

Trust and Integrity
Kenneth R. “Ken” Plum

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In one of the numerous speeches that have been given over the last several weeks about the budget impasse, one of my colleagues in the House, Delegate Kenny Melvin of Portsmouth, summed up the problem in two words: trust and integrity. Or as he expressed it, the lack of trust and integrity in the current budget debate.

Northern Virginians can particularly relate to the trust concern. A lack of trust in state government in Richmond resulted in the failure of the half-cent sales tax for transportation referendum last year. A belief that politicians would appropriate the money for other purposes or other places led to the lack of trust having observed such actions in the past. Governor Mark Warner’s proposed budget would have restored monies taken from the transportation fund. The House budget does not restore transportation funds while the Senate budget restores the funds and makes a billion dollar commitment to transportation projects.

The House passed budget does not measure up to any reasonable test of trust or integrity. A bill to end certain sales tax exemptions for businesses is estimated by the House leadership to raise over \$560 million to balance the House budget while official projection of revenue for the bill is less than \$200 million. The difference is simply ignored. The bill is described as closing business loopholes while the reality is that it will result in double taxation of consumers for some goods and likely cost the state jobs in vulnerable businesses like the airline industry. Little wonder that few others than the House majority trust the House budget.

The House budget is described as raising state aid for education. What it does in reality is transfer money from other categories of education funding to basic state aid. Basic state aid goes up; other education funding goes down. School divisions are left with fewer dollars to accommodate inflation and growth. And no dollars to make up for the shortfall the state has had for years in funding its share of education.

Recently the House Appropriations Committee staff provided members with a chart of “Major State Aid to Localities.” Included in the amount is state payment of 70 percent of the car tax. In Fairfax County, that is one-third of the amount coming from the state, but it is not new money. Fairfax County received the payments in the past directly from taxpayers. It is deception to count car tax relief money as state aid.

In a speech on the floor of the House of Delegates I called the proposal for a referendum dishonest. The question proposed is whether the sales tax and income tax should be raised to pay for expanded services. Actually, nearly two-thirds of Virginians would pay less under the Governor’s tax reform package and the Senate’s budget. Additional money raised would simply catch the state up in funding categories like education, human services and transportation where we have fallen so miserably behind, and in some categories where we are 50th in the nation.

It breaks my heart to see moderate Republicans in the House of Delegates continue to cave-in to threats by the ultraconservatives to their committee assignments and to primary challenges and support the House budget. I will continue to work to bolster the moderates’ courage to join with Democrats in solving the budget impasse for the benefit of the people of Virginia. Virginia will continue to be a low tax state but one that meets its financial obligations and is financially stable.

Many thanks to all who continue to send words of encouragement and support. I work hard to be worthy of your trust.