the second year.
 21. To the Hampton Roads Planning District Commission \$165,943 the first year, and \$165,943 the second year.
- D. Out of the amounts in this Item, \$1,568,442 the first year and \$1,568,442 the second year from the general fund shall be provided for the Southeast Rural Community Assistance Project (formerly known as the Virginia Water Project) operating costs and water and wastewater grants. The department shall disburse the total payment each year in twelve equal monthly installments.
- E. The department shall leverage any appropriation provided for the capital costs for safe drinking water and wastewater treatment in the Lenowisco, Cumberland Plateau, or Mount Rogers planning districts with other state moneys, federal grants or loans, local contributions, and private or nonprofit resources.
- F. Out of the amounts in this Item, \$95,000 the first year and \$95,000 the second year from the general fund shall be provided for the Center for Rural Virginia. The department shall report periodically to the Chairs of the Senate Finance and Appropriations and House Appropriations Committees on the status, needs and accomplishments of the center.
- G. Out of the amounts in this Item, \$171,250 the first year and \$171,250 the second year from the general fund shall be provided to support The Crooked Road: Virginia's Heritage Music Trail.
- H. Out of the amounts in this Item, \$3,000,000 the first year and \$3,000,000 the second year from the general fund

shall be deposited to the Virginia Removal or Rehabilitation of Derelict Structures Fund to support industrial site revitalization. Out of the amounts in this paragraph, \$1,500,000 the first year and \$1,500,000 the second year from the general fund is designated for removing, renovating or modernizing port-related buildings and facilities in the cities of Portsmouth, Norfolk, Newport News, Richmond or Front Royal.

I. Out of the amounts in this Item, \$500,000 the first year and \$500,000 the second year from the general fund shall be provided for the Virginia Main Street Program. This amount shall be in addition to other appropriations for this activity.

J. Of the general fund amounts provided for the Virginia Main Street Program, the Indoor Plumbing Rehabilitation Program, and the water and wastewater planning and construction projects in Southwest Virginia, the department is authorized to use up to two percent of the appropriation in each year for program administration.

K.1. Out of the amounts in this Item, \$875,000 the first year and \$875,000 the second year from the general fund shall be provided for the Southwest Virginia Cultural Heritage Foundation.

2. The foundation shall report by September 1 of each year to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the expenditures of the foundation and its ongoing efforts to generate revenues sufficient to sustain operations.

L.1. Out of the amounts in this Item, \$49,725,000 the first year and \$49,725,000 the second year from the general fund is provided for the Virginia Telecommunication Initiative. The funds shall be used for providing financial assistance to supplement construction costs by private sector broadband service providers to extend service to areas that presently are unserved by any broadband provider. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2023, and June 30, 2024, shall not revert to the general fund but shall be carried forward and reappropriated.

2. The department shall develop appropriate criteria and guidelines for the use of the funding provided to the Virginia Telecommunication Initiative. Such criteria and guidelines shall: (i) facilitate the extension of broadband networks by the private sector and shall focus on unserved areas; (ii) attempt to identify the most cost-effective solutions, given the proposed technology and speed that is desired; (iii) give consideration to proposals that are public-private partnerships in which the private sector will own and operate the completed project; (iv) consider the number of locations where the applicant states that service will be made available, in addition to whether customers take the service in both evaluating applications and in establishing completion and accountability requirements; and, (v) require investment from the private sector partner in the project prior to making any award from the fund at an appropriate level determined by the department. The department shall encourage additional assistance from the local governments in areas designated to receive funds to lower the overall cost and further assist in the timely completion of construction, including assistance with permits, rights of way, easement and other issues that may hinder or delay timely construction and increase the cost.

3. The department shall post electronic copies of all submitted applications to the department's website after the deadline for application submissions has passed but before project approval, and shall establish a process for providers to challenge applications where providers assert the proposed area is served by another broadband provider.

4. The department shall consult with the Broadband Advisory Council to designate the unserved areas to receive funds.

5. Notwithstanding the foregoing, the department shall allow public broadband authorities to apply directly for Virginia Telecommunications Initiative funds without investment from the private sector. The cumulative total of any grants awarded to public broadband authorities shall not exceed 10 percent of total available funding in any fiscal year.

