

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding a section numbered 2.2-2320.1, relating to the Virginia*
3 *Tourism Authority; Governor's New Airline Service Incentive Fund.*

[S 990]

Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That the Code of Virginia is amended by adding a section numbered 2.2-2320.1 as follows:**8 **§ 2.2-2320.1. Governor's New Airline Service Incentive Fund.**

9 *A. There is hereby created in the state treasury a special nonreverting fund known as the Governor's*
10 *New Airline Service Incentive Fund, referred to in this section as "the Fund." The Fund shall be*
11 *established on the books of the Comptroller. All funds appropriated for such purpose and any gifts,*
12 *donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury*
13 *and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be*
14 *credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of a biennium*
15 *shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used, in*
16 *the sole discretion of the Governor, for grants to airlines serving local, regional, national, and*
17 *international airports in Virginia as provided in subsection B. Revenues in the Fund shall be used to*
18 *support the development of additional commercial air services in the Commonwealth, provided that such*
19 *service advances the goals established in the commercial air service plan most recently adopted*
20 *pursuant to § 5.1-2.2:2. Expenditures and disbursements from the Fund shall be made by the State*
21 *Treasurer on warrants issued by the Comptroller upon written request signed by the Executive Director*
22 *of the Authority.*

23 *B. The Fund shall be used by the Governor to provide or assist in the provision of marketing,*
24 *advertising, or promotional activities by airlines in connection with the launch of new air passenger*
25 *service at Virginia airports in order to incentivize airlines that have committed to commencing new air*
26 *passenger service in Virginia. The Secretary of Transportation, in consultation with the Secretary of*
27 *Commerce and Trade and the Secretary of Finance, shall develop guidelines and criteria to be used in*
28 *awarding grants from the Fund. The guidelines shall include a provision that a grant from the Fund*
29 *shall not be awarded if it can be reasonably anticipated to result in the reduction of existing*
30 *commercial air service at another airport located within the Commonwealth. The guidelines may require*
31 *that as a condition of receiving any grant from the Fund an airline enter into a performance agreement*
32 *or memorandum of understanding with the Commonwealth (i) setting a minimum number of nonstop*
33 *roundtrip flights per week, a minimum number of nonstop roundtrip flights within 12 months of the start*
34 *date of new air service, or a minimum passenger load factor, or any combination thereof, and (ii)*
35 *providing that any grant received by an airline shall be repaid by the airline or reduced proportionately*
36 *if such conditions are not met.*

ENROLLED

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