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**SENATE BILL NO. 492**

Offered January 8, 2014

Prefiled January 8, 2014

*A BILL to amend and reenact §§ 2.2-435.8, 2.2-1605, 2.2-1611, 2.2-1615, 2.2-2237, and 59.1-284.22 of the Code of Virginia, to amend the Code of Virginia by adding sections numbered 2.2-2240.3 through 2.2-2240.6, and to repeal §§ 2.2-1612, 2.2-1613, and 2.2-1614 of the Code of Virginia, relating to the administration of the Virginia Jobs Investment Program.*

Patron—McWaters

Referred to Committee on General Laws and Technology

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

**1. That §§ 2.2-435.8, 2.2-1605, 2.2-1611, 2.2-1615, 2.2-2237, and 59.1-284.22 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding sections numbered 2.2-2240.3 through 2.2-2240.6 as follows:**

**§ 2.2-435.8. Workforce program evaluations; sharing of certain data.**

A. Notwithstanding any provision of law to the contrary, the agencies specified in subsection D may share data from within their respective databases solely to (i) provide the workforce program evaluation and policy analysis required by subdivision A 8 of § 2.2-435.7 and clause (i) of subdivision A 10 of § 2.2-435.7 and (ii) conduct education program evaluations that require employment outcomes data to meet state and federal reporting requirements.

B. Data shared pursuant to subsection A shall not include any personal identifying information, shall be encrypted, and shall be transmitted to the Governor or his designee. Upon receipt of such data, the Governor or his designee shall re-encrypt the data to prevent any participating agency from connecting shared data sets with existing agency files. For the purposes of this section:

1. "Identifying information" means the same as that term is defined in § 18.2-186.3, and

2. "Encrypted" means the same as that term is defined in § 18.2-186.6.

C. The Governor or his designee and all agencies authorized under this section shall destroy or erase all shared data upon completion of all required evaluations and analyses. The Governor or his designee may retain a third-party entity to assist with the evaluation and analysis.

D. The databases from the following agencies relating to the specific programs identified in this subsection may be shared solely to achieve the purposes specified in subsection A:

1. Virginia Employment Commission: Unemployment Insurance, Job Service, Trade Act, and Veterans Employment Training Programs;

2. Virginia Community College System: Postsecondary Career and Technical Education, Workforce Investment Act Adult, Youth and Dislocated Worker Programs;

3. Department for Aging and Rehabilitative Services: Vocational Rehabilitation and Senior Community Services Employment Program;

4. Department for the Blind and Vision Impaired: Vocational Rehabilitation;

5. Department of Education: Adult Education and Family Literacy, Special Education, and Career and Technical Education;

6. Department of Labor and Industry: Apprenticeship;

7. Department of Social Services: Supplemental Nutrition Assistance Program and Virginia Initiative for Employment Not Welfare;

8. ~~Department of Small Business and Supplier Diversity~~ *Virginia Economic Development Partnership*: Virginia Jobs Investment Program;

9. Department of Juvenile Justice: Youth Industries and Institutional Work Programs and Career and Technical Education Programs;

10. Department of Corrections: Career and Technical Education Programs; and

11. The State Council of Higher Education for Virginia.

**§ 2.2-1605. Powers and duties of Department.**

A. The Department shall have the following powers and duties:

1. Coordinate as consistent with prevailing law the plans, programs, and operations of the state government that affect or may contribute to the establishment, preservation, and strengthening of small, women-owned, and minority-owned businesses;

2. Promote the mobilization of activities and resources of state and local governments, businesses and trade associations, universities, foundations, professional organizations, and volunteer and other groups towards the growth of small businesses and businesses owned by women and minorities, and facilitate

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SB492

the coordination of the efforts of these groups with those of state departments and agencies;

3. Establish a center for the development, collection, summarization, and dissemination of information that will be helpful to persons and organizations throughout the nation in undertaking or promoting procurement from small, women-owned, and minority-owned businesses;

4. Consistent with prevailing law and availability of funds, and according to the Director's discretion, provide technical and management assistance to small, women-owned, and minority-owned businesses and defray all or part of the costs of pilot or demonstration projects that are designed to overcome the special problems of small, women-owned, and minority-owned businesses;

5. Manage the Capital Access Fund for Disadvantaged Businesses created pursuant to § 2.2-2311 and, in cooperation with the Small Business Financing Authority, determine the qualifications, terms, and conditions for the use of such Fund; and

6. Implement any remediation or enhancement measure for small, women-owned, or minority-owned businesses as may be authorized by the Governor pursuant to subsection C of § 2.2-4310 and develop regulations, consistent with prevailing law, for program implementation. Such regulations shall be developed in consultation with the state agencies with procurement responsibility and promulgated by those agencies in accordance with applicable law.

