



COMMONWEALTH OF VIRGINIA  
HOUSE OF DELEGATES  
RICHMOND

**APPROPRIATIONS COMMITTEE**  
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**The Honorable S. Chris Jones**  
**Comments to the Committee**  
**House Bill 1500**  
**February 5, 2016**

Good afternoon. Today we meet to consider amendments to the current biennial budget which we adopted last year.

Since the budget was introduced in December, we have conducted 5 public hearings across the state to receive input from our citizens on the priorities they would like to see addressed.

Since arriving here 25 days ago, we have conducted our annual small group briefings in which members from both sides of the aisle participated in an in-depth discussion of the proposed budget.

With this input, we charted several goals and principles that would serve as the framework for the Committee's budget deliberations.

We clearly recognized that the budget we adopted last Session was now approximately \$1.25 billion out of balance against expected revenues. I applaud the Governor for sending us an amended budget that was balanced against the revised December revenue forecast. We endorsed many of his proposals in terms of savings, revenue generation and spending.

However, the House had some different goals.

I would like to thank Delegate Ware for his leadership as Chairman of the House Finance Committee, it has been a true pleasure working with him over the last four years.

Budgets are about making choices and wisely addressing the Commonwealth's needs. It is also about keeping commitments that we made to our state employees. As I stated a couple of weeks ago, unlike college faculty and school teachers, whose pay raises are determined by the Board of Visitors and respective school boards. State classified employees only have the General Assembly to turn to.

So, for the last 4 weeks we have re-examined not only the Governor's proposed new spending, but we have reviewed all discretionary spending decisions made last Session. Our top budget priority is state workers and state troopers.

I want to thank the Subcommittee Chairmen for their leadership in finding the resources to make the entire compensation package a reality. All told, the cost of restoring the 3% raise for state employees and college faculty, and restoring the 2% pay raise for state supported employees was \$88.7 million. Funding is also included to provide our Deputy Sheriffs with their compression pay adjustments.

Finally, an additional \$15 million is included to address the starting salaries and compression of our State Troopers and Capitol Police Officers. In addition, our budget restores the \$1.2 million dollars from last year's budget for the State Police Tactical team in Southwest Virginia.

In the last 2 months alone, the State Police have lost 48 employees, of which 41 were sworn officers. Daily these men and women serve and protect the entire Commonwealth.

The Capitol Police is America's oldest police force and serves in many roles of law enforcement for the State Capitol, its employees and visitors, as well as assisting other law enforcement agencies when called upon. On behalf of the Committee I thank them for their dedicated and professional service to the Commonwealth.

Other areas of investment in the budget include K-12, Higher Education, Health & Human Resources and Domestic Violence.

Last year the House re-established the policy of sending back a portion of the Lottery proceeds to our school divisions on a per-pupil basis without a required local match.

At that time, I stated that the Committee's goal was to send 40% of the Lottery proceeds back to our schools. The budget adopted last session distributed approximately 30% of the Lottery proceeds in FY 18.

The committee worked to identify additional resources in order to achieve the 40% level of \$218.7 million in Lottery Profits going directly back to our school divisions. The schools get much needed flexibility in allocating these dollars where they think it is best served, be it a pay raise for their teachers or funding their share of getting to 100% of the required VRS contribution rate.

Access and affordability in higher education has been a top priority of the House for years. Last session we made a significant additional investment in higher education. I want to thank Delegate Cox and his subcommittee for their work in this area to help bring down the cost of attending our colleges and universities.

While we are pleased that there will be no reductions for Higher Ed in HB 1500 for the current fiscal year, the committee felt that the cuts of nearly \$80 million in FY18 were too much.

The allocation of the cuts as proposed had a disproportionate impact on schools that have the highest percentages of in-state students. So, we sought to ameliorate this discrepancy by restoring \$21.0 million dollars to Higher Education, with this restoration, we were able to reduce the cuts so that no school had a reduction greater than 1.4% of their total E&G budget.

We also fully restored cuts to Extension and VIMS, and there were no reductions for Virginia State and Norfolk State Universities.

In the area of Health and Human Resources, I want to thank the subcommittee led by Delegate Ingram. This is by far the most demanding and difficult subcommittee on which to serve, I know, as I served on it for 10 years. The needs, not wants, are great, the issues complex and the resources limited.

Over the last two sessions, the House, working collaboratively with the Senate and the Governor, have made a significant investment in the area of mental health.

All told we will provide a \$28.5 million dollar increase in mental health services, to include expanding the GAP program to cover individuals up to 100% of the federal poverty level. We will also provide funding for supportive housing and same day access.

While we have made significant investments in mental health services in the last several years, there is much still to be done. I want to commend the members of the Joint Subcommittee on Mental Health Services which is lead by Senator Deeds for their work to date.

Our budget recommendations will add an additional 144 DD waiver slots to meet the needs of Virginia's most vulnerable citizens.

Another House priority has been in the area of Domestic Violence. We will include an additional \$1.5 million in fiscal year 2018 for domestic violence grants that will be matched on a 4 to 1 basis with federal funding. I want to particularly commend Delegates Peace, Gilbert and Rob Bell for their commitment to this cause over the years.

In closing, I believe that our budget recommendations adhere to our commitment to strategically focus our resources, by keeping our promises to our state employees, and to fund the core services of government.

As we know budgets are about choices and setting of priorities, especially with limited resources. While some will think, not enough has been done, others will feel

more has been accomplished than expected. I want to personally thank the members of the committee, especially the subcommittee chairmen who conducted and attended weekly meetings and provided valuable insight and feedback during the budget process.

I believe, quite frankly, this approach by the Committee as a whole has achieved these goals and more. I am proud of your work and humbled to serve as your Chairman, you have done an outstanding job and I thank you all for your efforts.

This process could not be achieved without Robert Vaughn and his exceptional staff. They are truly the brain trust that brings years of knowledge and understanding to make this budget a reality. Without their dedication and eye for detail we would not be as successful as we are.

I would like to receive the reports of the Subcommittees, beginning with Delegate Poindexter, Chairman of the Compensation and Retirement Subcommittee.