

Commerce and Trade

Adopted Amendments				
(\$ in millions)				
	FY 2019 Adopted		FY 2020 Adopted	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2018-20 Current Budget (Chapter 2, 2018 Special Session I)	\$225.7	\$700.1	\$230.1	\$693.8
Increases	8.0	0.0	72.4	0.1
Decreases	<u>(2.2)</u>	<u>(0.0)</u>	<u>(0.2)</u>	<u>(0.0)</u>
\$ Net Change	5.8	0.0	72.2	0.1
Chapter 854 (HB 1700, as Adopted)	\$231.5	\$700.1	\$302.3	\$693.9
% Change	2.6%	0.0%	31.4%	0.0%
FTEs	370.34	1,307.66	371.34	1,307.66
# Change	0.00	0.00	1.00	0.00

- **Office of the Secretary of Commerce and Trade**
 - *Small Business Loans Workgroup.* Directs the Secretary of Commerce and Trade to establish a workgroup to address the challenges faced by small businesses that are impacted by emergency declarations as a result of natural disasters and other similar situations whereby state and federal assistance is forthcoming but not timely.
 - *Reduce First Year Funding for Broadband Advisor.* Reduces first-year funding intended to support a full-time broadband advisor in the Office of the Secretary of Commerce and Trade. The 2018 Appropriation Act included \$140,000 from the general fund each year for this purpose; however, the first-year costs are covered by unused fiscal year 2018 carry-forward balances.
- **Economic Development Incentive Payments (EDIP)**
 - *Virginia Investment Partnership Grants.* Removes \$270,000 GF the first year and \$210,000 GF the second year to align with anticipated grant payments. The

payments are based on negotiated grants awarded to select projects that invest in Virginia and meet specified job creation and capital investment targets.

- ***Major Eligible Employer Performance Grants.*** Includes a reduction of \$1.8 million GF in FY 2019, recognizing that the company will not reach certain performance milestones to qualify for the planned grant payment.
- ***Semiconductor Manufacturing Grant Program.*** Provides \$50.0 million GF the second year to the Semiconductor Manufacturing Grant Fund to be paid to a qualifying semiconductor manufacturer, subject to minimum capital investment and job creation targets agreed to in a memorandum of understanding with the Commonwealth and pursuant to Chapters 34 and 41 of the 2019 Acts of Assembly (HB 2180/SB 1370).
- ***Virginia Jobs Investment Program.*** Authorizes up to \$2.7 million of previously awarded funds that have been repaid to the Commonwealth's Development Opportunity Fund to be used for grants under the Virginia Jobs Investment Program. This authorization represents the amount of grants awarded to and repaid on behalf of Norfolk Southern Corporation and Arconic.

- **Department of Housing and Community Development**

- ***Increase Funding for Virginia Telecommunication Initiative.*** Increases second year funding for broadband deployment by \$15.0 million GF to \$19.0 million GF, and provides \$250,000 GF the second year to support two additional staff to administer the program.
- ***Increase Deposits to the Housing Trust Fund.*** Increases deposits to the Housing Trust Fund by \$5.5 million GF in FY 2019 and \$1.5 million GF in FY 2020, bringing the total to \$11.0 million GF the first year and \$7.0 million GF the second year.
- ***Eviction Diversion and Prevention Study.*** Provides \$104,050 GF the second year for the Department to conduct a study about the potential need for an eviction diversion and prevention program.
- ***Increase Funding for Derelict Structures Fund.*** Increases funding \$1.0 million GF the second year for the Virginia Removal or Rehabilitation of Derelict Structures Fund and designates that the increase be used for removing, renovating or modernizing port-related buildings and facilities in the cities of Portsmouth, Norfolk, Newport News, Richmond or Front Royal.
- ***Increase Funding for Enterprise Zone Grant Program.*** Increases funding for Enterprise Zone Grant Fund by \$1.0 million GF the second year.

- *Enterprise Zone Program: Reduced Threshold for Solar Installations.* Reduces the minimum investment in solar equipment by \$50,000, for purposes of qualifying for Enterprise Zone Real Property Improvement Grants. Caps at \$1.0 million the aggregate amount of awards that may be issued for grants which are based solely on solar installation investments made eligible as a result of the lower threshold.
- *Increase Support for “The Crooked Road.”* Provides a funding increase of \$100,000 GF the second year, from \$71,250 to \$171,250 GF to support Virginia's Heritage Music Trail: The Crooked Road, a non-profit organization whose mission is to support economic development in Southwest Virginia by promoting traditional music of the region.
- *Site Development Eligible for GO Virginia Grants.* Makes site development an eligible regional activity for which grants from the Virginia Growth and Opportunity Fund may be awarded, provided the interested local governments within the region have entered into a revenue-sharing agreement.
- **Department of Mines, Minerals and Energy**
 - *Funding for Solar Energy Coordinator.* Provides new funding of \$137,000 GF the second year to support one position within the Division of Energy to assist localities with siting, procurement, land-use concerns, and other solar energy-related issues.
 - *Increase Nongeneral Fund Appropriation.* Increases the nongeneral fund appropriation by \$90,000 in FY 2020 to reflect the increased cost of processing mining renewal and permit applications, and the additional fees anticipated to be collected pursuant to Chapter 538 of the 2019 Acts of Assembly (HB 1932).
- **Department of Professional and Occupational Regulation**
 - *Assessment of Staffing Needs and Organizational Structure.* Requires the department to conduct an assessment of its structure, staffing needs and potential replacement or upgrade of its information technology systems and to issue a report by November 1, 2019, with any recommendations for changes. Any fund balances currently held in the Dedicated Special Revenue Fund, the Common Interest Community Management Information Fund and the Special Revenue Fund will be held in reserve be applied to offset the costs of restructuring, including additional staffing needs and the replacement or upgrade of the Department's information technology systems.
 - *Electronic Credentials.* Authorizes the Department to provide an electronic method by which a regulant may display or transmit information that verifies information such as their certification, licensure, registration or permit.

