

Commonwealth of Virginia

GENERAL ASSEMBLY

RICHMOND

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Republican Perspective on the State of the Commonwealth by House Majority Leader Morgan Griffith and Senator Jeff McWaters

RICHMOND, VA — Tonight, House Majority Leader H. Morgan Griffith (R-Salem) and Senator Jeffrey L. McWaters (R-Virginia Beach) offered the Republican perspective on the State of the Commonwealth following Governor Kaine's address to a Joint Assembly of the Virginia House of Delegates and Senate of Virginia. Their remarks are as follows:

Delegate Griffith:

Good Evening. I'm House of Delegates Majority Leader Morgan Griffith from Southwest Virginia, and I'm accompanied tonight by Senator Jeff McWaters of Virginia Beach.

Thank you for taking a few extra minutes this evening, as we offer a Republican perspective on the State of the Commonwealth.

Like every state in our nation, Virginia's government faces some difficult challenges and tough choices.

Virginians tonight are living through the most serious economic downturn in a generation. But, this isn't the first time the people of our great commonwealth have faced adversity. Just as Virginia persevered through the struggles of the Revolutionary War and the War Between the States, and through economic hardships like the Great Depression, we can emerge from these difficult times stronger and better prepared for a prosperous future.

The choices that governments at the local, state and federal levels make now in confronting the challenges resulting from this situation will affect the citizens they serve for years to come.

As Virginians struggle through tough times, government, too, faces struggles. State coffers that depend upon the prosperity of our citizens are no longer flush, and we cannot make decisions predicated on unrealistically optimistic expectations of the immediate future.

Governor Kaine has highlighted the spending cuts to government programs he has proposed in his budget. But regrettably, he has downplayed the lynchpin of his budget: dramatic increases in fees and taxes – including a substantial increase in the income tax.

Since the General Assembly has not agreed to the latest tax increases advocated by Governor Kaine, the budget he has proposed is effectively unbalanced. As a result, this Governor has ceded the task of

fulfilling the constitutional responsibility of producing a balanced budget to legislators and our new Governor, Bob McDonnell.

Republican legislators are fully prepared to face this challenge head on. Working cooperatively with Governor McDonnell, Lt. Governor Bolling, Attorney General Cuccinelli, and our Democrat colleagues in the House and Senate, WE will make the difficult choices necessary to secure the future prosperity of Virginia.

Raising taxes and increasing the burden on Virginia families, who are already struggling to make ends meet, is the wrong approach to addressing this challenge. Like the people and families we serve, Virginia's government must live within its means. General Assembly Republicans are committed to ensuring that it does.

By necessity, this means that state government will be spending less and, in some cases, will do fewer things. In our view, this approach is far superior to increasing the tax burden on Virginians, which would only serve to exacerbate an already overstressed economy and further delay recovery.

In short, higher taxes will stifle job growth and discourage the private investment necessary to hasten our recovery.

Governor Kaine speaks often of the many accolades Virginia has earned. We have been recognized as one of America's best managed states and one of the best states for business several times over the past two decades. But its been done under the stewardship of governors and legislators representing both parties.

Being recognized as the "best" is nothing new to Virginia. The history of our commonwealth can make such accolades seem commonplace. But, those honors are achievements wrought through effective governing and sound policy decisions.

Out of necessity, this General Assembly session will be focused on putting Virginia's fiscal house in order by producing a balanced budget without increasing taxes. Additionally, a great emphasis will be placed on promoting economic growth and adding private-sector jobs to our economy.

Senator Jeff McWaters has a record of achievement in creating jobs. He will discuss that challenge now.

Jeff...

Senator McWaters:

Thank you, Morgan, for clearly setting out the challenges we face with this year's budget.

Today, Senator Dave Marsden and I were sworn in as the newest members of the Virginia State Senate. Dave, congratulations to you. In fact, Delegate Griffith has been in Richmond for 16 years and I've been here less than 16 hours.

So rather than talk about accolades of the past, let's talk instead about where we are now. We need to cut billions from the state budget and meet enormous transportation and education challenges. We must control spiraling Medicaid costs. And above all, we need to free the private sector to do what only the private sector can do—create jobs and stimulate the economy.

Last year, the outgoing administration relied on the stimulus package to bail-out and paper over our problems and delaying the inevitable by one more year.

This year, we must truly stimulate the economy by returning to our founding economic principles—capitalism, less government, lower taxes and plain old hard work.

We cannot bring about economic recovery without significant growth in employment. It's like saying we're going to attack illiteracy by putting books on tape. Our citizens need jobs.

This session, my colleagues and I plan to focus on four specific strategies to increase business investment and create job growth in the Commonwealth:

- One, implement tax credits for companies that create at least 50 jobs in Virginia. This is one tax credit that will pay for itself many times over.
- Two, streamline government regulations and protect the Right to Work laws that help create a favorable business climate in the Commonwealth. These policies are already a strong draw for businesses looking to locate in the Commonwealth. With the assault on business from Washington in the form of Obamacare, card check and cap and trade, Virginia's business-friendly policies will be even more important as a last line of defense.
- Three, invest more in the Governor's Opportunity Fund and aggressively pursue global opportunities. When it comes to attracting new businesses, Virginia is facing stronger competition from other states and countries. The Governor's Opportunity Fund allows us to provide greater incentives for companies to locate and create jobs in Virginia.
- Four, prepare Virginia's future workforce to take on the jobs of the 21st century by recruiting the best teachers and rewarding them based on their success. Our schools must focus more on science, technology, engineering, healthcare and mathematics – subjects that will be the base of the jobs of the future.

I've learned from my life experience that private enterprise is the key to job creation. Fifteen years ago, I started a company on my kitchen table in Virginia Beach that grew to a Fortune 600 company focused on improving health care access and quality for the poorest citizens while saving participating states hundreds of millions of tax dollars. Along the way, we created over 4,800 jobs.

The way I see it, politicians can do one of two things. Force more bureaucracy onto the private sector or bring more private sector principles to Richmond. My constituents didn't send a politician to Richmond, they sent a businessman.

And this is why I ran: we must ensure the legacy of our grandparents, the greatest generation, for our grandkids. People are hurting. It's our job to reignite the American dream for them.

The engine for doing this is in the minds, hearts and spirits of entrepreneurs and small business owners throughout this Commonwealth. Our job is not to control them; our job is to encourage them. Right now, on their own kitchen tables, enterprising Virginians are using their God-given talents and taking personal risk to achieve their slice of the American dream and create jobs for others along the way. That's the entrepreneurial spirit of America. It's the fuel of capitalism and the reason that America is still the hope of the world. Just as Virginians are responding right now to the crisis in Haiti.

May god empower them and bless you. And may God bless our Commonwealth.

Good night.

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