

REPORT OF THE

**A.L. Philpott
Southside Economic
Development Commission**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



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REPORT OF THE A.L. PHILPOTT SOUTHSIDE ECONOMIC DEVELOPMENT COMMISSION

AUTHORITY AND STUDY OBJECTIVES

In 1990, the General Assembly adopted House Joint Resolution No. 106 (HJR 106), establishing a commission to propose recommendations to "improve and enhance the economic development of the Southside region of the Commonwealth." The 23-member Commission, chaired for two years by the late A.L. Philpott, Speaker of the House of Delegates, included one member each from the House Committees on Appropriations, Finance, Agriculture, Education, and Labor and Commerce; one member each from the Senate Committees on Finance, Agriculture, Conservation and Natural Resources, Commerce and Labor, and Education and Health; and members from Southside Virginia, including two representatives each from local governments and from the business and industry communities, two local economic development officials, one representative each from the banking community, a major utility, and a four-year institution of higher education, and a community college president. The manager of the Southern Regional Office of the Division of Industrial Development, Department of Economic Development, served as an *ex officio* member of the Commission.

The full Commission met five times in 1990 to examine the economic challenges facing Southside Virginia. Aided by its task forces on Education, Training, and the Workforce, Agriculture, Forestry, and Natural Resources, Finance, Marketing, and Incentives, and Infrastructure, the Commission pursued a wide variety of issues, including community development, expansion and diversification of existing industry, strategies to attract outside enterprise, public-private partnerships, and initiatives to increase the educational levels and technical skills of the region's workforce. Meetings were hosted by community colleges, a continuing education center, and other entities throughout the region not only to facilitate travel but perhaps also to provide a closer look at the valuable resources and programs available in Southside.

The Commission's interim report, House Document No. 42 (1991), included 13 recommendations, addressing a wide spectrum of economic development concerns. Of these recommendations, four were supported by legislation. The magnitude and complexity of the economic challenges facing Southside, however, justified further study of potential strategies for change. The Commission supported and the 1991 Session of the General Assembly adopted House Joint Resolution No. 300 (HJR 300), which authorized the Commission to continue its study for one additional year. The resolution directed the Commission to continue its review and evaluation of methods of enhancing economic growth in Southside and to consider financing alternatives, partnerships between government, higher education and the private sector, and other related issues. Commission and task force membership continued as appointed in 1990.

The Commission called six meetings in 1991, providing a forum for the exploration of specific initiatives to revive the economy of Southside Virginia. Supplementing these meetings were three public hearings held in Franklin, Farmville, and Martinsville. Throughout the year, the Commission sought the expertise of leading economic development specialists, representatives of area industry, and education, as well as the Secretaries of Economic Development and Natural Resources, the Commission on Population Growth and Development, the Department of Aviation, and area Congressmen. Its 1992 report, House Document No. 45, contained a comprehensive 58 recommendations. These recommendations were supported by 12 pieces of adopted legislation;

nine budget amendments; and correspondence with cabinet secretaries and agency leaders. A number of recommendations were carried over for further study.

The adoption of House Joint Resolution No. 71 (HJR 71) by the 1992 Session ensured the continuation of the Commission, renamed the A.L. Philpott Southside Economic Development Commission, to monitor the implementation of its recommendations. The Commission continued its exploration of transportation and infrastructure issues, the permit approvals process, educational opportunities for Southside students, and other economic development concerns. An October meeting with the Joint Commission on Health Care afforded Commission members the opportunity to examine pressing rural health care needs. Following its fifth and final meeting of 1992, the Commission provided an orientation session for newly appointed members of the Southside Virginia Marketing Council and the Southside Virginia Development Authority.

PROMOTING ECONOMIC GROWTH IN SOUTHSIDE VIRGINIA

Defining New Strategies

Traditionally, many states--particularly those in the rural South--have buoyed sagging economies through the recruitment of new businesses. Industry might be easily lured to those areas offering tax incentives, low wages, and a supportive environment. The emergence of a "global" economy, characterized by technological advances, increased foreign competition, and the demand for a highly skilled labor force, however, has severely reduced the effectiveness of this development strategy. Repeated testimony of economic development experts has confirmed that while business recruitment remains an important tool in enhancing economic development, this strategy alone may not ensure economic growth in Southside Virginia.

Despite increased emphasis on "growth-from-within" strategies promoting expansion of existing business, southern rural communities have continued to be among the poorest in the nation and have remained especially vulnerable to competition from other countries offering low wage workers. Responding to this challenge, development specialists refined and expanded the "growth-from-within" formula to increase private sector involvement. This "third wave" of economic development theory recognizes the shared roles and responsibilities of government and the private sector for successful economic growth and emphasizes local entrepreneurship, education, technology, and infrastructure. It is a combination of traditional and newer, innovative development initiatives that have characterized the Commission's work and recommendations for the past three years.¹

Continued Challenges in Southside Virginia

The prosperity of Virginia's metropolitan areas may have masked many of the challenges that continue to burden its rural communities. While the Commonwealth ranks among the fastest growing states in the nation, almost 95 percent of its population growth since 1980 has occurred in the 44 localities comprising the "golden crescent" from Fairfax County to Virginia Beach. Rural

¹ Report of the Commission to Propose Recommendations to Improve and Enhance the Economic Development of the Southside Region of the Commonwealth, House Document No. 42 (1991) at 1-3 [hereinafter referred to as House Document No. 42]; Report of the A.L. Philpott Southside Economic Development Commission, House Document No. 45 (1992) at 1-4 [hereinafter referred to as House Document No. 45].

**Average Per Capita Income*
Southside Region and State
(1990 Census Data)**

	<u>Average Per Capita Income</u>
Virginia	\$15,713
 COUNTY	
Amelia	11,605
Appomattox	10,795
Brunswick	8,872
Buckingham	9,165
Campbell	12,061
Charlotte	9,008
Cumberland	10,295
Dinwiddie	12,212
Franklin	11,936
Greensville	9,504
Halifax	9,568
Henry	11,491
Lunenburg	9,158
Mecklenburg	10,508
Nottoway	10,036
Patrick	10,411
Pittsylvania	11,196
Prince Edward	9,031
Southampton	10,948
Sussex	9,856
 CITY	
Danville	11,344
Emporia	10,478
Franklin	11,212
Martinsville	13,742
South Boston	12,262

*based on persons age 15 and over

*SOURCE: Virginia Employment Commission,
1990 Census of Population and Housing (1992).*

areas claim less than 20 percent of Virginia's population.² Virginia's economy reflects a distinct dichotomy not unlike that of other Southern states: while urban centers expand, rural regions face declining populations, inadequate infrastructure, and lower wage and income levels.

In Southside Virginia, per capita income and employment levels continue to fall below state averages, while plant closings have increased area jobless rates. Quality education, so critical to the development of a skilled, adaptable workforce, is hampered by lower teacher salaries and, in some instances, outdated or inadequate facilities and equipment. Educational attainment levels in Southside also lag behind state averages. Ground transportation is restricted by limited access to interstate highways, and although the region's 19 airports comprise 25 percent of the licensed airports in the state, only one commuter airline offers air service in the region. Little growth is predicted for Southside in the next decade, as the region is poorly represented in the projected growth industries of finance, insurance, and real estate.³

A Renewed Commitment to Economic Development

Yet these grim trends need not continue, as economic development has received renewed focus at the state, regional, and local levels in recent years. The Commonwealth's role as a catalyst for overall economic growth, identified in a 1991 report by the Joint Legislative Audit and Review Commission,⁴ may well be bolstered by the development and implementation of a written, comprehensive economic development policy for the entire state. To be prepared by the Secretary of Economic Development in the first year of each new gubernatorial administration and approved by the Governor and the General Assembly, this policy will also receive the attention of a special cabinet-level committee comprised of the Secretaries of Economic Development, Administration, Education, Health and Human Resources, Natural Resources, and Transportation, as well as representatives of regional and local economic development groups and the business community.⁵ Promoting a sustained statewide economic recovery was the target of a 1990 study chaired by the Lieutenant Governor, while a joint legislative study committee has devoted the last two years to incentives and obstacles influencing business location decisions in Virginia.⁶ In addition, the 1992

2 Virginia Department of Economic Development, 1992 Facts & Figures 8 (1992).

3 House Document No. 45, *supra* note 1, at 6.

4 Report of the Joint Legislative Audit and Review Commission on Review of Economic Development in Virginia, House Document No. 39 (1991).

