



COMMONWEALTH OF VIRGINIA

HOUSE OF DELEGATES

RICHMOND

WILLIAM J. HOWELL
SPEAKER

TWENTY-EIGHTH DISTRICT

COMMITTEE ASSIGNMENTS:
RULES (CHAIRMAN)

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Speaker William J. Howell Heralds \$311 mil. FY 2011 Budget Surplus

RICHMOND, VA – Speaker of the Virginia House of Delegates William J. Howell (R-Stafford) today issued the following statement in response to Governor Bob McDonnell’s announcement of FY 2011 surplus figures. Since taking office, Governor McDonnell and the House Republican Caucus have worked side-by-side to eliminate unnecessary spending and enforce Virginia’s constitutional balanced budget requirement without raising taxes.

“Over the last two years, our Caucus has worked together with Governor McDonnell to cut unnecessary government spending, reform duplicative programs and exercise general fiscal prudence. Frugal, common-sense measures, coupled with better than projected revenue collections, led to a budget surplus of \$403.2 million for FY 2010 and another surplus of \$311 for FY 2011,” said Howell.

The \$310 million surplus may be adjusted later in the month to reflect final state agency savings. For the second year in a row, the surplus is attributable to frugal budgeting, low taxes and strategic investments. The surplus revenues are, in large part, previously obligated through state budget language addressing allocations of surplus. Though figures are not final, it is expected that the surplus will include a \$146.6 million allocation to the Revenue Stabilization Fund, \$32.2 million to the Water Quality Fund, \$23.0 million for the Transportation share of the Accelerated Sales Tax, \$8.9 million to the Unemployment Compensation Trust Fund, \$4.3 million for Tornado Relief, \$7.5 million to BRAC Obligations and \$7.4 million to supplement Public Safety Funding for Sheriff’s Offices. Many of these allocations were pre-designated by the 2011 Budget Bill and any remainder is expected to go into the VRS.

“The House has worked together with and supported the Governor on budgetary issues as well as economic development. The Governor’s efforts to bring more jobs to Virginia was one key factor in stimulating vitality and improving revenue flow throughout the Commonwealth. We must continue to spend and save wisely, mindful of the tough challenges ahead. In addition to designating \$114 million during the 2011 General Assembly Session for the Rainy Day Fund, we wisely put aside a further \$146 million for the FY 2012-2014 biennium to deal with any future contingencies,” said Majority Leader Kirk Cox (R-Colonial Heights).

“We are thrilled that the Commonwealth has upheld its balanced budget requirement, posting surplus figures while many other states and the federal government are grappling with dire budgetary challenges. It is more important than ever that the Commonwealth tighten its belt, in light of the continuing recovery and uncertainty in Washington,” said Howell. “Since 2008, citizens and legislators have learned that the economy will not always be buoyant, so we must save whenever possible to prepare ourselves for difficulties in the future. I believe the hard work of the Governor and our Caucus has positioned Virginia as one of the most fiscally responsible states in the country and has financially prepared Virginia moving forward.”

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