

GOVERNOR TERRY McAULIFFE

TWO YEARS

Building a New Virginia Economy



Since day one of my campaign for governor, I have urgently spoken about the need for a new Virginia economy. For years, the Commonwealth's economic model relied on the assumption that federal spending would keep us strong in good times and in bad.

Two years later, we still work every day to grow and diversify the Virginia economy. We are bringing in new businesses with jobs that don't depend on federal spending. We are blazing new trade routes and opening new markets for the goods and services of our existing industries. We are making smarter investments with taxpayer dollars so that every penny contributes directly to economic growth and quality of life in the Commonwealth. We are fostering the security of our citizens through public safety programs and laying a foundation for the future with improvements in education, health care, and transportation.

Serving as Governor of the Commonwealth of Virginia is the highest honor of my life, and I am proud of the results we have already achieved. Together, we are working to make sure that Virginia continues to be the best place on the globe to live, work, and start a business. This has been a great two years, and we are just getting warmed up!



Governor Terry McAuliffe

JANUARY 2016



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[From left to right] Secretary of Commerce and Trade Maurice Jones; Secretary of Technology Karen Jackson; Secretary of Administration Nancy Rodrigues; Secretary of the Commonwealth Levar M. Stoney; Secretary of Finance Ric Brown; Secretary of Public Safety and Homeland Security Brian Moran; Secretary of Education Anne Holton; Chief of Staff Paul Reagan; Deputy Chief of Staff Suzette Denslow; Governor Terry McAuliffe; Counsel to the Governor, Carlos Hopkins; Secretary of Agriculture and Forestry Todd Haymore; Secretary of Transportation Aubrey Layne; Secretary of Health and Human Resources William A. Hazel, Jr.; Secretary of Natural Resources Molly Joseph Ward; and Secretary of Veterans and Defense Affairs John Harvey

Diversifying Virginia's Economy



Capital investment means more good jobs in communities across the Commonwealth. In just two years, Governor McAuliffe has attracted \$9.23 billion in capital investment to Virginia, outpacing every other administration in history. That's not just some number on an accountant's ledger; it's a measure of real improvements to the economy and the lives of tens of thousands of Virginians.

560

**ECONOMIC DEVELOPMENT
PROJECTS**

\$9.26B

CAPITAL INVESTMENT

88,400

NEW JOBS

Governor McAuliffe kept Virginia's fiscal house in order

After confronting a \$2.4 billion revenue shortfall in 2014, the Governor worked with the General Assembly to prevent a deficit, maintain Virginia's fiscal integrity, and increase revenues to produce a record \$549.6 million revenue surplus at the end of fiscal year 2015.

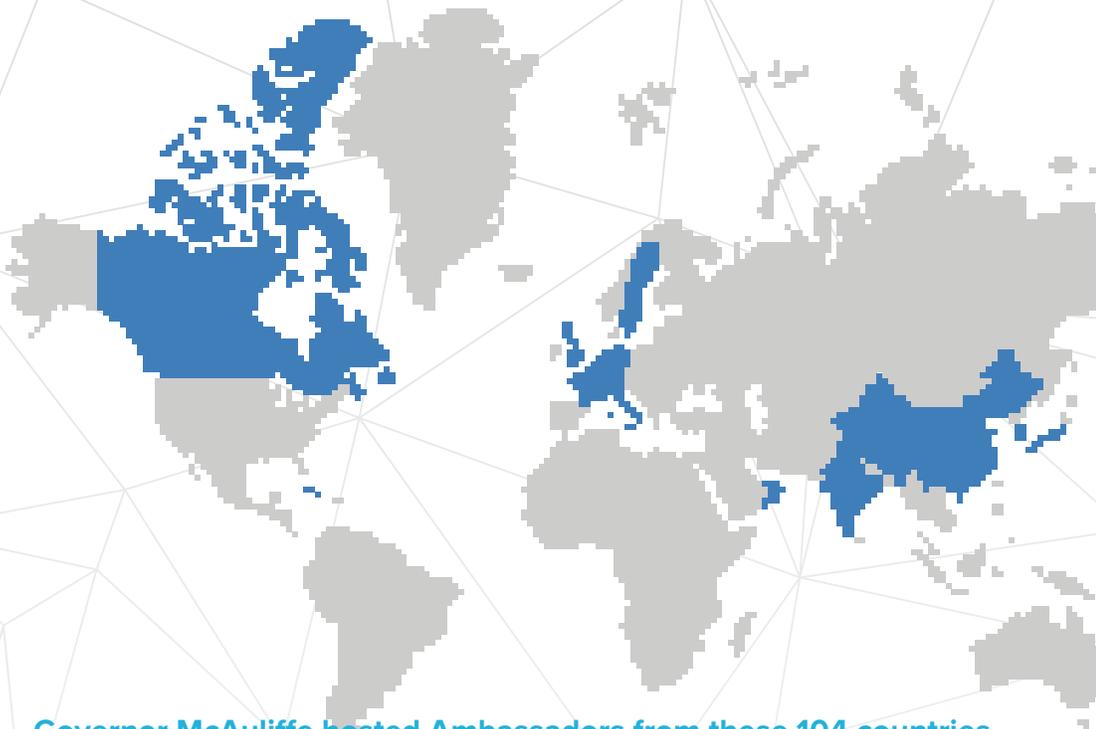
Despite the projected budget shortfall, economic headwinds and federal budget uncertainty, Governor McAuliffe forged bipartisan budget compromises with the General Assembly to protect the Commonwealth's AAA bond rating.

More Virginians have jobs than ever before, and initial unemployment claims are at their lowest level in the last 40 years.

COMMERCE AND TRADE

Governor McAuliffe traveled the globe marketing Virginia products and bringing new jobs and investment home to the Commonwealth. He has visited 15 countries and hosted ambassadors from 104 countries. This aggressive effort increases Virginia's competitiveness in the national and international export market.