5 Va. Code § 2.1-51.39:1 (1992 Supp.).

6 Report of the Joint Subcommittee to Study the Measures Necessary to Assure Virginia's Economic Recovery, House Document No. 37 (1992); Interim Report of the Joint Subcommittee Studying the Incentives and Obstacles Facing Businesses When Making Location Decisions in Virginia, House Document No. 54 (1992). In its 1992 report, the Lieutenant Governor's study committee addressed international expansion, capital formation, technology, education, and governmental operations. Its recommendations included the creation of an export loan guaranty program, managed by the Virginia Small Business Financing Authority; the creation of a Virginia Technology Center for Applied Light Source and Materials Research; the implementation of a Virginia Taxpayer Savings Plan, allowing an exemption of the first \$250 of interest and dividends from personal income tax; and the creation of a blue-ribbon panel to examine funding for all levels of public education. The business locations study committee specifically evaluated current incentives to encourage industry to locate in the Commonwealth, reviewed the permit approvals process, and examined laws affecting expansion of existing business. Included among its

Unemployment Rates

Southside Region and State

	<u>July 1990</u>	<u>July 1991</u>	<u>August 1992</u>
VIRGINIA	4.2	6.0	6.1
COUNTY			
Amelia	3.5	6.6	8.8
Appomattox	3.6	6.7	8.4
Brunswick	4.8	9.9	7.8
Buckingham	3.8	7.7	5.2
Campbell	4.2	6.8	6.1
Charlotte	25.0	8.3	12.2
Cumberland	5.1	9.7	7.5
Dinwiddie	5.9	8.6	9.6
Franklin	4.4	8.6	6.6
Greensville	6.1	7.9	6.8
Halifax	6.5	8.1	6.7
Henry	8.2	7.8	5.6
Lunenburg	9.1	18.7	11.6
Mecklenburg	7.8	7.7	7.9
Nottoway	3.6	8.5	6.0
Patrick	5.4	7.0	5.6
Pittsylvania	5.7	8.3	7.7
Prince Edward	8.1	12.4	12.0
Southampton	5.6	5.9	8.2
Sussex	5.5	7.8	7.6
CITY			
Danville	9.3	12.5	9.5
Emporia	7.8	11.2	7.5
Franklin	5.0	7.3	7.8
Martinsville	5.5	9.8	6.5
South Boston	4.9	8.6	7.7

Source: Virginia Employment Commission, *Labor Market Review* (July 1991; August 1992)

Appropriation Act authorized the Lieutenant Governor to coordinate a task force on the Commonwealth's support for Virginia's businesses. Directed to make recommendations on "strategies for improving state, local, and private cooperation in promoting economic development in Virginia," this group was specifically charged to review the recommendations of the Philpott Commission and other legislative study commissions.⁷ Finally, the publication of a comprehensive economic development policy in 1992 may provide new direction for growth.⁸

Regional and Rural Focus

Supplementing these statewide initiatives are a number of regional economic development forces. In 1985, the Southwest Virginia Economic Development Commission, also known as the Lacy Commission, began its work. Reviewing ways to attract business through state, local, and regional efforts, and through programs in educational institutions and the private sector, the Commission was aided by task forces on Education, Marketing Strategies, Natural Resources, Tourism, Transportation, and Utilities. Having completed its formal study in 1987, the Commission continues today through a private organization and an informal legislative coalition.⁹ Efforts to revive Southside's economy intensified following the publication of a 1989 study by the University of Virginia Center for Public Service examining development prospects for the region, and the establishment of the Southside Economic Development Commission in 1990.¹⁰

The three years since the inception of the Philpott Commission have witnessed a flurry of regional and rural economic development activity. In September 1990, the Governor's Conference on Rural Development addressed marketing strategies, infrastructure, and workforce training, supporting the subsequent release of a strategic plan outlining a variety of development initiatives, including the creation of the Center on Rural Development within the Department of Housing and Community Development.¹¹ Exemplifying the effective business and education partnerships so crucial to promoting economic growth, Virginia Power and Longwood College hosted "Southside Virginia 2000: A Forum for Educational Leaders" in June 1991. Also evidencing regional initiative

recommendations were the creation of a nonstock corporation by the Department of Economic Development to assist in business development efforts (1992 Acts of Assembly, ch. 61) and the establishment of the Governor's Economic Development Contingency Fund (1992 Acts of Assembly, ch. 62). This study committee was continued in 1992 to examine and evaluate the effectiveness of changes in the permitting process proposed by the Secretary of Natural Resources. 1992 Acts of Assembly, House Joint Resolution No. 41.

7 1992 Appropriation Act, § 1-14, Item 40 (B).

8 Report of the Secretary of Economic Development, Virginia Economic Development Policy (June 30, 1992). The document was prepared in response to House Joint Resolution No. 42 (1992), and § 2.1-51.39:1 of the Code of Virginia.

9 1985 Acts of Assembly, ch. 340; Final Report of the Southwest Virginia Economic Development Commission, Forward Southwest Virginia (1987).

10 University of Virginia Center for Public Service, Southside Target Industry Study (1989).

11 Governor's Strategic Plan for Rural Development, One Virginia: Partnership for Rural Development (1991); Governor's Conference for Rural Development (1990).

Comparative Data on Public Education Southside Region and State, 1990-91

	Pupil-Teacher Ratio K-7	Avg. Annual Salary-- All teaching positions	Graduates as % of 9th grade 4 yrs. earlier	Graduates Continuing Education
VIRGINIA	15.7	\$ 32,153	74.5	77.2
COUNTY				
Amelia	15.9	27,408	64.4	70.6
Appomattox	16.2	26,373	84.7	77.3
Brunswick	18.1	26,674	83.6	51.9
Buckingham	15.6	28,534	86.9	65.5
Campbell	19.1	28,052	72.4	75.4
Charlotte	14.7	25,708	83.5	51.7
Cumberland	15.2	24,822	66.7	57.7
Dinwiddie	18.1	28,770	75.5	64.0
Franklin	14.8	26,225	66.4	76.8
Greensville	14.9	28,146	74.8*	81.9*
Halifax	13.1	25,464	69.7**	54.1**
Henry	15.6	27,173	67.2	72.3
Lunenburg	15.7	27,508	65.4	62.0
Mecklenburg	13.9	26,939	58.6	76.6
Nottoway	18.8	28,342	63.4	70.4
Patrick	14.0	27,125	79.4	58.2
Pittsylvania	15.3	29,902	77.3	65.7
Prince Edward	16.7	27,594	66.8	74.8
Southampton	13.8	26,576	66.5	87.2
Sussex	16.7	30,444	87.1	54.5
CITY				
Danville	14.6	28,797	89.0	72.1
Franklin	16.7	29,603	80.8	76.2
Martinsville	12.4	29,232	71.5	76.6
South Boston	13.5	25,953	(see Halifax)	(see Halifax)

* includes Emporia

** includes South Boston

SOURCE: Virginia Department of Education, *A New Vision for Education: Superintendent's Annual Report for Virginia 1990-91* (1992).

1990-91 Composite Index of Local Ability-to-Pay* Costs of Standards of Quality

Southside Region -- Local Composite Index** (x .47)

County

Amelia	.3488
Appomattox	.3008
Brunswick	.2761
Buckingham	.2952
Campbell	.3063
Charlotte	.2735
Cumberland	.3050
Dinwiddie	.2989
Franklin	.3482
Greensville***	.2431
Halifax	.2432
Henry	.3235
Lunenburg	.2363
Mecklenburg	.3004
Nottoway	.2824
Patrick	.2840
Pittsylvania	.2613
Prince Edward	.3181
Southampton	.3699
Sussex	.3426

City

Danville	.3138
Franklin	.2727
Martinsville	.3910
South Boston	.2969
State	.4700

* Indicators of ability to pay include local property value, adjusted gross income, taxable retail sales, population, and average daily membership.

** The Local Composite Index is multiplied by .47, pursuant to the 1990 Appropriations Act for the 1990-91 school year. The Appropriation Act also provides that a locality whose composite index (multiplied by .47) exceeds .8000 shall be deemed to have an index of .8000 for purposes of distributing basic aid payments.

