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# **Economic Development and Natural Resources Subcommittee**

**January 21, 2014**

**Overview of SB 29 and SB 30 Action for  
Commerce and Trade**



# Summary of Commerce & Trade Budgets

\$ in millions	FY 2015 GF	FY 2015 NGF	FY 2016 GF	FY 2016 NGF	Biennial Total	Total FTE
Secretary	\$0.7		\$0.7		\$1.3	7
Incentive Payments	\$59.1	\$0.3	\$77.0	\$0.3	\$136.6	0
Board of Accounting		\$1.7		\$1.7	\$3.3	12
DHCD	\$50.0	\$229.7	\$49.0	\$229.7	\$558.6	110
DOLI	\$7.8	\$7.0	\$7.8	\$7.0	\$29.5	191
DMME	\$13.2	\$22.5	\$13.0	\$22.5	\$71.2	233
DPOR		\$22.1		\$22.1	\$44.2	203



# Summary of Commerce & Trade Budgets (continued)

\$ in millions	FY 2015 GF	FY 2015 NGF	FY 2016 GF	FY 2016 NGF	Biennial Total	Total FTE
DSB&SD	\$5.9	\$2.4	\$5.9	\$2.4	\$16.5	63
Ft. Monroe Authority	\$6.7		\$5.5		\$12.2	Not Set
VA Economic Development Partnership	\$20.2		\$18.9		\$39.1	Not Set
VA Employment Commission	\$594.3		\$607.5		\$1,201.8	865
Racing Commission		\$3.1		\$3.1	\$6.2	10
VA Tourism Authority	\$21.6		\$21.6		\$43.2	Not Set
<b>Total for C&amp;T</b>	<b>\$185.3</b>	<b>\$883.1</b>	<b>\$199.3</b>	<b>\$896.2</b>	<b>\$2,163.9</b>	<b>1,694</b>



# Economic Development Incentives

- **Proposes \$59.3 million GF in FY 2015 and \$77.3 million GF in FY 2016.**
  - \$11.8 million GF each year for the Governor’s Opportunity Fund and \$4.8 million GF each year for the Commonwealth Research Commercialization Fund (same levels provided in the 2012-14 biennium).
  - \$4.75 million GF the first year and \$3.0 million the second year for the Motion Picture Opportunity Fund (an increase of \$1.75 million first year only).
  - Funding for performance based grants based on projected progress:

<b>Performance Grant</b> (\$ in millions)	<b>FY 2015</b>	<b>FY 2016</b>	<b>Total</b>
Major Eligible Employer	\$6.8	\$6.8	\$13.6
Semiconductor Manufacturing	5.4	3.8	10.8
VA Investment Partnership	3.9	3.6	7.5
Aerospace Engine Facility Incentive	0.6	19.3	19.9
Advanced Shipbuilding Training Facility	8.0	7.6	15.6
VA Economic Development Incentive Grant	4.5	5.9	10.4
VA Jobs Investment Program	5.7	5.7	11.4



# Department of Housing and Community Development

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- Provides \$4.0 million GF each year for the Housing Trust Fund, which was originally capitalized with \$8.0 million in FY 2014 from revenues generated from settlements with mortgage servicing firms.
- Also provides \$1.0 million GF each year for rapid re-housing programs and \$585,413 GF the first year and \$91,782 GF the second year to improve data collection on homelessness.
- Proposes \$172.3 million NGF each year and 1.5 FTE positions to administer the federal funded Section 8 Housing Assistant Payments Contract under agree with the U. S. Department of Housing and Urban Development. DHCD will not manage the program but serve as a pass-through entity through which the funding will be provided to an outside vendor.



# Fort Monroe Authority

- SB 29 provides an increase in the Department of Housing and Community Development of \$701,620 GF in FY 2014 to bring the total Fort Monroe operating appropriation to \$5.8 million GF.
- SB 30 creates Fort Monroe Authority as a stand-alone agency and proposes \$6.7 million GF the first year and \$5.5 million GF the second year for operations of the former U. S. Army installation.
- SB 30 also proposes \$22.5 million in VPBA bonds for the Authority's capital outlay needs for a variety of maintenance projects to include roof, elevator and utility repairs.
  - The capital funding is to be administered through the Department of General Services.



# Other Commerce & Trade Actions

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- Establishes the Department of Small Business and Supplier Diversity to implement legislation approved in 2013 to merge the Department of Business Assistance and the Department of Minority Business Enterprises.
  - Provides \$5.9 million GF and \$1.7 million NGF and 41 FTE positions.
- Proposes an additional \$2.5 million GF each year for the Life Sciences Consortium.
- Provides an increase of \$1.4 million GF each year in the VA Tourism Authority to increase advertising and marketing.
- Provides \$1.3 million GF each year for the Commonwealth Center for Advanced Manufacturing for workforce development.
- Proposes \$1.0 million GF each year in the Department of Mines, Minerals and Energy to support offshore wind energy development.

