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HOUSE BILL NO. 2490

Offered January 9, 2019

Prefiled January 9, 2019

A *BILL to amend the Code of Virginia by adding in Subtitle III of Title 23.1 a chapter numbered 12.1, consisting of sections numbered 23.1-1239 through 23.1-1242, relating to creation of the Tech Talent Investment Program.*

Patrons—Rush, Aird, James and Jones, S.C.

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Subtitle III of Title 23.1 a chapter numbered 12.1, consisting of sections numbered 23.1-1239 through 23.1-1242, as follows:

CHAPTER 12.1.**TECH TALENT INVESTMENT PROGRAM.****§ 23.1-1239. Definitions.**

As used in this chapter, unless the context requires a different meaning:

"Designated reviewers" means the Secretaries of Commerce and Trade, Education, and Finance, the director of the Department of Planning and Budget, the director of the Council, the president of the Virginia Economic Development Partnership, and the staff directors of the House Committee on Appropriations and the Senate Committee on Finance, or their designees.

"Eligible degree" means a new bachelor's or master's degree in the field of computer science, computer engineering, or other closely related fields of study.

"Fund" means the Tech Talent Investment Fund.

"Grant" means a grant paid from the Tech Talent Investment Fund.

"Memorandum of understanding" means the negotiated instrument entered into by a qualified institution and the Commonwealth. A memorandum of understanding shall contain criteria for eligible degrees, eligible expenses, and degree production goals for a period ending in 2039.

"New bachelor's and master's degrees" means the level of eligible degrees produced by a qualified institution to meet the degree production goals set forth in a qualified institution's memorandum of understanding.

"Qualified institution" means (i) any associate-degree-granting public institution of higher education, as defined in § 23.1-100, that has a transfer plan that culminates in an eligible degree and (ii) any baccalaureate public institution of higher education, as defined in § 23.1-100.

§ 23.1-1240. Tech Talent Investment Fund created.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Tech Talent Investment Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for the Fund shall be paid into the state treasury and credited to the Fund. 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 to fund grants approved pursuant to the provisions of this chapter. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller.

B. Moneys in the Fund shall be used to support the efforts of qualified institutions to increase by fiscal year 2039 the number of new eligible degrees by at least 25,000 more degrees than the number of such degrees awarded in 2018 and to improve the readiness of graduates to be employed in technology-related fields. Funds from the Fund may be used to support academic programs and to fund facility construction, renovation, and enhancement and equipment purchases related to the initiative to increase the number of eligible degrees awarded.

§ 23.1-1241. Approval and update of memorandum of understanding.

A. In order to support the goal of the creation of at least 25,000 new eligible degrees by 2039, the amount of grants available under this chapter shall be calculated in accordance with a memorandum of understanding negotiated with each qualified institution. Each memorandum of understanding shall contain criteria for eligible degrees, eligible expenses, and degree production goals for the institution to reach by 2039.

B. Each memorandum of understanding shall be structured in accordance with and be consistent with the objectives and purposes of this chapter and the criteria developed by, and in the form and manner prescribed by, the Secretary of Commerce and Trade in consultation with the other designated

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59 reviewers.

60 C. The designated reviewers shall review each qualified institution's proposed memorandum of
61 understanding, or amendments thereto, and provide comments or affirmation to the qualified institution
62 by September 1 of the applicable year.

63 D. A qualified institution shall be eligible to receive grants pursuant to this chapter upon signature
64 of the memorandum of understanding by the Governor.

65 E. A qualified institution with an approved memorandum of understanding may request an update to
66 its memorandum of understanding no more than once annually and no later than July 1 of each year.
67 The designated reviewers shall review the request and determine if an update is warranted. The
68 Secretary of Commerce and Trade, in consultation with the other designated reviewers, may request that
69 a qualified institution update its agreement at any point during the year. No amendment to a
70 memorandum of understanding shall be final until signed by the Governor.

71 F. A new or amended memorandum of understanding shall be approved and signed pursuant to
72 subsection D no later than November 1 in order for a qualified institution to apply for a grant in the
73 next fiscal year.

74 **§ 23.1-1242. Eligibility for grant payments.**

75 A. A qualified institution with a memorandum of understanding approved and signed in accordance
76 with the provisions of § 23.1-1241 shall be eligible to apply for a grant each fiscal year beginning with
77 the Commonwealth's fiscal year beginning July 1, 2020, through the Commonwealth's fiscal year
78 starting on July 1, 2038. Grants available under this chapter shall be paid to the qualified institution
79 from the Fund, subject to appropriation by the General Assembly, during each such fiscal year,
80 contingent upon the qualified institution's meeting the requirements set forth in its memorandum of
81 understanding. If the total amount of moneys appropriated to the Fund in a fiscal year is less than
82 anticipated, grants to all qualified institutions under this chapter may be prorated to reflect the actual
83 amount appropriated.

84 B. To apply for a grant each year, a qualified institution shall report to the Secretary of Commerce
85 and Trade regarding the qualified institution's progress on increasing the number of eligible degrees
86 and meeting the requirements pursuant to its memorandum of understanding. Such report shall include,
87 at a minimum: (i) progress on increasing the number of eligible degrees, as set forth in the
88 memorandum of understanding; (ii) the aggregate number of new eligible degrees created and
89 maintained as of the last day of the calendar year that immediately precedes the date of the application;
90 and (iii) the average annual cost incurred in the production of the new eligible degrees described in
91 clause (ii). The report shall be filed with the Secretary no later than May 1 of the year following the
92 calendar year upon which the report is based, as an application for a grant in the fiscal year beginning
93 on the immediately following July 1. Failure to meet the reporting deadline shall result in a deferral of
94 a payment in the upcoming fiscal year.

95 C. A report received pursuant to subsection B shall be reviewed by the designated reviewers. Within
96 60 days of receipt of the report, the Secretary of Commerce and Trade, in consultation with the other
97 designated reviewers, shall certify to the Comptroller and the qualified institution the amount of the
98 grant payment to be paid to the qualified institution, subject to appropriation. Payment of such grant
99 shall be made by check issued by the State Treasurer on warrant of the Comptroller in the fiscal year
100 immediately following the submission of such application, as provided in the memorandum of
101 understanding. The Comptroller shall not draw any warrants to issue checks for the grant installments
102 under this section without a specific appropriation for the same.

103 D. As a condition of receipt of a grant installment, a qualified institution shall make available for
104 inspection to the Secretary of Commerce and Trade, or his designee, all documents relevant and
105 applicable to determining whether the qualified institution has met the requirements for the receipt of a
106 grant as set forth in this chapter and subject to the memorandum of understanding.