6. For grants awarded from the amounts appropriated in paragraphs B.2.b.2) and C.1. of Chapter 1 of the 2021 Acts of Assembly, Special Session II, Item 114, Paragraph L. of Chapter 552, 2021 Acts of Assembly, Special Session I, and this paragraph, for the construction of broadband infrastructure through the Virginia Telecommunications Initiative (VATI), the Department of Housing and Community Development shall deliver an annual performance report to the Governor, Secretary of Commerce and Trade, Chairs of the House Appropriations Committee and Senate Finance and Appropriations Committee, and Broadband Advisory Council, on or before November 1st of each year, starting in Calendar Year 2022. To the extent possible, the annual performance report shall contain information by grant recipient and year on the following metrics: (1) Number of passings; (2) Grant dollars expended by fund source (State and Local Recovery Fund, Capital Project Fund, general fund state grants and match); (3) Contract performance period, and on-time progress towards project delivery; (4) Maximum advertised project speeds available; and, (5) Achievement of key project milestones. The annual performance report shall include an evaluation of any projects under risk of incompleteness or underperformance. The Department of Housing and Community Development shall develop a public facing dashboard to be updated quarterly that contains key performance information by grant recipient and year, and includes the key performance indicators outlined above. Information in this public facing tool shall contain data beginning with grants awarded in the fiscal year 2022 Virginia Telecommunications Initiative grant cycle, and any future VATI grant cycles.

M. Out of the amounts in this Item, \$1,408,647 the first year and \$1,408,647 the second year from the general fund is provided for administrative support for the Virginia Telecommunications Initiative.

N.1. Out of the amounts in this Item, \$30,000,000 the first year and \$30,000,000 the second year from the general fund shall be deposited to the Virginia Growth and Opportunity Fund to encourage regional cooperation among business, education, and government on strategic economic and workforce development efforts in accordance with [§ 2.2-2487](#), Code of Virginia.

2. Of the amounts provided in this paragraph, the appropriation shall be distributed as follows: (i) \$2,250,000 the first year and \$2,250,000 the second year from the general fund shall be allocated to qualifying regions to support organizational and capacity building activities, which, notwithstanding [§ 2.2-2489](#), Code of Virginia, may not require matching funds if a waiver is granted by the Virginia Growth and Opportunity Board to a qualifying region upon request; (ii) \$16,900,000 the first year and \$16,900,000 the second year from the general fund shall be allocated to qualifying regions based on each region's share of the state population; and (iii) \$10,850,000 the first year and \$10,850,000 the second year from the general fund shall be awarded to regional councils on a competitive basis.

3. The Virginia Growth and Opportunity Board may allocate monies among the distributions outlined in paragraph N.2. of this item to meet demonstrated demand for funds. However, only those regional councils whose allocation is less than \$1,000,000 in a fiscal year based on the region's share of state population shall be eligible to receive an additional allocation, and the amount shall be limited such that the total allocation does not exceed \$1,000,000 in a fiscal year.

4. The Virginia Growth and Opportunity Board may approve grants for assessments of commercial economic development demand and current access, and to advance the planning and engineering of broadband infrastructure that are aligned with the framework recommended by the working group, established in Chapter 2, 2018 Special Session I, Acts of Assembly and shall give priority consideration for broadband technology development and deployment to facilitate the connectivity or upgrade of services to current and proposed business-ready sites in areas of high unemployment in qualifying regions.

5. The Virginia Growth and Opportunity Board may rescind funds allocated to regional councils on a per capita basis, if the unobligated balances of a regional council exceeds its average annual per capita distribution award. Any funds rescinded pursuant to this paragraph shall be retained in the Virginia Growth and Opportunity Fund (09272) and may be used by the Virginia Growth and Opportunity Board for grant awards to competitive projects.

The Department shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees within 10 days of the decision by the Virginia Growth and Opportunity Board to rescind regional per capita allocations. The regional council, the amount, and reason for unused funds shall be included in such notice.