Countries Governor McAuliffe Visited to Promote Virginia



- BELGIUM
- CANADA
- CHINA
- CUBA
- FRANCE
- GERMANY
- INDIA
- ITALY
- JAPAN
- KUWAIT
- OMAN
- SOUTH KOREA
- SWEDEN
- UNITED ARAB EMIRATES
- UNITED KINGDOM

Governor McAuliffe hosted Ambassadors from these 104 countries

- | | | | | | |
|----------------------|----------------------------------|------------|------------------|-------------------|-------------------|
| Afghanistan | Canada | Grenada | Mali | Peru | Tanzania |
| Albania | China | Guatemala | Malta | Philippines | Thailand |
| Algeria | Costa Rica | Honduras | Mauritius | Portugal | Togo |
| Andorra | Cuba | Hungary | Mexico | Serbia | Trinidad & Tobago |
| Angola | Democratic Republic of the Congo | Iceland | Moldova | Singapore | Turkey |
| Antigua & Barbuda | Djibouti | India | Monaco | Slovakia | UAE |
| Armenia | Dominica | Ireland | Mongolia | Slovenia | Uganda |
| Bangladesh | Egypt | Israel | Montenegro | South Africa | Ukraine |
| Barbados | Equatorial Guinea | Italy | Morocco | South Korea | United Kingdom |
| Belgium | Fiji | Japan | Mozambique | South Sudan | Uzbekistan |
| Belize | Finland | Kazakhstan | Myanmar | Spain | Vietnam |
| Bosnia & Herzegovina | France | Kyrgyzstan | Nepal | Sri Lanka | Yemen |
| Botswana | Gabon | Latvia | Nicaragua | St. Kitts & Nevis | Zambia |
| Brunei | Gambia | Lesotho | Niger | St. Lucia | Zimbabwe |
| Bulgaria | Georgia | Lithuania | Nigeria | Suriname | |
| Burkina Faso | Germany | Macedonia | Oman | Sweden | |
| Burundi | Greece | Madagascar | Papua New Guinea | Taiwan | |
| Cameroon | | Malaysia | Paraguay | Tajikistan | |

DIVERSIFYING VIRGINIA'S ECONOMY

International Trade

In July 2015, Governor McAuliffe announced the creation of the Virginia International Trade Alliance (VITAL), a public-private partnership to help grow Virginia exports by \$1.6 billion, and create 14,000 trade-supported jobs over 5 years. The initiative will also increase the number of companies enrolled in the Commonwealth's trade programs.

From January 2014 to the present, 589 Virginia companies have received export assistance from Virginia's international trade programs, through market research reports or help with international travel to find new customers.

Workforce Credentials and Apprenticeships

Executive Order 23 spurred a 9 percent increase in STEM-H (science, technology, engineering, math, and health) certifications, licenses, certificates, associate degrees in applied science, and apprenticeship credentials. That brings the total workforce credentials awarded in FY 2014-15 to 37,128. To further support this goal, Governor McAuliffe included \$24.6 million in his biennial budget to support workforce credentials programs at Virginia's community colleges to increase the number of individuals receiving certifications in high demand occupations.

Governor McAuliffe streamlined Virginia's apprenticeship programs to better equip workers with the skills they need to succeed. Registered apprenticeships strengthen Virginia's talent pipeline and open new opportunities for workers. Executive Order 49 creates incentives for public and private sector organizations to expand their use of registered apprenticeship training programs.

“Apprenticeships connect people taking the next step in their careers with employers offering gainful and rewarding jobs.”

—GOVERNOR TERRY MCAULIFFE





Tourism

Tourism is already a leading economic driver in Virginia, but Governor McAuliffe wants this sector to be even stronger. In September 2015, the Governor gave cities, counties and towns \$796,000 in matching marketing grants to support local partners of the Virginia Tourism Corporation. The Governor's budget includes nearly \$2 million a year to bolster these efforts.

Since Governor McAuliffe took office, tourists have poured \$43.9 billion into our economy, bringing in \$2.92 billion in revenues for state and local government, and supporting more than 217,000 jobs in 2014, an increase of 4,000 jobs since 2012.

Governor McAuliffe created the Virginia Tourism Growth Incentive Fund to give localities and businesses the start-up capital necessary to cultivate tourism. Grants and loans from this fund will support efforts to develop lodging, retail, and other amenities that matter most to visitors. The Governor's next biennial budget increased incentive funds to attract the film industry, which create more jobs and spur economic activity.

International Sporting Events

The Commonwealth hosted two successful international sporting events the summer of 2015, which brought hundreds of thousands of spectators and some of the world's best athletes in Virginia. Fairfax County hosted the 2015 World Police and Fire Games June 26 through July 6. More than 10,000 police officers, firefighters and other emergency responders from more than 60 countries competed in the second-largest global multi-sport event (second only to the Olympics). Event organizers reported an economic benefit to the northern Virginia region of over \$83 million.

From September 19 through 27, 2015, Richmond became the center of the cycling universe as the UCI World Road Championships returned to the U.S. for the first time in nearly 30 years. With cumulative attendance over the nine days estimated at 645,000, the Commonwealth worked with local and federal officials to keep visitors, spectators and athletes from dozens of countries safe and informed. The economic impact of the race was estimated at nearly \$170 million. In addition, Richmond and the surrounding communities received unprecedented worldwide media exposure.





AGRICULTURE AND FORESTRY

Virginia's agriculture and forestry industries add \$70 billion a year to our economy and support more than 400,000 jobs. Whether it is our delicious craft beer or our award-winning wine, advanced aquaculture crops or responsibly harvested timber—Virginia's agricultural products are enjoyed around the country and the world.

Agriculture and Forestry Industries Development Fund

In just two years, Governor McAuliffe has more than tripled the number of the Agriculture and Forestry Industries Development Fund (AFID) grants awarded. The Governor has supported 23 new projects, attracting more than \$227 million in new capital investment and adding 764 new jobs to the Virginia economy.

