

Department of Planning and Budget
2010 Fiscal Impact Statement

1. Bill Number: HB1371

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Lewis

3. Committee: Appropriations

4. Title: **Governor's Development Opportunity Fund.**

5. Summary: Provides an exception from the minimum private investment and the number of jobs to be created in order for a locality to obtain a grant or loan from the Governor's Development Opportunity Fund (GOF). As provided in the bill, if a project is to be located by a small business in an enterprise zone, the minimum private investment shall be adjusted to \$1 million and the minimum number of new jobs created shall be adjusted to 10 jobs for which the average wage, excluding fringe benefits, is no less than the prevailing average wage. The bill defines "small business" as any business having 500 or fewer employees.

6. Fiscal impact estimates are indeterminate. See item 8, below.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: While total spending from the GOF is limited to the amount of available appropriation; however, lowering the qualification threshold may increase demand for the fund. The Virginia Economic Development Partnership is unable to estimate the extent to which this may occur as the companies that would qualify for the GOF under the provisions of the bill do not currently qualify and therefore there is no historical data from which to base an estimate

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/5/2010 tmw

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