SOURCE: Virginia Department of Education; A New Vision for Education, Superintendent's Annual Report for Virginia 1990-91 (1992).
Prepared by Division of Legislative Services

is the Blue Ridge Economic Development Commission, created in 1991 and modeled after the Philpott Commission.¹²

Southside Virginia

The economic fortunes of Southside Virginia over the coming years may be inextricably linked to the efforts of three organizations aimed at promoting business and education partnerships, building necessary infrastructure to support Southside growth and development, and marketing the region's many assets and resources. Created in 1991 upon the recommendation of the Philpott Commission, already the 21-member Southside Virginia Business and Education Commission (SVBEC) has hosted a business and education forum and obtained grant moneys to further its educational objectives. The SVBEC will also examine the need for additional engineering programs in higher education and will monitor and coordinate with area efforts to create a Southside Governor's School.¹³

Improving the region's physical infrastructure will be the goal of the Southside Virginia Development Authority, established in 1992. Governed by a recently-appointed 12-member board, the Authority is empowered to make loans and grants to qualifying private, for-profit enterprises and public, not-for-profit entities, as well as nonprofit industrial development corporations and industrial development authorities for water, sewer, gas, and electrical line, road and building improvements.¹⁴ The Southside Virginia Marketing Council is statutorily directed to encourage regional marketing efforts to attract industrial prospects to the area and to encourage regional cooperation in promoting Southside. Its 13-member board will administer a fund comprised of local voluntary assessments to promote regional marketing efforts.¹⁵

The transformation of the Southside economy will require the combined efforts of these new entities as well as the continued dedication of its leaders, educators, businesses, and citizens. Aiding these regional efforts will be the commitment of the Commonwealth to forge an economic policy that promotes rural and urban recovery. The work and findings of a number of special studies conducted by the Commission on the University of the 21st Century, the Governor's Advisory Committee on Workforce 2000, the Virginia Community College System, and the Department of Education, will enhance quality education and workforce training in Southside and throughout Virginia.¹⁶ The regulatory permit approvals process, long perceived by some industrial prospects as a frustrating maze of applications and delays, will be streamlined and

¹² Interim Report of the Commission to Propose Recommendations to Promote and Stimulate Economic Development in the Blue Ridge Region of Virginia, House Document No. 60 (1992); 1992 Acts of Assembly, House Joint Resolution No. 107.

¹³ Testimony of Robert Meredith, Chairman, Southside Virginia Business and Education Commission, August 21, 1992, Philpott Commission meeting.

¹⁴ Va. Code § 15.1-1651 *et seq.* (1992 Supp.).

¹⁵ Va. Code § 9-145.21 *et seq.* (1992 Supp.).

¹⁶ Commission on the University of the 21st Century, The Case for Change (1990); Governor's Advisory Committee on Workforce Virginia 2000, Partnerships for Excellence: The Virginia Plan for Strengthening the Commonwealth's 21st Century Workforce (1991); Report of the Chancellor and the Virginia Community College System on Virginia Community Colleges: The Commonwealth's Link to a 21st Century Quality Workforce, House Document No. 10 (1993); Report of the Department of Education, Study of Preparing a Skilled Workforce for the 21st Century, House Document No. 18 (1993).

improved by the Permit Assistance Group (PAG) within the new Department of Environmental Quality.¹⁷

CONCLUSIONS AND RECOMMENDATIONS

Despite these encouraging developments, many formidable challenges remain. Restricted access to adequate air and ground transportation continues to hamper Southside's struggle for economic growth and vitality. Through its public schools and institutions of higher education, the region must offer educational opportunities that will prepare its citizens for employment in a global marketplace. The growth and diversification of Southside's existing agricultural base, as well as the expansion of existing and outside industry, are also critical to the region's economic revitalization. Southside's abundant natural resources, its entrepreneurial spirit, and regional unity support tremendous potential for growth. Its economic development is contingent upon the implementation of measures that recognize the shared responsibilities of the public and private sectors for successful growth. The Commission therefore makes the following recommendations:

RECOMMENDATION 1: *That the Commonwealth resume the funding and construction schedules for U.S. Route 58 established prior to Virginia's funding shortfall.*

In 1989, the General Assembly created within the Department of Treasury a nonreverting fund, the U.S. Route 58 Corridor Development Fund. Pursuant to § 58.1-815 of the Code of Virginia, this fund is comprised of the first \$40 million of annual collections of state recordation taxes and other moneys as may be appropriated by the General Assembly. These funds have been diverted to other general fund purposes due to a revenue shortfall. Recognizing that access to interstate transportation is essential to rural economic development, the 1992 budget expressed legislative intent to restore funding "as soon as economic and state revenue conditions in the Commonwealth warrant."¹⁸ Completion of improvements to U.S. Route 58 will not only facilitate shipping and receipt of goods but also enhance travel within and through the region. Further delay in this vital funding will only exacerbate the economic challenges facing Southside Virginia.

RECOMMENDATION 2: *That \$50,000 be appropriated annually for the Southside Virginia Marketing Council and that \$287,000 be appropriated to the Southside Virginia Marketing Fund to provide state matching funds for local voluntary assessments.*

Established pursuant to the Commission's 1992 recommendation (SB 189 and HB 207), the 13-member Southside Marketing Council is directed to attract business prospects to Southside Virginia through marketing and promotional activities and to encourage regional cooperation in promoting the region. While the Council received a \$25,000 annual appropriation in the 1992 budget (§ 1-33, Item 90 A),¹⁹ increased funding will support its efforts to employ an executive director and staff to ensure its effective operation in Southside Virginia. Blending public and private support, the Council is authorized to administer the Southside Virginia Marketing Fund, consisting of moneys generated by a voluntary local per capita tax assessment not to exceed one dollar per resident annually. Only those localities contributing to the Fund are eligible to participate

¹⁷ Testimony of the Honorable Elizabeth H. Haskell, Secretary of Natural Resources, September 22, 1992, Commission meeting.

¹⁸ 1992 Appropriation Act, § 1-122, Item 565 (D)(1).

¹⁹ 1992 Appropriation Act, § 1-33, Item 90 (A).

in the Council's marketing activities. State funds, providing a \$.50 per capita match for local voluntary assessments of at least \$.25 per capita, will greatly enhance the promotional efforts supported by this nonreverting Fund.

RECOMMENDATION 3: *That \$75,000 be appropriated annually for the Southside Virginia Development Authority and that the Authority administer:*

(a) a \$25 million low-interest loan pool to provide water, sewer, gas, and other infrastructure needs to assist in Southside prospect locations;

(b) a \$5 million pilot revolving loan fund to provide loans at market interest rates for the formation of new enterprises and the expansion and modernization of existing industries, especially small- and medium-sized manufacturers; and

(c) a \$5 million "project closing" fund to assist with prospect location decision making and relocation expenses in Southside Virginia.

Increasingly advanced technology and subsequent reductions in labor needs have critically affected manufacturing employment levels in Southside. While Southside localities have spent an estimated \$30 million for economic development in recent years, the region continues to experience low average income and higher unemployment rates. The Commission supported the creation of a regional development authority in 1992 to administer loan programs for industrial expansion to bolster local development and industrial recruitment efforts. Modeled after the Coalfield Economic Development Authority and responsible for a region consisting of 20 counties and six cities, the Southside Virginia Development Authority is empowered to make loans and grants for qualified public and private enterprises to finance real estate purchases and various infrastructure improvements. The Authority cannot achieve its objectives without financial support, however; a stable funding source is necessary to support Authority operating costs as well as its loan programs.

RECOMMENDATION 4: *That \$100,000 be appropriated annually for the Southside Virginia Business and Education Commission.*

Created in 1991 pursuant to legislation sponsored by the Commission, the Southside Virginia Business and Education Commission focuses on the educational component of economic development, increasing dialogue between business and education. The expertise and continuing leadership of this commission provides a much-needed resource to improve the quality of education and workforce training in Southside. The SVBEC will accomplish little, however, without sufficient and stable funding. Although granted a \$50,000 annual legislative appropriation in the 1992 budget, supplemented by a \$20,000 grant from the Center on Rural Development, additional funding is needed to support an executive director and to provide "seed money" to obtain future grants and donations.²⁰ Charged to provide "general leadership" in education in the region, the SVBEC hosted a business and education forum in March, 1992, and has continued to refine its plans and goals through its subcommittees. In addition, the SVBEC was requested to examine the need for additional engineering programs in higher education and to monitor and coordinate with area efforts to create the Southside Governor's School.

²⁰ 1992 Appropriation Act, § 1-33, Item 90 (B).

RECOMMENDATION 5: *That \$406,445 be appropriated for the establishment of the Governor's School for Global Economics and Technology.*

Supported by the Virginia Board of Education and a coalition of Southside school superintendents, the proposed Governor's School for Global Economics and Technology would incorporate telecommunications to transmit special courses to regional sites, thereby increasing access to advanced educational opportunities for gifted Southside students. These courses might ultimately be transmitted to schools throughout the region, further enhancing educational opportunities for all students. The school would apply integrated learning systems and incorporate several disciplines through data accession, electronic telecommunications, and distance learning. Using a "global focus," the school would offer study in economics as well as languages, math, and science. Chosen based on an equalized average daily membership, students would likely travel to these four regional sites, no more than one hour from the home high school, for a half day of study. Students would return to their home schools for extracurricular activities and other course work. It is hoped that the program will be implemented in fall 1993, using sites at area institutions of higher education. Projected enrollments for the 1993-1994 academic year stand at nearly 200 students. The local governing bodies of eleven Southside counties have expressed support for this initiative through resolutions.²¹

Having reviewed the work of the planning group, the Commission recommended the creation of a Governor's School for Southside students in its 1992 report to the Governor and the General Assembly. In August, 1992, the Board of Education approved a funding proposal for this educational institution.²² As the coordinated efforts of regional educators and the private sector have now culminated in a definitive plan and mission for this unique educational institution, government support is needed to ensure the creation of this special school.

