

## Commerce and Trade

The Governor's proposed 2000-2002 budget for Commerce and Trade agencies contain a net increase in general funds of \$14.9 million over the adjusted appropriation for current operations. Nongeneral fund increases total \$105.4 million over current operations.

Most of the general fund spending increase is targeted to four agencies - Virginia Tourism Authority, Virginia Economic Development Partnership, Department of Business Assistance, and the Department of Minority Business Enterprise as follows:

- \$6.5 million to enhance tourism marketing and promotion of a number of historic attractions and sites;
- \$1.0 to develop a certified community cooperative advertising program;
- \$1.0 million to establish the Virginia Business Information Center; and
- \$700,000 to further capitalize the Capital Access Fund for Disadvantaged Businesses.

Most of the nongeneral fund spending increase is contained in the Virginia Employment Commission to support the Virginia Workforce Strategy and to implement the federal Workforce Investment Act.

Other Commerce and Trade funding initiatives which are contained in the Central Accounts section of the budget include \$6.0 million for the establishment of regional visitors centers, \$2.0 million for the creation of the Governor's Motion Picture Opportunity Fund, and \$30.0 million for the Governor's "Deal Closing Fund".

- **Department of Business Assistance**

- **Virginia Business Information Center.** Contains \$493,823 GF and 5 FTE in the first year and \$523,380 GF and 7 FTE in the second year to establish a business information center as an initial point of contact for businesses seeking assistance and information on government services and regulations.

- **Department of Minority Business Enterprise**

- **Capital Access Fund for Disadvantaged Businesses.** Adds \$300,000 GF the first year and \$400,000 GF the second year to expand the

availability of capital to a larger number of disadvantaged businesses. The fund is currently capitalized at \$300,000.

- **Information Center for Disadvantaged Businesses.** Provides \$250,000 GF each year and 1 FTE the second year to establish a business information center as an initial point of contact for disadvantaged businesses seeking assistance and information regarding government services. Funding also will be used to establish a pilot program that will assess the technology needs of disadvantaged businesses and provide financial assistance in acquiring technology.

- **Virginia Economic Development Partnership**

- **Certified Community Cooperative Advertising Program.** Provides \$500,000 GF each year to establish a cooperative advertising grant program as an incentive for communities to work cooperatively on economic development efforts.
- **Southeast U.S. – Japan International Conference.** Provides \$750,000 GF the first year to host the 25<sup>th</sup> joint meeting between the Southeast U.S.-Japan and Japan-Southeast U.S. Association in Norfolk in the fall of 2000.
- **Advanced Shipbuilding and Carrier Integration Center.** Provides \$750,000 GF the second year for the operation grant component of the Virginia Advanced Shipbuilding and Carrier Integration Center (VASCIC) program.

The grant program, created by the 1998 General Assembly, consists of an investment grant (capital) that is capped at \$58 million, payable through June 30, 2000, and an operations grant, capped at \$40 million, payable through June 30, 2004.

During the 1998-2000 biennium, the General Assembly appropriated \$21 million of the total \$58 million in investment grants. The budget contains funding in the Treasury Board to provide debt service payments for 10-year bonds to be issued by the Newport News Industrial Development Authority, which covers the remaining \$37 million in investment grants.

- **Virginia Employment Commission**

- **Virginia Workforce Strategy.** Recommends \$9.8 million NGF the first year and \$14.3 million NGF the second year to either expand or establish workforce training programs administered by various state agencies. Expanded programs include additional workforce development coordinator positions at community colleges and funding for the Virginia Microelectronics Consortium. New

programs include a customized worker retraining program administered by the Department of Business Assistance and the establishment of a training center in Southwest Virginia. Funds for these programs will come from excess balances in the Unemployment Trust Fund.

- **Federal Workforce Investment Act.** Implements changes in federal law that consolidate and replace the old Job Training Partnership Act (JTPA), previously administered by the Governor's Employment and Training Department, with new worker training programs to be administered by the VEC.
- **Virginia Tourism Authority**
  - **Expand Tourism Marketing.** Provides \$3.3 million GF each year to enhance the state's tourism promotions program. Additional funds will be used for marketing of Revolutionary War and Civil War sites and attractions, promotion of African-American heritage sites, and marketing and promotion of golf in Virginia.
  - **African-American Heritage Sites.** Includes \$450,000 GF each year to continue the research and development of a database of African-American sites, as well as to market and promote the sites.
  - **Blue Ridge Parkway Marketing Initiative.** Contains \$300,000 GF each year for "challenge" grants to be matched by North Carolina, Tennessee, or the Blue Ridge Parkway Association to promote and market attractions along the parkway.
  - **Civil War Museum.** Contains \$250,000 GF each year for operating a new museum and educational center in Richmond focused on the Civil War period.