Virginia's Craft Beverage Industry

During Governor McAuliffe's term, the number of craft breweries in Virginia grew 130 percent and the number of distilleries expanded 141 percent. In FY 2015, hard cider production exploded by a whopping 200 percent. With 275 wineries, the Commonwealth ranks fifth in the nation in wine and wine grape production.

The Governor personally convinced leaders in Oman and Kuwait to lift their countries' bans on Virginia poultry. According to the Virginia Poultry Federation, the industry contributes \$13 billion to the state's economy and supports 52,000 jobs across the Commonwealth.

23
AFID PROJECTS

\$227M
CAPITAL INVESTMENT

764
NEW JOBS

Expanding Global Exports

Governor McAuliffe announced \$3.35 billion in agricultural exports for 2014, surpassing the 2013 benchmark by 14%. Virginia is now the second largest agricultural exporter on the East Coast.



TECHNOLOGY

Governor McAuliffe is diversifying Virginia's economy by fostering new high-growth industries like technology, big data analytics, and cyber security. Through executive and legislative activities, the Governor has taken bold steps to secure the Commonwealth's infrastructure, protect citizen data, and solidify Virginia's place as a hub for cyber-related economic activity.

Mach37 Cyber Accelerator

In December 2015, Governor McAuliffe announced a significant new public-private partnership that will speed the launch of new cybersecurity products and companies in Virginia. This General Assembly funded program, administered by the Center for Innovative Technology (CIT), will lead to new jobs and revenue sponsors directly participate in the development of the most innovative cyber security product concepts in the market.

Centers of Excellence

Governor McAuliffe directed the Secretary of Technology to coordinate with colleges and universities to establish more Centers of Excellence in Cyber Defense. Currently, two community colleges and eight programs in seven four-year Virginia institutions have this prestigious designation. These centers serve as pipelines for Virginia's cyber workforce, preparing Virginians at all stages of their careers for jobs in an exciting and expanding field.

Unmanned Systems

The Virginia Unmanned Systems Commission assesses the increasing economic and technical opportunities for the advancement of autonomy in the air, on the land, and on and in the water. The Commission will leverage Virginia's assets to advance Virginia as one of the nation's leaders in this growing industry.

In 2015, Virginia made aviation history with the nation's first unmanned aerial system (drone) humanitarian package delivery at the Rural Area Medical Clinic in Wise County.

Governor McAuliffe received the history-making delivery that contained medical supplies and pharmaceuticals. At the same event, Governor McAuliffe became the nation's first governor to be interviewed via tethered unmanned aerial system.



The Virginia Cyber Security Commission

Governor McAuliffe gathered experts from the public and private sectors to form the Virginia Cyber Security Commission. This panel assesses the increasingly complex threats facing the Commonwealth's systems and develops strategies to recruit and train the next generation of cyber leaders. The Commission is committed to making Virginia the nation's leader in this growing and critical industry.

Advancing Cyber Protections

In 2015, Governor McAuliffe worked in a bi-partisan manner to advance six pieces of cyber security legislation to increase protections and penalties related to cyber crimes.

In 2014, Virginia was the first state to adopt the National Institute of Standards and Technology's (NIST) Cyber Security Framework to promote the protection of critical infrastructure and manage cyber-related risk. In April 2015, the Governor announced his intention to make Virginia the first state in the nation to become an Information Sharing and Analysis Organization. This designation will enhance the Commonwealth's ability to participate in cyber threat information sharing.

In May 2015, in an effort to ensure that consumer transactions with the Commonwealth are embracing emerging electronic payment security technologies, Governor McAuliffe was the first Governor to take executive action and host an event on Securing Consumer Transactions (Executive Directive 5). This effort will help provide the highest levels of security, and meet or exceed existing federal standards.

Finally, in a step to protect and safeguard citizen data in light of ever-increasing cyber security attacks on personal information, sensitive data, and systems, Governor McAuliffe committed to expanding cyber-related risk management activities and strengthening the Commonwealth's ability to protect the information entrusted to Virginia's care. He directed the Secretaries of Technology and Finance and the Commonwealth's Chief Information Officer to take the necessary steps to complete a review of Virginia's systems and associated data.

Increasing Virginia's List of Cyber Security Assets

Through Governor McAuliffe's leadership, the Commonwealth was selected as one of four states to win the opportunity to stand up a new Air Force Cyber Operations Squadron, to be established by the Virginia Air National Guard at Langley Air Force Base in Hampton. The cyber capability will add to the Virginia Air National Guard's current primary missions of: air superiority, intelligence, surveillance and reconnaissance; civil engineering; and weather forecasting.

The Cyber Operations Squadron will also fit well with the National Guard's traditional homeland defense missions. Approximately 70 airmen will be assigned to the Cyber Operations Squadron, which will directly support the Air Force and U.S. Cyber Command requirements as a cyber protection team. The Cyber Operations Squadron's primary mission will be cyberspace mission defense protecting Air Force and U.S. critical infrastructure against cyber attacks.

BIOSCIENCE

Recognizing the tremendous growth potential of Virginia's bioscience industry, Governor McAuliffe launched the New Virginia Economy Bioscience Initiative. This collaborative public-private initiative will catalyze job growth in the bio sciences.

At the Governor's Forum on the Commercialization of Bioscience Research, academic and industry experts discussed strategies to build on Virginia's existing strengths and recruit world-class scientific researchers to the Commonwealth. With proper preparation, Virginia will be an epicenter of bioscience, groundbreaking research and economic growth for generations to come.





Creating a Healthy Virginia

Governor McAuliffe knows that access to quality health care is an essential building block of a competitive workforce and a high quality of life.

Federal Marketplace Enrollment

Governor McAuliffe secured a \$9.3 million grant from the Centers for Medicare and Medicaid Services to pay for more than 100 enrollment assisters in Virginia communities. As a result, at the end of 2015, nearly 380,000 Virginians enrolled in the Federal Marketplace and obtained health care coverage.

