



COMMONWEALTH OF VIRGINIA

HOUSE OF DELEGATES

RICHMOND

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LUKE E. TORIAN, CHAIRMAN
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Opening Remarks: 2021 HAC Retreat

Good afternoon. I'd like to thank the Members of the Appropriations and Finance Committees for attending our annual retreat. I'd also like to welcome the leadership of both parties for joining us today.

When I became Chairman, I set out 5 core priorities:

1. Enhancing our reserves,
2. Providing employee compensation increases for all groups of employees,
3. Ensuring college remains accessible and affordable for Virginia's students,
4. Supporting the strategic investments in public education, health and human resources and environmental protection, and
5. Finally, making progress for workforce equity in Virginia.

I can confidently say that each one of these goals has been achieved through the work of this legislature.

Over the past two years we have increased deposits to our two reserve funds from \$1.1 billion in fiscal year 2020 to a historically high \$3.3 billion by fiscal year 2023.

We have provided more than ½ a BILLION dollars in compensation increases for ALL public employees, including the highest ever teacher pay raise this year, while also enhancing compensation for state employees and state supported locals. We also have continued to focus on pay compression issues faced by our mental health and public safety personnel giving additional raises to both lower-paid and longer-tenured employees, as well as across the board increases.

In the area of public education, federal stimulus funds flowing directly to our school divisions have provided \$3.0 billion to ensure students have returned to learn. While many challenges remain, we have expanded funding for support personnel, and provided hold harmless payments to stabilize schools temporarily facing declining enrollment. I hope some focus will be given this year to reevaluating rebenchmarking to ensure our school divisions are not arbitrarily harmed by the use of FY 2020 as the base year.

For higher education, we have worked to fully fund each institution's six-year plan while continuing to encourage colleges to keep tuition at the FY 2020 levels. We also provide supplemental funding to schools with student bodies with high financial need, namely GMU, ODU, Norfolk State and Virginia State.

In summary, the legislature's spending actions have made investments in areas that have been underfunded for years and has ensured we are a Virginia that takes care of its citizens when they need help the most, while making investments to protect our children's futures.

Because of our actions, Virginia has weathered the financial roller coaster of COVID-19 and emerged in a stellar position to continue its triple-AAA status as a national leader in financial stewardship. Today we face a brighter revenue forecast and a clearer path out of the pandemic.

We begin our presentations today with a national perspective provided by Arturo Perez, NCSL's Director of State Services. Following his presentation on state budgets and the use of federal stimulus dollars, we will have a series of staff presentations on some of the budget drivers of this coming Session.

Again, welcome back to Richmond, and please enjoy the day.