6.a. The department shall report one month after the close of each calendar quarter to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on grant awards and expenditures from the Virginia Growth and Opportunity Fund. The report shall include, but not be limited to, total appropriations made or transferred to the fund, total grants awarded, total expenditures from the fund, total per capita allocations rescinded and repurposed to competitive awards, cash balances, and balances available for future commitments. The report shall further summarize such amounts by the allocations provided in paragraph N.2. of this item, including amounts allocated to support organizational and capacity building activities, amounts allocated to regional councils based on each region's share of the state population, and amounts to be awarded on a competitive basis by fiscal year. The report shall include details on the cash balances available in the Virginia Growth and Opportunity Fund including the unobligated balances by the per capita allocation and competitive allocation of paragraph N.2., which shall be further disaggregated by fiscal year and regional council, as appropriate.

b. The department shall report at the close of each fiscal year to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the outcomes associated with closed projects that received a grant from the Virginia Growth and Opportunity Fund. This report shall include itemized information that details the project name, the Regional Council, GO Virginia investment type (regional per capita, competitive, or Economic Resilience and Recovery), GO Virginia strategy, program year, date of award, committed match, anticipated project outcomes, and actual project outcomes.

O. Of the amounts in this Item, \$20,000 the first year from the general fund shall be provided to the Middle Peninsula Planning District Commission for the purpose of designing and constructing a pilot elevated septic system suitable for areas susceptible to recurrent flooding in rural coastal Virginia. The Department of Health will monitor its ability to protect public health and as a potential strategy for resiliency of recurrent tidal flooding.

P.1. Out of the amounts in this Item, \$424,000 the first year and \$424,000 the second year from the general fund is provided to support the creation of a statewide broadband map. The department shall, in coordination with the Office of the Chief Broadband Advisor, develop a statewide broadband availability map indicating broadband coverage, including maximum broadband speeds available in service territories in the Commonwealth. The department and Chief Advisor shall provide the initial map by July 1, 2022, or as soon as practicable, and shall update the map at least annually.

2. Broadband service providers shall be required to submit updated service territory data to the department annually. The department shall establish a process, timeline, and specific data requirements for broadband providers to submit their data. All public bodies shall cooperate with the department, or any agent thereof, to furnish data requested by the Department for the initial improvement and maintenance of the map.

3. In no instance may the department require broadband providers to submit any data, in either substantive content or form, beyond that which the provider is required to submit to the Federal Communications Commission pursuant to the federal Broadband Deployment Accuracy and Technological Availability Act, 47 U.S.C. § 641 et. seq., provided, however, that satellite-based broadband providers that have been designated as an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(6) for any portion of the Commonwealth shall be required to submit comparable data as other broadband providers. Public bodies and broadband providers shall not be required to submit any customer information, such as names, addresses, or account numbers.

4. The department may publish only anonymized versions of the map, showing locations served and unserved by broadband without reference to any specific provider. The map shall not include information regarding ownership or control over the network or networks providing service. The department shall establish a process for broadband

providers to petition the Department to correct inaccuracies in the map. Any determination made by the department pursuant to any specific petition with respect to any specific map to correct inaccuracies shall be final and not subject to further review.

5. Maps published by the department pursuant to this section may be considered, but shall not be considered conclusive, for purposes of determining eligibility for funding for Commonwealth broadband expansion grant or loan programs, including the Virginia Telecommunication Initiative, or challenges thereto.

6. The department: (i) may contract with private parties to make the necessary improvements to the existing map and to maintain the map. Such private parties may include any entities and individuals selected by the department to assist the department in improving and maintaining such a map; (ii) shall consult existing broadband maps, particularly those published by the Federal Communications Commission; and (iii) may acquire existing, privately held data or mapping information that may contribute to the accuracy of the map.

7. Information submitted by a broadband provider in connection with this section shall be excluded from the requirements of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). Information submitted by a broadband provider pursuant to this section shall be used solely for the purposes stated under this section and shall not be released by the department, or any other public records custodian, without the express written permission of the submitting broadband provider.

8. The department shall annually evaluate federal mapping data and shall waive the requirement for broadband providers to submit territory data if a map of near identical or greater quality is made publicly available by the Federal Communications Commission as part of the federal Digital Opportunity Data Collection program or its successor. This waiver shall not be unreasonably withheld.