Combating Opioid/Heroin Addiction

The Governor's Task Force on Prescription Drug and Heroin Abuse has developed new tools in the fight against heroin and other opioids. Better reporting and greater access to overdose reversal drugs will help Virginia limit access to dangerous drugs and prevent their most catastrophic consequences.

Improved Emergency Communications for the Deaf and Hard of Hearing

The Virginia Department for the Deaf and Hard of Hearing developed an online mapping tool to display which localities have the Text-to-911 feature, which helps people who are deaf or hard-of-hearing make emergency calls.

A Healthy Virginia

Governor McAuliffe created the Governor's Access Plan for the Seriously Mentally Ill (GAP), so that more of our most vulnerable citizens can access quality, affordable health care. More than 6,140 individuals signed up in 2015.

Governor McAuliffe mandated that the Department of Medical Assistance Services provide dental coverage to up to 45,000 pregnant women enrolled in the Medicaid and FAMIS programs. This will help pregnant mothers avoid oral infections linked to premature labor and low birth weight.

The Governor extended access to FAMIS (Virginia's health insurance plan for low-income children) to low-income state employees' children. As a result, it is estimated that up to 5,000 children can now gain access to the quality, affordable health care they need and deserve.

Bridging the Nutritional Divide

First Lady Dorothy McAuliffe believes we can, should and must provide every child an opportunity to succeed. Education and good health are key building blocks for creating a diversified and robust economy. Ending childhood hunger is critical to this effort.



Dorothy McAuliffe chairs the Commonwealth Council on Bridging the Nutritional Divide. This task force works to end childhood hunger in the Commonwealth, promote Virginia's agriculture economy, and support local programs that improve community nutrition, food access, and health strategies.





\$8.8 million USDA grant

The First Lady spearheaded Virginia's successful effort to secure an \$8.8 million USDA grant to provide hungry students with breakfast, lunch, dinner and weekend food backpacks. During the summer, students' families will receive Electronic Benefit Transfers. Nine Virginia school divisions benefit from this innovative nutrition program.

Community Eligibility Provision

From 2014 to 2015, Virginia achieved a 139 percent increase in the number of eligible schools serving breakfast and lunch at no cost to all students through the Community Eligibility Provision (CEP), a rate of nearly seven times the increase seen nationwide. Approximately 100,000 students across 206 Virginia schools come to class ready to learn thanks to this program. The First Lady worked closely with the Virginia Department of Education to help educate school divisions about CEP and provide technical assistance.

School Breakfast

The First Lady successfully partnered with the General Assembly to secure \$537,000 to expand school breakfast participation in Virginia. As a result, 244 schools will receive increased state funds for school breakfast programs. Many participating schools will implement alternative breakfast models allowing for 'Breakfast After the Bell,' which is proven to improve school breakfast participation and improve classroom performance.

Summer Food Service Program

Through unique partnerships with our state libraries, the YMCA, and organizations like Virginia No Kid Hungry, Virginia expanded the critical summer meals program by 168,000 additional meals.

Investing in Our Future



To lead in the global marketplace, Virginia needs world-class economic infrastructure. Our children must be ready not just to answer our questions, but to ask the ones we've overlooked. Our natural resources must be protected and showcased for every citizen and visitor. Our growing energy needs must be met with new technologies, not outdated ideas. Our roads, bridges, rail, ports and airports must handle not just today's traffic, but the demands of a growing population and increasingly mobile industries.

PROPOSED
\$1 BILLION
IN EDUCATION
INVESTMENTS

EDUCATION

Virginia's future depends on a world-class system of public education from pre-K through college. Governor McAuliffe knows that the Commonwealth's children are Virginia's most valuable resource. That's why he proposed over \$1 billion in additional investment in education. Governor McAuliffe and his team are committed to building an education system that effectively prepares the children of today to become leaders in the 21st century.

Virginia Preschool Initiative +

In December 2014, the McAuliffe administration secured a four-year federal grant for \$17.5 million per year to expand access to quality instruction in a pre-K classroom to 13,000 students at the end of four years. This school year, 11 school divisions began offering new and enhanced high-quality preschool programming. Lieutenant Governor Ralph Northam, as Chair of the Commonwealth Council on Childhood Success, led this effort, which will amount to over \$70 million over four years.

Investments in early childhood education ensure that children, regardless of their zip code, are fully prepared to succeed in school and ultimately compete in the new Virginia economy.

Governor McAuliffe believes that it is critically important to continue to increase access to high-quality preschool for the Commonwealth's most at-risk four-year-olds.



Every penny invested in early childhood education will pay dividends that last a lifetime.

A.P. Hill Elementary in Petersburg, a school serving at-risk students with a variety of challenges, became fully accredited in 2015-2016 for the first time since 2009-2010, proving that with strong leadership and resources, we can prepare all our students to succeed in school and ultimately compete in the new Virginia economy.



Public Schools

Governor McAuliffe has worked to make Virginia's Standards of Learning (SOLs) more supportive of 21st Century learning. Through the SOL Innovation Committee and his work with the General Assembly, the Governor reduced the total number of SOLs required from 34 to 29 between third grade and high school.

Virginia has begun transitioning SOL tests to a new, shorter format, and have ensured that elementary and middle school students can quickly retake SOL test if they fall short of passage by only a few points.

Governor McAuliffe protected our public education system from state budget cuts amid falling revenues in 2014. The Governor also worked with the General Assembly to increase the pay of Virginia's teachers and school personnel by 1.5 percent.

200 Virginia public schools that were accredited with warning last year have improved, resulting in a total of 1,414 fully accredited schools in Virginia.



Higher Education

Governor McAuliffe is committed to ensuring equity, access, and workforce pathways for all Virginians. Through a partnership with the national nonprofit Complete College America, Virginia is working to increase on-time graduation rates and close attainment gaps among under-represented populations.

Additionally, through a grant awarded by the Lumina Foundation, Virginia will increase the proportion of under-represented students earning post-secondary credentials.

The largest portion of the Governor's \$2.43 billion bond package will be invested in Virginia's colleges and universities to address a growing demand for postsecondary STEM-H education, as well as workforce training in these high demand fields.