B. In addition, the Department shall serve as the liaison between the Commonwealth's existing businesses and state government in order to promote the development of Virginia's economy. To that end, the Department shall:

1. ~~Provide for~~ Encourage the training or retraining of individuals for specific employment opportunities at new or expanding business facilities in the Commonwealth;

2. Develop and implement programs to assist small businesses in the Commonwealth in order to promote their growth and the creation and retention of jobs for Virginians;

3. Establish an industry program that is the principal point of communication between basic employers in the Commonwealth and the state government that will address issues of significance to business;

4. Make available to existing businesses, in conjunction and cooperation with localities, chambers of commerce, and other public and private groups, basic information and pertinent factors of interest and concern to such businesses;

5. Develop statistical reports on job creation and the general economic conditions in the Commonwealth; and

6. Administer ~~any programs established under the Virginia Jobs Investment Program the Small Business Jobs Grant Fund Program and the Small Business Investment Grant Fund~~ described in Article 2 (§ 2.2-1611 et seq.) of this chapter.

C. All agencies of the Commonwealth shall assist the Department upon request and furnish such information and assistance as the Department may require in the discharge of its duties.

#### Article 2.

#### ~~Virginia Small Business Jobs Investment Program Grant Fund Program and Small Business Investment Grant Fund.~~

#### **§ 2.2-1611. Small Business Jobs Grant Fund Program; composition; general qualifications.**

A. As used in this article, unless the context requires a different meaning:

"Capital investment" means an investment in real property, personal property, or both, at a manufacturing or basic nonmanufacturing facility within the Commonwealth that is or may be capitalized by the company and that establishes or increases the productivity of the manufacturing facility, results in the utilization of a more advanced technology than is in use immediately prior to such investment, or both.

"Full-time employee" means a natural person employed for indefinite duration in a position requiring a minimum of either (i) 35 hours of the employee's time per week for the entire normal year, which "normal year" shall consist of at least 48 weeks, or (ii) 1,680 hours per year. Seasonal or temporary employees shall not qualify as new full-time employees under this article.

B. There is hereby created the ~~Virginia Jobs Investment Small Business Jobs Grant Fund~~ Program (the Program) to support private sector job creation by encouraging the expansion of existing Virginia businesses and the start-up of new business operations in Virginia. The Program shall support existing businesses and economic development prospects by offering funding to offset recruiting and training and retraining costs incurred by companies that are either creating new jobs or implementing technological upgrades and by providing assistance with workforce-related challenges and organizational development workshops.

C. The Program shall consist of the following component programs:

1. The Virginia New Jobs Program;

2. The Workforce Retraining Program;

3. The Small Business New Jobs and Retraining Programs; and

4. The Small Business Jobs Grant Fund Program.

D. B. To be eligible for assistance under any of the component programs of the Program, a company shall:

1. Create or sustain employment for the Commonwealth in a basic sector industry or function, which would include businesses or functions that directly or indirectly derive more than 50 percent of their revenues from out-of-state sources, as determined by the Department;

2. Pay a minimum entry-level wage rate per hour of at least 1.35 times the federal minimum wage. In areas that have an unemployment rate of one and one-half times the statewide average unemployment rate, the wage rate minimum may be waived by the Department. Only full-time positions that qualify for benefits shall be eligible for assistance;

3. Submit copies of employer quarterly payroll reports provided by the company to the Virginia Employment Commission to verify the employment status of each position that has been included in a grant awarded under a component program; and

4. Meet such additional criteria as may be set forth by the Department.

E. There is hereby established in the state treasury a special nonreverting fund to be known as the Virginia Jobs Investment Program Fund. The Fund shall consist of any moneys appropriated thereto by the General Assembly from time to time and designated for the Fund. Any moneys deposited to or remaining in the Fund during or at the end of each fiscal year or biennium, including interest thereon, shall not revert to the general fund but shall remain in the Fund and be available for allocation under this article in ensuing fiscal years. Moneys in the Fund shall be used solely for grants to eligible businesses as provided in this article, except for assistance under the Small Business Jobs Grant Fund Program. The total amount of funds provided to eligible businesses under this article for any year, except for assistance under the Small Business Jobs Grant Fund Program, shall not exceed the amount appropriated by the General Assembly to the Fund for such year plus any carryover from previous years. 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 Director or his designee. The Fund shall be administered by the Director.

