

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 An Act to amend the Code of Virginia by adding in Title 59.1 a chapter numbered 22.14, consisting of  
3 a section numbered 59.1-284.33, relating to the Truck Manufacturing Grant Fund; creation.

4 [H 1361]  
5 Approved

6 **Be it enacted by the General Assembly of Virginia:**  
7 **1. That the Code of Virginia is amended by adding in Title 59.1 a chapter numbered 22.14,**  
8 **consisting of a section numbered 59.1-284.33, as follows:**

9 CHAPTER 22.14.  
10 TRUCK MANUFACTURING GRANT FUND.

11 **§ 59.1-284.33. Truck Manufacturing Grant Fund.**

12 A. As used in this section, unless the context requires a different meaning:  
13 "Capital investment" means an expenditure or an asset transfer from a site of a qualified company  
14 located outside of an eligible county to the facility, by or on behalf of the qualified company, on or  
15 after October 1, 2018, in real property, tangible personal property, or both, at a facility located in an  
16 eligible county that is properly chargeable to a capital account or would be so chargeable with a  
17 proper election. The purchase or lease of furniture; fixtures; business personal property; machinery and  
18 tools, including under an operating lease; and expected building expansion and up-fit by or on behalf of  
19 a qualified company shall qualify as a capital investment.

20 "Eligible county" means the County of Pulaski.

21 "Facility" means a truck manufacturing facility to be expanded, equipped, improved, or operated by  
22 a qualified company in an eligible county.

23 "Fund" means the Truck Manufacturing Grant Fund.

24 "Grants" means grants from the Fund awarded to a qualified company, in an aggregate not to  
25 exceed \$16.5 million, intended to be used to pay or reimburse a qualified company for costs related to  
26 construction and renovation of a facility. A qualified company may use the grant payment for any lawful  
27 purpose.

28 "Memorandum of understanding" means a performance agreement or related document entered into  
29 on or before August 1, 2020, by a qualified company, the Commonwealth, and VEDP that sets forth the  
30 requirements for capital investments and the creation of new full-time jobs by a qualified company in  
31 order for a qualified company to be eligible for grants from the Fund.

32 "New full-time job" means a job position, in which position the employee of a qualified company  
33 works at a facility, for which the average annual wage is at least equal to the wage required by the  
34 memorandum of understanding, and for which a qualified company provides standard fringe benefits.  
35 Such position shall require a minimum of either (i) 35 hours of an employee's time per week for the  
36 entire normal year of a qualified company's operations, which "normal year" shall consist of at least 48  
37 weeks, or (ii) 1,680 hours per year. Seasonal or temporary positions, and positions created when a job  
38 function is shifted from an existing location in the Commonwealth, shall not qualify as new full-time  
39 jobs. Other positions, including employees of affiliates and certain suppliers, may be considered new  
40 full-time jobs if designated as such in a memorandum of understanding. New full-time jobs shall be in  
41 addition to the baseline of 3,219 full-time employees at a facility. The Commonwealth may gauge  
42 compliance with the new full-time job requirements for a qualified company by reference to the new  
43 payroll generated by a qualified company, as set forth in a memorandum of understanding.

44 "Qualified company" means a truck manufacturer, including its affiliates, that engages in truck  
45 manufacturing in an eligible county, that between October 1, 2018, and September 30, 2029, is expected  
46 to (i) make or cause to be made a capital investment at a facility of at least \$397 million, which shall  
47 include at least \$93.6 million of investments related to the construction or renovation of real property at  
48 a facility, and (ii) create at least 777 new full-time jobs related to, or supportive of, its business.

49 "Secretary" means the Secretary of Commerce and Trade or his designee.

50 "VEDP" means the Virginia Economic Development Partnership Authority.

51 B. There is hereby created in the state treasury a special nonreverting fund to be known as the  
52 Truck Manufacturing Grant Fund. The Fund shall be established on the books of the Comptroller. All  
53 funds appropriated to the Fund shall be paid into the state treasury and credited to it. Interest earned  
54 on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the  
55 Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but  
56 shall remain in the Fund. Moneys in the Fund shall be used to pay grants pursuant to this section.

57 Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued  
58 by the Comptroller pursuant to subsection F.

