

SENATE JOINT RESOLUTION NO. 329

Directing the Joint Legislative Audit and Review Commission to study the effectiveness of economic development incentive grants in Virginia. Report.

Agreed to by the Senate, February 2, 2011

Agreed to by the House of Delegates, February 22, 2011

WHEREAS, the Commonwealth of Virginia offers numerous economic development incentive grants, including, but not limited to, the Governor's Development Opportunities Fund, Virginia Investment Partnership Grants, Major Eligible Employer Grants, Performance-Based Grants, Virginia Economic Development Incentive Grants, Virginia Jobs Investment Program, and Virginia Enterprise Zone Program; and

WHEREAS, the number of programs and amount of funding for economic development incentive grants in Virginia has expanded significantly in the past decade; and

WHEREAS, Virginia faces substantial competition from other states in attracting businesses to the Commonwealth; and

WHEREAS, there are a variety of factors companies consider when deciding where to locate and invest, including business costs, labor supply, regulatory environment, current economic climate, growth prospects, and quality of life; and

WHEREAS, there is limited research available specific to Virginia's economic development incentive grants to evaluate the effectiveness of these programs; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Legislative Audit and Review Commission be directed to study the effectiveness of economic development incentive grants in Virginia.

In conducting its study, the Joint Legislative Audit and Review Commission (JLARC) shall (i) identify which economic development incentive grants are available and to what extent they are used, (ii) examine the public policies for which the grant programs were established and whether the desired public policies have been achieved, and (iii) recommend a mechanism or process for the ongoing evaluation of the effectiveness of such economic development incentive grants in achieving the desired public policies for which the incentives were established.

All agencies of the Commonwealth shall provide assistance to JLARC for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by December 31, 2011, and for the second year by November 30, 2012, and the Chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the next Regular Session of the General Assembly for each year. Each executive summary shall state whether JLARC intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summaries and reports shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.