#### **§ 2.2-1615. Small Business Jobs Grant Fund Program.**

A. As used in this section:

"Base year" means the calendar year immediately preceding the 24-month period in which a small business creates new full-time positions making it eligible for grants under this section.

"Capital investment" means an investment in real property, personal property, or both, at a manufacturing or basic nonmanufacturing facility within the Commonwealth that is or may be capitalized by the company and that establishes or increases the productivity of the manufacturing facility, results in the utilization of a more advanced technology than is in use immediately prior to such investment, or both.

"New full-time position" means employment of a resident of the Commonwealth for an indefinite duration in the Commonwealth at a small business requiring (i) a minimum of 35 hours of an employee's time per week for the entire normal year of the small business's operation, which "normal year" shall consist of at least 48 weeks, or (ii) a minimum of 1,680 hours per year. Seasonal, temporary, or contract positions or positions created when a job function is shifted from an existing location in the Commonwealth shall not qualify as a new full-time position.

"Small business" means an independently owned and operated business that has been organized pursuant to Virginia law or maintains a principal place of business in Virginia and has 250 or fewer employees in its base year.

B. The Department shall develop as a component of the Virginia Jobs Investment Program the Small Business Jobs Grant Fund Program to assist Virginia small businesses job creation.

C. In addition to the requirements of subsection D B of § 2.2-1611 regarding company eligibility, to be eligible for assistance under the Program a company shall (i) create a minimum of five net new full-time positions and (ii) make a new capital investment of at least \$100,000.

The Secretary of Commerce and Trade may waive these requirements, but shall promptly provide written notice of any such waiver to the Chairmen of the Senate Finance and House Appropriations Committees, which notice shall include a justification for any waiver of these requirements.

D. There is hereby created in the state treasury a permanent nonreverting fund to be known as the Small Business Jobs Grant Fund (the Fund). The Fund shall consist of (i) transfers from the Virginia Jobs Investment Program funded in the general appropriation act currently in effect and (ii) any other moneys designated for deposit to the Fund from any source, public or private. 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. The Fund shall be managed and administered as a part of the Virginia Jobs Investment Program established within the Department.

E. Moneys in the Fund shall be used solely for the purpose of providing grants to small businesses

182 that create at least five new full-time positions within any 24-month period. A small business meeting  
183 the conditions of this section shall be eligible to receive a grant from the Fund ranging from \$500 to  
184 \$2,000 per each new full-time position that has been created based on criteria established by the  
185 Department pursuant to subsection G.

186 In awarding grants, priority shall be given to small businesses creating new full-time positions in  
187 areas with an annual average unemployment rate of more than 125 percent of the statewide average  
188 unemployment rate.

189 F. Grant payments under this section shall be conditional upon the small business substantially  
190 retaining (i) the number of full-time positions in its base year plus (ii) the number of new full-time  
191 positions for which grants are to be paid. In no case shall the retention period, as determined by the  
192 Department, for any new full-time position for which a grant is to be paid be less than 12 months.

193 No grant shall be awarded or paid for any new full-time position created prior to July 1, 2010. No  
194 grant shall be awarded or paid for any new full-time position created solely as a result of a merger,  
195 acquisition, or similar business combination or a change in business form unless such new full-time  
196 position is moved into the Commonwealth from outside of the Commonwealth.

197 G. The Department shall establish criteria for determining the amount of the grant to be awarded for  
198 each eligible new full-time position created by a small business that will be based on the level of  
199 education, training, and experience required for the job. Such criteria shall also (i) prohibit a small  
200 business from receiving more than one grant under this section for the same position and (ii) require the  
201 employee to be employed in the new full-time position for at least 90 days prior to the award of the  
202 grant.

203 H. The Department shall determine the qualifications, terms, and conditions for the use of the Fund  
204 and the accounts thereof. In connection with applications for claims made against the Fund, the  
205 Department may require the production of any document, instrument, certificate, or legal opinion or any  
206 other information it deems necessary or convenient. All claims made against the Fund shall be approved  
207 by the Department.

