

This week, deep philosophical divisions on the budget became more publicly evident, and House and Senate committees grappled with whether public schools should open prior to Labor Day. The highlights this week are:

The Budget

Quickly on the heels of the House unanimously rejecting an increase in the personal income tax in an effort to balance the Commonwealth's budget, several Senate leaders delivered speeches from the floor of the Senate advocating tax and fee increases to prevent deeper cuts to public education, Medicaid, and transportation funding. This signals a potential philosophical debate between the House and Senate over the best way to close the \$4.3 billion budget deficit. Governor McDonnell emphatically stated in his State of the Commonwealth address that he would not sign any budget that included a tax increase, clearly aligning himself with the position of the House. While this clearly gives the advantage in this debate to those opposed to tax increases to balance the budget, it does not mean that the Senate will concede the point. If neither side concedes, the General Assembly may not be able to pass a budget by the scheduled end of Session on March 13.

Public School Schedules

Every year, several legislators submit bills that attempt to eliminate the prohibition in the Code of Virginia that prevents most local school systems from starting their school year prior to Labor Day each year. The proponents of these bills believe local systems should have the authority to determine when the school year should start for themselves. The opponents of these bills believe allowing school systems to start prior to Labor Day will have severely negative economic consequences in areas such as Virginia Beach that depend on tourism for tax dollars and on high school age employees to staff attractions during the summer tourism season. These bills typically die at the Committee level each year, but one Delegate – Bob Tata of Virginia Beach – introduced a bill this year with an interesting twist. HB 565 allows school divisions to start the school year prior to Labor Day only in years when Labor Day falls after September 5, which happens about seven out of every twenty years. This bill passed in Committee on a 14-7 vote and is scheduled to be debated on the House floor on Thursday, February 4.