

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 2.2-2489 of the Code of Virginia, relating to GO Virginia grants;*  
3 *matching funds.*

4 [H 1597]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 2.2-2489 of the Code of Virginia is amended and reenacted as follows:**8 **§ 2.2-2489. Award of grants to regional councils.**9 A. The Board shall establish guidelines, procedures, and objective criteria for the award and  
10 distribution of grants from the Fund to regional councils.11 B. In order to qualify to receive grants from the Fund, a regional council shall develop an economic  
12 growth and diversification plan to (i) promote private-sector growth and opportunity in the region; (ii)  
13 identify issues of economic competitiveness for the region, including gaps in education and skills  
14 required to meet existing and prospective employer needs within the region; and (iii) outline steps that  
15 the collaborating business, education, and government entities in the region will pursue to expand  
16 economic opportunity, diversify the economy, and align workforce development activities with the  
17 education and skills needed by employers in the region. A regional council shall review such plan not  
18 less than biennially while the regional council is receiving grants from the Fund.19 C. The Board shall only consider those regional activities endorsed by a regional council in its  
20 application for grants from the Fund. For any regional activity included in a regional council's  
21 application, the regional council shall identify (i) the amount of grants requested and the number of  
22 years for which grants are sought; (ii) the participating business, education, and government entities and  
23 their respective roles and contributions; (iii) the private, local, and other sources of nonstate funding that  
24 the grant from the Fund will assist in generating, including specific amounts pledged by such sources as  
25 of the application date; (iv) how the regional activity addresses the skills gaps identified in the council's  
26 economic growth and diversification plan; and (v) the economic impact or other outcomes that are  
27 reasonably expected to result from the proposed regional activity, including timetables and means of  
28 measurement.29 D. Regional activities eligible for grants from the Fund shall be focused on high-impact,  
30 collaborative projects in a region that promote new job creation, entrepreneurship, and new capital  
31 investment; leverage nonstate resources to enhance collaboration; foster research, development, and  
32 commercialization activities; encourage cooperation among public bodies to reduce costs and duplication  
33 of government services; and promote other economic or workforce development activities consistent with  
34 this article that are authorized by the Board. The Board shall give initial priority to grant proposals that  
35 promote workforce development and other activities focused on eliminating skills gaps identified in a  
36 region's economic growth and diversification plan.37 E. In determining a regional council's eligibility to receive grants from the Fund, and the amount of  
38 such grants, the Board shall review and score the proposed regional activities. Scores shall be assigned  
39 on the basis of predetermined criteria established by the Board in its guidelines and procedures based on  
40 the following factors:41 1. The expected economic impact or outcome of the activity, with particular emphasis on goals  
42 identified in the regional council's plan for economic growth and diversification;43 2. The fiscal resources from non-Fund sources that will be committed to the activity, including local  
44 or federal funds, private contributions, and cost savings expected to be achieved through regional  
45 collaboration;46 3. The number and percentage of localities, including political subdivisions and bodies corporate and  
47 politic, within the region that are participating in the activity, the portion of the region's population  
48 represented by the participating localities, and the participation of localities that are outside of the  
49 applicant region;50 4. The compatibility with other projects, programs, or existing infrastructure in a region to maximize  
51 the leverage of grants from the Fund to encourage new collaborative activities;52 5. The expected economic impact and outcomes of the project and the complexity of the project  
53 relative to the size of the economy of the region or to the population of the participating localities;54 6. The projected cost savings and other efficiencies generated by the proposed activity, and the local  
55 resources generated by collaboration that have been or will be repurposed to support the activity;

56 7. The character of the regional collaboration, including the nature and extent of the regional effort

involved in developing and implementing the proposed activity, the complexity of the activity, the prospective impact on relations between and among the affected localities, and the prospective impact on collaboration between and among business, education, and government entities in the region;

8. Interstate, inter-regional, and other beneficial forms of collaboration, if any, that will accompany, result from, or be encouraged by the activity;

9. Efficiency in the administration and oversight of regional activities; and

10. Other factors deemed to be appropriate by the Board.

F. Each regional council awarded a grant from the Fund shall issue an annual report that shall include, at a minimum, an assessment of the impact and outcomes from regional activities supported by grants from the Fund and the region's overall progress in addressing the goals and strategies identified in the region's plan for economic growth and diversification. Such assessment shall address performance criteria prescribed in the program guidelines and procedures.

G. Subject to the provisions of § 2.2-2488 and this section, once a regional council becomes eligible for grants from the Fund, the regional council may continue to apply for and receive grants from the Fund to support economic activities consistent with the regional council's economic growth and diversification plan in such amounts and for such duration as the Board may determine in accordance with its guidelines and procedures. The Board may terminate any payments to regional councils that fail to perform in accordance with this article, the Board's guidelines or procedures, or any conditions expressly agreed upon as part of a grant award, or for malfeasance. The Board may require the refund of moneys from the Fund upon such termination. Grants that are terminated shall revert to the Fund for distribution on an unallocated competitive basis.

H. In making Fund recommendations and awards, the Board may consider regional activities that commenced prior to the enactment of this article, provided that the grant-funded program or project will expand the scope of, or increase the number of localities participating in, such preexisting activity.

I. No regional council may have outstanding grant commitments of more than 25 percent of the total amount appropriated to the Fund.

J. The year for grant payments shall be the Commonwealth's fiscal year following the calendar year in which the region qualifies, with payments made annually by the Comptroller upon certification by the Board. Grant amounts shall be made at the sole discretion of the Board.

K. Any grant awarded from the Fund to a regional council shall require matching funds at least equal to the grant, provided, however, that the Board shall have the authority to reduce the match requirement to no less than half of the grant upon a finding by the Board of fiscal distress or an exceptional economic opportunity in a region. Such matching funds may be from local, regional, federal, or private funds. *Matching funds may also be from grants awarded to a locality by the Tobacco Region Revitalization Commission* but shall not include any *other* state general or nongeneral funds, from whatever source.

L. Decisions of the Board shall be final and not subject to review or appeal.

**2. That the provisions of this act shall expire on July 1, 2021.**