



COMMONWEALTH OF VIRGINIA  
**HOUSE OF DELEGATES**  
RICHMOND

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**The Honorable Luke E. Torian, Chairman**  
**Comments on the Committee Recommendations to House Bill 1800**  
**February 10, 2021**

Good afternoon. Today we meet to consider amendments to House Bill 1800, which is the budget for the current 2020-2022 biennium. Virginia is in strong fiscal standing thanks to prudent decisions made by the Administration and this Committee throughout the last year. With a brighter revenue forecast and a clearer path out of the pandemic, this budget will continue the work of the last Special Session to build a safer, healthier, and more equitable Commonwealth.

In December, Governor Northam introduced an amended biennial budget that included a net spending increase of nearly \$1.5 billion. HB 1800 as introduced laudably included forward-looking funding for education, additional criminal justice reform, expanded access to broadband and health care. It also proposed a substantial deposit to our Revenue Reserve Fund.

Since that time, Congress passed the Consolidated Appropriations Act. While that measure did not include direct grants to support state government operations, it did include funding for specific state programs, particularly for COVID-19 vaccination and testing efforts and the distribution of PPE through the Departments of Health and Emergency Management. It also included an additional \$845 million going directly to our school divisions to support K-12 re-opening needs, funding to support higher education and over \$560 million to address

rent and utility relief during the COVID crisis. These funding streams proved critical to helping address the extensive needs facing our citizens.

Members of the House submitted over 500 amendments to the introduced budget. In considering these proposals, we maintained the focus on the fiscal responsibility that has kept the Commonwealth on solid footing thus far. Based on the priorities I laid out at the start of this Session, this Committee's work emphasized policies that address six overarching goals:

1. Targeting funding to address the unique needs arising from the COVID-19 pandemic,
2. Enhancing our reserves so we can respond to Virginia's needs in FY 2023 and beyond without the federal support we currently are depending on,
3. Funding our public education system so students can return to learn with adequate supports,
4. Providing meaningful pay raises for all groups of employees, including state, state-support locals, and our teachers
5. Continuing to make strategic investments in higher education, health and human resources and equity in employment, and
6. Making progress to ensure we meet our 2025 water quality improvement requirements

Our first priority is ensuring that the Commonwealth does everything it can to expedite the deployment of the COVID vaccine. The Committee fully-funded the amounts included in the Governor's proposal for the Virginia Department of Health and the Virginia Department of Emergency Management with available general and federal funds. We also funded legislation providing paid sick leave for essential personnel on the frontlines of the pandemic battle. The House also adopted and funded two pieces of legislation providing the presumption that COVID-19 is a work-related disease for our medical personnel and first responders. The package includes an additional \$20 million for the state Rebuild Virginia program, bringing total funding for this small business assistance fund to \$140 million. Throughout each

subcommittee's report there are items to help address the needs of hard working Virginians, including parents, frontline workers and small business owners.

My second priority was enhancing the funding in our Revenue Reserve fund. Many have asked "aren't we already facing a rainy day?" While we face a national crisis, Virginia has been unique in that our revenues have remained positive, and with the addition of federal support we have been able to meet our central needs. My concern is that the true storm will arrive next year, when the federal funds have been diminished, but the needs in our core programs like health and human resources and K-12 continue to grow. To help shore up our position in the upcoming biennium – the budget we will adopt in the 2022 Session – the House amendment package before you today includes \$130 million in deposits to the Revenue Reserve Fund in addition to the \$650 million proposed in HB 1800 as introduced.

The past year has highlighted how much we rely on our educators. This Committee's budget will include an additional \$158 million over the biennium above HB 1800 as introduced. This includes a much-needed 5% raise for teachers as well as funding to reach the 1-to-325 school counselor-to-student ratio. We are proposing \$425.9 million for no-loss payments to public schools, and \$123.0 million to assist with COVID-19 remediation and student supports. All this is in addition to the \$1.3 billion in Federal relief schools received through the various CARES Acts.

In the area of higher education, today's package includes \$198 million in additional funding for higher education. This includes \$84 million to maintain affordable access to our colleges and universities, \$34.5 million to support the G-3 Community College initiative, \$19.1 million in additional support for our HBCUs and an \$8.5 million increase for Tuition Assistance Grants.

Health and human resources remains one of the most critical areas of need in the Commonwealth's budget. We have been lucky to receive enhanced federal Medicaid funding which has allowed us to supplant general fund dollars to support other needs in this vast arena. The report increases the rate paid to home health care workers by 7% on July 1 (including the 2% authorized earlier this year) as well as reflecting the higher minimum wage when it goes into effect on January 1 of next year. It helps keep our elderly Virginians healthy by increasing nursing home payments by \$12 per patient, per day, and funds Medicaid prenatal care regardless of the pregnant person's citizenship status.

Finally, the Commonwealth faces a 2025 deadline to meet its Chesapeake Bay Clean-up requirements. Today's proposals include \$150 million in bonds to support the first of two tranches of debt to support the wastewater treatment plant upgrades required to meet that deadline. Also included is a total deposit of \$69.4 million to the Water Quality Improvement Fund in FY 2022. Finally, \$26.0 million is deposited into the Stormwater Local Assistance Fund in FY 2022. In combination, this three-pronged approach will help ensure we achieve a clean Virginia.

Thank you to the members of the Committee, our Subcommittee Chairs, and Committee staff for your work putting this together. Today we will adopt the subcommittee reports and then I will move to report the full Committee package of amendments to House Bill 1800 to the Floor for adoption.

With that, we will begin with Delegate Tyler, who will present the recommendations of the Compensation and General Government Subcommittee.