

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB186

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

2. Patron: Campbell, J.L.

3. Committee: Appropriations

4. Title: Nitrile Glove Manufacturing Training Grant Program; established.

5. Summary: Establishes a grant program of up to \$4.6 million, for the Virginia Economic Development Partnership, through the Virginia Talent Accelerator Program, to support the recruitment and training needs of nitrile glove manufacturing companies located in the Mount Rogers Planning District.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2022	\$1,400,000	n/a	GF
2023	\$560,000	n/a	GF
2024	\$735,000	n/a	GF
2025	\$852,000	n/a	GF
2026	\$1,027,000	n/a	GF

8. Fiscal Implications: This bill establishes the Nitrile Glove Manufacturing Training Grant Program. The bill stipulates that the Commonwealth will provide an aggregate of \$4.6 million, payable in five annual installments of \$1.4 million in FY 2022, \$560,000 in FY 2023, \$735,000 in FY 2024, \$852,000 in FY 2025, and \$1.03 million in FY 2026 to an eligible company, should the company meet its performance metrics. Grants to an eligible company are to be paid by the Virginia Economic Development Partnership Authority through the Virginia Talent Accelerator Program.

HB29/SB29, as introduced, includes \$7.4 million from the general fund in FY 2022 for the Virginia Talent Accelerator Program. HB30/SB30, as introduced, includes additional funding in the amount of \$2.33 million from the general fund in FY 2023 and FY 2024, increasing funding to \$9.7 million from the general fund in FY 2023 and FY 2024 for the Virginia Talent Accelerator Program. According to VEDP, this funding is not sufficient to absorb the costs of the incentive provided in this bill and to continue provide additional services.

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

10. Technical Amendment Necessary: No.

11. Other Comments: SB595 is the companion to this bill.

The General Assembly's Major Employment and Investment (MEI) Project Approval Commission approved an additional investment of \$8.5 million to support this project. Item 112 of HB29/SB29, as introduced, includes \$8.5 million from the general fund in FY 2022 to be provided to the County of Wythe for expenses related to the installation of a water tank in Progress Park, wastewater treatment plant improvements, and wastewater line extensions in the County. The improvements are meant to enhance infrastructure for businesses in Progress Park and properties in the surrounding area, including a nitrile butadiene rubber production plant and a medical-grade glove manufacturing facility.