RECOMMENDATION 6: *That \$150,000 in state funds be appropriated for the establishment of the A.L. Philpott Manufacturing Research Center at Patrick Henry Community College.*

Responsible for nearly one-third of Southside employment, manufacturing continues to play a vital role in the region's economic fortunes. Providing technology transfer and facilitating the modernization of manufacturing processes will greatly enhance the growth and expansion of area industry. Recognizing that the establishment of a regional manufacturing research center would provide a network for Southside manufacturers to incorporate technological innovations in their production processes, the Commission supported the creation of the A.L. Philpott Manufacturing Research Center in 1992. While SB 522 and HB 1196 (1992), the general obligation bond issues, included \$2,538,000 for the construction of an addition to the Philpott Occupational/Technical Center at Patrick Henry Community College, additional funding is necessary to provide for staffing and operating expenses.

RECOMMENDATION 7: *That \$135,000 in state funds be designated on a pilot project basis to support specific job training efforts for noncredit courses in workplace training centers at Southside community colleges, public schools, and continuing education centers.*

Southside's traditional reliance on older manufacturing industries, which are now changing and upgrading their technologies, justifies increased regional efforts in worker retraining. Although Southside community colleges offer customized worker training programs, these

²¹ Summaries of August 21, 1992, and December 7, 1992, Philpott Commission meetings.

²² Minutes of August 27, 1992, Business Meeting of the Virginia Board of Education.

initiatives are funded from existing operating budgets, often at the expense of other programs. While federal and private dollars may support some of these programs, state funds are currently not available for noncredit activities. Special funding, specifically designated for worker training programs, is necessary to support training programs at community as well as public schools and continuing education centers. These appropriations should be limited to specific technical training and should be distributed to those programs serving areas that demonstrate the greatest need for regional efforts in worker training. If proven successful as a pilot project in Southside Virginia, this initiative could then be expanded to other regions of the Commonwealth.

RECOMMENDATION 8: *That a joint legislative subcommittee be established to study the development of the proposed agricultural export center at Fort Pickett.*

Approximately 40 percent of all U.S. exports are currently transported by air, a trend that is expected to increase at a rate of about 10 percent annually. A proposed agricultural export center for Fort Pickett contemplates the export of agricultural and other high value general cargo and would incorporate existing military airstrip facilities with a foreign trade zone, refrigeration and cold storage, general freight, cut flower and live animal export facilities, in addition to an air industrial park. It is estimated that the project might create as many as 1,000 jobs for Southside citizens. Nottoway County, acting for the Southside Regional Airport Authority, retained the services of Sverdrup Corporation and IPAC, Inc., to obtain a feasibility study for the project, the results of which are expected to be available in early 1993. Additional information is needed, however, to determine the feasibility and economic viability of such a project. A joint legislative subcommittee should review the feasibility study, monitor any approvals and funding processes, and examine local as well as regional support for the project.²³

RECOMMENDATION 9: *That the A.L. Philpott Southside Economic Development Commission be continued for one additional year to monitor the implementation of its recommendations and efforts of the Southside Virginia Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority.*

Having completed three years of intense study, the work of the A.L. Philpott Southside Economic Development Commission will continue largely through the efforts of the Southside Virginia Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority. Despite the commitment of these new entities and the public and private sectors to Southside's economic renewal, statewide and regional fiscal constraints may delay the realization of those initiatives necessary to ensure Southside's growth and recovery. The Commission should continue for one additional year to meet no more than twice to monitor the implementation of its recommendations and to serve as a resource for the entities that will advance the economic growth of Southside Virginia.

RECOMMENDATION 10: *That the 1993-94 budget include \$750,000 for construction of a pilot agribusiness park in Southside Virginia and that these funds be matched by \$250,000 in local funds and administered in a manner similar to the Communities for Opportunity program in Southwest Virginia and that tax revenues generated by this park be shared proportionately by the participating localities.*

²³ Summary of July 9, 1992, Philpott Commission meeting; see also, November 9, 1992, correspondence of Clinton V. Turner, Commissioner, Department of Agriculture and Consumer Services.

Included in the Commission's 1992 report as Recommendation 32, this initiative will combine state, local, and private sector efforts to promote development. The absence of state programs specifically targeting agricultural recruitment sometimes forces agribusiness prospects to search independently for sites featuring appropriate infrastructure and other necessities. The creation of an agribusiness park and an agriculture-specific recruitment program will stimulate existing agriculture markets and encourage expansion of related business. Southampton County, having already earmarked funds for the development of such a park near the proposed Farmers' Market, should be considered as a possible site for this pilot project.

Respectfully submitted,

Delegate Whittington W. Clement, *Chairman*
Senator Virgil H. Goode, Jr., *Vice Chairman*
Delegate W.W. "Ted" Bennett, Jr., *Vice Chairman*
Delegate Watkins Abbitt, Jr.
Delegate J. Paul Councill, Jr.
Delegate Willard R. Finney
Delegate W. Roscoe Reynolds
Senator Charles R. Hawkins
Senator Richard J. Holland
Senator L. Louise Lucas
F. Seward Anderson
William E. Coleman
William E. Confroy
Ben J. Davenport, Jr.
William Dorrill
Rudolf Doswell*
S. Ward Finney
Glenn Gunter, Jr.
Elizabeth G. Johnson
William M. Stafford
W.C. Ward, Jr.
Max F. Wingett
C. Warren Green, *ex officio*

* deceased

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1985 Acts of Assembly, ch. 340.

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July 9, 1992, Danville, Virginia

Presentation by Cathleen A. Magennis, *Secretary of Economic Development*; update on Route 58 developments and discussion of changes to transportation formula by John G. Milliken, *Secretary of Transportation*, and Oscar Mabry, *Deputy Secretary*; update on status of Southside "superport" by Kenneth A. Rowe, *Director*, and Michael A. Waters, *Planning and Promotion, Virginia Department of Aviation*; comments on proposed agricultural export center by Col. Maynard Austin, *Executive Director, Nottoway County Economic Development Commission*; review of Dillon Rule study and implications for Southside by J. Edwin Deane, *Department of Housing and Community Development, staff to the Governor's Advisory Commission on the Dillon Rule and Local Government*; comments from Southside mayors, boards of supervisors, county administrators, and city managers.

August 21, 1992, Longwood College, Farmville

Review of Higher Education Bond Issue by Dr. William Dorrill, *President, Longwood College*; presentation by Robert Meredith, *Chairman, Southside Virginia Business and Education Commission*; update on status of Southside Governor's School or magnet school by Richard Layman, *Department of Education*, and Dr. Dorothea Shannon, *Superintendent, Greensville County Public Schools*; comments by Dr. Carlyle Ramsey, *President, Danville Community College*: "Southside 2000;" challenges in teacher recruitment and retention by Dr. Edward "Ned" Carr, *Deputy Superintendent for Administration, Department of Education*; Dr. James G. Blevins, *Superintendent, Nottoway County Public Schools*; Dr. Richard D. Greig, *Superintendent, Lunenburg County Public Schools*; Dr. Dorothea Shannon, *Superintendent, Greensville County Public Schools*.

September 22, 1992, Walker Fine Arts Center, Patrick Henry Community College, Martinsville

Challenges in Environmental Regulation by The Honorable F. Seward Anderson, *Mayor, City of Danville*; Sidney Clower, *Director, Henry County Public Service Authority*; E. J. Woodhouse, Jr., Esq., *Hercules Aerospace Company, Radford Army Ammunition Plant*; Lee Goodrich, *Secretary & General Counsel, Dan River Inc., Danville*; the Honorable Elizabeth H. Haskell, *Secretary of Natural Resources*; comments by Ralph M. Byers, *Director of Governmental Relations and Special Activities, Virginia Polytechnic Institute and State University*, Opportunities in Manufacturing Technology.