- **Fort Monroe Authority**
 - *Funding for First Landing Monument.* Provides \$500,000 GF in FY 2019 to be used for planning, design, construction and other costs associated with construction of a permanent monument commemorating the 400-year anniversary of the First Landing of Africans at Point Comfort in 1619.
 - *Additional Operating Support.* Provides additional operating support of \$156,922 GF the second year to offset the reduction in funding from the National Park Service (NPS) resulting from a delay in the transfer of the 35-acre Wherry Parcel to NPS. Funding will be used for public works maintenance, grounds maintenance and security patrols.
- **Virginia Economic Development Partnership**
 - *Increase Funding for Business Ready Sites Program.* Provides an additional \$2.0 million GF in FY 2019 to expand funding for grants used to characterize, inventory and develop sites of at least 25 acres in the Commonwealth in order to be more competitive with other states in attracting economic development projects. No public funds associated with this program may be utilized to develop sites owned exclusively by private interests unless such private interests contractually commit to reimburse the Commonwealth at the time the property is sold or leased.
 - *Commonwealth Center for Advanced Manufacturing Incentive Funding.* Provides \$1.7 million GF the second year to incentivize additional activity at the Commonwealth Center for Advanced Manufacturing (CCAM). Grant funding programs include:
 - Funds to incentivize new members of CCAM, including those small manufacturers that locate their primary job centers in the Commonwealth;
 - Research grant incentives on a one-to-one match basis for CCAM private sector industry partners to offset project costs for directed research conducted in addition to their base amount; and,
 - Research funds for CCAM university partners on a one-to-one match basis to increase external research funds from the federal government or other private sector organizations for research to be conducted at the CCAM facility once specific agreements between CCAM and its university partners are in place.
 - *Increase Operating Support for the Commonwealth Center for Advanced Manufacturing.* Provides increased funding of \$1.0 million GF the second year for the Commonwealth Center for Advanced Manufacturing (CCAM) for rent, operations and maintenance. Also requires CCAM to submit a detailed operating

plan to the Virginia Economic Development Partnership (VEDP) by August 1, 2019, to include:

- A schedule for annual and quarterly reporting of financial performance, research activity, and industry membership;
- An updated management and organization structure that specifies and defines all full-time positions;
- Specific commitments from each university partner to hire, fund and place faculty and graduate students at the CCAM facility, as well as any collaborative efforts between CCAM industry members and university partners taking place outside the CCAM facility;
- A financial plan that includes specific budget estimates for operations at CCAM for FY 2021-2025, as well as estimates for a potential lease agreement between the Commonwealth of Virginia and CCAM;
- Specific details in regards to any outstanding loans or other outstanding debt, cash or in-kind, to public and private institutions and organizations and a financial plan for their satisfactory settlement;
- Expansion of the membership of the Board of Directors for CCAM to include a university chief financial officer and a schedule for rotation of this Board seat among its university partner institutions;
- Specific guidelines to implement the grant programs provided for under the Economic Development Incentive Payments holding account; and,
- Any additional information requested by VEDP.

- **Virginia Tourism Authority**

- ***Increase Funding for Heart of Appalachia Tourism Authority.*** Provides an increase of \$100,000 GF the second year, from \$100,000 to \$200,000 GF, to support tourism marketing in the coalfield region.
- ***Increase Support for Spearhead Trails.*** Increases funding for the Southwest Regional Recreation Authority’s Spearhead Trails Initiative by \$300,000 GF in FY 2020, from \$550,000 to \$850,000 GF, and provides up to \$25,000 to establish a peer-support program for Virginia veterans. The Virginia Department of Behavioral Health and Developmental Services and the Virginia Department of Veterans Services are directed to provide assistance in establishing the program if requested by the board of the Southwest Regional Recreation Authority.

- ***Increase Support for Carver Price Legacy Museum.*** Provides \$25,000 GF the second year to support the Carver Price Legacy Museum in Appomattox County. This is in addition to first-year funding of \$25,000 GF provided in the 2018 Appropriation Act.
- ***Travel Guide for Virginians with Disabilities.*** Directs the Virginia Tourism Authority to collaborate with "Opening Doors for Virginians with Disabilities" to maintain and update the Opening Doors for Virginians with Disabilities travel guide and establish a more user-friendly link to this information on the Virginia Tourism Corporation website home page.