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SENATE JOINT RESOLUTION NO. 242
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Rules
on January 27, 2015)
(Patron Prior to Substitute—Senator Ruff)

Requesting the Virginia Economic Development Partnership Authority and the Department of Housing and Community Development to jointly study the feasibility of incorporating programs to support existing high-growth companies into the state's current economic development programs and activities. Report.

WHEREAS, existing high-growth companies, also known as "second-stage" companies, are privately-held enterprises with high potential for growth that (i) employ fewer than 100 employees, (ii) generate annual revenues of $50 million or less, and (iii) have moved beyond the startup phase of business development to become established businesses within the local and regional community; and

WHEREAS, existing high-growth companies are a critical component of local and regional economies by creating jobs, increasing the volume of local and regional income, and attracting outside capital; and

WHEREAS, between 2009 and 2013, while comprising only 8.7 percent of all companies in the Commonwealth, existing high-growth companies accounted for over 34 percent of the jobs and approximately 35 percent of total sales; and

WHEREAS, currently the emphasis of the state's economic development programs and activities is to encourage business startups and recruit businesses to come into an area or region; and

WHEREAS, programs and initiatives focused on assisting existing high-growth companies provide critical strategic information customized to an individual company's needs, including (i) identifying market trends, potential competitors, and unknown resources; (ii) mapping geographic areas for targeted marketing; and (iii) raising company visibility in search engine results and increased web traffic; and

WHEREAS, this information may be key to propelling the existing high-growth company to its next phase of growth; and

WHEREAS, the mission of the Virginia Economic Development Partnership Authority includes encouraging the expansion of existing Virginia businesses, such as existing high-growth companies; and

WHEREAS, the Department of Housing and Community Development works to improve the economic vitality of Virginia communities; and

WHEREAS, there is a need to balance the Commonwealth's economic development efforts to more adequately support existing high-growth companies; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Virginia Economic Development Partnership Authority and the Department of Housing and Community Development be requested to jointly study the feasibility of incorporating programs to support existing high-growth companies into the state's current economic development programs and activities.

In conducting its study, the Virginia Economic Development Partnership Authority and the Department of Housing and Community Development shall include the review of the program established by the National Center for Economic Gardening and other programs and initiatives that are focused on supporting existing high-growth companies.

All agencies of the Commonwealth shall provide assistance to the Virginia Economic Development Partnership Authority and the Department of Housing and Community Development for this study, upon request.

The Virginia Economic Development Partnership Authority and the Department of Housing and Community Development shall complete their meetings by November 30, 2015, and shall submit to the Governor and the General Assembly an executive summary and a report of their findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports no later than the first day of the 2016 Regular Session of the General Assembly and shall be posted on the General Assembly's website.