October 20, 1992, Virginia United Methodist Assembly Center, Blackstone

Meeting with the Joint Commission on Health Care: "Defining Solutions for Rural Health Care: Building on Successes;" "Primary Care and Rural Health, Problems and Solutions," comments by David Marsland, M.D., *Chairman, Family Practice, MCVVCU*; "Southside Virginia Health Needs," Bob Williams, M.D., *Family Practitioner, MCVVCU*; Dialogue with Rural Practitioners, Stephen M. Ayres, M.D., *Dean, School of Medicine, MCVVCU*, moderator; "What Are We Doing Right? What Are We Doing Wrong?" comments by Fitzhugh Mayo, M.D., *Family Practitioner and Systems Engineer*; afternoon working session: update on activities of other economic development commissions; comments by Robert M. de Voursney, *Professor, University of Virginia Center for Public Service*: "Future Options for the Philpott Commission."

December 7, 1992, Longwood College, Farmville

Update on Governor's School for Global Economics and Technology by Dr. Dorothea Shannon, *Superintendent, Greensville County Schools*; endorsement of deferred recommendations; development of final recommendations.

HOUSE JOINT RESOLUTION NO. 71

Continuing the A. L. Philpott Southside Economic Development Commission.

Agreed to by the House of Delegates, February 11, 1992

Agreed to by the Senate, March 3, 1992

WHEREAS, the General Assembly, pursuant to House Joint Resolution No. 106 (1990), established a commission to propose recommendations to improve and enhance the economic development of Southside Virginia (the "A. L. Philpott Southside Economic Development Commission" or the "Commission"); and

WHEREAS, the Commission was authorized to continue its examination of economic, educational, financial, infrastructural, and industrial challenges facing the region pursuant to House Joint Resolution No. 300 (1991); and

WHEREAS, under the leadership of the late Speaker of the House of Delegates, A. L. Philpott, the Commission and its four task forces explored traditional development strategies as well as newer initiatives that focus on "growth-from-within" and partnerships between the public and private sectors; and

WHEREAS, the Commission's two years of study have been enhanced by the input and expertise of Congressional leaders, leading economic development specialists, educators, business representatives, and those Cabinet Secretaries and state agencies responsible for education, economic development, natural resources, transportation, and community development; and

WHEREAS, to ensure its economic recovery, Southside Virginia must overcome a variety of obstacles, such as low educational attainment levels, low per capita personal income averages, high unemployment rates, and inadequate infrastructure; and

WHEREAS, in its 1991 report, House Document No. 42, the Commission submitted recommendations addressing the expansion of industries using the region's abundant natural resources, the educational needs of Southside citizens and employers, industrial recruitment incentives, and regional marketing efforts; and

WHEREAS, the A. L. Philpott Southside Economic Development Commission, through its Task Force on Education, Training, and the Workforce, has recognized that although existing teacher scholarship programs include repayment provisions for service in needy areas, southside schools continue to experience difficulty in recruiting and retaining teachers; and

WHEREAS, ensuring effective, quality instruction is essential to the improvement of public education throughout the Commonwealth; and

WHEREAS, examination of current teacher recruitment efforts and the ability of localities to offer employment incentives is also necessary to assess accurately the need for other programs; and

WHEREAS, the Commission's report to the Governor and the 1992 Session of the General Assembly includes additional, far-reaching recommendations to improve public education, to promote the expansion of existing area industry, to enhance agricultural diversification efforts, and to support the infrastructure necessary for growth and access to urban areas; and

WHEREAS, addressing Southside's immediate and long-term development needs requires not only the enduring commitment and entrepreneurial spirit of its leaders, citizens, and industries but also continued support and review of the implementation of the Commission's sweeping proposals; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the A. L. Philpott Southside Economic Development Commission be continued for one additional year to monitor the implementation of its recommendations, including but not limited to, ways to enhance teacher recruitment and retention in regions demonstrating the greatest need for assistance and a willingness to meet their local ability to pay for public education. The membership of the Commission shall continue as established by House Joint Resolution No. 106 (1990). The Commission shall elect a chairman from its membership. Vacancies shall be filled by the Governor, the Speaker of the House of Delegates, and the Senate Committee on Privileges and Elections, as appropriate.

The legislative members of the Commission shall be compensated as specified in § 14.1-18 of the Code of Virginia, and all members of the Commission shall be reimbursed for their actual expenses incurred in the performance of the work of the Commission.

The Commission shall be assisted by the Center for Public Service at the University of Virginia and the Division of Legislative Services. All agencies of the Commonwealth shall provide assistance upon request in the manner deemed appropriate by the Commission.

The Commission may accept and expend gifts, grants, or donations from public or private sources which will enable it to meet its objectives.

The Commission shall complete its work in time to submit its findings and recommendations to the Governor and the 1993 Session of the General Assembly in accordance with the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

The indirect costs of this study are estimated to be \$6,280; the direct costs shall not exceed \$7,920.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

*Resolution of the A.L. Philpott
Southside Economic Development Commission*

On the death of Rudolf V. Doswell.

WHEREAS, Rudolf V. Doswell, member of the A.L. Philpott Southside Commission, died October 3, 1992; and

WHEREAS, a native of Meherrin and a graduate of elementary and secondary schools in Lunenburg County and the City of Farmville, Mr. Doswell relentlessly sought higher learning throughout his life, obtaining a bachelor of science degree from North Carolina A & T University and pursuing post graduate studies at Longwood College, the University of Virginia, and Virginia State University; and

WHEREAS, after service in the U.S. Navy in World War II and subsequent higher education, Mr. Doswell returned to Southside Virginia to develop a rich and varied professional career as an educator, county extension agent, and, ultimately, as an assistant professor of animal science at Virginia State University; and

WHEREAS, as co-founder of the Prince Edward Volunteer Rescue Squad, a charter member of Flotilla 37 Coast Guard Auxiliary, and a participant in the establishment of the Pine Ridge Nursing Home, Mr. Doswell demonstrated an unflagging dedication to community service; and

WHEREAS, Rudolf Doswell's unique experience as an educator and public servant combined to play a major role in the reopening of the Prince Edward County Schools in 1963; and

WHEREAS, retirement from professional life did not diminish Mr. Doswell's service to Southside Virginia, as he became a member of the Farmville Town Council in 1988 and was appointed to the Southside Economic Development Commission when it was created in 1990, supplementing this membership with service on the Task Force on Infrastructure; and

WHEREAS, Rudolf Doswell led a full and varied life, committed to a better future for the Southside region and the Commonwealth as a whole, and his presence will be sorely missed by those he helped, influenced, and inspired; now therefore, be it

RESOLVED that A.L. Philpott Southside Economic Development Commission notes with great sadness the passing of such a dedicated citizen of Southside Virginia and that this resolution be presented to his family in honor of his lifetime of achievement and service to his community and the Southside region of the Commonwealth.

Date

Whittington W. Clement, *Chairman*

**Resolution of the
A.L. Philpott Southside Economic Development Commission**

Adopted December 7, 1992

WHEREAS, the A. L. Philpott Commission, established in 1990 pursuant to HJR 106, was charged to "propose recommendations to improve and enhance the economic development of the Southside region of the Commonwealth"; and,

WHEREAS, the establishment and operations of the Virginia Export Center at Blackstone Army Airfield on federal land leased to the Commonwealth meets the objectives of the Commission's charter; and

WHEREAS, the Counties of Amelia, Brunswick, Charlotte, Dinwiddie, Lunenburg, Nottoway and Prince Edward and the Towns of Blackstone, Burkeville, and Crewe requested, and the General Assembly of 1992 did approve, the creation of the Southside Regional Airport Authority to control and operate the Virginia Export Center; and

WHEREAS, the Airport Authority covers seven Southside counties which comprising about one-third of the counties within the Commission study area, and that these counties have a population of about 110,000 persons; and

WHEREAS, the seven county area always suffers from high unemployment and the development of the Export Center offers an immediate job creation capability to the area; and

WHEREAS, the Airport Authority is now conducting a federal, state and local supported feasibility study required to continue development of the project which has wide-spread local and state public support; now, therefore, be it

RESOLVED, that the A. L. Philpott Commission fully endorse and support the concept of an Export Center as a project that, when completed, will attract business and industry, serving many firms both new and existing in Southside and in all of the Commonwealth, and is a project deserving of every consideration for future funding by the General Assembly upon receipt of a completed feasibility study.

**Resolution of the
A.L. Philpott Southside Economic Development Commission**

Adopted December 7, 1992

Requesting the Commonwealth Transportation Board and Virginia's Congressional delegation to support the incorporation of the U.S. Route 58 corridor in the Transamerica Transportation Corridor.

