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SENATE BILL NO. 440

Offered January 14, 2004

Prefiled January 14, 2004

A BILL to amend the Code of Virginia by adding in Title 63.2 a chapter numbered 23, consisting of sections numbered 63.2-2300 and 63.2-2301, relating to creation of the Virginia Targeted Jobs Grant Program.

Patrons—Locke and Saslaw; Delegate: BaCote

Referred to Committee on Rehabilitation and Social Services

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 63.2 a chapter numbered 23, consisting of sections numbered 63.2-2300 and 63.2-2301, as follows:

CHAPTER 23.**VIRGINIA TARGETED JOBS GRANT PROGRAM.**

§ 63.2-2300. *Virginia Targeted Jobs Grant Program.*

A. The Board shall implement a grant program to provide assistance to employers who hire "qualified employees," as hereinafter defined, through taxable year 2008, subject to the terms and conditions of this section and the regulations of the Board.

B. For purposes of this section, a "qualified employee" is a Virginia resident who at the time of hiring is a recipient of the Temporary Assistance for Needy Families Program (TANF) and has been a recipient of TANF for nine consecutive months and has been placed with the employer as a result of the Department of Social Services' Employment Services Program as is evidenced by a certification and voucher furnished by the Department.

In order to receive a grant hereunder, the employer shall document and keep records that the employee satisfied the above conditions at the time of hiring.

C. Any person who is hired under this program (i) shall not have been an employee of the employer claiming the grant for at least one year prior to the date of hiring; (ii) shall not be a relative of any owner of the employer claiming the grant; "relative" shall be defined as a spouse, child, grandchild, parent or sibling of an owner or employer, and "owner" shall be defined, in the case of a corporation, as any person who owns five percent or more of the corporation's stock; (iii) shall not own, directly or indirectly, more than fifty percent in value of the outstanding stock of a corporation claiming the grant; and (iv) shall have worked for the employer for at least 1,000 hours of the taxable year for which the employer is claiming the grant at a rate of pay that is at least the minimum wage. All employees of employers that are members of a controlled group shall be treated as employees of a single employer for purposes of this grant program.

§ 63.2-2301. *Virginia Targeted Jobs Grant Fund; Fund established.*

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Targeted Jobs Grant Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of any moneys appropriated to it in the general appropriation act or revenue from any other source. All moneys shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of providing assistance to employers who hire persons who have been receiving TANF for nine consecutive months. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Commissioner of Social Services.

B.1. Employers who hire such qualified employees shall be entitled to receive an annual Virginia targeted jobs grant in an amount not to exceed \$1,000 for each qualified employee hired in the taxable year for which the grant is claimed.

2. Employers entitled to claim or apply for a grant pursuant to this section shall provide evidence, satisfactory to the Commissioner, of hiring such qualified employees in the taxable year for which the grant is claimed. No grant shall be paid prior to July 1, 2004. Applications claiming such grants shall be filed no later than the last day of the third month following the close of the taxable year for which the grants are claimed. Failure to meet the filing deadline shall render the applicant ineligible to receive a grant. The postmark cancellation shall govern the date of the filing determination unless the Commissioner has approved an alternative means of filing.

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SB440

59 C. The Commissioner shall certify to the Comptroller the amount of grant an employer is eligible to
60 receive.

61 D. The Commissioner, upon presenting appropriate credentials, may examine the records, books, and
62 other applicable documents to determine whether the employer has satisfied the requirements for grants
63 as set forth in this section.

64 **2. That the Board shall promulgate regulations to implement the provisions of this act to be**
65 **effective within 280 days of its enactment.**