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# **Overview of SB 30 Actions for Commerce and Trade**

# Overview of Commerce & Trade – HB/SB 29

- Governor’s proposed amendments for FY 2010 result in a net **decrease of \$4.4 million GF** over the original appropriation for Chapter 781.
  - **Reductions of \$7.6 million GF** are offset by **increases of \$3.2 million GF** to replace ARRA funding.
    - Chapter 781 provided federal stimulus funds for Governor’s Opportunity Fund and Fort Monroe Federal Area Development Authority (ARRA funds are now used in the Compensation Board).

<b>Major Commerce &amp; Trade Agency Reductions in SB 29</b> (GF \$ in millions)	<b>FY 2010</b>
Department of Housing and Community Development	(\$3.3)
Virginia Tourism Authority	(\$1.6)
Virginia Economic Development Partnership	(\$1.5)
Department of Mines, Minerals and Energy	(\$0.6)
Department of Business Assistance	(\$0.3)

# Overview of Commerce & Trade – HB/SB 30

- Governor’s proposed amendments for the 2010-2012 biennium result in a net **increase of \$50.9 million GF** or a **22 percent increase** over the original appropriation for Chapter 781.
  - The majority of this increase results from creation of the Economic Development Incentive Payments, a new holding account and transfer of funds to this account previously in Central Appropriations.

<b>Economic Development Incentive Payments</b> (GF \$ in millions)	<b>FY 2011</b>	<b>FY 2012</b>	<b>Total</b>
GOF and Motion Picture Opportunity Fund	\$12.1	\$12.1	\$24.2
Incentives to Rolls-Royce (from Cent. Appropriations.)	\$12.8	\$7.5	\$20.3
Oceana BRAC Payments (from Cent. Appropriations.)	\$7.5	\$7.5	\$15.0
VA Investment Partnership and Major Employer Grants	\$1.8	\$7.8	\$9.6
Ignite Institute (New Incentive)	\$0.0	\$5.5	\$5.5
Semiconductor Manufacturing Grants to Micron	\$1.6	\$3.8	\$5.4
SRI International (Final Payment)	<u>\$3.0</u>	<u>\$0.0</u>	<u>\$3.0</u>
<b>Total Payments</b>	<b>\$38.8</b>	<b>\$44.2</b>	<b>\$83.0</b>

# Commerce & Trade –

## Other Increases Proposed in HB/SB 30

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- An **increase of \$3.2 million GF in FY 2011 and \$4.4 GF million in FY 2012** in the Department of Housing and Community Development for Homeless Programs.
  - These programs were previously funded at \$4.9 million NGF per year from TANF funds, which are no longer available for this purpose.
- Proposes \$2.1 million GF for the Fort Monroe Federal Area Development Authority in the first year only.
  - This is an **increase of \$0.5 million GF** over FY 2010.
- Recommends an **increase of \$1.3 million GF each year** for operating expenses for the Commercial Space Flight Authority.
  - VCSPA previously received \$16.0 million in 2008 bond bill for capital projects at Wallops Island facilities.
- Provides an **increase of \$82.7 million NGF in FY2011** but a **decrease of \$129.1 million NGF in FY 2012** for unemployment insurance benefits in the Virginia Employment Commission.
  - Based on projected unemployment claims.

# Commerce & Trade – Proposed Decreases in HB/SB 30

- Continues agency reductions initiated in HB/SB 29:

<b>Major Commerce &amp; Trade Agency Reductions in HB/SB 30</b> (GF \$ in millions)	<b>FY 2011</b>	<b>FY 2012</b>	<b>Total</b>
Department of Housing and Community Development	(\$3.9)	(\$3.9)	(\$7.8)
Virginia Tourism Authority	(\$1.6)	(\$1.6)	(\$3.2)
Virginia Economic Development Partnership	(\$1.5)	(\$1.6)	(\$3.1)
Department of Mines, Minerals and Energy	(\$0.7)	(\$0.8)	(\$1.5)
Department of Business Assistance	(\$0.6)	(\$0.5)	(\$1.1)

- Strategies in DHCD include a reduction of 27 positions and annual reductions of:
  - (\$1.0 million) GF to Enterprise Zone Grants (8%);
  - (\$594,000) GF to the Southeast Rural Community Assistance Project (52%);
  - (\$500,000) GF to Indoor Plumbing Rehabilitation Program (23%);
  - (\$450,000) GF to the Homeless Prevention Program (11%);
  - (\$319,139) GF for Planning District Commissions (16%), and;
  - (\$238,765) GF for Southwest Virginia Water Construction Grants (11%)

# Commerce & Trade – Proposed Fees in HB/SB 30

- Proposes the following new or increased fees in the Department of Labor and Industry and the Department of Mines, Minerals and Energy:
  - New Apprenticeship Program annual application fee of \$55, used to supplant \$235,550 GF each year (DOLI).
  - Increase Boiler Inspection fee from \$20 to \$30, assumes \$350,000 each year that is deposited in the GF (DOLI).
  - New annual renewal fee for Gas and Oil Well Permits of \$50, used to supplant \$320,000 GF each year (DMME).
  - Increase Coal and Mineral Mine Safety Program fees from \$180 to \$350 per year, used to supplant \$108,620 GF each year (DMME).