WHEREAS, directed to "propose recommendations to improve and enhance the economic development of the Southside region of the Commonwealth," the A.L. Philpott Southside Economic Development Commission has examined the region's economic, educational, and transportation needs; and

WHEREAS, among those economic development issues reviewed by the Philpott Commission was the restoration of funding for the U.S. Route 58 corridor, established pursuant to § 58.1-815 of the Code of Virginia, for the completion of a Southside highway to enhance travel as well as industrial development; and

WHEREAS, in fiscal year 1991, the U.S. Department of Transportation Appropriations Act provided for an Interstate 66 feasibility study, assessing a proposed transcontinental route linking the east and west coasts of the United States; and

WHEREAS, this proposed route is expected to have its eastern terminus in the Commonwealth and its western end in California; and

WHEREAS, the study will not only examine the feasibility of this interstate highway, but will also explore transportation strategies for the future; and

WHEREAS, recognizing the critical role of transportation and adequate infrastructure in ensuring the region's growth and prosperity, the Commission recommended in its 1992 report that the proposed federal "superhighway" from Norfolk to California follow the existing U.S. Route 58 corridor across the entire southern border of Virginia; and

WHEREAS, the Transamerica Corridor offers a unique opportunity to enhance not only the economic future of Southside but that of the Commonwealth as a whole by combining federal and state efforts to improve transportation; now therefore, be it

RESOLVED by the A.L. Philpott Southside Economic Development Commission that the Commonwealth Transportation Board and the Virginia Congressional delegation are hereby requested to support the incorporation of the U.S. Route 58 corridor in the Transamerica Transportation Corridor.

SUMMARY

1991 AND 1992 LEGISLATIVE INITIATIVES

1991

HJR 300 (Bennett) *Southside Economic Development Commission.* Continues the Southside Economic Development Commission. (**House Document 42, RECOMMENDATION 1**).

Status: Passed.

HB 1267 (Parker) *Apportionment of multistate income for Virginia corporate income tax purposes.* Changes the traditional three-factor apportionment formula, which currently weighs the property, payroll, and sales factors equally at 33 1/3 percent each, to a formula which weighs the sales factor at 50 percent and the property and payroll factors at 25 percent each. This measure would support businesses with headquarters and major production facilities in the Commonwealth, which generate not only revenues but employment opportunities as well. The adjustment would affect tax years beginning January 1, 1991. (**House Document 42, RECOMMENDATION 2**).

Status: Failed.

HB 1806 (Bennett) *Southside Virginia Business and Education Commission.* Creates a 21-member Southside Virginia Business and Education Commission to encourage and expand business participation and involvement in public education in Southside Virginia. (**House Document 42, RECOMMENDATION 4**).

Status: Passed; no appropriation sought.

SB 590 (Holland) *Department of Economic Development.* Requires the Department of Economic Development to develop and implement a plan to act as an information resource for nongovernmental applicants for state environmental regulatory permits for the purpose of assisting applicants in understanding and expediting the permitting process. In its original form, the measure required the Department to assist all applicants by acting on behalf of such applicants before regulatory agencies, monitoring the status of the permit application, and providing any information required by the regulatory agency with the goal of expediting the approvals process. (**House Document 42, RECOMMENDATION 3**).

Status: Passed.

1992

HB 206 (Clement)
SB 183 (Goode)

Southside Virginia Development Authority. Creates the Southside Virginia Development Authority to administer programs enhancing the economic development of Southside Virginia. Governed by a 12-member board, the Authority is empowered to make loans and grants for industrial expansion, infrastructure, and other improvements. The Authority is responsible for a region comprised of 20 counties and six cities. The Authority is modeled after the Virginia Coalfield Economic Development Authority. (**House Document 45, RECOMMENDATION 23**).

Status: Passed; signed by Governor (3/16--HB 206; 4/4--SB 183); no appropriation requested for 1992.

HB 207 (Clement)
SB 189 (Holland)

Southside Virginia Marketing Council. Creates the 13-member Southside Virginia Marketing Council to attract business prospects to the area through regional marketing. A nonreverting Southside Virginia Marketing Fund, funded by local voluntary appropriations not to exceed one dollar per resident annually, will support these regional marketing programs. **(House Document 45, RECOMMENDATION 19).**

Status: Passed; signed by Governor (4/4--HB 207; 3/27--SB 189); \$25,000 annual appropriation (1992 Appropriation Act, § 1-33, Item 90 A).

HB 364 (Bennett)

Small business employers' exemption from definition of migrant labor camp. Re-inserts the small business exemption from the definition of migrant labor camps. The current exemption expired on December 31, 1991. This measure will assist small agricultural employers in obtaining workers. An emergency clause makes this bill effective upon its passage. **(House Document 45, RECOMMENDATION 46).**

Status: Passed; signed into law 2/26/92.

HB 831 (Reynolds)
SB 294 (Goode)

A. L. Philpott Manufacturing Research Center. Establishes the A. L. Philpott Manufacturing Research Center to promote manufacturing modernization and industrial expansion. The Center is authorized to receive and accept grants and to be available as a federal demonstration center for the training of displaced workers. Further, an emergency clause, which makes the measure effective upon passage, was added to make the Center immediately eligible for this funding. **(House Document 45, RECOMMENDATION 24).**

Status: Passed; signed by Governor (SB 294 signed into law 3/6/92; HB 831 signed into law 4/3/92); **SB 522** and **HB 1196** (general obligation bond issues) include \$2,538,000 for the construction of an addition to the Philpott Occupational/Technical at Patrick Henry Community College; 1992 Appropriation Act, § 2-5, Item C-14.2 included \$185,000 for site development.

HJR 68 (Councill)

Department of Forestry to promote forest industries. Requests the Department of Forestry to promote forest industries in the Commonwealth through exploring pine pulpwood markets, coordinating a project linking industries producing and using wood residues, and creating an educational program in hardwood dimension products. The Department is requested to report its progress to the House Appropriations and Senate Finance Committees prior to the 1993 Session of the General Assembly. **(House Document 45, RECOMMENDATION 33).**

Status: Passed; *see also*, 1992 Appropriation Act, § 1-42, Item 119 D.

HJR 69 (Councill) *Use of wood wastes as fuel.* Requests the Coal and Energy Commission to examine policies necessary to promote the increased use of wood wastes for fuel by state facilities. The Virginia Center for Coal and Energy Research and the Brooks Forest Products Center at VPI are requested to assist the Commission, which must report to the Governor and the 1993 Session of the General Assembly. (**House Document 45, RECOMMENDATION 36**).

Status: Passed.

HJR 70 (Councill) *Insurance for diversification crops.* Requests the State Corporation Commission to examine the availability and affordability of diversification crop insurance and to report its findings to the House Committee on Agriculture and the Senate Committee on Agriculture, Conservation and Natural Resources during the 1993 Session of the General Assembly. (**House Document 45, RECOMMENDATION 30**).

Status: Passed.

HJR 71 (Bennett) *A. L. Philpott Southside Economic Development Commission.* Continues the A. L. Philpott Southside Economic Development Commission for one additional year to monitor the implementation of its recommendations. Initially established by the 1990 Session of the General Assembly, the Commission has reviewed economic development strategies to enhance the quality of public education, improve infrastructure, and promote industrial expansion and agricultural diversification. (**House Document 45, RECOMMENDATION 1**).

Status: Passed.

HJR 92 (Bennett) *Financial aid for part-time students.* Requests the State Council for Higher Education for Virginia and the Virginia Community College System to examine the need for extending state financial assistance to part-time students enrolled in community colleges and four-year institutions of higher education and residing in those areas having low per capita income and educational attainment levels and high unemployment levels. (**House Document 45, RECOMMENDATION 9**).

Status: Withdrawn; the 1992 Appropriation Act, § 4-5.01 b 1 (a) permits grants of student financial aid for part-time enrollments in a degree- or certificate-granting program at two- and four-year institutions.

HJR 93 (Bennett) *Engineering and technology programs in Southside Virginia.* Requests the State Council of Higher Education, collaboratively with the Southside Virginia Business and Education Commission, to examine the need to increase or expand engineering and technology programs in the region's institutions of higher education. (**House Document 45, RECOMMENDATION 10**).

Status: Passed.

HB 233 (Parker) *Apportionment of multistate income for Virginia corporate income tax purposes.* Changes the traditional three-factor apportionment formula, which currently weighs the property, payroll, and sales factors equally at 33 1/3 percent each, to a formula which weighs the sales factor at 50 percent and the property and payroll factors at 25 percent each. This measure would support businesses with headquarters and major production facilities in the Commonwealth, which generate not only revenues but employment opportunities as well. The adjustment would affect tax years beginning January 1, 1992. (**House Document 45, RECOMMENDATION 18**).

