



Commonwealth of Virginia
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**“A More Efficient, Effective Government”:
Governor McDonnell and Republican Leadership
Announce Joint Agenda for 2012 Legislative
Session**

*~ Agenda Focuses on Initiatives in Job Creation, Education,
Transportation and Government Reform to Spur Private Sector Growth
and Economic Development~*

RICHMOND – Governor Bob McDonnell, Lieutenant Governor Bill Bolling, Attorney General Ken Cuccinelli, Speaker of the House William Howell and Senate Republican Leader Tommy Norment, joined by Republican members of the House and Senate, stood on the South Portico of the Virginia State Capitol this afternoon to unveil, “A More Efficient, Effective Government,” the joint Republican legislative agenda for the 2012 session of the General Assembly.

The Republicans collectively laid out their 10 major priorities for the upcoming session, all focused on spurring private sector job creation and economic growth. The agenda includes initiatives to improve Virginia’s transportation system, strengthen K-12 and higher education, reform state government and help businesses start and grow. The 2012 agenda builds off of last year’s successful joint Republican agenda which resulted in the most money to transportation in

a generation. without raising taxes, as well as higher education reform legislation which increases access and affordability to higher education and creates a pathway toward awarding 100,000 more degrees over the next 15 years.

The “A More Efficient, Effective Government” Joint Agenda is Highlighted by Measures to:

Spur Private Sector Job Creation and Economic Growth – The governor’s ***‘The Greatest Opportunity’*** jobs and economic development agenda; Right to work legislation and opposition of project labor agreements; transportation funding package that includes revenue sharing and diversification

Make State Government Smaller and Smarter – Setting budget priorities to ensure the core functions of government are well funded and prepared for the future; Reforming and restructuring government to make it smaller and more efficient; Initiating a JLARC review on unfunded federal mandates on Virginia; Ensuring that individual property rights are protected, maintained and not threatened by government use for non-core services and infrastructure; Allocating the greatest employer funding of the Virginia Retirement System in state history

Provide a World-Class Education to Every Virginia Student – Ensuring Virginia’s students have access to the high quality education they deserve by allocating significant new funding to higher education to advance the governor’s 2011 “Top Jobs” legislation, as well as reforming and investing in K-12 education through ***The Opportunity to Learn*** 2012 legislative agenda

Speaking about the “More Efficient, Effective Government” Joint Republican Agenda, Governor McDonnell remarked, “Republicans ran this fall on a clear and direct message: we pledged to work in Richmond to help more of our citizens get back to work in Virginia. That is what our joint Republican agenda is all about. Our joint agenda is focused on our top priority – job creation and economic growth. The initiatives in our agenda aim to create a more efficient and effective government that will help private sector job creators succeed and get people back to work. We will do that through prioritizing state spending, investing in job creating initiatives, reforming our K-12 and higher education system to ensure that every student, in every community, gets the best education possible and investing in the future of the Commonwealth. We are tackling the major challenges facing our citizens head on, and we will get results.”

Governor McDonnell continued, “In my proposed 2013/2014 budget I have set priorities to ensure that the core functions of government – transportation, higher education, K-12, public safety and economic development – are well funded and prepared for the future. This includes allocating \$100 million in new funding per year to higher education, re-investing in K-12 education, advancing a new funding package for transportation that utilizes revenue sharing, making the largest investment in the Virginia Retirement System in history, and continuing to invest in economic development initiatives that help the private sector grow while at the same

time not raising taxes and keeping state spending in check. Additionally, we have introduced a number of legislative reforms that focus on the same core functions through initiatives to: make government smaller and more efficient saving taxpayers money; help businesses start and grow in the Commonwealth; and, ensure we have a high-quality education system so that our students are prepared to succeed and lead in the 21st century economy. I believe these are all initiatives that the entire General Assembly, not just Republicans, can rally around. It is imperative that we lay the groundwork now to turn our economy around and get people back to work, while also planning for Virginia's future so that we continue to lead the way on education, job creation and fiscal responsibility.”

Speaking about *The Greatest Opportunity* jobs and economic development legislative component of the “Smaller Government, Stronger Economy” agenda, Lieutenant Governor and Chief Jobs Creation Officer Bill Bolling commented, “The jobs and economic development agenda we have proposed this year is another aggressive effort to enhance our economic development infrastructure. This is the most diverse economic development package we have proposed to date. By making significant new investments in technology, small businesses, agriculture, advanced manufacturing, tourism, domestic and international marketing programs, and by protecting Virginia's status as a right-to-work state, we will help create jobs for our citizens and better position our state to compete in the global marketplace of the 21st century. We hope the General Assembly will join us in supporting these important proposals.”

Attorney General Ken Cuccinelli discussed individual property rights and their importance to the people of Virginia, stating, “The ownership of private property is one of the necessary foundations for a free society. By putting property rights protections in Virginia's constitution, we can finally ensure that past government abuses of eminent domain will never be repeated against our citizens.”

Speaker William Howell (R-Fredericksburg), discussing this year's government reform proposals, added, “As Vice Chairman of the Government Reform Commission, I worked with the other members of the Commission to evaluate how we can make Virginia government work even better for its citizens. As Virginians, we are fortunate to live in one of the best managed states in the country, but we should not rest on our laurels. The ideas approved by the Government Reform Commission represent commonsense reforms that will make Virginia more efficient and more effective. These efforts focus government on its core responsibilities and target duplication and waste by eliminating and merging unnecessary boards and agencies.”

