

# 2011 SESSION

INTRODUCED

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## SENATE BILL NO. 969

Offered January 12, 2011

Prefiled January 11, 2011

A *BILL to amend the Code of Virginia by adding in Chapter 38 of Title 58.1 an article numbered 10.1, consisting of a section numbered 58.1-3851.1, relating to Local Defense Manufacturing Zones.*

Patron—Marsh

Referred to Committee on Finance

### Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 38 of Title 58.1 an article numbered 10.1, consisting of a section numbered 58.1-3851.1, as follows:

#### Article 10.1.

##### Local Defense Manufacturing Zones.

§ 58.1-3851.1. *Creation of local defense manufacturing zones.*

A. Any city, county, or town may establish, by ordinance, one or more defense manufacturing zones. Each locality may grant tax incentives and provide certain regulatory flexibility in a defense manufacturing zone.

B. The tax incentives may be provided for up to 10 years and may include, but not be limited to: (i) reduction of permit fees; (ii) reduction of user fees; and (iii) reduction of any type of gross receipts tax. The extent and duration of such incentive proposals shall conform to the requirements of the Constitutions of Virginia and of the United States.

C. The governing body may also provide for regulatory flexibility in such zone which may include, but not be limited to: (i) special zoning for the district; (ii) permit process reform; (iii) exemption from ordinances; and (iv) any other incentive adopted by ordinance, which shall be binding upon the locality for a period of up to 10 years.

D. The establishment of a defense manufacturing zone shall not preclude the area from also being designated as an enterprise zone.

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