Status: Failed.

HB 682 (Abbitt) *Virginia Conservation Trust Fund.* Establishes the Virginia Conservation Trust Fund to be administered by a nine-member Virginia Conservation Council. The purpose of the Fund is to acquire land for conservation, recreation and the preservation of natural areas by the Departments of Conservation and Recreation, Forestry, and Game and Inland Fisheries. The source of revenue for the Fund is a surcharge of \$1.50 per gallon on distilled spirits sold in Virginia. (**House Document 45, RECOMMENDATION 40**).

Status: Carried over in House Finance Committee; however, a similar measure, **HB 787**, establishing the Virginia Conservation and Recreation Foundation and Fund, was passed.

HJR 91 (Bennett) *Teacher recruitment and retention.* Establishes a joint subcommittee to study regional difficulties in teacher recruitment and retention. (**House Document 45, RECOMMENDATION 3**).

Status: Failed, but folded in to **HJR 71** to permit Commission to examine this issue.

BUDGET INITIATIVES AND LANGUAGE AMENDMENTS FOR 1992-1994 BIENNIUM:

Adjustment of funding formulas to address regional educational disparities. Funding for regional educational disparities, 1992 Appropriation Act, § 1-46, Item 135 B 10; the Commission on Equity in Public Education (SB 500) is expected to address funding formula. (**House Document 45, RECOMMENDATION 2**).

Funding for Southside Virginia Business and Education Commission. \$50,000 annually, 1992 Appropriation Act, § 1-33, Item 90 B. (**House Document 45, RECOMMENDATION 15**).

Funding for Southside Virginia Marketing Council. \$25,000 annually, 1992 Appropriation Act, § 1-33, Item 90 A. (**House Document 45, RECOMMENDATION 19**).

Monitoring implementation of one-stop permitting recommendation. 1992 Appropriation Act, § 1-96, Item 399 A: "The Secretary of Natural Resources shall review the staffing, funding and other resource requirements necessary for the Department of Environmental Quality to expedite and improve the permit review process, and report the findings of this review to the Governor and the Chairmen of the Senate Finance, Senate Agriculture, Conservation and Natural Resources, House Appropriations and House Conservation and Natural Resources Committees by November 15, 1992." In addition, Va. Code § 2.1-548.8 directs the Department of Economic

Development to develop a plan to serve as an informational resource for nongovernmental applicants for environmental permits pursuant to the Commission's 1991 legislation, **SB 590**. (**House Document 45, RECOMMENDATION 22**).

A. L. Philpott Manufacturing Research Center. **SB 522** and **HB 1196** (general obligation bond issues) include \$2,538,000 for the construction of an addition to the Philpott Occupational/Technical at Patrick Henry Community College; 1992 Appropriation Act, § 2-5, Item C-14.2 includes \$185,000 for site development. (**House Document 45, RECOMMENDATION 24**).

Funding for planning for Southeast Regional Farmers' Market. \$50,000 in first year only--1992 Appropriation Act, § 1-36, Item 105 F. (**House Document 45, RECOMMENDATION 27**).

Report on timber bridge pilot project. 1992 Appropriation Act, § 1-42, Item 119 F. (**House Document 45, RECOMMENDATION 37**).

U.S. Route 58 funding. 1992 Appropriation Act, § 1-122, Item 565 D 1: "It is the intent of the General Assembly to restore full funding to the Route 58 Corridor Development Program as prescribed in § 58.1-815, Code of Virginia, as soon as economic and state revenue conditions in the Commonwealth warrant." (**House Document 45, RECOMMENDATION 49**).

Department of Aviation marketing to promote commercial air service in Southside. 1992 Appropriation Act, § 1-121, Item 557. (**House Document 45, RECOMMENDATION 52**).

1993 SESSION

LD9083152

HOUSE JOINT RESOLUTION NO. 412

Offered January 14, 1993

Continuing the A. L. Philpott Southside Economic Development Commission.

Patrons—Bennett, Abbitt, Armstrong, Clement, Council, Finney, Parker and Reynolds;
Senators: Goode and Lucas

Referred to the Committee on Rules

WHEREAS, the General Assembly, pursuant to House Joint Resolution No. 106 (1990), established a commission to propose recommendations to improve and enhance the economic development of Southside Virginia (the "A. L. Philpott Southside Economic Development Commission" or the "Commission") and subsequently authorized the Commission to continue its examination of economic, educational, financial, infrastructural, and industrial challenges facing the region pursuant to House Joint Resolution No. 300 (1991) and House Joint Resolution No. 71 (1992); and

WHEREAS, in its three years of study, the Commission has explored traditional development strategies as well as newer initiatives that focus on "growth-from-within" and partnerships between the public and private sectors, and has sought the input and expertise of Congressional leaders, leading economic development specialists, educators, business representatives, and those Cabinet Secretaries and state agencies responsible for education, economic development, natural resources, transportation, and community development; and

WHEREAS, the implementation of the Commission's far-reaching recommendations, addressing the expansion of industries using the region's abundant natural resources, the educational needs of Southside citizens and employers, industrial recruitment incentives, infrastructure, and regional marketing efforts, will require continued leadership and review; and

WHEREAS, recognizing that addressing Southside's immediate and long-term development needs will require the enduring commitment and leadership that only permanent, regional organizations can provide, the Commission recommended the creation of the Southside Virginia Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, three separate entities with distinct missions for the growth and renewal of the region; and

WHEREAS, although the 21-member Southside Virginia Business and Education Commission has in its initial year already secured the support of numerous Southside businesses and educators and has obtained grant money to support its partnership efforts, the continued support of the Philpott Commission will strengthen its position as a positive force for growth in the region; and

WHEREAS, while the Southside Virginia Marketing Council and the Southside Virginia Development Authority have also begun their work as organizations committed to the future of Southside Virginia, they, too, will benefit from the guidance and expertise that the Philpott Commission may provide as a resource in the coming year; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the A. L. Philpott Southside Economic Development Commission be continued for one additional year, to meet no more than twice to monitor the implementation of its recommendations and to serve as a resource for the Southside Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority. The membership of the Commission shall continue as established by House Joint Resolution No. 71. Vacancies shall be filled by the Governor, the Speaker of the House of Delegates, and the Senate Committee on Privileges and Elections, as appropriate.

The legislative members of the Commission shall be compensated as specified in § 14.1-18 of the Code of Virginia, and all members of the Commission shall be reimbursed for their actual expenses incurred in the performance of the work of the Commission. The Commission may accept and expend gifts, grants, or donations from public or private

1 sources which will enable it to meet its objectives.

2 The Commission shall be assisted by the Center for Public Service at the University of
3 Virginia and the Division of Legislative Services.

4 The Commission shall submit any additional findings and recommendations to the
5 Governor and the 1994 Session of the General Assembly in accordance with the procedures
6 of the Division of Legislative Automated Systems for the processing of legislative
7 documents.

8 The indirect costs of this study are estimated to be \$6,280; the direct costs shall not
9 exceed \$8,280.

10 Implementation of this resolution is subject to subsequent approval and certification by
11 the Joint Rules Committee. The Committee may withhold expenditures or delay the period
12 for the conduct of the study.

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Official Use By Clerks	
Agreed to By	
The House of Delegates	Agreed to By The Senate
without amendment <input type="checkbox"/>	without amendment <input type="checkbox"/>
with amendment <input type="checkbox"/>	with amendment <input type="checkbox"/>
substitute <input type="checkbox"/>	substitute <input type="checkbox"/>
substitute w/amdt <input type="checkbox"/>	substitute w/amdt <input type="checkbox"/>
Date: _____	Date: _____
Clerk of the House of Delegates	Clerk of the Senate

1993 SESSION

LD9086152

HOUSE JOINT RESOLUTION NO. 460

Offered January 21, 1993

Establishing a joint subcommittee to study the feasibility and appropriateness of establishing an agricultural export center at Fort Pickett.

