

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB943

House of Origin	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

2. Patron: Landes

3. Committee: Passed both houses.

4. Title: Small Business Jobs Grant Fund.

5. Summary: This bill establishes the Small Business Jobs Grant Program and Fund to be administered by the Department of Business Assistance (DBA). The purpose of the Fund is to provide grants to small businesses that create at least five new full-time positions within a 12-month period paying at least the prevailing average annual wage in the locality in which the business is located. Grants will range between \$500 and \$2,000 per new full-time position based on the education, training and experience required. In awarding grants, priority must be given to small businesses creating new full-time positions in areas with an annual average unemployment rate of more than 125 percent of the statewide average unemployment rate.

6. Fiscal Impact Estimates: Final. See item 8.

7. Budget Amendment Necessary: No. See item 8.

8. Fiscal Implications: The fiscal impact of this bill is indeterminate. It is unknown at this time if there will be any cost associated with the establishment, management and marketing of the nonreverting Small Business Grant Fund. It is also unknown at this time as to whether how many businesses will be awarded grants. Further, this bill does not provide a specific amount of moneys to be transferred to the Small Business Grant Fund from the Virginia Jobs Investment Program. However, after the implementation of the new program, DBA will assess the demand and workload to determine the impact on its personnel to see if the agency needs any changes.

9. Specific Agency or Political Subdivisions Affected: Department of Business Assistance.

10. Technical Amendment Necessary: No.

11. Other Comments: The second enactment clause states that the Department of Business Assistance shall develop guidelines implementing the provisions of this act. The guidelines shall be made publicly available no later than September 1, 2010. The development of the guidelines shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

The third enactment clause states that beginning with the Commonwealth's fiscal year starting on July 1, 2010, and for each fiscal year thereafter, the Comptroller shall by September 1 of each

year transfer an amount from the Virginia Jobs Investment Program as provided in the 2010-2012 Appropriations Act to the Small Business Jobs Grant Fund established in accordance with § 2.2-904.2 of this act, with such moneys transferred to be used for the purposes set forth in § 2.2-904.2.

Date: 3/10/2010 dpbbrb

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