Governor McDonnell's Jobs & Opportunities Budget Proposals

A Briefing for the

Senate Finance Committee

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Economic Development and Business Recruitment Initiatives

Short Title	FY 2010	FY 2011	FY 2012
Governor's Opportunity Fund			
Increase the appropriation by almost 100% in fiscal year 2011 and a FY 2012 down payment		$12,100,000	
MEI (MEGA) Projects Fund			
Establish a fund to assist with site and site development work for prospective major employment and investment projects		$5,000,000	
Virginia Economic Development Partnership			
Establish Economic Development Offices in China, India, and the United Kingdom and expand the VALET program		$1,000,000	$1,000,000
Implement aggressive national/international advertising campaign, marketing, and sales support		$2,500,000	$2,500,000
Bio Technology and Life Sciences			
Remove the $3 million cap on the Qualified Equity and Subordinated Debt Investment Tax Credit (this raises it to $5 million)		$1,000,000	
Invest in bioscience "Wet Lab" Facilities		$1,500,000	$1,500,000
Reestablish funding the Business Incubator Program		$2,000,000	
Provide income tax exemption for qualified investments by technology and science start up companies			$500,000
Virginia Tourism			
Funding for domestic and international marketing activities		$3,600,000	$3,600,000
Increase investment in the Governor's Motion Picture Opportunity Fund		$2,000,000	
Deposit Wine Liter Tax attributable to Virginia Wine into Wine Promotion Fund		$745,000	$745,000
Business Assistance Services			
Increase funding for Loan Guarantee Program		$1,000,000	
Continue funding for the Business One Stop Program		$500,000	$500,000
Increase the appropriation for the Virginia Jobs Investment Program		$6,500,000	
Total Proposed Spending:	**$0**	**$39,445,000**	**$10,345,000**
Identified Savings Detailed Below:	**$26,600,000**	**$28,801,001**	**$2,126,291**
Annual Balance:	**$26,600,000**	**($10,643,999)**	**($8,218,709)**
Cumulative Balance:	**$26,600,000**	**$15,956,001**	**$7,737,292**

Proposals to Fund Economic Development Package

Savings Strategy Title	FY 2010	FY 2011	FY 2012
Increase revenue from amnesty program	$21,100,000	$0	$0
Eliminate capital outlay reserve	$500,000	$0	$0
Eliminate vacant positions (DCE)	$0	$1,983,535	$1,983,535
Reduce equipment purchases (DOC)	$0	$1,247,732	$0
Phase-in VRS employer contribution rate increases:	$0	$25,569,734	$142,756
Offset state funding with additional federal grant funding for food stamp program administration	$5,000,000		
Total Proposed Savings:	**$26,600,000**	**$28,801,001**	**$2,126,291**