208 **§ 2.2-2237. Powers of Authority.**

209 The Authority is granted all powers necessary or convenient for the carrying out of its statutory  
210 purposes, including, but not limited to, the power to:

211 1. Sue and be sued, implead and be impleaded, complain and defend in all courts;

212 2. Adopt, use, and alter at will a common seal;

213 3. Acquire, purchase, hold, use, lease or otherwise dispose of any property, real, personal or mixed,  
214 tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of the  
215 Authority, and to lease as lessee, any property, real, personal or mixed, tangible or intangible, or any  
216 interest therein, at such annual rental and on such terms and conditions as may be determined by the  
217 Board and to lease as lessor to any person, any property, real, personal or mixed, tangible or intangible,  
218 or any interest therein, at any time acquired by the Authority, whether wholly or partially completed, at  
219 such annual rental and on such terms and conditions as may be determined by the Board and to sell,  
220 transfer or convey any property, real, personal or mixed, tangible or intangible, or any interest therein, at  
221 any time acquired or held by the Authority on such terms and conditions as may be determined by the  
222 Board, provided that the terms of any conveyance or lease of real property shall be subject to the prior  
223 written approval of the Governor;

224 4. Fix, alter, charge and collect rates, rentals, fees, and other charges for the use of property of, the  
225 sale of products of, or services rendered by the Authority at rates to be determined by it for the purpose  
226 of providing for the payment of the expenses of the Authority;

227 5. Make and enter into all contracts and agreements necessary or incidental to the performance of its  
228 duties, the furtherance of its purposes, and the execution of its powers under this article, including  
229 agreements with any person or federal agency;

230 6. Employ, at its discretion, consultants, researchers, architects, engineers, accountants, financial  
231 experts, investment bankers, superintendents, managers and such other employees and agents as may be  
232 necessary, and to fix their compensation to be payable from funds made available to the Authority. The  
233 Authority may hire employees within and without the Commonwealth and the United States without  
234 regard to whether such employees are citizens of the Commonwealth. Legal services for the Authority  
235 shall be provided by the Attorney General in accordance with Chapter 5 (§ 2.2-500 et seq.) of this title;

236 7. Receive and accept from any federal or private agency, foundation, corporation, association or  
237 person, grants or other aid to be expended in accomplishing the objectives of the Authority, and receive  
238 and accept from the Commonwealth or any state, and any municipality, county or other political  
239 subdivision thereof or from any other source, aid or contributions of either money, property, or other  
240 things of value, to be held, used, and applied only for the purposes for which such grants and  
241 contributions may be made. All federal moneys accepted under this section shall be accepted and  
242 expended by the Authority upon such terms and conditions as are prescribed by the United States and as  
243 are consistent with state law; and all state moneys accepted under this section shall be expended by the

Authority upon such terms and conditions as are prescribed by the Commonwealth;

8. Render advice and assistance and to provide services to state agencies, local and regional economic development entities, private firms, and other persons providing services or facilities for economic development in Virginia;

9. Develop, undertake, and provide programs, alone or in conjunction with any person, for economic research, industrial development research, and all other research that might lead to improvements in economic development in Virginia;

10. Adopt, alter, and repeal bylaws, rules, and regulations governing the manner in which its business shall be transacted and the manner in which the powers of the Authority shall be exercised and its duties performed; and

11. Do all acts and things necessary or convenient to carry out the powers granted to it by law, and perform any act or carry out any function not inconsistent with state law that may be useful in carrying out the provisions of this article; and

12. Administer any program established under the Virginia Jobs Investment Program described in § 2.2-2240.3.

**§ 2.2-2240.3. Definitions; Virginia Jobs Investment Program and Fund; composition; general qualifications.**

A. As used in this section and §§ 2.2-2240.4, 2.2-2240.5, and 2.2-2240.6, unless the context requires a different meaning:

"Capital investment" means an investment in real property, personal property, or both, at a manufacturing or basic nonmanufacturing facility within the Commonwealth that is or may be capitalized by the company and that establishes or increases the productivity of the manufacturing facility, results in the utilization of a more advanced technology than is in use immediately prior to such investment, or both.

"Full-time employee" means a natural person employed for indefinite duration in a position requiring a minimum of either (i) 35 hours of the employee's time per week for the entire normal year, which "normal year" shall consist of at least 48 weeks, or (ii) 1,680 hours per year. Seasonal or temporary employees shall not qualify as new full-time employees under the Program.