59 C. A qualified company shall be eligible to receive grants each fiscal year beginning with the  
60 Commonwealth's fiscal year starting on July 1, 2020, and ending with the Commonwealth's fiscal year  
61 starting on July 1, 2029, unless such timeframe is extended in accordance with a memorandum of  
62 understanding. Grants paid pursuant to this chapter shall be subject to appropriation by the General  
63 Assembly during each such fiscal year, and contingent on a qualified company meeting the requirements  
64 set forth in this chapter and the memorandum of understanding for the number of new full-time jobs  
65 created and maintained and the amount of capital investment made related to the construction or  
66 renovation of a facility. The first grant installment of \$2 million shall not be awarded until a qualified  
67 company has made a capital investment related to the construction and renovation of a facility of at  
68 least \$46.8 million and has retained at least 2,700 full-time positions at the facility.

69 D. The aggregate amount of grants payable under this section shall not exceed \$16.5 million. Grants  
70 are expected to be paid in 10 annual installments, calculated in accordance with a memorandum of  
71 understanding, with the grants that may be awarded in a particular fiscal year not to exceed the  
72 following:

- 73 1. \$2,000,000 for the Commonwealth's fiscal year beginning July 1, 2020;
- 74 2. \$4,000,000, less the total amount of grants previously awarded pursuant to this subsection, for the  
75 Commonwealth's fiscal year beginning July 1, 2021;
- 76 3. \$4,300,000, less the total amount of grants previously awarded pursuant to this subsection, for the  
77 Commonwealth's fiscal year beginning July 1, 2022;
- 78 4. \$6,042,857, less the total amount of grants previously awarded pursuant to this subsection, for the  
79 Commonwealth's fiscal year beginning July 1, 2023;
- 80 5. \$7,785,714, less the total amount of grants previously awarded pursuant to this subsection, for the  
81 Commonwealth's fiscal year beginning July 1, 2024;
- 82 6. \$9,528,571, less the total amount of grants previously awarded pursuant to this subsection, for the  
83 Commonwealth's fiscal year beginning July 1, 2025;
- 84 7. \$11,271,428, less the total amount of grants previously awarded pursuant to this subsection, for  
85 the Commonwealth's fiscal year beginning July 1, 2026;
- 86 8. \$13,014,285, less the total amount of grants previously awarded pursuant to this subsection, for  
87 the Commonwealth's fiscal year beginning July 1, 2027;
- 88 9. \$14,757,142, less the total amount of grants previously awarded pursuant to this subsection, for  
89 the Commonwealth's fiscal year beginning July 1, 2028; and
- 90 10. \$16,500,000, less the total amount of grants previously awarded pursuant to this subsection, for  
91 the Commonwealth's fiscal year beginning July 1, 2029.

92 E. A qualified company applying for a grant installment under this section shall provide evidence,  
93 satisfactory to the Secretary, of (i) the aggregate number of new full-time jobs in place in the grant year  
94 that immediately precedes the expected date on which the grant installment is to be paid and (ii) the  
95 aggregate amount of capital investment, and the capital investment related to the construction and  
96 renovation of a facility, made as of the last day of the grant year that immediately precedes the  
97 expected date on which the grant installment is to be paid. The application and evidence shall be filed  
98 with the Secretary in person, by mail, or as otherwise agreed upon in a memorandum of understanding,  
99 by no later than October 31 of each year reflecting performance in and through the prior grant year.  
100 Failure to meet the filing deadline shall result in a deferral of a scheduled grant installment payment.  
101 For filings by mail, the postmark cancellation shall govern the date of the filing determination.

102 F. Within 30 days of receiving an application and evidence pursuant to subsection E, the Secretary  
103 shall certify to the Comptroller and the qualified company the amount of grants to which such qualified  
104 company is entitled for payment. Payment of such grant shall be made by check issued by the State  
105 Treasurer on warrant of the Comptroller by the end of the calendar year of the submission of the  
106 application and evidence. The Comptroller shall not draw any warrant to issue checks for grants under  
107 this chapter without a specific appropriation for the same.

108 G. As a condition of receipt of grants, a qualified company shall make available to the Secretary for  
109 inspection, upon request, of all documents relevant and applicable to determining whether a qualified  
110 company has met the requirements for receipt of grants as set forth in this chapter and subject to a  
111 memorandum of understanding. All such documents appropriately identified by a qualified company  
112 shall be considered confidential and proprietary.