Senator Thomas Norment (R-James City) discussed Virginia's budget, noting, “More than any other piece of legislation, the budget reflects the Commonwealth's priorities. It is essential that our budget process be transparent and reflective of the values of the people of Virginia. As evidenced by the announcement yesterday from budget conferees, we will be making great strides in this area during this session. The members of Senate Finance and House Appropriations are committed to ensuring that the people of Virginia and all of their elected legislators have the opportunity to know what will be in the budget before it is approved.”

The 2012 “A More Efficient, Effective Government” Joint Republican Agenda:

GOOD GOVERNMENT AND FISCAL RESPONSIBILITY

Budget Priorities – The governor's budget includes significant new resources for higher education and K-12, prioritizes funds for transportation maintenance and supplies more tools for job creation efforts in the state. The budget focuses state spending on the core functions of government and on policies most directly tied to job creation and economic development, while not raising taxes.

Government Reform and Restructuring – The proposals are a result of the ongoing work of the Governor's Commission on Government Reform and Restructuring. The proposals include eliminating two state agencies; merging seven state agencies into others; eliminating 19 boards and commissions; merging 23 boards and commissions to form 11 boards and commissions; moving four offices and initiatives; and, de-regulating three professions. The Government Reorganization Plan will be considered as a resolution in the 2012 session of the General Assembly. Initial estimates by the Department of Planning and Budget find that the submitted reforms will save at least \$2 million per year.

Federal Mandates on Virginia – Unfunded federal mandates continue to place unnecessary and often duplicative burdens on Virginia's government that in the end cost more to taxpayers and reduces efficiency of service. The Joint Republican Leadership believes that we need to understand the total fiscal impact on Virginia as well as the time devoted away from core services. The Joint Republican Leadership supports a resolution directing the Joint Legislative Audit and Revision Commission (JLARC) to study the impact of federal mandates on Virginia. This study will produce an summary of legislative and programmatic mandates on Virginia and in turn will be a tool for calling for reform by the federal government.

VRS – Governor McDonnell's budget prioritizes the need to bring solvency back to the Virginia Retirement System. The Joint Republican Leadership agrees that we cannot pass this problem on to another governor or assembly. The governor's budget includes the greatest employer funding of the Virginia Retirement System in state history.

Property Rights – Property rights continue to be of paramount importance to the Joint Republican Leadership. Ensuring that individual property rights are protected, maintained and not threatened by government use for non-core services.

JOB CREATION AND ECONOMIC DEVELOPMENT

Economic Development, Access to Capital – This year's agenda, *The Greatest Opportunity*, builds on the aggressive job creation and economic development measures that passed the General Assembly with strong bipartisan support during the 2010 and 2011 sessions. In line with the budget priorities outlined in his address to the Joint Money Committees in December, Governor McDonnell has asked for increased support of job creating funds and initiatives as part

of his introduced 2013/2014 biennial budget. He also will advance legislation to increase access to capital for business and implement greater coordination among economic development entities, along with budget items increasing the support of job creation funds and initiatives.

The package also includes legislation creating a Small Business Investment Tax Credit to spur investment in Virginia's small businesses and continue work over the last two years to better fund job creating programs and initiatives, such as the Advanced Manufacturing Initiative, Governor's Agriculture and Forest Industries Development Fund and important non-credit courses in our community college system

Right-to-Work and Project Labor Agreements – Virginia's solid position as a right-to-work state continues to be a major incentive for businesses looking to relocate or expand in the Commonwealth. The Joint Republican Leadership firmly supports right to work legislation. Recent developments related to the MWAA project have once again brought forward the need to ensure state funds are not diverted to projects involving Project Labor Agreements (PLAs) that favor union shops over merit shops. Virginia must firmly maintain its unquestionable position as a right-to-work state. Therefore, public dollars should not be involved in projects that require a PLA.

Transportation – Last year, working across party lines, the General Assembly passed the largest investment in transportation in decades. They did so by utilizing existing tools to leverage every available dollar and creating the Virginia Transportation Infrastructure Bank. This was a significant step in what must be a continued effort to address the Commonwealth's transportation challenges. As Virginia's population, transportation system and the number of vehicle miles traveled have grown, revenues and funding sources for maintaining existing infrastructure have remained largely unchanged for decades. As a result, the Virginia Department of Transportation must now transfer funds dedicated to building new infrastructure from the Transportation Trust Fund to the Highway Maintenance and Operating Fund, which is dedicated to maintain our existing infrastructure. Since 2002, these crossover transfers have amounted to over \$3 billion, funding that could have otherwise been used to help expand capacity and reduce congestion.

To address this growing challenge new revenues are necessary. This session includes another transportation funding and reform package. The plan will include such steps as expanding the revenue sharing program, which matches local funding dollar for dollar, to include maintenance. In addition, the package will continue to use Virginia's transportation assets to help diversify the economy and create jobs. Thus, the transportation plan includes comprehensive bills to reform the Virginia Commercial Space Flight Authority and promote both the commercial aerospace industry and the Port of Virginia.

EDUCATION

Higher Education Funding – Building on last year's "Top Jobs" higher education reform agenda, Governor McDonnell has proposed new higher education funding package which includes \$100 million per year to prepare Virginians for top jobs, boost job-creating research and

innovation, make college degrees more affordable for students and advance toward the goal of having 100,000 more Virginians earn degrees in the next 15 years.

K-12 Education – The Opportunity to Learn agenda focuses on raising standards for schools and teachers, reducing mandates on local school divisions, expanding educational options for Virginia students, enhancing teacher quality, and funding for critical education and training programs.

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