9. For the purposes of the initiative outlined in paragraph P. of this item, "Broadband" means Internet access at speeds equal to or greater than the broadband Internet speed benchmark set by the Federal Communications Commission. "Broadband provider" means a provider of fixed or mobile broadband Internet access service and includes any entity required to provide the federal government with information on Federal Communications Commission Form 477 or as part of the federal Digital Opportunity Data Collection program or a provider of satellite-based broadband Internet access service that has been designated as an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(6) for any portion of the Commonwealth. "Chief Advisor" means the Commonwealth Broadband Chief Advisor as established in § 2.2-205.2, Code of Virginia. "Map" means the statewide broadband availability map developed and maintained pursuant to paragraph P. of this item.

Q. Out of this appropriation, \$1,500,000 the second year from the general fund is provided for the Community Development Financial Institutions Fund, as established by § 36-140.01, Code of Virginia. Of these amounts, the department is authorized to use up to \$150,000 to administer these funds.

R. Out of the amounts in this Item, \$500,000 the first year and \$500,000 the second year from the general fund is provided for the Lenowisco Planning District Commission and Cumberland Plateau Planning District Commission designated for initiatives intended to expand education and telehealth access. Such funds for grants shall be managed by the Virginia Coalfield Economic Development Authority.

S. Out of the amounts in this Item, \$4,000,000 the second year from the general fund shall be provided to Halifax County to support the construction of a water line from the City of Danville to an infrastructure project at the Virginia International Raceway. The project will leverage both state and local, or private funds, with a one-third match ~~by local, or private sources~~ by non-state sources as certified by the department.

T.1. The Department of Housing and Community Development, in collaboration with the State Council of Higher Education for Virginia shall convene a taskforce to review and recommend investments in regional initiatives to strengthen Virginia's Biotechnology, Life Sciences, and Pharmaceutical Manufacturing industry cluster (the taskforce). This taskforce shall be comprised of representatives of the Virginia Innovation Partnership Authority, Virginia Economic Development Partnership Authority, Virginia Initiative for Growth and Opportunity Board, State Council of Higher Education for Virginia, and the staff directors of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations, or their designees. The taskforce shall use non-biased industry experts to help evaluate the investments below, but shall not receive guidance or advice from representatives of any company, institution, or organization with a vested interest in the projects outlined below.

2. Out of the appropriation in this item, \$48,716,344 the first year and \$18,000,000 the second year from the general fund shall be provided to the Department of Housing and Community Development for investments in identified regional innovation clusters. Prior to the award of any funds included in this item, the taskforce, Secretary of Commerce and Trade, and Secretary of Education shall ensure the regional innovation cluster proposals: (i) align with state or regional economic development strategies; (ii) facilitate the opportunity for job creation, wage growth, business creation, and positive economic outcomes for the Commonwealth; (iii) offer a positive return to the state for its investment; and, (iv) maximize philanthropic and federal matching funds. Upon recommendation of the taskforce and final approval from the Secretary of Commerce and Trade and Secretary of Education, the following amounts shall be awarded as follows:

a. Up to \$15,000,000 the first year to the Virginia Biotechnology Research Partnership Authority to support the scale-up of a Virginia pharmaceutical research, development, and manufacturing cluster in the Richmond Regional Planning District or the Crater Planning District (central Virginia). The Virginia Biotechnology Research Partnership Authority shall award the funds as follows:

1) Of the amounts provided in paragraph T.2.a., up to \$10,000,000 the first year may be used to help fund the construction of a life sciences lab building located at the Virginia Biotech Park in the City of Richmond.

2) Of the amounts provided in paragraph T.2.a., up to \$5,000,000 the first year may be used to administer a one-time grant program designed to fund a key starting materials pilot project located in the central Virginia. At a minimum, criteria to award the grant shall include: (i) the company is headquartered in Virginia; and (ii) the company has a chemical industrial site to stand up the program in either the Richmond Regional Planning District or the Crater Planning District. Any funding awards shall be used for the direct costs of key starting materials reactors, a centrifuge, and a dryer.

