

We're now down to the final week of Session, and the House and Senate are almost totally finished with their legislative work. The budget is truly the last major issue left to be resolved. Since that is the case, I'd like to take a moment to let you know a little about how the budget conference works.

How the Budget Conference Works

The Budget Conference Committee, typically simply referred to as the Budget Conference or just "the conferees", is a group of 12 legislators appointed to resolve differences between the House and Senate versions of the budget. The budget conference always includes the Chairman of the Senate Finance Committee and the Chairman of the House Appropriations Committee. House and Senate leaders then pick the other members of the conference, all of whom must be members of the Senate Finance or House Appropriations Committees. This year, the conferees are:

- Senator Chuck Colgan (D - Manassas) – Chair of Senate Finance Committee
- Senator William Wampler (R - Bristol) – Ranking Minority Member, Senate Finance
- Senator Edd Houck (D - Stafford) – Vice-Chair, Senate Finance Committee
- Senator Dick Saslaw (D - Fairfax)
- Senator Janet Howell (D - Fairfax)
- Senator Walter Stosch (R - Henrico)
- Delegate Lacey Putney (I - Bedford) – Chair, House Appropriations Committee
- Delegate Kirk Cox (R - Colonial Heights) – Vice-Chair, House Appropriations
- Delegate Beverly Sherwood (R - Winchester)
- Delegate Steve Landes (R - Augusta)
- Delegate Chris Jones (R - Suffolk)
- Delegate Johnny Joannou (D - Portsmouth)

These conferees will meet over the next several days – or possibly weeks if they cannot reach agreement on a final budget before Saturday – to negotiate an agreement on the House and Senate budget bills. Some of these meetings will be open group meetings and others will be closed door, one-on-one meetings. When they reach an agreement, they will produce a conference report on the budget. The House of Delegates and the Senate will then vote on the conference report. There is no opportunity to amend the conference report, and no conference report on the budget has been rejected by either house in modern times. The conference report, once accepted by both houses, becomes the budget that goes to the Governor for his signature.

So What Are the Conferees Discussing?

The most pressing point of contention is the amount of overall revenue contained in both budgets. Due mostly to the greater number of tax and fee increases contained in the Senate budget, it contains more than \$200 million more revenue than the House budget includes. Negotiators have refused to discuss spending until they first agree on the amount of revenue they will have to work with.

Once they agree on a revenue number, conferees will have to reach agreement on a number of policy and spending priorities. Some of these include the amount of funding for K-12 education, the amount of funding for Medicaid and other similar health programs, what to do about the dealer discount, and on the creation of the House's Lottery Proceeds Block Grant Fund, which includes funding for the Virginia Preschool Initiative. These large policy and funding concerns will be handled in intense negotiation sessions. On issues that do not involve questions of policy or that involve small appropriations, conferees will simply agree to "meet in the middle". They will literally split the difference between the recommended levels of funding between the Senate's recommendation and the House's recommendation.