

LEGISLATION AND POLICY COMMITTEE



Virginia State Flag

January 27, 2021

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AS PUBLIC HEALTH CONCERNS SUBSIDE, WE SEE FOUR BIG OPPORTUNITIES FOR ECONOMIC RECOVERY



Capture manufacturing reshoring and new supply chain opportunities



Accelerate Digital Virginia (cloud computing, software, data centers)



Seize telework transition opportunities, with special focus on rural & small metro regions



Retool and reskill Virginia's (unemployed) workforce for post-COVID career opportunities

COMMONWEALTH STRATEGIC ECONOMIC RESTORATION BUDGET REQUESTS FOR FY22

Initiative	Impact	Add. Investmt. (\$M) FY22	Economic Opportunities			
			Reshoring	Digital Virginia	Telework	Retool, Reskill
A. Expand Virginia Talent Accelerator Program 	Expansion would support statewide coverage of the program. Program ranked in the top 3 after one year. VA will secure projects with 3,000-6,250 additional rural/small metro jobs/year by 2022.	4.7	✓	✓	✓	✓
B. Restore Virginia Jobs Investment Program (VJIP) 	Restoration would continue the use of the most commonly used economic development incentive to capture the reshoring wave.	2.0*	✓	✓	✓	✓
C. Expand Virginia Business Ready Sites Program 	Investment in site development will ensure that Virginia is well positioned to capture project wins as the economy recovers, and more companies onshore their operations to reduce the risk of future pandemic-related supply chain disruptions.	5.0*	✓			✓
D. Create the office of education and labor market alignment 	Creation of the office would provide a unified, consistent source of information and analysis on linkages between education and employment outcomes. These data insights will enable policymakers and educators to effectively respond to the talent needs of Virginia's economy.	0.5*	✓	✓	✓	✓
E. MEI Custom Grant <ul style="list-style-type: none"> Microsoft 	Microsoft Corp. will invest \$64 million to establish a new software development and R&D regional hub, which will create 1,500 new jobs.	5.6*		✓		

*Included in the Governor's introduced budget

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OTHER BUDGET ITEMS OF INTEREST

Item	Agency	Additional investment (\$M)	
		FY21	FY22
Virginia Telecommunications Initiative (VATI)	DHCD	0.0	15.3
Get Skilled, Get a Job, Give Back (G3) Program	VCCS	0.0	34.5
Passenger Rail to Blacksburg	DRPT	0.0	50.0
Virginia Main Street Program	DHCD	0.0	3.0
\$1,500 Bonus on 9/1/21 ¹	Executive Branch	0.0	0.0
Amendment: International Trade Plan Funding ²	VEDP	0.0	2.5
Amendment: Virginia Brownfields Restoration and Economic Development Assistance Fund ³	VEDP	0.5	3.5
Amendment: Infrastructure Upgrades for Pharmaceutical Manufacturing Economic Development ⁴	Petersburg	0.0	10.0

¹Contingent on meeting or exceeding the revenue forecast.

²Amendment by Sen. Marsden & Del. Bulova &

³Amendment by Del. McQuinn to support redevelopment of public housing projects near former landfill sites

⁴Amendment by Del. Aird to improve a chemical plant complex located in the City of Petersburg

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LEGISLATIVE INITIATIVES FOR 2021 GENERAL ASSEMBLY SESSION

Initiative	Impact	Additional investment required (\$M) FY22	Economic Opportunities			
			Reshoring	Digital Virginia	Telework	Retool, Reskill
A. SB1418 (McPike) Waive or reduce the capital investment requirement and/or local match for teleworking jobs on job creation grant programs (e.g., COF)	Help Virginia attract and grow higher-paying jobs focused in the technology sector and other traded sectors in all regions of the Commonwealth.	0.0		✓	✓	✓
B. HB1967 (Bagby) Align VJIP to the Virginia Minimum Wage Act	Continue to attract higher-paying jobs across the Commonwealth while aligning with the diversity of economies throughout Virginia.	0.0	✓	✓		✓
C. SB1314 (Hashmi) Create the office of education and labor market alignment to provide information and analysis on linkages between education and employment outcomes	Create the office which would provide a unified, consistent source of information and analysis on linkages between education and employment outcomes. These data insights will enable policymakers and educators to effectively respond to the talent needs of Virginia's economy.	0.5*	✓	✓	✓	✓
D. SB1156 (Howell) MEI Custom Grant Legislation ▪ Microsoft	Microsoft Corp. will invest \$64 million to establish a new software development and R&D regional hub, which will create 1,500 new jobs	5.6*		✓		

