

## Commonwealth of Virginia

## GENERAL ASSEMBLY

March 21, 2024

The Honorable Glenn Youngkin, Governor 1111 East Broad Street Richmond, Virginia 23219

Dear Governor Youngkin:

The House and the Senate have passed a bipartisan budget that enables the Commonwealth to move forward and further solidifies Virginia as the best place to live, work, or raise a family. The budget now before you further preserves our shared priorities in education, health and human resources, public safety, and protecting Virginia's environment.

Specifically, in the area of education, the budget provides raises of three percent in each year for teachers. We are committed to these increases as they are well deserved, and we will work tirelessly to ensure that Virginia pays our teachers above other states by the end of the next biennium. This budget also maintains our commitment to localities to backfill the revenue loss from the elimination of the sales tax on groceries, which is something that your introduced budget cut. And, this budget also includes unprecedented funding for the At Risk program and English Language Learners.

Additionally, the legislative budget provides substantial funding to ensure Virginia's families are not stressed by tuition increases and provides financial aid to support those seeking to further their education. Your introduced budget excluded funding to stave off rising tuition or provide needed increases for financial aid. In combination, these investments will ensure that we will have an educated workforce in the future and that our students will be successful.

The budget before you also allocates funding for three percent raises for state and state-supported local employees in each year of the biennium and makes investments in state government to meet our current commitments. These investments include funding to address behavioral health, to make communities safer, provide for needed transportation priorities, and reduce deferred capital maintenance.

Unfortunately, it is hard to envision productive negotiations being undertaken in the midst of your statewide tour touting a "backwards budget". What is backwards is your understanding of the budget process. Your desire to engage the legislature in crafting amendments to the budget prior to the Reconvened Session is unprecedented, much like your ongoing threats to veto the entirety of the budget if it does not meet your demands.

The \$4 billion in tax cuts undertaken over the past two years already strain our ability to meaningfully serve working Virginians and their families. In fact, just to backfill the gaps those tax reductions have generated and maintain structural balance going forward, the legislature adopted your proposal to further modernize Virginia's sales tax structure. Like the initial steps made when the General Assembly – led by Republican patrons – adopted legislation in response to the Wayfair decision in 2019, we have not proposed to increase taxes. Instead, we are working to avoid further erosion of our sales tax base and modernizing our tax system by recognizing the shift toward digital rather than physical goods.

The General Assembly considered all of your proposals and made amendments that prudently invested resources in our highest priorities, largely K-12 and higher education.

We all can agree that Virginians deserve a government that works to improve their lives through access to education, mental health services for our most vulnerable populations, and provide safer communities. At this juncture in the legislative process, this is your opportunity to offer amendments to our bipartisan budget that reflects your expectations. We hope that you keep all of Virginia's citizens in mind when you complete this next step in the process. We have completed our work, on-time, and now it's your turn.

Sincerely,

Luke E. Torian

Chair, House Appropriations

Zuke E. Dorian

Committee

L. Louise Lucas

Chair, Senate Finance and Appropriations Committee

cc: The Honorable R. Creigh Deeds

The Honorable Mamie E. Locke

The Honorable Ryan T. McDouale

The Honorable Jennifer B. Boysko

The Honorable Todd E. Pillion

The Honorable Mark D. Sickles

The Honorable David L. Bulova

The Honorable Betsey B. Carr

The Honorable Terry L. Austin

The Honorable Robert S. Bloxom, Jr.

Ms. April Kees, Staff Director, Senate Finance and Appropriations Committee

Ms. Anne E. Oman, Staff Director, House Appropriations Committee

Mr. Michael D. Maul, Director, Department of Planning and Budget