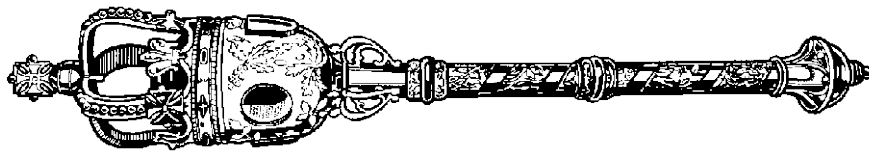


Report of the House Appropriations Subcommittee

on

***Commerce, Agriculture,
& Natural Resources***



House Bill 1800

February 10, 2021

REPORT OF THE SUBCOMMITTEE

on

COMMERCE, AGRICULTURE, and NATURAL RESOURCES

Mr. Chairman and Members of the Committee:

The scope of the Subcommittee on Commerce, Agriculture, and Natural Resources is very broad. While there is a lot of detail in this report, I want to highlight the very important work done by the Subcommittee, particularly in the areas of expanding broadband to unserved areas, making key investments to strengthen the resiliency of our economy, and improving water quality throughout the Commonwealth.

In the area of Commerce, our current public health crisis has magnified the need for access to broadband for students, workers, and businesses. To meet this challenge head on, the Subcommittee recommends a historic investment in the Virginia Telecommunications Initiative totaling close to \$100.0 million over the biennium to expand broadband infrastructure across the state. Additionally, the Subcommittee supports the creation of a broadband map so that we can better understand the areas of greatest need and deploy our resources from the VATI program in the most cost-effective manner possible.

The Subcommittee report also includes the creation of a new Secretary of Labor for the Commonwealth and provides corresponding resources for that Office. The Secretariat will bring new focus to Virginia's agencies charged with representing and protecting workers, such as the Virginia Employment Commission, the Department of Professional and Occupational Regulation, and the Department of Labor and Industry. To provide paid sick leave for essential workers, the Subcommittee recommends allocating over \$400,000 to the Department of Labor and Industry to carry out this policy.

The Subcommittee report contains \$10.0 million in funding for the Virginia Employment Commission to enhance their customer service operations through July 1, 2022 and provides much needed services to workers impacted by the pandemic. Additionally, the report before you includes \$5.0 million for the Commission to finish modernizing its IT systems to better serve individuals in need of unemployment insurance.

The Subcommittee report contains close to \$12.0 million in initial incentive payments for the Microsoft and CMA CGM economic development projects approved by the MEI Commission. Microsoft will invest \$64 million and create 1,500 jobs in Fairfax County by creating a new software research and development hub. Announced last week, CMA CGM, which is a large shipping and logistics company, will expand its operations in Hampton Roads and Northern Virginia, and create 415 additional jobs in the state. Additionally, the Subcommittee supports a \$10.0 million investment to help the City of Petersburg upgrade water capacity to support the creation of a pharmaceutical manufacturing hub for the region.

In the area of Natural Resources, the Subcommittee report includes a substantial commitment to the Commonwealth's efforts to meet its nutrient reduction goals under the Phase III Watershed Implementation Plan. This includes a total deposit of \$69.4 million in the Water Quality Improvement Fund, of which \$65.0 million is direct toward Agricultural Best Management Practices, as well as the continued provision of stable technical assistance funding for our local Soil and Water Conservation Districts. To support our localities with critical funding for stormwater infrastructure improvements, the Subcommittee recommends an additional \$26 million be deposited in the Stormwater Local Assistance Fund.