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HOUSE BILLS OF INTEREST RELATING TO ECONOMIC DEVELOPMENT

Bill Number	Patron	Description	Last Action*
HB 1743	Wright	Industrial development authorities; size of board in certain towns, quorum	Read second time and engrossed
HB 1755	Carter	Right to work; repeals provisions of Code that refers to denial or abridgement	Committee Referral Pending
HB 1815	Heretick	Marijuana; legalization of cultivation, manufacture, sale, possession, and testing, penalties	Committee Referral Pending
HB 1881	Heretick	Enterprise zone job creation grants; wage requirements	Read first time
HB 1983	Bulova	Wetland and stream mitigation banks; proximity of impacted site	House committee, floor amendments and substitutes offered
HB 2074	Simonds	Environmental justice; interagency working group	Assigned to House Agriculture, Chesapeake and Natural Resources – Natural Resources Subcommittee
HB 2186	Hodges	Mathews County; appointment of bd. of director to the Economic Development Authority of the County	Referred to Committee on Counties, Cities and Towns
HB2273	Morefield	Sales and use tax exemption for data centers	Assigned to House Finance – Subcommittee #1
HB 2287	Ware	Economic development authorities; size of board in Powhatan County; quorum	Referred to Committee on Counties, Cities and Towns

*As of 1/20/21

SENATE BILLS OF INTEREST RELATING TO ECONOMIC DEVELOPMENT

Bill Number	Patron	Description	Last Action*
SB 1115	Peake	Industrial hemp; increases maximum THC concentration	Referred to Senate Agriculture, Conservation and Natural Resources
SB 1158	Spruill	Port of Virginia tax credits; sunset	Reported from Finance and Appropriations (15-Y 0-N)
SB 1171	Norment	State and Local Government Conflict of Interests Act; disclosure requirements	Engrossed by Senate as amended
SB 1173	Norment	Tobacco Region Revitalization Commission; membership	Referred to Senate Rules
SB 1318	Hashmi	Interagency Environmental Justice Working Group; established, report	Senate committee, floor amendments and substitutes offered
SB 1353	Marsden	Corporate income tax; combined reporting requirements	Referred to Senate Finance and Appropriations
SB 1394	Petersen	Income tax exclusion for Paycheck Protection Plan loan forgiveness; deductibility	Referred to Senate Finance and Appropriations
SB 1423	McPike	Sales and use tax exemption for data centers	Referred to Senate Finance and Appropriations
SB 1425	Ruff	Sales and use tax exemption for data centers	Referred to Senate Finance and Appropriations

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SPECIAL SESSION UPDATE

On January 5, 2021, a special election was held to fill two vacant seats in the House of Delegates

- Delegate Jennifer Carrol-Foy (D) resigned from her seat in the 2nd District to focus on her gubernatorial run for Governor
- Delegate Joe Lindsey (D) resigned from his seat in the 90th District to accept a judgeship in the Norfolk General District Court

Senator A. Benton Chafin (R) of the 38th District passed away January 1, 2021, from complications of Covid-19

- The seat will remain vacant for the 2021 session
- A Special Election is set for March 23, 2021



Newly Elected



Candi Mondon King (D) –
2nd District



Angelia Williams Graves
(D) – 90th District

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HOW VEDP IS ENGAGING DECISION MAKERS

- Working with the Administration on the Governor's priorities for economic development in the 2021 General Assembly Session
 - Demonstrating the effectiveness, utilization, and the direct impact of job creation for various VEDP programs, including the Virginia Talent Accelerator Program, VJIP, and VBRSP
- Strategically securing outreach to leadership and members of the money committees through the Virginia Economic Developers Association (VEDA), Virginia Chamber of Commerce, Local and Regional Chambers of Commerce, the Coalition of Technology Councils, Virginia Business Council, and other stakeholder groups on economic development initiatives and post-Covid priorities
- Developed one-pagers on VEDP budget priorities and legislation
- Reaching out to legislators with information on economic development projects in their respective districts that offer either of VEDP's workforce training programs
- Providing updated Board Outreach books and developing talking points on the effectiveness of these economic development programs

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VIRGINIA STATE CAPITOL
BANK STREET ENTRANCE

Virginia State Capitol