"Fund" means the Virginia Jobs Investment Program Fund created in this section.

"Program" means the Virginia Jobs Investment Program created in this section.

B. There is hereby created the Virginia Jobs Investment Program to support private sector job creation by encouraging the expansion of existing Virginia businesses and the start-up of new business operations in Virginia. The Program shall support existing businesses and economic development prospects by offering funding to offset recruiting and training and retraining costs incurred by companies that are either creating new jobs or implementing technological upgrades and by providing assistance with workforce-related challenges and organizational development workshops.

C. The Program shall consist of the following component programs:

1. The Virginia New Jobs Program;
2. The Workforce Retraining Program; and
3. The Small Business New Jobs and Retraining Programs.

D. To be eligible for assistance under any of the component programs of the Program, a company shall:

1. Create or sustain employment for the Commonwealth in a basic sector industry or function, which would include businesses or functions that directly or indirectly derive more than 50 percent of their revenues from out-of-state sources, as determined by the Authority;

2. Pay a minimum entry-level wage rate per hour of at least 1.35 times the federal minimum wage. In areas that have an unemployment rate of one and one-half times the statewide average unemployment rate, the wage rate minimum may be waived by the Authority. Only full-time positions that qualify for benefits shall be eligible for assistance;

3. Meet such additional criteria as may be set forth by the Authority.

E. There is hereby established in the state treasury a special nonreverting fund to be known as the Virginia Jobs Investment Program Fund (the Fund). The Fund shall consist of any moneys appropriated thereto by the General Assembly from time to time and designated for the Fund. Any moneys deposited to or remaining in the Fund during or at the end of each fiscal year or biennium, including interest thereon, shall not revert to the general fund but shall remain in the Fund and be available for allocation under this article in ensuing fiscal years. Moneys in the Fund shall be used solely for grants to eligible businesses as permitted by the Program. The total amount of funds provided to eligible businesses under the Program for any year, shall not exceed the amount appropriated by the General Assembly to the Fund for such year, plus any carryover from previous years. 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 President and Chief Executive Officer or his designee.

305 *The Fund shall be administered by the President and Chief Executive Officer.*

306 **§ 2.2-2240.4. Virginia New Jobs Program.**

307 *A. The Authority shall develop as a component of the Virginia Jobs Investment Program the Virginia*  
308 *New Jobs Program to support the expansion of existing Virginia companies and new facility locations*  
309 *involving competition with other states or countries.*

310 *B. In addition to the requirements of subsection D of § 2.2-2240.3 regarding company eligibility, to*  
311 *be eligible for assistance, an expansion of an existing company or a new company location shall (i)*  
312 *create a minimum of 25 net new jobs for full-time employees, (ii) make a capital investment of at least*  
313 *\$1 million, and (iii) include Virginia in a current competition for the location of the project with at*  
314 *least one other state or country.*

315 *The Secretary of Commerce and Trade may waive these requirements but shall promptly provide*  
316 *written notice of any such waiver to the Chairmen of the Senate Finance and House Appropriations*  
317 *Committees, which notice shall include a justification for any waiver of these requirements.*

318 **§ 2.2-2240.5. Workforce Retraining Program.**

319 *A. The Authority shall develop as a component of the Virginia Jobs Investment Program the*  
320 *Workforce Retraining Program to provide consulting services and funding to assist companies and*  
321 *businesses with retraining their existing workforces to increase productivity.*

322 *B. In addition to the requirements of subsection D of § 2.2-2240.3 regarding company eligibility, to*  
323 *be eligible for assistance a company shall demonstrate that (i) it is undergoing integration of new*  
324 *technology into its production process, a change of product line in keeping with marketplace demands,*  
325 *or substantial change to its service delivery process that would require assimilation of new skills and*  
326 *technological capabilities by the firm's existing labor force and (ii) for each such integration of new*  
327 *technology, change of product, or substantial change to its service delivery process, (a) no less than 10*  
328 *full-time employees are involved and (b) a minimum capital investment of \$500,000 will be made within*  
329 *a 12-month period.*

330 *The Secretary of Commerce and Trade may waive these requirements but shall promptly provide*  
331 *written notice of any such waiver to the Chairmen of the Senate Finance and House Appropriations*  
332 *Committees, which notice shall include a justification for any waiver of these requirements.*