Classrooms Not Courtrooms

Governor McAuliffe directed his Children's Cabinet to address school discipline issues through the Classrooms not Courtrooms initiative. This program aims to reduce the number of student expulsions, suspensions, and referrals to law enforcement.

Multiple state agencies are currently working to develop new training and models for how schools and law enforcement interact.

By working with schools, families, law enforcement, and state agencies, we can keep youth out of the juvenile justice system—except in extreme cases.

The Governor believes that schools must focus on working with students and families to correct children's behavior, not just punishing them.

ENTREPRENEURSHIP

Governor McAuliffe hosted Virginia's first ever statewide startup competition—Virginia Velocity. The roughly \$1 million competition focused on growing Virginia's burgeoning bioscience and energy sectors.



The Governor started the Youth Entrepreneurship Council, to empower Virginia's youngest entrepreneurs to play a role in the direction of their Commonwealth and its business environment. He also created the Small Business Microloan Program, which offers loans up to \$10K to help small businesses create new jobs.

Governor McAuliffe launched the Community Business Launch, a program designed to prepare multiple entrepreneurs in a single community to operate successful businesses downtown. Communities that have received grant money include the City of Hopewell, City of Staunton, and Gloucester County.

The Governor participated in three events with the theme of "youth technology entrepreneurship", including visits to Virginia Tech, the University of Virginia, and Meadowbrook Academy for Digital Entrepreneurship.

HOUSING

Housing Policy Advisory Council

In October 2014, Governor McAuliffe issued Executive Order 32, Advancing Virginia's Housing Policy. The Order established the Housing Policy Advisory Council, which has commissioned a study to examine the linkages between affordable housing and Virginia's economy. The housing policy will interlink housing and community and economic development. Economic conditions drive the need and demand for affordable and adequate housing, and the council will create a new policy to address this in all communities across the Commonwealth.

ENERGY

Clean Power Plan Leadership

Governor McAuliffe supports the federal government's Clean Power Plan because of its laudable goal to reduce carbon emissions and make the air in our communities cleaner. As a result of his leadership, the negotiated agreement includes a realistic compliance start date of 2022 and increased safety measures. Governor McAuliffe wants to make Virginia a leader in renewable energy. Over the past two years, he has made considerable progress towards this goal.



Successes include:

- Creation of the Solar Energy Development Authority to propose innovative strategies to build a solar industry in Virginia
- A renewable procurement goal to derive 8 percent of the energy needed for state operations from solar energy within the next three years
- A permit issued for an 80MW solar facility for Amazon's Virginia operations
- Virginia's first Green Community Program to facilitate low-cost financing for localities and consumers, both commercial and industrial, to develop energy efficiency, renewable, and alternative fuel projects.



The system installed at Old Dominion University provides 125kw to the electric grid.

Photo: Dominion

NATURAL RESOURCES

The Commonwealth is a place with incredible natural beauty, rich history and scenic landscapes.

Protection of the Chesapeake Bay

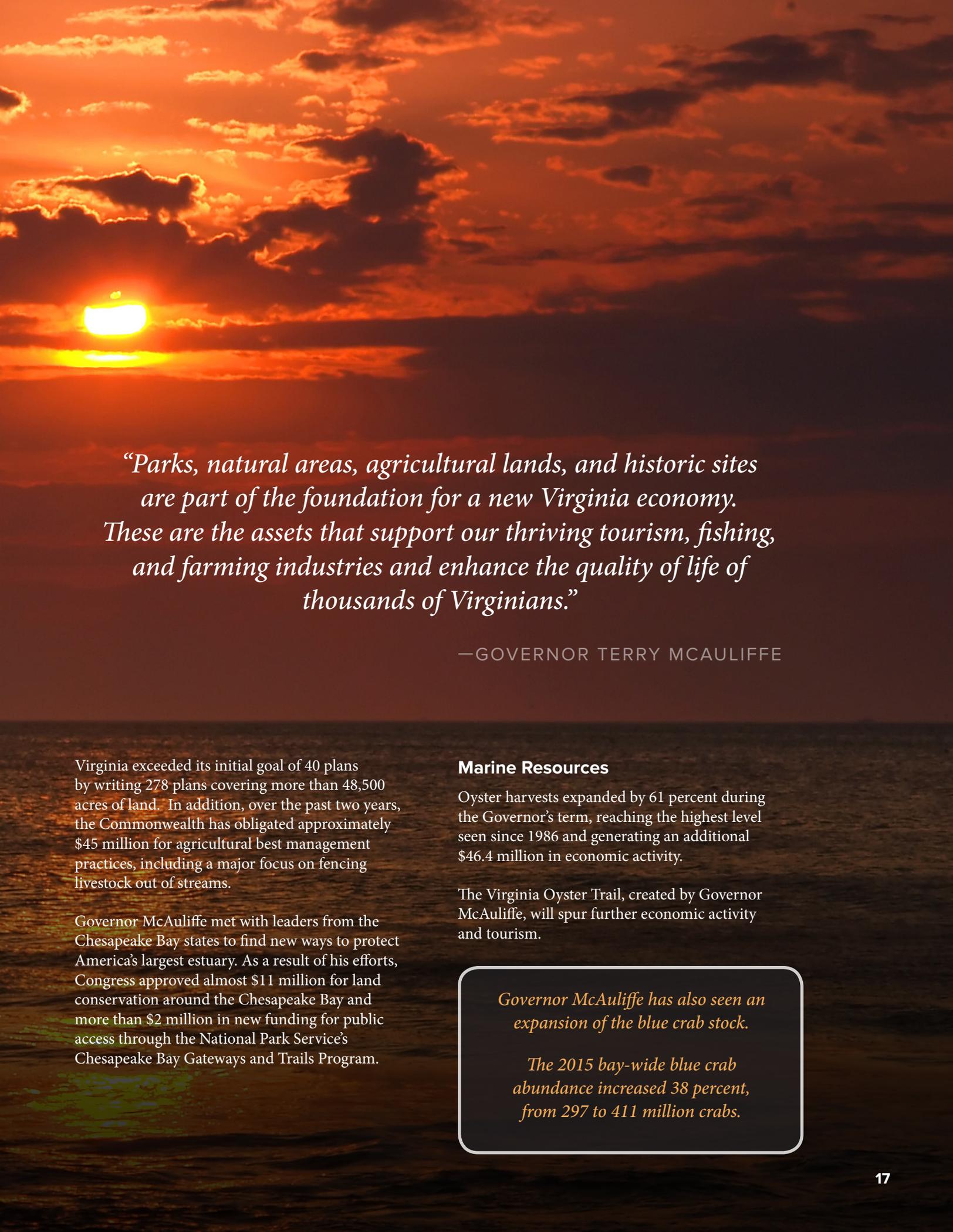
Governor McAuliffe chairs the Chesapeake Executive Council that oversees the regional Chesapeake Bay Program partnership that leads Chesapeake Bay restoration and protection.

