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HOUSE BILL NO. 2259

Offered January 19, 2015

A BILL to amend and reenact §§ 2.2-2001.2 and 2.2-3705.7 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 2.2-2001.2:1, relating to the Veteran Entrepreneurship Grant Fund and Program.

Patron—Lindsey

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-2001.2 and 2.2-3705.7 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 2.2-2001.2:1 as follows:

§ 2.2-2001.2. Programs to create employment opportunities for veterans.

The Department shall develop a comprehensive program to reduce unemployment among create employment opportunities for veterans by assisting businesses to attract, hire, train, and retain veterans. Such program shall promote strategies for connecting employers to qualified veterans and include (i) a workforce assessment and training program for participating employers and (ii) a certification process for participating employers with the objective of setting measurable goals for hiring and retaining veterans.

§ 2.2-2001.2:1. Veteran Entrepreneurship Grant Fund.

A. As used in this section, "business" means a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, trust, or foundation, or any other individual or entity carrying on a business or profession, whether or not for profit.

B. From such funds as may be appropriated by the General Assembly and any gifts, grants, or donations from public or private sources, there is hereby created in the state treasury a special nonreverting fund to be known as the Veteran Entrepreneurship Grant Fund (the Fund), to be administered by the Department of Veterans Services (the Department). The Fund shall be established on the books of the Comptroller. 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 grants to veterans to assist them in starting their own business or purchasing a franchise. 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 the Department. Grants from the Fund shall only be made to applicants for the Veteran Entrepreneurship Grant Program in accordance with subsection C.

C. There is hereby created the Veteran Entrepreneurship Grant Program (the Program) to support transitioning veterans and private sector job creation by assisting veterans in the start-up of new veteran-owned business operations in Virginia.

D. Beginning July 1, 2016, veterans may apply to the Department for a grant of up to \$5,000 or 10 percent of anticipated business start-up costs, whichever is less. No veteran shall be eligible for more than one grant. When an applying veteran is a business that is a partnership between two or more qualifying veterans under this subsection, only one award shall be made per business.

E. To be eligible for assistance under the Program, a veteran shall (i) be a resident of Virginia at the time he submits the application for grant funding and (ii) have been honorably discharged from the active military, naval, or air service.

F. The applicant shall submit a grant application package to the Department within one year of his discharge from the active military, naval, or air service. The grant application package shall be submitted in a manner determined by the Department and shall include:

1. A business plan, including details of anticipated start-up costs;

2. Certification that the veteran has already secured, or demonstrated proof that the veteran is making every reasonable attempt to secure, the personal assets, loans, or other financing necessary to cover the balance, less any grant from the Department, of the anticipated start-up costs;

3. Certification that the business will be at least 51 percent owned by the applicant or, in the case of an application submitted jointly by more than one qualifying veteran, that the business will be at least 51 percent owned by the applicants who are qualified veterans under this section; and

4. Such other documents as may be required by the Department.

G. The Department shall review the business plan, certification documents, and other materials and shall either:

1. Award the veteran a grant up to the amount specified in subsection D; or

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59 2. If the veteran has not yet secured the personal assets, loans, or other financing necessary to cover
 60 the balance, less any potential grant from the Department, of the anticipated start-up costs, issue the
 61 veteran a letter of commitment stating that such funds will be awarded to the veteran upon submission
 62 of necessary documents that meet all requirements for the award of a grant. The veteran may use the
 63 letter of commitment from the Department in order to show commitment to potential lenders. The
 64 issuance of such letter shall not create a binding financial obligation on the Department, but rather
 65 shall constitute a commitment of funding if all of the requirements for the award of a grant are met,
 66 subject to the availability of funds. The Department may seek the assistance of other state agencies,
 67 boards, councils, or foundations, or of private citizens, in evaluating grant application packages
 68 submitted pursuant to this subsection.

69 H. Grants shall be issued in the order that each completed grant application package is approved by
 70 the Department. In the event that the amount of eligible grants requested in a fiscal year exceeds the
 71 funds available in the Fund, such grants shall be paid in the next fiscal year in which funds are
 72 available.

