



COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
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House Appropriations Committee
Economic Development, Agriculture & Natural Resources Subcommittee
Agenda

February 19, 2009
M. Kirkland Cox, Chairman
Appropriations Room
10:00 a.m.

I. Bills Before The Subcommittee

SB 1050 (Whipple) **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 (the Subfund). 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, provided that each proposed annual appropriation shall not exceed \$50 million. The bill would also change the formula for distributions from the Fund.

SB 1055 (Whipple) **Housing Trust Fund; dedicating revenues to provide affordable housing.** Establishes special, permanent, nonreverting fund to provide affordable housing in the Commonwealth. The bill also provides that a portion of the fund shall be used to provide matching funds to localities that have both established a local housing fund and appropriated local moneys to the fund. Under the bill, the Department of Housing and Community Development is required to establish criteria for the allocation of the matching funds to eligible localities and to annually report on the allocation of matching funds. In addition, the bill authorizes grants to be made from the Fund to support innovative housing projects and low and moderate income housing projects that are located in areas experiencing extreme shortages of such housing as well as rural housing initiatives. The bill also changes the name of the Virginia Housing Partnership Revolving Trust Fund to the Virginia Housing Trust Fund. This bill is recommended by the Virginia Housing Commission.

SB 1089 (Miller, J.C.) **Investment Performance Grants; raises per project amount thereof.** Raises the per project amount of a grant that may be made under the Virginia Investment

Performance Grant program from \$1.5 million to \$3 million. The bill also allows for a maximum of \$5 million for projects meeting certain guidelines.

SB 1119 (Colgan) 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.

SB 1165 (Watkins) Enterprise zone economic incentive grants; eligibility therefor. 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. In addition, grants would be calculated at a rate of 20 percent of the amount of the investment in excess of \$500,000 in the case of new construction, and at a rate of 20 percent of the amount of the investment over \$100,000 in the case of a rehabilitation or expansion of a building. 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.

SB 1321 (Locke) 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 a qualified shipbuilder based in Newport News that (i) makes a capital investment of at least \$300 million by June 30, 2012; (ii) creates at least 1,000 new full-time jobs; and (iii) maintains an accredited apprenticeship program with an average enrollment of 750 and articulation agreements with local community colleges. 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.

SB 1357 (Hanger) Clean fuel vehicle job creation tax credit; adds cellulosic biofuels. Expands the clean fuel vehicle job creation tax credit to include jobs created associated with the production of cellulosic biofuels, the conversion of vehicles from traditional fuels to cellulosic biofuels, and the manufacture of components for vehicles that utilize cellulosic biofuels. The bill also reorganizes the definition of "job" and the list of approved job fields to simplify and clarify eligibility requirements for the tax credit.

SB 1548 (Colgan) Investment Partnership Act; amends definition of 'eligible company.' Amends the definition of "eligible company" by adding that a company may create or cause to be created 300 jobs with average salaries at least 100 percent greater than the Prevailing Average Wage to be eligible for performance grants under the Virginia Investment Partnership

Act. Currently a company would have to create or cause to be created 400 jobs with average salaries at least 50 percent greater than the Prevailing Average Wage. The bill also has an emergency clause.