



WILLIAM J. HOWELL
SPEAKER

TWENTY-EIGHTH DISTRICT

COMMITTEE ASSIGNMENTS:
RULES (CHAIRMAN)

For Immediate Release:
August 19, 2009

Contact: G. Paul Nardo
(804) 698-1228
gpnardo@house.state.va.us
williamjhowell.org

Speaker Howell on Latest \$1.5 Billion Revenue Projection Reduction by Governor Kaine

RICHMOND, VA – Virginia House of Delegates Speaker William J. Howell (R-Stafford) today issued the following statement after Governor Kaine’s remarks to the Joint Legislative Money Committees regarding the latest downward revision of the revenue forecast upon which the Virginia state budget is set:

“Families and businesses across the Commonwealth are grappling with the worst economic recession in generations,” remarked Speaker Howell. “Along with them, leaders in state government must wrestle with the grave financial challenges with which we are confronted. Throughout the ongoing process of adjusting the revenue estimates for the current fiscal year, we must not lose sight of the very real and painful consequences this recession is bringing to bear on Virginians who are struggling to live within their means.

“While no one takes pleasure in predicting a lengthy recession, many experts remain unsure if the economy has reached the bottom of the downturn let alone the length and strength of any potential recovery. This uncertainty demands a sober, realistic and above all conservative approach to the Commonwealth’s revenue forecast not only for this current 2010 fiscal year but the upcoming 2011-2012 biennial state budget. Fiscal prudence dictates adopting estimates that are restrained and reflective of the apprehension permeating the economy.

“At the Governor’s Advisory Council on Revenue Estimates (GACRE) meeting on August 5, I and other legislative leaders recommended adopting the least optimistic revenue forecast presented to us by the Administration. While GACRE is strictly an advisory panel and has absolutely no formal approval authority because that resides solely with the Executive Branch, I am pleased Governor Kaine has finally taken a realistic view on the projected budgetary shortfall the legislature will be facing at the upcoming 2010 General Assembly session.

“With a clearer understanding of our future revenue figures, it is now up to Governor Kaine to use his authority given to him by the General Assembly to implement the needed spending reductions – sooner not later – to ensure that the Commonwealth adheres to its constitutional responsibility of maintaining and producing a balanced budget. The longer the Commonwealth delays not doing anything about aligning spending with incoming revenues, the harder it is to make up the difference.

“As Virginians are painfully aware, fiscal responsibility by state leaders, business growth and job creation – not higher taxes or more spending on government programs – are the keys to a robust economic recovery. Going forward now and later this year, I hope the Governor chooses the right path in addressing Virginia’s ongoing budget shortfall.”

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