73 I. Businesses awarded a grant shall report annually on the results achieved by the grant to the
 74 Department for a period of up to five years and in a manner as determined by the Department. The
 75 report shall include, at a minimum, the number of employees, the gross receipts, and the annual payroll
 76 of the new business that was started with assistance from the grant.

77 J. The Department shall develop guidelines setting forth the general requirements for applying for,
 78 approving, or disapproving applications; receiving grants pursuant to this section; and reporting the
 79 results achieved by those grants.

80 K. The Department, by approving an application for the award of grant funds, shall not be
 81 considered part owner or investor of the approved business or have any voting power in the operations,
 82 administration, or expenditures of the approved business.

83 **§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain**
 84 **other limited exemptions.**

85 The following records are excluded from the provisions of this chapter but may be disclosed by the
 86 custodian in his discretion, except where such disclosure is prohibited by law:

87 1. State income, business, and estate tax returns, personal property tax returns, scholastic and
 88 confidential records held pursuant to § 58.1-3.

89 2. Working papers and correspondence of the Office of the Governor; Lieutenant Governor; the
 90 Attorney General; the members of the General Assembly, the Division of Legislative Services, or the
 91 Clerks of the House of Delegates and the Senate of Virginia; the mayor or chief executive officer of any
 92 political subdivision of the Commonwealth; or the president or other chief executive officer of any
 93 public institution of higher education in Virginia. However, no record, which is otherwise open to
 94 inspection under this chapter, shall be deemed exempt by virtue of the fact that it has been attached to
 95 or incorporated within any working paper or correspondence.

96 As used in this subdivision:

97 "Members of the General Assembly" means each member of the Senate of Virginia and the House of
 98 Delegates and their legislative aides when working on behalf of such member.

99 "Office of the Governor" means the Governor; his chief of staff, counsel, director of policy, Cabinet
 100 Secretaries, and the Assistant to the Governor for Intergovernmental Affairs; and those individuals to
 101 whom the Governor has delegated his authority pursuant to § 2.2-104.

102 "Working papers" means those records prepared by or for an above-named public official for his
 103 personal or deliberative use.

104 3. Library records that can be used to identify both (i) any library patron who has borrowed material
 105 from a library and (ii) the material such patron borrowed.

106 4. Contract cost estimates prepared for the confidential use of the Department of Transportation in
 107 awarding contracts for construction or the purchase of goods or services, and records and automated
 108 systems prepared for the Department's Bid Analysis and Monitoring Program.

109 5. Lists of registered owners of bonds issued by a political subdivision of the Commonwealth,
 110 whether the lists are maintained by the political subdivision itself or by a single fiduciary designated by
 111 the political subdivision.

112 6. Records and writings furnished by a member of the General Assembly to a meeting of a standing
 113 committee, special committee or subcommittee of his house established solely for the purpose of
 114 reviewing members' annual disclosure statements and supporting materials filed under § 30-110 or of
 115 formulating advisory opinions to members on standards of conduct, or both.

116 7. Customer account information of a public utility affiliated with a political subdivision of the
 117 Commonwealth, including the customer's name and service address, but excluding the amount of utility
 118 service provided and the amount of money paid for such utility service.

119 8. Personal information, as defined in § 2.2-3801, (i) filed with the Virginia Housing Development
 120 Authority concerning individuals who have applied for or received loans or other housing assistance or

121 who have applied for occupancy of or have occupied housing financed, owned or otherwise assisted by
 122 the Virginia Housing Development Authority; (ii) concerning persons participating in or persons on the
 123 waiting list for federally funded rent-assistance programs; (iii) filed with any local redevelopment and
 124 housing authority created pursuant to § 36-4 concerning persons participating in or persons on the
 125 waiting list for housing assistance programs funded by local governments or by any such authority; or
 126 (iv) filed with any local redevelopment and housing authority created pursuant to § 36-4 or any other
 127 local government agency concerning persons who have applied for occupancy or who have occupied
 128 affordable dwelling units established pursuant to § 15.2-2304 or 15.2-2305. However, access to one's
 129 own information shall not be denied.