Bay Program partners include federal and state agencies, local governments, non-profit organizations and academic institutions.

The program's priorities are enshrined in the 2014 Chesapeake Bay Watershed Agreement which was signed by the council whose members include the Governors of Virginia, Maryland, Pennsylvania, New York, West Virginia and Delaware, the Mayor of the District the U.S. Environmental Protection Agency, the U.S. Environmental Protection Agency and the Chairman of the tri-state Chesapeake Bay Commission.

Partnering with the agricultural community, the Governor has focused on reductions from agricultural sources in the Chesapeake Bay watershed. A notable success has been the Resource Management Plan program, which gives significant incentives for farmers to install and maintain water quality management practices.





“Parks, natural areas, agricultural lands, and historic sites are part of the foundation for a new Virginia economy. These are the assets that support our thriving tourism, fishing, and farming industries and enhance the quality of life of thousands of Virginians.”

—GOVERNOR TERRY MCAULIFFE

Virginia exceeded its initial goal of 40 plans by writing 278 plans covering more than 48,500 acres of land. In addition, over the past two years, the Commonwealth has obligated approximately \$45 million for agricultural best management practices, including a major focus on fencing livestock out of streams.

Governor McAuliffe met with leaders from the Chesapeake Bay states to find new ways to protect America's largest estuary. As a result of his efforts, Congress approved almost \$11 million for land conservation around the Chesapeake Bay and more than \$2 million in new funding for public access through the National Park Service's Chesapeake Bay Gateways and Trails Program.

Marine Resources

Oyster harvests expanded by 61 percent during the Governor's term, reaching the highest level seen since 1986 and generating an additional \$46.4 million in economic activity.

The Virginia Oyster Trail, created by Governor McAuliffe, will spur further economic activity and tourism.

Governor McAuliffe has also seen an expansion of the blue crab stock.

The 2015 bay-wide blue crab abundance increased 38 percent, from 297 to 411 million crabs.



Governor McAuliffe created the Virginia Treasures initiative to identify and preserve 1,000 natural, cultural and recreational treasures throughout the Commonwealth.

Pristine State Parks

Under Governor McAuliffe's leadership, Virginia's 36 state parks have seen visitation achieve record levels. In 2014 and 2015, the combined attendance at state parks has reached nearly 18,000,000 with a two-year estimated economic impact of \$417.8 million. These parks are consistently rated the best in the nation and have been the backdrop for family vacations and recreation for more than 75 years.

2015 was the inaugural year of the Virginia Service and Conservation Corps program, a partnership between Virginia State Parks and AmeriCorps. Participants in the program gave more than 42,000 hours of service, engaged more than 2,000 volunteers, and made improvements to or helped create 215 miles of trails.

Climate Change and Resiliency Commission

In July 2014, Governor McAuliffe created the Governor's Climate Change and Resiliency Update Commission. The bipartisan Commission is made up of leaders from around the state including local elected officials, members of the General Assembly, representatives from the business and industrial communities, individuals from non-governmental organizations, and faith leaders. The Governor is already taking major action to implement the recommendations of the Commission, including an announcement in December 2015 creating the first renewable procurement target for state-owned facilities.

Historic Resources

In August 2015, Governor McAuliffe transferred part of the Commonwealth's Fort Monroe property to the National Park Service. The land transfer preserves a group of significant landmarks at Fort Monroe that highlight some of our nation's most important events. The agreement also solidifies Virginia's commitment to turning the fort into a national monument that will draw greater tourism revenue and economic activity to the Peninsula.

Governor McAuliffe has also focused on the preservation of battlefields as a pillar of his historic resources initiative. The Governor awarded more than \$2,000,000 in grants from the newly-named Virginia Battlefield Preservation Fund, protecting more than 600 acres across 18 sites of Civil War significance. Over the past year alone, an additional 412 acres of battlefield were covered by 9 new easements.



Virginia's Treasures

In April 2015, Governor McAuliffe launched Virginia Treasures, the Commonwealth's new initiative to identify and preserve 1,000 natural, cultural, and recreational treasures throughout the Commonwealth. To date, Governor McAuliffe has identified over 300 Virginia Treasures, including the Virginia Capital Trail and 450 acres that the Department of Game and Inland Fisheries purchased to develop public access opportunities for hunters, anglers, boaters and other outdoor enthusiasts.

Over the past two years, Governor McAuliffe has announced 28 land conservation grants totaling nearly \$4 million that will help add over 7,700 acres to Virginia's conserved lands. Many of the projects funded through these grants will help the Commonwealth reach its goal of 1,000 new treasures identified and preserved.

SECRETARY OF THE COMMONWEALTH



Ban the Box

Governor McAuliffe believes that all Virginians should have an equal chance to apply for state government jobs. In April 2015, he issued EO 41, which removes the criminal history question from state job applications.

Although background checks are still required for certain sensitive jobs, the application no longer impedes qualified individuals from initial consideration.



