



COMMONWEALTH OF VIRGINIA  
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**The Honorable Lacey E. Putney**  
**Remarks to House on the Conference Committee Report on HB 1500**  
**February 23, 2013**

Mr. Speaker and Members of the House:

On behalf of my fellow House Conferees I am pleased to deliver to you the Conference Committee report on HB 1500. The hard work of Kirk, Bev, Steve, Chris, and Johnny on behalf of this House is beyond measure. As Chairman, I could not ask for a finer group of individuals in which to spend the last two weeks with. We are more than a Conference Committee, we are a family.

Mr. Speaker, I want to apologize to the body for the delay in completing our work. However, I want to assure this body that the delay was not meant to cause inconvenience; rather we found ourselves in a unique position of having dually conferences on two of the most important bills before the General Assembly.

Once the transportation conference was concluded, 100% of our energy was devoted to completing the budget conference.

As I shared with you after the respective budgets were adopted by each chamber, I felt that the budget conference would be able to resolve the differences quickly.

It just goes to show you that you can be so close yet so far. However, the conference did resolve the small differences that lie between the two bodies, and Mr. Speaker, I am pleased to say that the House upheld and prevailed on many of the important tenants of our budget.

First Mr. Speaker, the conference report recommendations include an additional \$45 million for the Rainy Day Fund. This amount, coupled with the \$50 million in the Governor's amendments, represents approximately 25% or \$95.0 million towards the estimated \$370 million required deposit in the 2014-16 biennium.

Second, I am very pleased, that the conference report provides funding for the state's share of a 2% pay raise for teachers and support staff. Equally as important, however, the conference report embraced the House position of providing flexibility on the date in which the pay raise for instructional and support staff is given.

In the area of Capital Outlay, the conference report upholds the principles of the Capital Outlay process that was adopted by the 2008 General Assembly. Specifically, the amendments provide funding over a four year period which will allow us to complete nearly 50 projects that have already been planned in higher education, public safety, state parks and mental health.

In the area of state employee compensation the conference committee embraced the House position of addressing state employee salary compression.

Salary compression occurs when salaries for new employees are set at a higher rate than for more senior employees holding the same job. Not surprisingly, this effect has an impact on morale. Unfortunately, across the board salary increases do nothing to rectify salary compression problems.

To address this, the conference report provides a salary adjustment based on years of state service. This was used in 2005 and I believe was very successful and well accepted by employees.

With regard to state supported local employees and college faculty, I am pleased that the conference report is also recommending an additional 1% salary adjustment. In total, these employees will see a 3% pay raise in FY 2014.

Finally Mr. Speaker, the conference report endorses budget recommendations that reflect the long standing commitment of this House towards the families that have a loved one in need of waiver services.

Specifically, the recommendations include providing 200 additional MR and 50 additional DD waiver slots to help meet the waiting list.

In closing Mr. Speaker, I want to again express my deep appreciation to every member of the House Conference Team. Your dedication to good fiscal stewardship is to be applauded.

Mr. Speaker and Members of the House, your Conferees held strong in their principles, with an eye towards compromise, and a budget that I believe remains true to keeping our promises to fund the core services of government.

Finally Mr. Speaker, I would be remiss if I did not personally thank the Appropriations Committee staff. Their knowledge of the issues is second to none. They conduct themselves at all times with the right blend of professionalism, good cheer and a sense of humor. They worked day, night, and weekends to not only develop a sound House budget, but ultimately a budget for Virginia. Simply put, we could not have met our deadline without them. Please join me in thanking the entire staff for their service.

Mr. Speaker, and Members of the House, it is my privilege to deliver the Conference Committee Report on House Bill 1500 and I hope you will accept our recommendations.