Patron—Parker

Referred to the Committee on Rules

WHEREAS, approximately 40 percent of all U.S. exports are currently transported by air, and this figure is expected to grow at a rate of 10 percent annually, reflecting the increasingly global economy; and

WHEREAS, the A.L. Philpott Southside Economic Development Commission has received testimony regarding the creation of an agricultural export center at Fort Pickett, a project that might capitalize on this growing air transportation market while creating as many as 1,000 new jobs for Southside Virginia; and

WHEREAS, the Fort Pickett project contemplates the export of agricultural and other high value general cargo and would incorporate existing airstrip facilities with a foreign trade zone, refrigeration and cold storage, general freight, cut flower and live animal export facilities, in addition to an air industrial park; and

WHEREAS, while federal funds would likely support one-half to two-thirds of the project costs, state money would be necessary to finance the project, which might include runway construction and re-routing over Route 40; and

WHEREAS, Nottoway County, acting for the Southside Regional Airport Authority, entered into a contract with Sverdrup Corporation and IPAC, Inc., to obtain a feasibility study for the project, the results of which are expected to support the request for design and construction funds from the Federal Aviation Agency; and

WHEREAS, the project has received military, regional, and local support, as evidenced by the pledge of several Southside counties to provide financial support; and

WHEREAS, review of the feasibility study as well as regional and statewide economic development issues are necessary to assess accurately the feasibility and appropriateness of establishing an agricultural export center at Fort Pickett; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study the feasibility and appropriateness of establishing an agricultural export center at Fort Pickett. The joint subcommittee shall consist of seven members as follows: four members of the House of Delegates to be appointed by the Speaker and three members of the Senate to be appointed by the Senate Committee on Privileges and Elections. In conducting its study, the joint subcommittee shall consider, among other things, the results of the feasibility study, expected to be available in early 1993; required federal, state, and local financial support for the project; and the impact of such a project on the economic development of Southside Virginia and the Commonwealth as a whole.

All agencies of the Commonwealth shall, upon request, assist the joint subcommittee in the conduct of its study.

The joint subcommittee shall submit its findings and recommendations to the Governor and the 1994 Session of the General Assembly in accordance with the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

The indirect costs of this study are estimated to be \$10,650; the direct costs shall not exceed \$5,040.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

REQUEST FOR BUDGET BILL AMENDMENT
TO HOUSE BILL 1250 AS INTRODUCED

DATE: 1/16/93

ITEM: 90
AMEND. #: 1
PATRON: Whittington W. Clement

DEPARTMENT OF ECONOMIC DEVELOPMENT(130)

INDUSTRIAL DEVELOPMENT SERVICES(534)

APPROPRIATION AMOUNTS
BY FUND GROUP

	1992-93	1993-94	BIEN. TOTAL

INCR/(DECR) REQUESTED:			
GENERAL	50,000	50,000	100,000
NON-GENERAL	0	0	0
ALL FUNDS	50,000	50,000	100,000

LANGUAGE:

Page 62, line 25, strike "11,388,746" and insert "11,438,746"
Page 62, line 25, strike "10,834,351" and insert "10,884,351"
Page 62, line 48, strike "50,000" and insert "100,000"

JUSTIFICATION FOR REQUEST:

(This amendment provides additional support for the Southside Virginia Business and Education Commission.

REQUEST FOR BUDGET BILL AMENDMENT
TO HOUSE BILL 1250 AS INTRODUCED

DATE: 1/16/93

ITEM: 90
AMEND. #: 2
PATRON: Clement, et.al.

DEPARTMENT OF ECONOMIC DEVELOPMENT(130)

INDUSTRIAL DEVELOPMENT SERVICES(534)

APPROPRIATION AMOUNTS BY FUND GROUP	1992-93	1993-94	BIEN. TOTAL

INCR/(DECR) REQUESTED:			
GENERAL	25,000	307,000	332,000
NON-GENERAL	0	0	0
ALL FUNDS	25,000	307,000	332,000

LANGUAGE:

Page 62, line 25, strike "11,388,746" and insert "11,413,746"
Page 62, line 25, strike "10,834,351" and insert "11,141,351"
Page 62, line 43, insert "1." following "A".
Page 62, line 44, strike "25,000" and insert "50,000"
Page 62, line 46, insert:

"2. A one time appropriation of \$287,000 shall be made to the Southside Virginia Marketing Fund, representing the State's contribution. Prior to the expenditure of any State funds, the Marketing Council shall certify to the Department that the appropriate local match has been made."

JUSTIFICATION FOR REQUEST:

(This amendment is self-explanatory.)

REQUEST FOR BUDGET BILL AMENDMENT
TO HOUSE BILL 1250 AS INTRODUCED

DATE: 1/16/93

ITEM: 105
AMEND. #: 2
PATRON: Clement, et.al.

DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES(301)

AGRICULTURAL AND SEAFOOD PRODUCT PROMOTION AND DEVELOPMENT SERVICES(530)

APPROPRIATION AMOUNTS
BY FUND GROUP

	1992-93	1993-94	BIEN. TOTAL

INCR/(DECR) REQUESTED:			
GENERAL	0	750,000	750,000
NON-GENERAL	0	0	0
ALL FUNDS	0	750,000	750,000

LANGUAGE:

Page 67, line 60, strike "4,411,959" and insert "5,161,959"

Page 69, line 9, insert:

"G. Out of the amounts for Agriculture and Seafood Promotion and Development Services shall be provided \$750,000 in the second year for the construction of an agribusiness park in Southside Virginia. A local match of \$250,000 is required prior to the expenditure of any State funds."

JUSTIFICATION FOR REQUEST:

(This amendment is self-explanatory.)

REQUEST FOR BUDGET BILL AMENDMENT
TO HOUSE BILL 1250 AS INTRODUCED

DATE: 1/14/93

ITEM: 138
AMEND. #: 3
PATRON: Clement, et.al.

Direct Aid to Public Education(197)

INSTRUCTION(197)

APPROPRIATION AMOUNTS BY FUND GROUP	1992-93	1993-94	BIEN. TOTAL

INCR/(DECR) REQUESTED:			
GENERAL	0	407,931	407,931
NON-GENERAL	0	0	0
ALL FUNDS	0	407,931	407,931

LANGUAGE:

Page 98, line 5, strike "3,540,173" and insert "3,948,104"

JUSTIFICATION FOR REQUEST:

(This amendment provides funds for a regional Governor's school for global economics and technology in Southside Virginia.)

REQUEST FOR BUDGET BILL AMENDMENT
TO HOUSE BILL 1250 AS INTRODUCED

DATE: 1/16/93

ITEM: 157
AMEND. #: 6
PATRON: Clement, et.al.

VIRGINIA COMMUNITY COLLEGE SYSTEM(260)

EDUCATIONAL AND GENERAL PROGRAMS(100)

APPROPRIATION AMOUNTS BY FUND GROUP	1992-93	1993-94	BIEN. TOTAL
INCR/(DECR) REQUESTED:			
GENERAL	0	150,000	150,000
NON-GENERAL	0	0	0
ALL FUNDS	0	150,000	150,000
INCR/(DECR) IN EMPLOYMENT:	0.00	2.50	

LANGUAGE:

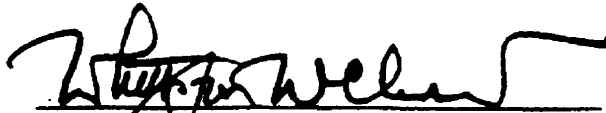
Page 109, line 19, strike "295,559,256" and insert "295,709,256"


Page 109, line 66, insert:

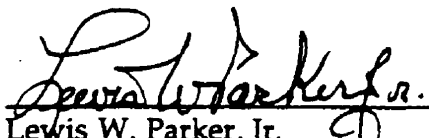
"F. This appropriation includes \$150,000 from the general fund in the second year for the A. L. Philpott Manufacturing Research Center at Patrick Henry Community College."

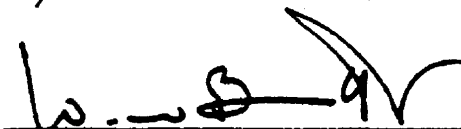
JUSTIFICATION FOR REQUEST:

(This amendment, one of several recommendations of the Southside Economic Development Commission, is self-explanatory.)



Whittington W. Clement

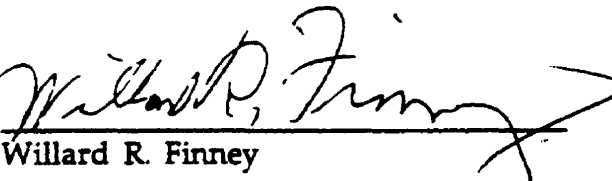

J. Paul Councill, Jr.



Lewis W. Parker, Jr.

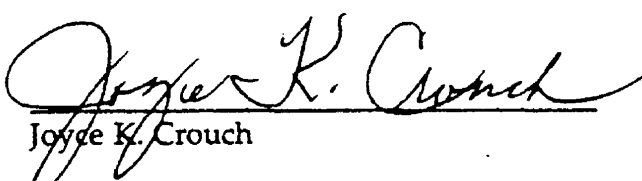

William W. Bennett, Jr.


Ward L. Armstrong


W. Roscoe Reynolds


Willard R. Finney


Watkins M. Abbitt, Jr.


Joyce K. Crouch