333 **§ 2.2-2240.6. Small Business New Jobs and Retraining Programs.**

334 *A. The Authority shall develop as a component of the Virginia Jobs Investment Program the Small*  
335 *Business New Jobs and Retraining Programs to support the establishment or expansion of Virginia's*  
336 *small businesses or to improve their efficiency through retraining.*

337 *B. In addition to the requirements of subsection D of § 2.2-2240.3 regarding company eligibility, to*  
338 *be eligible for assistance for new job creation a company shall create a minimum of five net new jobs*  
339 *for full-time employees and make a capital investment of at least \$100,000. In addition to the*  
340 *requirements of subsection D of § 2.2-2240.3 regarding company eligibility, to be eligible for assistance*  
341 *for retraining a company shall demonstrate that (i) it is undergoing integration of new technology into*  
342 *its production process, a change of product line in keeping with marketplace demands, or substantial*  
343 *change to its service delivery process that would require assimilation of new skills and technological*  
344 *capabilities by the firm's existing labor force and (ii) for each such integration of new technology,*  
345 *change of product, or substantial change to its service delivery process, (a) no less than five full-time*  
346 *employees are involved and (b) a minimum capital investment of \$50,000 will be made within a*  
347 *12-month period.*

348 *The Secretary of Commerce and Trade may waive these requirements but shall promptly provide*  
349 *written notice of any such waiver to the Chairmen of the Senate Finance and House Appropriations*  
350 *Committees, which notice shall include a justification for any waiver of these requirements.*

351 **§ 59.1-284.22. Aerospace Engine Manufacturer Workforce Training Grant Fund; eligible**  
352 **county.**

353 *A. As used in this section:*

354 *"Affiliate" means the same as that term is defined in § 59.1-284.20.*

355 *"Capital investment" means the same as that term is defined in § 59.1-284.20.*

356 *"Eligible county" means Prince George County.*

357 *"Full-time" means employment of an indefinite duration for which the standard fringe benefits are*  
358 *paid, requiring a minimum of either (i) 35 hours of an employee's time per week for the entire normal*  
359 *year of the employer's operations, which "normal year" shall consist of at least 48 weeks, or (ii) 1,680*  
360 *hours per year. The term "full-time" shall not include seasonal or temporary positions or positions*  
361 *created when a job function is shifted from an existing location in the Commonwealth.*

362 *"Grant" means the special training grant or supplemental training grant as described in this section.*

363 *"Qualified employee" means an individual hired in the Commonwealth on or after November 20,*  
364 *2007, by an entity that is a qualified manufacturer or by an affiliate thereof, who (i) is employed by the*  
365 *qualified manufacturer or by an affiliate for at least 90 days, and (ii) works on a full-time basis for the*  
366 *qualified manufacturer or for an affiliate for at least such 90-day period.*

"Qualified manufacturer" means the same as such term is defined in § 59.1-284.20.

"Secretary" means the Secretary of Commerce and Trade or his designee.

"Special training grant" means a \$9,000 allocation from the Aerospace Engine Manufacturer Workforce Training Grant Fund per new qualified employee, as described in this section. The aggregate amount of special training grants under this section shall not exceed \$5,778,000.

"Supplemental training grant" means a one-time \$3 million allocation from the Aerospace Engine Manufacturer Workforce Training Grant Fund, as described in this section.

B. Grants paid to the qualified manufacturer pursuant to this section are intended to be used for workforce development, instructional, or training purposes so as to enhance the skill sets of qualified employees.

C. Any qualified manufacturer that is eligible to receive a special training grant shall (i) report to the Secretary quarterly the number of new qualified employees hired and trained who have been employed for at least 90 days and for whom a special training grant has not been previously paid pursuant to this section, and (ii) provide evidence of the hiring and training of the new qualified employees described in clause (i). The application and evidence shall be filed with the Secretary in person or by mail. For filings by mail, the postmark cancellation shall govern the date of the filing determination. Within 30 days after such evidence has been provided by the qualified manufacturer, the Secretary shall certify to (a) the Comptroller and (b) each qualified manufacturer the amount of the special training grant to which such qualified manufacturer is entitled under this section for payment within 60 days after such certification. Payment of such grant shall be made by check issued by the Treasurer of Virginia on warrant of the Comptroller.