3) As a condition of the award of any funding identified in paragraph T.2.a., the Virginia Biotechnology Research Partnership Authority shall provide evidence, to the satisfaction of the taskforce, Secretary of Commerce and Trade, and Secretary of Education of a commitment of funding from private or other non-state sources of not less than a like amount of any funding awarded.

b. Up to \$18,000,000 the first year and \$18,000,000 the second year to the University of Virginia's Institute for Biotechnology to accelerate biotechnology commercialization, genomics and gene therapies, drug delivery technologies and biomanufacturing facilities in the Commonwealth over the next five fiscal years through incentives designed to attract 150 research scientists. Upon recommendation of the taskforce and final approval from the Secretary of Commerce and Trade and Secretary of Education, the following amounts shall be awarded as follows:

1) Up to \$18,000,000 the first year and \$18,000,000 the second year may be awarded to incentivize the recruitment of high performing biomedical and bioengineering research scientists to the Institute.

2) Upon approval of the Secretary of Commerce and Trade and Secretary of Education, the University of Virginia

shall develop, in consultation with the Secretary of Finance, the Secretary of Education, the Director of the Department of Planning and Budget, the President of the Virginia Economic Development Partnership Authority, and the staff directors of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations, or their designees, a Memorandum of Understanding which will set forth the conditions for continued allocations beginning July 1, 2024.

3) Prior to the release of any funding provided in paragraph T.2.b, and upon the affirmative recommendation of the taskforce, Secretary of Commerce and Trade, and Secretary of Education, the University of Virginia shall demonstrate, to the satisfaction of the taskforce, Secretary of Commerce and Trade, and Secretary of Education, a commitment from private or other non-state sources of not less than a like amount of any funding awarded.

c. Up to \$15,716,344 the first year as a grant to the City of Roanoke for the renovation of an existing facility to create advanced laboratory, business incubation and an accelerator space for the development of new biotechnology companies across southwestern Virginia. Prior to the release of any funding in this item, and upon the recommendation of the taskforce, the City of Roanoke shall cause or cause to be made a matching amount of not less than \$1,955,000 for the project.

3. Should the taskforce, Secretary of Commerce and Trade, and/or Secretary of Education fail to recommend investments for any of the identified regional projects prior to June 15, 2023, any unawarded first year funds remaining in paragraph T.2. shall revert to the general fund.

U. The department shall continue the talent pathways planning grant program established in Item 114, Paragraph S. in House Bill 29 of the 2022 General Assembly, Special Session I.

V.1. Out of this appropriation, \$200,000 the first year and \$200,000 the second year from the general fund is provided for the Lenowisco Planning District Commission and the Cumberland Plateau Planning District Commission (PDC), in equal amounts, to identify, plan, and support economic development efforts within each PDC that align with federal funding opportunities, including Assistance to Coal Communities funding. In fulfilling the purposes of this paragraph, the PDCs may hire an additional position to help coordinate efforts and activities designed to maximize the receipt of federal funding by the region. These economic development initiatives may be coordinated Virginia Economic Development Partnership Authority and other regional economic development organizations as applicable. The PDCs shall provide quarterly reports to the department on the activities supported and federal investment secured as a result of the funding provided in this paragraph.

2. The department shall establish an Inter-Agency Task Force chaired by the Secretary of Commerce and Trade, or their designee, and comprised of designees from the Virginia Economic Development Partnership Authority, Virginia Energy, the Virginia Tourism Corporation, the Department of Housing and Community Development, the Virginia Department of Agriculture and Consumer Services, the Virginia Department of Environmental Quality, the Secretary of Labor, the Virginia Coalfield Economic Development Authority, the Tobacco Region Revitalization Commission, and the Virginia Community College System. The purpose of the Inter-Agency Task Force is to review and make recommendations to support economic development in Southwest Virginia. The Inter-Agency Task Force shall initially review and make recommendations on its findings to the General Assembly by June 1, 2023 regarding (i) the establishment of a downtown revitalization matching fund for communities of less than 2,000 people; (ii) expansion of the Tobacco Commission's Talent Attraction Program; (iii) support for the Southwest Virginia Energy Park, known as the "Energy Lab" project; and, (iv) support for the innovative Energy Storage and Electrification Manufacturing project. The Inter-Agency Task Force may include additional recommendations that will support economic development and job creation in the region in its June 2023 report to the General Assembly. In conducting its review, the department's Division of Economic Development and Community Vitality shall conduct regular stakeholder outreach with impacted communities and regional stakeholders to identify the necessary programs, resources, and policy changes required to support transitioning workers and communities. The Inter-Agency Task Force shall consult with impacted stakeholders including residents of the coalfield counties, employers in the coalfield counties, local government representatives, and representatives of regional nonprofit