130 9. Records regarding the siting of hazardous waste facilities, except as provided in § 10.1-1441, if
 131 disclosure of them would have a detrimental effect upon the negotiating position of a governing body or
 132 on the establishment of the terms, conditions and provisions of the siting agreement.

133 10. Records containing information on the site specific location of rare, threatened, endangered or
 134 otherwise imperiled plant and animal species, natural communities, caves, and significant historic and
 135 archaeological sites if, in the opinion of the public body that has the responsibility for such information,
 136 disclosure of the information would jeopardize the continued existence or the integrity of the resource.
 137 This exemption shall not apply to requests from the owner of the land upon which the resource is
 138 located.

139 11. Records, memoranda, working papers, graphics, video or audio tapes, production models, data
 140 and information of a proprietary nature produced by or for or collected by or for the Virginia Lottery
 141 relating to matters of a specific lottery game design, development, production, operation, ticket price,
 142 prize structure, manner of selecting the winning ticket, manner of payment of prizes to holders of
 143 winning tickets, frequency of drawings or selections of winning tickets, odds of winning, advertising, or
 144 marketing, where such official records have not been publicly released, published, copyrighted or
 145 patented. Whether released, published or copyrighted, all game-related information shall be subject to
 146 public disclosure under this chapter upon the first day of sales for the specific lottery game to which it
 147 pertains.

148 12. Records of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of a local
 149 retirement system, acting pursuant to § 51.1-803, or of the Rector and Visitors of the University of
 150 Virginia, acting pursuant to § 23-76.1, or of the Virginia College Savings Plan, acting pursuant to
 151 § 23-38.77, relating to the acquisition, holding or disposition of a security or other ownership interest in
 152 an entity, where such security or ownership interest is not traded on a governmentally regulated
 153 securities exchange, to the extent that: (i) such records contain confidential analyses prepared for the
 154 Rector and Visitors of the University of Virginia, prepared by the retirement system or the Virginia
 155 College Savings Plan, or provided to the retirement system or the Virginia College Savings Plan under a
 156 promise of confidentiality, of the future value of such ownership interest or the future financial
 157 performance of the entity; and (ii) disclosure of such confidential analyses would have an adverse effect
 158 on the value of the investment to be acquired, held or disposed of by the retirement system, the Rector
 159 and Visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing in this
 160 subdivision shall be construed to prevent the disclosure of records relating to the identity of any
 161 investment held, the amount invested, or the present value of such investment.

162 13. Names and addresses of subscribers to Virginia Wildlife magazine, published by the Department
 163 of Game and Inland Fisheries, provided the individual subscriber has requested in writing that the
 164 Department not release such information.

165 14. Financial, medical, rehabilitative and other personal information concerning applicants for or
 166 recipients of loan funds submitted to or maintained by the Assistive Technology Loan Fund Authority
 167 under Chapter 11 (§ 51.5-53 et seq.) of Title 51.5.

168 15. Records of the Virginia Commonwealth University Health System Authority pertaining to any of
 169 the following: an individual's qualifications for or continued membership on its medical or teaching
 170 staffs; proprietary information gathered by or in the possession of the Authority from third parties
 171 pursuant to a promise of confidentiality; contract cost estimates prepared for confidential use in
 172 awarding contracts for construction or the purchase of goods or services; data, records or information of
 173 a proprietary nature produced or collected by or for the Authority or members of its medical or teaching
 174 staffs; financial statements not publicly available that may be filed with the Authority from third parties;
 175 the identity, accounts or account status of any customer of the Authority; consulting or other reports
 176 paid for by the Authority to assist the Authority in connection with its strategic planning and goals; the
 177 determination of marketing and operational strategies where disclosure of such strategies would be
 178 harmful to the competitive position of the Authority; and data, records or information of a proprietary
 179 nature produced or collected by or for employees of the Authority, other than the Authority's financial
 180 or administrative records, in the conduct of or as a result of study or research on medical, scientific,
 181 technical or scholarly issues, whether sponsored by the Authority alone or in conjunction with a

182 governmental body or a private concern, when such data, records or information have not been publicly
183 released, published, copyrighted or patented.