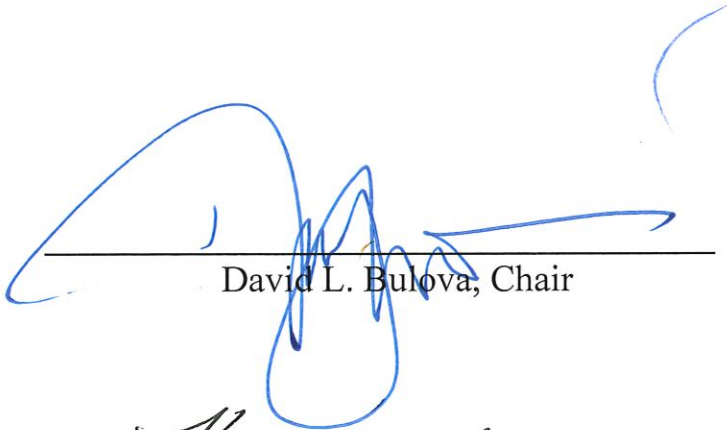
The Subcommittee also supports the Governor's efforts to begin to address historic wrongs. This includes support in the amount of \$5.0 million to establish the Harmony Living Shoreline Memorial, and to assist in the repatriation of headstones and other materials of the former Columbian Harmony Cemetery to the New Harmony Cemetery. The report also provides \$3.5 million to support the Chickahominy Tribe in

their efforts to procure a parcel of land that historically belonged to the Tribe.

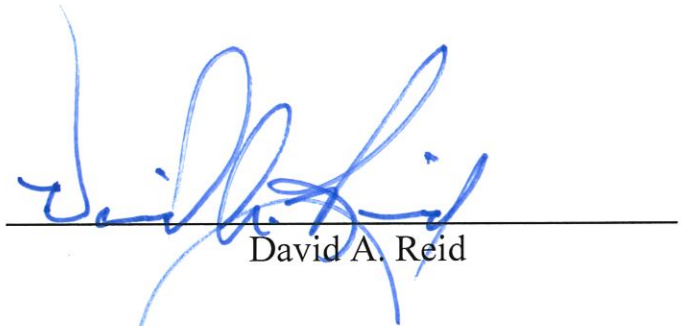
Finally, the Subcommittee recognizes that the success of our natural resources and conservation programs relies on our hard working professional staff. The Subcommittee recommends restoring \$12.0 million for additional positions and equipment in the Department of Environmental Quality's water protection, air protection, and land protection programs. The Subcommittee also recommends providing an additional \$3.0 million for the Department of Conservation and Recreation to increase staffing and make improvements at our State Parks and Natural Area Preserves.

The Subcommittee's report is contained in the attachment before you, and I hope it will be the Committee's pleasure to adopt the report.

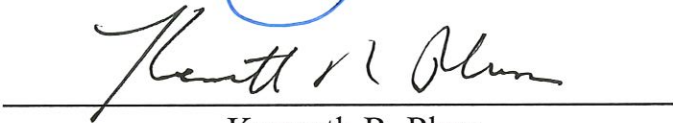
Respectfully Submitted by the House Appropriations Subcommittee on
Commerce, Agriculture, & Natural Resources



David L. Bulova, Chair



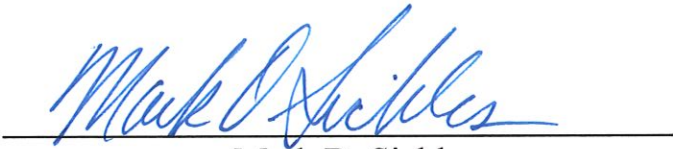
David A. Reid



Kenneth R. Plum



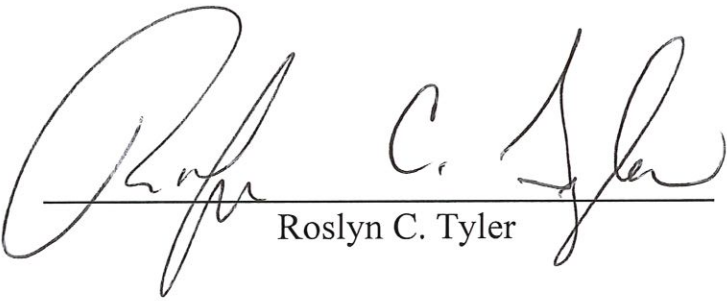
Barry D. Knight



Mark D. Sickles



C. Matthew Fariss



Roslyn C. Tyler



Robert S. Bloxom, Jr.

