



COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
RICHMOND

APPROPRIATIONS COMMITTEE
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House Appropriations Committee
Economic Development, Agriculture & Natural Resources Subcommittee
Agenda

February 5, 2009
M. Kirkland Cox, Chairman
Appropriations Room
10:00 a.m.

I. Bills Before The Subcommittee

HB 2056 (Hamilton) **Advanced shipbuilding training grant program; established.** Establishes a grant program relating to advanced shipbuilding activities involving nuclear warships for the U.S. Navy. Grants would be paid to an eligible shipbuilder based in Newport News that (i) makes a capital investment of at least \$300 million; (ii) creates at least 1,000 new full-time jobs; and (iii) maintains an accredited apprenticeship program. A maximum of \$50 million in grants would be paid beginning in the 2012-2013 fiscal year and ending in the 2021-2022 fiscal year.

HB 2235 (Valentine) **Clean Energy Manufacturing Incentive Grant Program and Fund; created.** Repeals the Solar Photovoltaic Manufacturing Incentive Grant Program and creates a program to provide financial incentives to companies that manufacture or assemble equipment, systems, or products used to produce renewable energy, nuclear energy, or energy efficiency products. To be eligible for a grant, the manufacturer must make a capital investment greater than \$50 million and create at least 200 full-time jobs. The program would be managed by the Director of the Department of Mines, Minerals and Energy.

HB 2332 (Phillips) **Enterprise zone economic incentive grants; increases amount of investment made to be eligible.** Increases from \$50,000 to \$100,000 the minimum amount of investment required to be made in the rehabilitation or expansion of a building in order to be eligible for an enterprise zone incentive grant, and increases from \$250,000 to \$500,000 the minimum amount of investment required to be made for new construction in order to be eligible for an enterprise zone incentive grant. The bill would provide that any investor making \$5 million or less in qualified real property investment in a building would be allowed a maximum of \$100,000 in enterprise zone incentive grants within any five-year period for such building (the current maximum is \$125,000). The bill would provide that any investor making more than \$5 million in qualified real property investment in a building would be allowed a

maximum of \$200,000 in enterprise zone incentive grants within any five-year period for such building (the current maximum is \$250,000). The bill also makes technical changes.

HB 2351 (Landes) Natural Resources Commitment Fund; Governor to budget appropriations therefor. Provides that beginning with the 2010-2011 fiscal year and for each fiscal year thereafter, the Governor through the budget process would propose appropriations for funding of the Virginia Natural Resources Commitment Fund. For each fiscal year the Governor would propose appropriations for funding of the Fund in an aggregate amount that would not be less than (i) 150 percent of the greatest, aggregate appropriation to the Fund included in any prior act of the General Assembly or (ii) \$30 million, whichever is greater. The bill would also change the formula for distributions from the Fund.

HB 2437 (Byron) Income tax, corporate; apportionment for manufacturers. Allows manufacturers to elect an apportionment formula of multiplying their income by the sales factor or using the formula prescribed for other businesses, whether the manufacturers have a sales factor or not. The provisions of the bill would be effective beginning July 1, 2010, and would be phased in with the apportionment formula having a 100 percent sales factor by 2013.

HB 2501 (Englin) Department of Housing and Community Development; rental assistance pilot project. Requires the Department of Housing and Community Development to establish a three-year rental assistance pilot project and to report its findings and recommendations to the Governor and the Housing Commission.

HB 2507 (Pollard) Saltwater fishing licenses; Marine Resources Commission to issue refunds on prorated basis. Requires the Marine Resources Commission to refund saltwater fishing licenses on a prorated basis if (i) less than one-third of the season has elapsed, and (ii) the agency has closed the season for fishery management purposes.

HB 2550 (Cox) Economic development; incentive financing for major employment and investment projects, report. Authorizes the Virginia Public Building Authority and the Virginia Resources Authority to finance economic development initiatives for major employment and investment projects (MEI projects) performed by state and local government entities. An MEI project is defined as a high impact regional economic development project in which a private entity is expected to make a capital investment in real and tangible personal property exceeding \$250 million and create more than 400 new full-time jobs, and is expected to have a substantial direct economic impact on surrounding communities. The bill also establishes the MEI Project Approval Commission to review financing for individual incentive packages for MEI projects to be financed by the Virginia Public Building Authority.

HB 2575 (Putney) Income tax, corporate; extends sunset date of major business facility job tax credit. Extends the sunset date of the major business facility job tax credit from January 1, 2010, to January 1, 2020, and allows the credit to be taken over a two-year period rather than a three-year period for taxable years beginning January 1, 2009, through December 31, 2010.