184 16. Records of the Department of Environmental Quality, the State Water Control Board, State Air
185 Pollution Control Board or the Virginia Waste Management Board relating to (i) active federal
186 environmental enforcement actions that are considered confidential under federal law and (ii)
187 enforcement strategies, including proposed sanctions for enforcement actions. Upon request, such records
188 shall be disclosed after a proposed sanction resulting from the investigation has been proposed to the
189 director of the agency. This subdivision shall not be construed to prohibit the disclosure of records
190 related to inspection reports, notices of violation, and documents detailing the nature of any
191 environmental contamination that may have occurred or similar documents.

192 17. As it pertains to any person, records related to the operation of toll facilities that identify an
193 individual, vehicle, or travel itinerary including, but not limited to, vehicle identification data, vehicle
194 enforcement system information; video or photographic images; Social Security or other identification
195 numbers appearing on driver's licenses; credit card or bank account data; home addresses; phone
196 numbers; or records of the date or time of toll facility use.

197 18. Records of the Virginia Lottery pertaining to (i) the social security number, tax identification
198 number, state sales tax number, home address and telephone number, personal and lottery banking
199 account and transit numbers of a retailer, and financial information regarding the nonlottery operations
200 of specific retail locations; and (ii) individual lottery winners, except that a winner's name, hometown,
201 and amount won shall be disclosed.

202 19. Records of the Board for Branch Pilots relating to the chemical or drug testing of a person
203 regulated by the Board, where such person has tested negative or has not been the subject of a
204 disciplinary action by the Board for a positive test result.

205 20. Records, investigative notes, correspondence, and information pertaining to the planning,
206 scheduling and performance of examinations of holder records pursuant to the Uniform Disposition of
207 Unclaimed Property Act (§ 55-210.1 et seq.) prepared by or for the State Treasurer, his agents,
208 employees or persons employed to perform an audit or examination of holder records.

209 21. Records of the Virginia Department of Emergency Management or a local governing body
210 relating to citizen emergency response teams established pursuant to an ordinance of a local governing
211 body, to the extent that such records reveal the name, address, including e-mail address, telephone or
212 pager numbers, or operating schedule of an individual participant in the program.

213 22. Records of state or local park and recreation departments and local and regional park authorities
214 to the extent such records contain information identifying a person under the age of 18 years. However,
215 nothing in this subdivision shall operate to prohibit the disclosure of information defined as directory
216 information under regulations implementing the Family Educational Rights and Privacy Act, 20 U.S.C.
217 § 1232g, unless the public body has undertaken the parental notification and opt-out requirements
218 provided by such regulations. Access shall not be denied to the parent, including a noncustodial parent,
219 or guardian of such person, unless the parent's parental rights have been terminated or a court of
220 competent jurisdiction has restricted or denied such access. For records of such persons who are
221 emancipated, the right of access may be asserted by the subject thereof. Any parent or emancipated
222 person who is the subject of the record may waive, in writing, the protections afforded by this
223 subdivision. If the protections are so waived, the public body shall open such records for inspection and
224 copying.

225 23. Records submitted for inclusion in the Statewide Alert Network administered by the Department
226 of Emergency Management, to the extent that they reveal names, physical addresses, email addresses,
227 computer or internet protocol information, telephone numbers, pager numbers, other wireless or portable
228 communications device information, or operating schedules of individuals or agencies, where the release
229 of such information would compromise the security of the Statewide Alert Network or individuals
230 participating in the Statewide Alert Network.

231 24. Records of the Judicial Inquiry and Review Commission made confidential by § 17.1-913.