Restoration of Rights

Under Governor McAuliffe's leadership, the Commonwealth has restored the rights of 16,000 citizens—more than the past three governors combined.

16,000
CITIZENS
RIGHTS RESTORED

Governor McAuliffe removed outstanding court fees as a roadblock for the Restoration of Rights process. Individuals still must pay their fees, but a debt no longer bars citizens from submitting a Restoration of Rights application.

The Governor also ordered that a notation to be included on criminal records designating that an individual's rights have been restored.

TRANSPORTATION

Governor McAuliffe is committed to spending every single transportation dollar on projects that reduce congestion, increase economic activity, and improve the lives of Virginians.



Profitability of the Port

Governor McAuliffe used a multi-pronged approach to change the trajectory of the Port of Virginia, one of the Commonwealth's premier economic assets. After years of multi-million dollar operating losses, the Port generated a \$13.6 million profit in fiscal year 2015. This represents a \$30.5 million swing in revenue when compared with the prior fiscal year. The Port also handled a record-breaking 2.5 million Twenty-Foot Equivalent Units (TEU) of cargo.

In order to maintain Virginia's competitive edge as a shipping leader, the Governor has proposed \$350 million in additional Port improvements for Fiscal Years 2016-17 and 2017-18.



Funding and Procurement

After inheriting the poorly negotiated 460 and midtown tunnel deals, Governor McAuliffe wanted more accountability for public private partnerships. In 2015, Governor McAuliffe established the P3 Advisory Committee to protect the Commonwealth in future public-private partnerships (P3).

This committee uses new accountability criteria to ensure that the public interest is met while negotiating P3s. The Secretary of Transportation now is required to sign a finding of public interest, declaring that the terms of a P3 deal will be in the best interest of the public and will not change prior to signing a contract.

Securing the Future of Virginia's Space Industry

The spaceport industry is critical to Loudoun County, the Eastern Shore, and the new Virginia economy. After the 2014 rocket explosion at Wallops Island, Governor McAuliffe worked to ensure a more secure and sustainable future for the Mid-Atlantic Regional Spaceport.

In August 2015, the Governor announced an agreement that repair costs would be shared evenly by NASA, Orbital ATK, and Virginia Space. The agreement also guarantees that the Commonwealth has insurance for future launches.



Northern Virginia

Governor McAuliffe made significant progress unlocking Northern Virginia's gridlock problem. Outside of the Beltway, Virginia is partnering with the private sector to expand I-66 over a 22 miles. This will provide three general purpose lanes, two express lanes, and a new commuter bus service to get Virginians moving. The Governor also added additional express lanes to the 95 and 395 corridors.

I-64 Investment

The Hampton Roads Transportation Accountability Commission (HRTAC), which was created following legislation Governor McAuliffe sponsored in early 2014, has approved its first project. I-64 will gain a lane in each direction and an emergency shoulder area from Newport News to Williamsburg. This corridor is the most congested section of Interstate on the Peninsula. The improvements will ease congestion for the 100,000 vehicles using this stretch of highway each day.



VETERANS AND DEFENSE AFFAIRS

Virginia has the fastest growing veteran population in the country, is home to the largest naval station in the world, and holds some of the largest military installations in the country.

Governor McAuliffe is honoring our veterans with a seamless transition to civilian life through job training, housing, and access to health care. He is committed to working with military leaders to improve quality of life and strengthen national security.



Department of Veterans Services 2.0

Governor McAuliffe and his team revamped the Department of Veteran Services (DVS) to better support our veterans. The Virginia Transition Assistance Program offers veterans employment and education resources to help their transition to civilian life. Governor McAuliffe also has served as an active advocate, helping to secure \$2.7 billion in payment claims for Virginia's veterans with improved DVS operations.

Functionally Ending Veteran Homelessness

Governor McAuliffe made Virginia the first state in the nation to functionally end veteran homelessness. As of November 2015, 1,523 veterans have been housed. These men and women served their nation and deserve our full support.





Veterans Care Centers

Governor McAuliffe was honored to help open a new 40-bed wing at the Sitter and Barfoot Veterans Care Center. Working with the General Assembly, he was able to secure funding for two new care centers in Northern Virginia and Hampton Roads.

Education

The Governor worked with the General Assembly to give veterans more academic credit for training received during their service.

The First Lady serves on the Virginia Council on the Interstate Compact on Educational Opportunity for Military Children. She worked with the General Assembly to pass military-child identifier legislation in 2015.

This legislation recognizes that children of active duty parents transfer schools an average of 9 to 12 times during their K-12 years. It is imperative that our schools do all they can to ease those transitions for students and their families, and pursue all funding sources to support them.

Virginia Values Veterans (V3) Program

Governor McAuliffe expanded the Virginia Values Veterans (V3) Program, which helps businesses hire and retain veterans. In August 2015, the program reached its goal of 11,000 veterans hired through the V3 program, a full 900 days ahead of schedule.

Responding to this success, Governor McAuliffe set a new goal of hiring 20,000 new veterans before his term is completed. Virginia's veterans are a crucial component of the new Virginia economy.





Making Government Work

Efficient, transparent and customer-oriented government can be key to a healthy economy.

Promoting Public Service

In January 2015, the Governor and First Lady announced that the Commonwealth of Virginia became the first state in the nation to become an Employer of National Service. This designation encourages service alumni to put their skills and experience to work in state government.

In October, the First Lady convened the Summit on the Service Year at the College of William & Mary. This summit brought together Virginia higher education Presidents to explore new ways for colleges and universities to support service year opportunities for students and graduates.

Governor McAuliffe believes the Commonwealth should invest in public service. Last year, through his financial stewardship, state employees received a 2 percent pay raise and teachers received a 1.5 percent pay raise. The Governor also proposed an additional 2 percent pay raise for state workers and teachers in his new biennial budget.

SWaM contracting

Governor McAuliffe wants Small, Women, and Minority-owned (SWaM) businesses to have a fair shot at state contracts. That's why he signed Executive Order 20, which establishes a goal for the state to award 42 percent of its contracts to SWaM businesses.



