



townhall.virginia.gov

Exempt Action: Final Regulation Agency Background Document

Agency name	Board of Housing and Community Development
Virginia Administrative Code (VAC) Chapter citation(s)	13 VAC5 - 112
VAC Chapter title(s)	Enterprise Zone Grant Program
Action title	Amendments to conform to state statute
Final agency action date	September 2, 2021
Date this document prepared	September 2021

Although a regulatory action may be exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the *Code of Virginia*, the agency is still encouraged to provide information to the public on the Regulatory Town Hall using this form. However, the agency may still be required to comply with the Virginia Register Act, Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1VAC7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

The Board of Housing and Community Development is promulgating this exempt action to amend an existing regulation. The 2021 General Assembly passed legislation (Chapter 402, 2021 Acts of Assembly) stating that the definition of “minimum wage” for purposes of the enterprise zone job creation grant program shall be the higher of the state minimum wage or the federal minimum wage instead of simply the federal minimum wage.

The bill also reduced the percentage of the “minimum wage” that grant eligible jobs must meet in order to receive funding and included a requirement that small, women-owned, and minority-owned businesses (SWaM) certified under Va. Code § 2.2-1606 will receive the same grants as businesses in high unemployment areas.

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, internal staff review, petition for rulemaking, periodic review, or board decision). "Mandate" is defined as "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

Chapter 402, Virginia Acts of Assembly 2021 changed the definition of "minimum wage", the percentage of that wage required for grant eligibility, and certain provisions related to SWaM businesses. As this bill changed definitions and program requirements in statute and does not allow for agency discretion, this action is exempt under Va. Code § 2.2-4006 (A) (4) (a)

Statement of Final Agency Action

Provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

The Board of Housing and Community Development adopted the amendments to the Enterprise Zone Grant Program Regulations on September 2, 2021.