232 25. Records of the Virginia Retirement System acting pursuant to § 51.1-124.30, of a local retirement
233 system acting pursuant to § 51.1-803 (hereinafter collectively referred to as the retirement system), or of
234 the Virginia College Savings Plan, acting pursuant to § 23-38.77 relating to:

235 a. Internal deliberations of or decisions by the retirement system or the Virginia College Savings
236 Plan on the pursuit of particular investment strategies, or the selection or termination of investment
237 managers, prior to the execution of such investment strategies or the selection or termination of such
238 managers, to the extent that disclosure of such records would have an adverse impact on the financial
239 interest of the retirement system or the Virginia College Savings Plan; and

240 b. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), provided by a
241 private entity to the retirement system or the Virginia College Savings Plan, to the extent disclosure of
242 such records would have an adverse impact on the financial interest of the retirement system or the
243 Virginia College Savings Plan.

244 For the records specified in subdivision b to be excluded from the provisions of this chapter, the
245 entity shall make a written request to the retirement system or the Virginia College Savings Plan:

246 (1) Invoking such exclusion prior to or upon submission of the data or other materials for which
247 protection from disclosure is sought;

248 (2) Identifying with specificity the data or other materials for which protection is sought; and

249 (3) Stating the reasons why protection is necessary.

250 The retirement system or the Virginia College Savings Plan shall determine whether the requested
251 exclusion from disclosure meets the requirements set forth in subdivision b.

252 Nothing in this subdivision shall be construed to authorize the withholding of the identity or amount
253 of any investment held or the present value and performance of all asset classes and subclasses.

254 26. Records of the Department of Corrections made confidential by § 53.1-233.

255 27. Records maintained by the Department of the Treasury or participants in the Local Government
256 Investment Pool (§ 2.2-4600 et seq.), to the extent such records relate to information required to be
257 provided by such participants to the Department to establish accounts in accordance with § 2.2-4602.

258 28. Personal information, as defined in § 2.2-3801, contained in the Veterans Care Center Resident
259 Trust Funds concerning residents or patients of the Department of Veterans Services Care Centers,
260 except that access shall not be denied to the person who is the subject of the record.

261 29. Records maintained in connection with fundraising activities by the Veterans Services Foundation
262 pursuant to § 2.2-2716 to the extent that such records reveal the address, electronic mail address,
263 facsimile or telephone number, social security number or other identification number appearing on a
264 driver's license, or credit card or bank account data of identifiable donors, except that access shall not be
265 denied to the person who is the subject of the record. Nothing in this subdivision, however, shall be
266 construed to authorize the withholding of records relating to the amount, date, purpose, and terms of the
267 pledge or donation or the identity of the donor. The exclusion provided by this subdivision shall not
268 apply to protect from disclosure (i) the identities of sponsors providing grants to or contracting with the
269 foundation for the performance of services or other work or (ii) the terms and conditions of such grants
270 or contracts.

271 30. Names, physical addresses, telephone numbers, and email addresses contained in correspondence
272 between an individual and a member of the governing body, school board, or other public body of the
273 locality in which the individual is a resident, unless the correspondence relates to the transaction of
274 public business. However, no record that is otherwise open to inspection under this chapter shall be
275 deemed exempt by virtue of the fact that it has been attached to or incorporated within any such
276 correspondence.

277 31. Records of the Commonwealth's Attorneys' Services Council, to the extent such records are
278 prepared for and utilized by the Commonwealth's Attorneys' Services Council in the training of state
279 prosecutors or law-enforcement personnel, where such records are not otherwise available to the public
280 and the release of such records would reveal confidential strategies, methods or procedures to be
281 employed in law-enforcement activities, or materials created for the investigation and prosecution of a
282 criminal case.

283 32. Records provided to the Department of Aviation by other entities of the Commonwealth in
284 connection with the operation of aircraft, where the records would not be subject to disclosure by the
285 entity providing the records. The entity providing the records to the Department of Aviation shall
286 identify the specific portion of the records to be protected and the applicable provision of this chapter
287 that exempts the record or portions thereof from mandatory disclosure.

288 33. Records created or maintained by or on the behalf of the judicial performance evaluation
289 program related to an evaluation of any individual justice or judge made confidential by § 17.1-100.

290 34. *Records submitted to or maintained by the Department of Veterans Services in connection with*
291 *the Veteran Entrepreneurship Grant Fund and Program created pursuant to § 2.2-2001.2:1.*

292 **2. That the provisions of this act shall expire on July 1, 2018.**