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HOUSE BILL NO. 2055

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Counties, Cities and Towns
on January 27, 2017)

(Patron Prior to Substitute—Delegate Hodges)

A BILL to amend the Code of Virginia by adding in Title 15.2 a chapter numbered 76, consisting of sections numbered 15.2-7600 through 15.2-7607, relating to Rural Coastal Virginia Community Enhancement Authority.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 15.2 a chapter numbered 76, consisting of sections numbered 15.2-7600 through 15.2-7607, as follows:

CHAPTER 76.

RURAL COASTAL VIRGINIA COMMUNITY ENHANCEMENT AUTHORITY.

§ 15.2-7600. Authority created; name.

The Rural Coastal Virginia Community Enhancement Authority, hereinafter referred to as the Authority, is created as a body politic and corporate, a political subdivision of the Commonwealth. As such it shall have, and is hereby vested with, the powers and duties hereinafter conferred in this chapter. The Authority shall consist of the 12 counties within the Northern Neck, Middle Peninsula, and Accomack-Northampton planning districts as follows: Accomack, Essex, Gloucester, King and Queen, King William, Lancaster, Mathews, Middlesex, Northampton, Northumberland, Richmond, and Westmoreland.

§ 15.2-7601. Purpose.

The Authority is created for the purpose of serving as a regional economic development body and represents a partnership of the Commonwealth, the three planning districts, and the 12 counties of the coastal region.

§ 15.2-7602. Board of Authority; members and officers; staff; annual report.

A. All powers, rights, and duties conferred by this chapter, or other provisions of law, upon the Authority shall be exercised by the Board of the Rural Coastal Virginia Community Enhancement Authority, hereinafter referred to as the Board or the Board of the Authority. Initial appointments shall begin July 1, 2017. The Board shall consist of 15 members as follows: one member of each of the 12 counties' governing bodies who shall be appointed by the respective governing bodies; and three at-large members, who shall be appointed by the Governor and who shall be residents of the coastal region. In addition, the Secretary of Commerce and Trade or his designee shall serve as a nonvoting ex officio member of the Board. All members shall serve for a term of four years and may be reappointed for one additional term. A position shall be considered vacant if a member's term of office has ended. Vacancies shall be filled for the unexpired term in the same manner as the original appointee. For the initial appointments only, six of the 12 members appointed by the governing bodies shall be appointed for two-year terms, and such initial terms shall not be counted toward the term limitation.

B. Each member of the Board shall, before entering upon the discharge of the duties of his office, take and subscribe to the oath prescribed in § 49-1. Members shall serve without compensation but shall be reimbursed for actual expenses incurred in the performance of their duties.

C. Eight members of the Board shall constitute a quorum, and the affirmative vote of a majority present shall be necessary for any action taken by the Board. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board.

D. The Board shall elect from its membership a chairman and a vice-chairman for each calendar year.

E. Staffing and support for the Authority shall be provided by the counties and the planning district commissions that make up the Authority. Additional staff support may be hired or contracted for by the Authority through funds raised by or provided to it. The Authority is authorized to determine the duties of such staff and fix staff compensation within available resources.

F. All agencies of the Commonwealth shall cooperate with the Authority and, upon request, shall assist the Authority in fulfilling its purposes and mission. The Secretary of Commerce and Trade or his designee shall act as the chief liaison between the administrative agencies and the Authority.

G. The Board, promptly following the close of the fiscal year, shall submit an annual report of the Authority's activities for the preceding year to the Governor, the General Assembly, and the board of supervisors of each member county. Each such report shall set forth a complete operating and financial statement covering the operation of the Authority during such year.

§ 15.2-7603. Powers of Authority.

