



January 27, 2010

Virginia Senate
Virginia House of Delegates

Dear Legislator,

As Virginians are facing a struggling economy, I urge you to reject any and all tax increases that are presented to you. Additionally, do not be fooled by taxes masquerading as “fees or markups.” There is never a good time for a tax increase, but now in these economically tough times, it would be most detrimental to any prospect of economic growth and job creation. In November, the voters spoke and rejected the tax and spend mentality, in turn rejecting the essence of former Governor Tim Kaine’s FY2011-2012 budget.

Virginia is currently facing nearly a \$4 billion overspending problem that needs to be addressed. Former Governor Kaine proposed an income tax and numerous fee increases (many of which are really tax increases under the guise of a “fee or markup”) in an attempt to shore up the state’s budget. He attempted to try to make things more difficult for incoming Governor Bob McDonnell by implanting fees and taxes in the budget. There are “fees or markups” on insurance premiums, phone lines, the recordation of taxes, taxes on internet sales, and a huge markup on alcohol sold at state-run ABC stores. Gov. Kaine chose to try to raise revenue to fuel continued government spending in excess; I encourage you to join the voters of the Commonwealth in rejecting this approach to budgeting by scrapping his FY2011-2012 budget.

As Governor McDonnell stated in the State of the Commonwealth address, “Certainly the national and global economy has had a significant impact on the revenues and the budget in Virginia. But that is only part of the story. Ronald Reagan used to say ‘Government is too big and it spends too much.’ He was talking about the federal government at the time- but it applies to state governments as well” Governor McDonnell continued, saying, “Since I got elected to this body in 1991, state spending has more than tripled, far beyond the rate of growth in population and inflation. We can do better.” Gov. McDonnell’s words sum up the problem. The current problem is not a revenue problem, but rather is a symptom of out of control spending. **I encourage you to address the real problem: overspending.**

Virginia, as is the problem in many states, increased spending excessively during times of economic growth and now during the economic downturn, Governor Kaine was attempting to solve the problem with tax, fee increases, and markups. **I encourage you to address the real problem: overspending.** In order to fix this problem, I urge you to seize this challenge as an opportunity to cut wasteful spending, to enact reforms that save taxpayer dollars (such as the selling off of the Virginia ABC stores), and streamline government.

Please join the families of Virginia who are working to find ways to make due with less. As they are finding ways to cut their budgets, I urge you to join them in doing the same. If you have any questions, please contact Nathan Pick, state affairs manager, at 202.785.0266.

Onward,

Grover Norquist

CC: Governor Bob McDonnell

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