The special training grants under this section (1) shall be paid, subject to appropriation by the General Assembly, from a fund entitled the Aerospace Engine Manufacturer Workforce Training Grant Fund, which Fund is hereby established on the books of the Comptroller, (2) shall not exceed \$5,778,000 in the aggregate, and (3) shall be paid to or for the benefit of the qualified manufacturer on a quarterly basis.

D. A supplemental training grant shall be paid to any qualified manufacturer that has made an aggregate capital investment of at least \$153.9 million in the eligible county and has hired at least 176 new qualified employees, excluding any qualified employee who has been rehired by the qualified manufacturer or an affiliate thereof or who is employed in a different position with the qualified manufacturer or an affiliate thereof. On or before June 30, 2010, and on or before each June 30 thereafter until the supplemental training grant has been paid, the qualified manufacturer shall provide written notification to the Secretary whether it has met or expects to meet the aggregate capital investment and employee requirements by the end of the current calendar year. If it has met or expects to meet such requirements by the end of the calendar year, the qualified manufacturer shall provide evidence of the same, satisfactory to the Secretary, with the written notification. The written notification and evidence shall be filed with the Secretary in person or by mail. For filings by mail, the postmark cancellation shall govern the date of the filing determination. Within 10 days after such notification and evidence have been provided by the qualified manufacturer, the Secretary shall certify to (i) the Comptroller and (ii) each qualified manufacturer the amount of the supplemental training grant to which such qualified manufacturer is entitled under this section for payment in the current fiscal year. Payment of such grant shall be made by check issued by the Treasurer of Virginia on warrant of the Comptroller.

The supplemental training grant shall not be paid prior to July 1, 2010. The supplemental training grant (a) shall be paid, subject to appropriation by the General Assembly, from the Aerospace Engine Manufacturer Workforce Training Grant Fund, (b) shall be equal to \$3 million, and (c) shall, subject to appropriation by the General Assembly, be paid to the qualified manufacturer by the end of the applicable fiscal year, as described herein. No more than \$3 million in supplemental training grants shall be paid pursuant to this section.

E. If grants to be paid to qualified manufacturers under this section in a fiscal year exceed the aggregate amount available in the Aerospace Engine Manufacturer Workforce Training Grant Fund for that year, each qualified manufacturer's grants for the year shall equal the amount of grants to which the qualified manufacturer would otherwise be eligible multiplied by a fraction. The numerator of the fraction shall equal the aggregate amount available for payment from the Aerospace Engine Manufacturer Workforce Training Grant Fund for that fiscal year, and the denominator shall equal the aggregate dollar amount of grants to which all qualified manufacturers otherwise would be eligible for such fiscal year.

F. Notwithstanding any other provision of this section, in lieu of payment of special training grants by check to qualified manufacturers, the Secretary may determine that such special training grants shall be administered in a manner similar to existing training grant programs such as those permitted by § 2.2-1605.2.2-2240.3.

G. As a condition of receipt of a grant, a qualified manufacturer shall make available to the

428 Secretary or his designee for inspection upon his request all relevant and applicable documents to  
429 determine the aggregate number of new qualified employees hired and the aggregate amount of capital  
430 investment. The Comptroller shall not draw any warrants to issue checks for a special training grant or a  
431 supplemental training grant under this section without a specific appropriation for the same. All such  
432 documents appropriately identified by the qualified manufacturer shall be considered confidential and  
433 proprietary.

434 **2. That §§ 2.2-1612, 2.2-1613, and 2.2-1614 of the Code of Virginia are repealed.**

435 **3. That the guidelines of the Department of Business Assistance or the Department of Small**  
436 **Business and Supplier Diversity that pertain to the Virginia Jobs Investment Program shall be**  
437 **administered by the Virginia Economic Development Partnership Authority and shall remain in**  
438 **full force and effect until the Virginia Economic Development Partnership Authority establishes**  
439 **guidelines pursuant to this act. The preparation of the guidelines shall be exempt from the**  
440 **requirements of Article 2 (§ 2.2-4006 et seq.) of the Administrative Process Act (§ 2.2-4000 et seq.**  
441 **of the Code of Virginia).**

442 **4. That the Governor may transfer any employee within a state entity affected by the provisions of**  
443 **this act, or from one such entity to another, to support the changes in organization or**  
444 **responsibility resulting from or required by the provisions of this act.**