

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: SB1208

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Reeves

3. Committee: Finance and Appropriations

4. Title: Virginia Economic Development Partnership Authority; Virginia-Taiwan Trade Office.

5. Summary: Requires the Virginia Economic Development Partnership Authority shall coordinate with the government of Taiwan to assess the feasibility of establishing a Virginia-Taiwan Trade Office to serve as the official representation of the Commonwealth in Taiwan by promoting and offering services relating to economic development, trade, education, and cultural exchanges and interests between the Commonwealth and Taiwan, including exploring business operations and investments, promoting the Commonwealth's agricultural, industrial, and commercial products and services to Taiwan, and generating new business opportunities, sales, and investments across various industries serving the interests of residents of the Commonwealth and the people of Taiwan.

6. Budget Amendment Necessary: Yes, to Item 125 of HB1400/SB800.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2024	\$150,000	n/a	GF

8. Fiscal Implications: This bill directs Virginia Economic Development Partnership Authority (VEDP), in coordination with the Taiwanese Government, to assess the feasibility of establishing a Virginia-Taiwan Trade Office to promote and offer services related to economic development, trade, education, and cultural exchanges and interests between Virginia and Taiwan. Currently, VEDP does not have any overseas offices focused on international trade (exports/imports). VEDP employs consultants in over 120 countries to produce customized market research reports as needed by clients regarding international trade as a cost-effective and efficient way to provide valuable market research in a wide range of countries to Virginia exporters. VEDP's existing international offices focus exclusively on foreign direct investment through its Business Investment division, with offices in Europe (Germany), Japan, and Korea. VEDP anticipates the need of \$150,000 in general fund appropriation, based on other contracts, to hire a third-party consultant to assess the feasibility of establishing an office in Taiwan. The bill calls for the Virginia-Taiwan

office to not only focus on trade and investment but also provide education and cultural exchanges, both of which are outside the purview of VEDP.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.