

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** HB767

House of Origin	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

**2. Patron:** Landes, R. S.

**3. Committee:** Passed both houses.

**4. Title:** Small Business Jobs Grant Fund Program; requirements.

**5. Summary:** This bill establishes the Small Business Jobs Grant Fund Program as a component of the Virginia Jobs Investment Program. The bill requires that a company must create a minimum of five net new full time positions and make a new capital investment of \$100,000 in order to be eligible for assistance under the program. The bill establishes the Small Business Jobs Grant Fund to be managed by the Department of Business Assistance as part of the Virginia Jobs Investment Program. In addition, the bill provides that the criteria established by the Department of Business Assistance for the fund include provisions that (i) prohibit receiving more than one grant for the same position and (ii) require the employee to be employed in the new full-time position for at least 90 days prior to the award of the grant. The bill also provides definitions of “base year,” “new full-time position,” and “small business.”

Section 2.2-904.2, Creation, administration, and management of the Small Business Jobs Grant Fund, is repealed by this legislation and replaced with Section 2.2-904.2, Small Business Jobs Grant Fund Program.

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

**7. No Fiscal Impact.** See item 8.

**8. Fiscal Implications:** According to the Department of Business Assistance, the criteria codified in this proposed legislation are similar to current qualification guidelines adopted by the department. While it is indeterminate how many businesses will apply for grants, it is anticipated that similar businesses to those that currently qualify will continue to qualify under this bill. As such, it is anticipated that this bill will have no fiscal impact on the Department of Business Assistance.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Business Assistance.

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

**11. Other Comments:** The enrolled version of HB768 contains identical provisions as this bill for the Small Business Jobs Grant Fund Program.

**Date:** 3/6/12

**Document:** G:\Legislation\2012 Session\HB767ER.DOC