LGBT

After the courts legalized same-sex marriage in 2014, Governor McAuliffe issued Executive Order 30 to ensure that state agencies comply with the change.

The Governor created the LGBT Tourism Task Force to ensure that Virginia is friendly for all visitors.

Executive Order 1, signed by Governor McAuliffe, prohibits discrimination in state government based on sexual orientation, gender, religion, political affiliation and/or ethnicity.



Board of Health Regulations

The Board of Health rolled back women's health care clinic regulations that impeded access to quality, affordable health care. Governor McAuliffe believes that decisions about a woman's health care should be between a woman and her doctor. He promised to be a brick wall when it comes to protecting women's health and has done just that.

Grants Portal

In September 2015, Governor McAuliffe launched Virginia Grants, a one-stop portal that compiles federal, state, and private funding opportunities that are made available to Virginia agencies, organizations, students, and individuals.



Integrity and Public Confidence in State Government

Governor McAuliffe believes that an open, transparent government is essential to Virginia's success. He imposed a \$100 gift ban on himself, his family, and his administration. He directed the Integrity Commission to recommend new policies and procedures to strengthen public confidence in state government.

After the Governor issued his Executive Order, he worked with the General Assembly to pass legislation extending the gift ban beyond the executive branch of government.

Governor McAuliffe's First Latino Summit

Over 250 Virginians attended the Governor's first Latino Summit. This forum provided the Commonwealth with an opportunity to share available state resources with the community, along with a venue to discuss pertinent issues impacting the Latino community.



Manuel Abraham Chapeton

Keeping Virginians Safe

Virginians deserve safe communities in which to live, work and do business. The Governor is committed to maintaining a secure Commonwealth and has taken direct action to protect Virginia.



EXECUTIVE ORDER 50—GUN VIOLENCE PREVENTION

After the horrific shooting of two journalists on live television at Smith Mountain Lake, Governor McAuliffe acted to keep Virginians safe. Executive Order 50 convened the Joint Task Force to Prosecute Gun Crimes to conduct research on more effective enforcement of existing gun laws.

With the same order, Governor McAuliffe banned firearms in state buildings and created a tip line to report illegal firearm use.

The Governor has proposed common sense gun safety legislation to keep guns away from people who should not have them, including criminals and domestic abusers.

These measures include closing the gun show loophole and requiring universal background checks.

VIRGINIA NATIONAL GUARD

The Virginia National Guard continues to play a critical role in fighting our nation's wars and defending the ideals of freedom all around the world.



Governor McAuliffe has attended numerous deployments and freedom salutes to welcome and bid farewell to our brave men and women who keep Virginia and our nation safe. Over 500 members of the Virginia National Guard are currently deployed overseas.



REDUCING CAMPUS SEXUAL VIOLENCE

The Governor created the Task Force on Combatting Campus Sexual Violence to help keep students safe in college. At the Task Force's recommendation, Governor McAuliffe introduced legislation increasing coordination between campus and local law enforcement.

He also signed a bill requiring college employees to disclose reports of sexual assaults to their Title IX coordinator, who then assembles an investigative team.





JUVENILE JUSTICE TRANSFORMATION INITIATIVE

Governor McAuliffe secured a \$790,000 federal grant to transform the Department of Juvenile Justice's re-entry program and facilities. The new system will focus on keeping families together, improving vocational training, and giving juvenile offenders the tools they need to succeed on the outside.

The Governor also included resources in the proposed Capital Budget for improved juvenile facilities. This is just one part of a larger transformation that will enable young people to remain closer to their communities and their families while receiving the treatment and education they need to achieve meaningful rehabilitation.

FORT PICKETT

Governor McAuliffe worked with Virginia's congressional delegation to bring the U.S. Department of State's new Foreign Affairs Security Training Center (FASTC) to Fort Pickett. This project invests \$461 million in the Commonwealth and creates 574 permanent, good-paying jobs in Nottoway County.

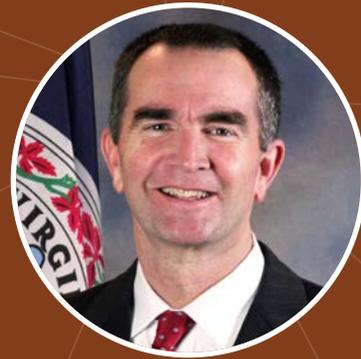
INVESTING IN PUBLIC SAFETY OFFICIALS

Governor McAuliffe believes the public safety professionals in our communities have the ability to change lives. They are unwavering in their duties and serve the Commonwealth with honor. That's why, in 2015, he worked with the General Assembly to secure a pay raise for deputy sheriffs—some of whom were on food assistance programs due to low salaries.

In the upcoming biennial budget, the Governor has proposed a pay increase for all state-supported employees

Lieutenant Governor Ralph Northam

Lieutenant Governor Northam is a full partner in the Governor’s efforts to strengthen and diversify Virginia’s economy. He serves as a member of Governor McAuliffe’s Cabinet, the Virginia Economic Development Partnership, and the Virginia Tourism Authority.



He also chairs the Commonwealth Council on Childhood Success (CCCS) and is a member of the Governor’s Children’s Cabinet.

During his tenure, the Lt. Governor has been instrumental in establishing the Center for Behavioral Health and Justice—an interagency effort to better coordinate programs and services across public and private sectors.

The Lieutenant Governor also maintains a pediatric medical practice, sees patients at Children’s Hospital of the King’s Daughters in Norfolk, teaches ethics to medical students at Eastern Virginia Medical School, and volunteers as the medical director at the Edmarc Hospice for Children in Portsmouth.

Dr. Northam recently received the Virginia Medical Society’s Salute to Service Award and the Edmarc Hospice Award—both in recognition for his professional and volunteer commitments to the health and wellbeing of children in his community.





FOR MORE INFORMATION, VISIT:
GOVERNOR.VIRGINIA.GOV/TWOYEARS

Report numbers accurate as of printing.
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