HB 1800 Amendments

2020-22 BIENNIAL TOTAL	
General Fund	Nongeneral Fund

COMMERCE

Commerce and Trade / Labor

Improving Participation of Refugees in Virginia's Workforce	Language	
Technical: Remove Language on Paid Family and Medical Leave Workgroup	Language	
Labor Law and State Capital Construction Process Workgroup	Language	
New Secretary of Labor (includes funding for labor law / capital construction effort)	\$	951,148

Economic Development Incentive Payments

MEI Commission	Language	
MEI: CMA CGM Project	\$	6,330,000

Department of Housing and Community Development

Level Funding for Virginia Housing Trust Fund in Year 2	\$	(25,000,000)
HB 2053: Development and Use of Accessory Dwelling Units	\$	50,000
Remove Increase for Virginia Main Street Program	\$	(3,000,000)
Technical: Remove Outdated Language for Broadband Advisory Group	Language	
VATI Pilot for Public Broadband Authorities	Language	
Mandatory Property Tax Exemptions Impact on Local Governments	Language	
Restore Increase for Planning District Commissions	\$	294,000
Infrastructure Upgrades for Pharmaceutical Manufacturing Economic Development	\$	10,000,000
Elevated Septic System Pilot Project in Rural Coastal Virginia	\$	120,000
Statewide Broadband Maps	\$	424,000
Additional Funding for the Enterprise Zone Program	\$	500,000

Department of Labor and Industry

HB 2137: Paid Sick Leave	\$	419,055
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Department of Mines, Minerals, and Energy

Study of Gold and Hard Rock Mineral Mining	\$	250,000
R-PACE Work Group	Language	
Electric Vehicle Rebate Program	\$	5,000,000

Small Business and Supplier Diversity

Business One-Stop Improvement Plan	Language	
State Covid Relief Fund for Rebuild Virginia Program	Language	

Virginia Economic Development Partnership

International Trade Plan Funding	\$	1,400,000
Restore Talent Solutions Funding	\$	2,350,000
Office of Labor Market and Alignment	Language	

Virginia Employment Commission

Adjust Funding for Estimated Interest Payments for Federal UI Program Advances	\$	(6,752,701)
HB 2040: Overpayment Forgiveness by the Commission	\$	250,000
Funding to Support Actuarial Study on Paid Family and Medical Leave	\$	300,000

Virginia Innovation Partnership Authority

Commonwealth Center for Advanced Manufacturing	\$	1,400,000
Adjust Administrative Funding for the Agency	\$	(500,000)
Technical: Budget Language Clarification	Language	

HB 1800 Amendments
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2020-22 BIENNIAL TOTAL	
General Fund	Nongeneral Fund

AGRICULTURE AND NATURAL RESOURCES

Department Of Agriculture And Consumer Services

Farmland Preservation Fund	\$	1,000,000	
Virginia Food Access Investment Fund	\$	2,000,000	
International Trade Plan	\$	500,000	
Dairy Producer Margin Coverage Premium Assistance	\$	1,000,000	
Beehive Grant Program	\$	75,000	
Neonicotinoid Pesticides			\$ 99,100

Department of Forestry

Incident Management Team	\$	(316,146)	
Tree Conservation Workgroup		Language	

Department of Conservation and Recreation

Increase VCAP Appropriation	\$	500,000	
Enrironmental Literacy	\$	170,000	
Lake Gaston Lyngbya Remediation	\$	800,000	
Increase Agricultural BMP Funding	\$	30,000,000	
George Washington's River Farm	\$	2,000,000	
Funding for Riverfront Park	\$	1,000,000	
Mason Neck Water Supply	\$	1,511,600	

Department of Environmental Quality

Study of Advanced Recycling		Language	
Research to Reduce Salt in Surface and Groundwater Resources	\$	175,000	
Stormwater Management Fund	\$	1,100,000	
Remove Proposed HFC Language		Language	
HB 2148 - Small Solar Energy Storage	\$	115,500	
Stormwater Local Assistance Fund	\$	26,000,000	

Department of Wildlife Resources

DWR Boat Ramp Access Fees		Language	
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Department of Historic Resources

Underwater Archaeology	\$	159,479	
Loudoun Freedom Center	\$	255,000	
Clarify No Matching Funds Required		Language	
Carver Price Legacy Museum	\$	570,000	