Department of Planning and Budget
2019 Fiscal Impact Statement

1. **Bill Number:** HB2021

House of Origin	☒ Introduced	☐ Substitute	☐ Engrossed
Second House	☐ In Committee	☐ Substitute	☐ Enrolled

2. **Patron:**   James

3. **Committee:** Appropriations

4. **Title:**   Virginia Investment Partnership Act; Virginia Investment Performance Grants.

5. **Summary:** Reauthorizes the Virginia Investment Performance Grant Program (VIP) and the Virginia Economic Development Incentive Grant Program (VEDIG) by providing each an additional portion of funds that may be paid out on or after July 1, 2019.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Preliminary.

8. **Fiscal Implications:** Any fiscal impact associated with this legislation would depend on the number of projects that qualify for grants under the Virginia Investment Partnership Act and on the amounts that are appropriated to fulfill the grant commitments. These grants are paid over a five year period three years after the company demonstrates investment and employment creation performance as stipulated in a performance agreement; grants are paid two years after the company demonstrates performance if it has located in a distressed community. As such, the proposal may increase expenditures in the future but not in the current biennium. However, for VIP grants issued on or after July 1, 2019, this legislative proposal caps the maximum aggregate amount of grants that may be approved in any year at $4.0 million and the maximum outstanding amount at any time at $20.0 million. Similarly, for VEDIG grants, this proposal caps the maximum aggregate amount of grants that may be approved in any fiscal year at $6.0 million and the maximum outstanding amount at any time at $30.0 million. Payment of awards is subject to appropriation.

9. **Specific Agency or Political Subdivisions Affected:** Virginia Economic Development Partnership.

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** None.