entities.

W. The department is hereby authorized to use federal funding received by Virginia from the Broadband Equity, Access, and Deployment (BEAD) Program of the Federal Infrastructure and Jobs Act (Public Law 117-58).

X. Out of this appropriation, \$400,000 the second year from the general fund is provided to Fairfax County to support the Workforce, Innovation, Skills Hub (WISH). The funding provided in this paragraph shall be used to support programming costs including tuition grants, transportation stipends, wraparound services, and consumables for WISH. The department in coordination with the Department of Workforce Development and Advancement will examine the feasibility of implementing similar regional workforce center models throughout the state.

Y.1. The department shall issue corrective action plans for any projects funded with resources from the State and Local Fiscal Recovery Fund or the Capital Projects Fund of the American Rescue Plan Act of 2021 during the Fiscal Year 2022 Virginia Telecommunication Initiative grant round that in its determination are at risk of non-completion. For projects funded with resources from the State and Local Fiscal Recovery Fund or the Capital Projects Fund of the American Rescue Plan Act of 2021 during the Fiscal Year 2022 Virginia Telecommunication Initiative grant round that the department determines are at risk of non-completion by December 31, 2026, the department shall offer the following solutions to units of local government under contract with the department for project delivery: project surrender, partial project surrender, contiguous area surrender, project transfer to another private sector partner, passing transfer to another active Virginia Telecommunication Initiative funded project, project redesign, or any other solution in the judgement of the department that can ensure locations are made eligible for the Broadband Equity, Access, and Deployment (BEAD) Program subgrantee selection process.

2. Units of government under contract with the department for the delivery of projects shall work with the department to surrender contiguous areas, as standardized and defined by the department, that it will not be able to complete by the December 31, 2026 deadline for use of the American Rescue Plan Act funds, prior to beginning the BEAD Program subgrantee selection process or by June 1, 2024, whichever comes sooner, in order to be included in the state's list of BEAD-eligible locations.

3. Any project redesign, including amending a current project, changing the private sector partner, or moving passings to another active Virginia Telecommunication Initiative Project by a unit of local government under contract with the department for the delivery of a project shall be concluded prior to beginning the BEAD Program subgrantee selection process or by June 1, 2024, whichever comes sooner, in order for any passings excluded from a project to be included in the state's list of BEAD-eligible locations. Any passings excluded from a rescoped project shall be in a contiguous area, as standardized and defined by the department.

4. Units of local government under contract with the department in mutual agreement with its private sector partner may surrender the entirety of a project or part of a project prior to beginning the BEAD Program subgrantee selection process or by June 1, 2024, whichever comes sooner, in order for any passings excluded from a project to be included in the state's list of BEAD-eligible locations. Any passings surrendered shall be in a contiguous area, as standardized and defined by the department.

5. Prior to any determination by the local government, the private sector partner, or the department, the investment made by public rate payers in the installation of middle-mile fiber included in the fiscal year 2022 Virginia Telecommunication Initiative grant round projects shall be considered in instances where projects are surrendered, partially surrendered, transferred to another project, passings are retuned, or projects are changed through the rescoping process.

6. Nothing in this paragraph shall be construed to limit the ability of the department to effectively administer the Virginia Telecommunication Initiative program.

7. Any American Rescue Plan Act funds returned during this process shall be deposited to the State and Local Fiscal Recovery Fund (12110) or the Capital Project Fund (12120) for use in accordance with the provisions of Item 472 of House Bill 6001 of the 2024 General Assembly, Special Session I.