

Why the Virginia Coalition for Human Rights (VCHR) Opposes the Virginia-Israel Advisory Board (VIAB)

A. *By establishing VIAB as a state agency, the Commonwealth endorses a foreign government and unwittingly advances its political interests:*

- The forerunner to VIAB, the Virginia-Israel Commission, was created by Governor Baliles in 1988¹ to commemorate the founding of Israel.
- VIAB was created in 1996 as a state agency with a bill introduced by then Delegate Eric Cantor “to improve economic and cultural links between the Commonwealth and the State of Israel.”² Other advisory boards were subsequently created using the VIAB charter as a template. However, these other advisory boards focus on the issues affecting their respective communities in the Commonwealth.^{3 4}
- VIAB encourages Israeli defense companies to set up U.S. subsidiaries in order to continue to receive U.S. military aid dollars that were to have been phased out.^{5 6}
- Establishing U.S. subsidiaries of Israeli companies is a way of diminishing the risk from an international boycott. Energix, Israel’s largest renewable energy company, has been listed in the U.N.’s database of 112 companies operating illegally in the Palestinian Occupied Territories.⁷ Even if a boycott were to be organized against Energix, its subsidiary, Energix U.S.,⁸ would likely be able to continue its penetration into the Virginia solar array market.
- A bill was introduced in 2016⁹ that would have given VIAB the authority to maintain a black list of companies that refuse to buy Israeli products in protest of Israeli government actions. The bill was defeated as an infringement on the First Amendment right of Virginians to protest, nonviolently.

B. *The Commonwealth is the only U.S. state with a government agency representing the business interests of a single foreign country:*

- There are American-Israeli Chambers of Commerce operating in ten states, as well as the U.S.-Israel Business Initiative (USIBI) at the U.S. Chamber of Commerce, but these organizations are independent and not state supported.
- According to VIAB’s executive director, (and former executive board member of the American Israel Chamber of Commerce), “There’s no state that has an agency that is funded by the state.”¹⁰
- Virginia taxpayers pay VIAB’s operational expenses (\$219,000)¹¹ and provide office space in the GA office building.

¹ https://drive.google.com/file/d/1nnz7GY4Za3Zv_mvjinlHOkchQ2iMXLznZ/view?usp=sharing

² <https://viab.org/about/>

³ <https://www.vaab.virginia.gov/about-vaab/>

⁴ <https://www.vlab.virginia.gov/about-vlab/>

⁵ <https://rga.lis.virginia.gov/Published/2018/RD508/PDF#page=12>

⁶ <https://fas.org/sgp/crs/mideast/RL33222.pdf#page=10>

⁷ <https://undocs.org/pdf?symbol=en/A/HRC/43/71#page=7>

⁸ <https://www.energixrenewables.com/>

⁹ <https://lis.virginia.gov/cgi-bin/legp604.exe?ses=161&typ=bil&val=hb1282>

¹⁰ https://drive.google.com/file/d/1QAItGuAYZDIR_OdbvPiVEj_qxUgLzHpB/view?usp=sharing

¹¹ <http://hac.virginia.gov/documents/2021/Pre-Session/HAC%20Complete%20Summary%20Document%20for%20HB%201800-SB%201100%201-12-21.pdf#page=156>

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C. Asserting operational independence, VIAB is prone to appearances of self-dealing and corruption:

- A VIAB board member lobbied for a subsidiary of the Israeli company, Energix, while serving as the subsidiary's Director of Regulation and Public Relations¹²
- A VIAB board member's company avoided repaying \$210,000 he owed TROF when his company failed to meet its performance measures.¹³ (Note: The Office of the State Inspector General (OSIG) found that the TROF Executive Director failed to inform the Executive Committee of his decision to settle the board member's debt).
- In 2018, VIAB's chairman of the board sought greater independence for VIAB. Fearing efforts in the Senate to reorganize VIAB under the Virginia Economic Development Partnership (VEDP) Authority, the chairman lobbied to organize VIAB as an independent authority, arguing that it would show that, "we are not part of any agency or government office, which was the original idea in establishing the Board. . . Being independent helps us to function without any outside pressures."¹⁴ (Note: this move alarmed even some members of the Greater DC Jewish Community Relations Council¹⁵). A compromise was reached whereby VIAB was moved under the Legislative Branch reporting to the Chairs of the House and Senate Rules Committees.

D. By supporting a state agency that represents the business interests of a single foreign state, the General Assembly gives Israeli businesses an advantage over Virginia businesses including those represented by the Asian and Latino Advisory Boards:

- VIAB provides Israeli businesses the inside track to Virginia municipalities requesting economic development projects, and to the Commonwealth's opportunity funds (e.g., Tobacco Region Opportunity Fund (TROF), Commonwealth Opportunity Fund, Virginia Commission on Coal and Energy Fund) for underwriting these projects.
- Because VIAB operates outside the Commonwealth's plan for economic development, little regard is given to potential competition with local Virginia companies (e.g., at one time Israeli AquaMaof's business plan¹⁶ was to go after the tilapia market of employee-owned Blue Ridge Aquaculture in Martinsville, VA).
- The Virginia Clean Economy Act has given Energix U.S. a head start on realizing Virginia's Green New Deal.¹⁷
- Although their charters were modeled after VIAB's, VAAB and VLAB function in an advisory capacity only, and report to the Governor through the Secretary of the Commonwealth.
- South Korean businesses sought on two occasions to have the General Assembly create a Virginia-Korea Advisory Board with a budget and executive powers like VIAB's. In each instance, the bill was tabled.^{18 19}

¹² https://vchr.org/viab_foia_responses/02212018.html

¹³ <https://apnews.com/article/richmond-archive-virginia-7f80588f831f3e7ace5ab2c0645bbedd>

¹⁴ https://vchr.org/viab_foia_responses/01252018.html

¹⁵ https://vchr.org/viab_foia_responses/01122018.html

¹⁶ <https://original.antiwar.com/smith-grant/2020/06/11/aipac-junket-spawned-project-jonah/>

¹⁷ <https://va-newkentcounty.civicplus.com/Archive/ViewFile/Item/5671#page=5>

¹⁸ <https://lis.virginia.gov/cgi-bin/legp604.exe?141+sum+HB1130> 2014

¹⁹ <https://lis.virginia.gov/cgi-bin/legp604.exe?201+sum+SB206> 2020