60 *The Authority acting through its Board:*

61 *1. Is vested with the powers of a body corporate, including the power to sue and be sued, plead and*
62 *be impleaded, make contracts, and adopt and use a common seal and alter the same as may be deemed*
63 *expedient;*

64 *2. May retain legal counsel to represent the Authority in hearings, controversies, or matters*
65 *involving the interests of the Authority and the furtherance of its purposes; and*

66 *3. May adopt, alter, or repeal its own bylaws and regulations that govern the manner in which its*
67 *business may be transacted and may provide for the appointment of such committees, and the functions*
68 *thereof, as the Authority deems necessary to facilitate its business. Each committee shall consist of the*
69 *number of persons as the Authority deems advisable.*

70 **§ 15.2-7604. Further powers.**

71 *1. The Authority may seek and approve loans and solicit donations, grants, and any other funding*
72 *from the Commonwealth, the federal government, and regional, local government, and private entities to*
73 *carry out its purposes, powers and duties.*

74 *2. The Authority will assist the region in obtaining necessary job training or employment-related*
75 *education, leadership and civic development, and business development, especially entrepreneurship for*
76 *the coastal region;*

77 *3. The Authority will provide special assistance to distressed and underdeveloped counties within the*
78 *coastal region; and*

79 *4. The Authority will fund demonstration projects, and conduct research, evaluations, and*
80 *assessments of the coastal region's assets and needs.*

81 *Agencies of the Commonwealth shall review grant program eligibility requirements, and amend such*
82 *requirements as appropriate, for purposes of recognizing the unique socioeconomic and demographic*
83 *challenges faced by rural coastal localities and the inability to qualify for financial assistance.*

84 **§ 15.2-7605. Duties of Authority; governmental functions.**

85 *A. The Authority shall (i) develop comprehensive and coordinated plans and programs, establish*
86 *priorities, and approve grants for the economic development of the coastal region; (ii) provide for*
87 *research, demonstration, investigation, assessment, and evaluation of the region's assets and needs; (iii)*
88 *encourage the formation and capacity of local government and private investment in compatible*
89 *industries, including natural resources, commercial, industrial, and other economic development*
90 *projects; and (iv) provide a forum for the consideration of problems and possible solutions of the*
91 *coastal region.*

92 *B. The Authority shall (i) develop a definition for what constitutes "distressed" and annually*
93 *designate distressed, moderately distressed, and economically strong counties within the region and (ii)*
94 *allocate at least 50 percent of the grants, loans, and donations made available to the Authority for*
95 *programs and projects for the distressed counties. Such funds shall not be used within economically*
96 *strong counties without a two-thirds vote of approval by a quorum of the Board. Nothing herein shall*
97 *prevent the Authority from applying for and receiving federal, state or private funds to advance the*
98 *purpose of the Authority regardless of distressed county status.*

99 **§ 15.2-7606. Duties of planning districts within the coastal region.**

100 *Each member planning district commission of the Authority shall approve annually a development*
101 *plan for its area within the coastal region. Comprehensive Economic Development Strategy (CEDs)*
102 *plans shall satisfy this requirement if updated and reaffirmed annually by the planning district*
103 *commission.*

104 *The development plan shall outline factors to be considered by the Authority in considering*
105 *programs and projects for assistance under this chapter and in establishing priorities among assistance*
106 *requests.*

107 *The Authority shall use the plans developed by the planning district commissions to guide the*
108 *development of a work program for the Authority.*

109 **§ 15.2-7607. Dissolution of Authority.**

110 *Each member locality of the Authority may withdraw from the Authority only upon dissolution of the*
111 *Authority as set forth herein. Whenever the Board determines that the purpose for which the Authority*
112 *was created has been substantially fulfilled or is impractical or impossible to accomplish and that all*
113 *obligations incurred by the Authority have been paid or that cash or a sufficient amount of United*
114 *States government securities has been deposited for their payment, or provisions satisfactory for the*
115 *timely payment of all its outstanding obligations have been arranged, the Board may adopt resolutions*
116 *declaring and finding that the Authority shall be dissolved. Appropriate attested copies of such*
117 *resolutions shall be delivered to the Governor so that legislation dissolving the Authority may be*
118 *introduced in the General Assembly. The dissolution of the Authority shall become effective according to*
119 *the terms of such legislation. The title to all funds and other property owned by the Authority at the*
120 *time of such dissolution shall vest in the counties that have contributed to the Authority's resources in*
121 *proportion to their respective contributions.*