



COMMONWEALTH of VIRGINIA
Office of the Governor

Ralph S. Northam
Governor

February 15, 2021

The Honorable Janet D. Howell
Chair, Finance & Appropriations Committee
Senate of Virginia
Pocahontas Building, Room E506
Richmond, Virginia 23219

The Honorable Luke Torian
Chair, Appropriations Committee
Virginia House of Delegates
Pocahontas Building, Room W1304
Richmond, Virginia 23219

Dear Senator Howell and Delegate Torian:

Since the time I met with the members of GACRE late last fall, I have continued to monitor our revenue collections. Through January revenues increased 6.0 percent over the prior year, well ahead of the current annual forecast of 1.2 percent. Our economy is rebounding and is generating growing revenues to fund services that Virginians expect – from public schools to salaries for public workers and much more.


Accordingly, I have instructed my Finance staff to perform a mid-session revenue forecast. My review of the data indicates that it is reasonable to increase projected General Fund resources by \$730.2 million for the 2020-2022 biennium. This adjustment is based solely on the trend of actual revenue collections year to date and incorporates a re-evaluation of the sales tax forecast. The underlying economic forecast has not changed from the one that we reviewed last November during the GACRE meeting.

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Sources of this additional revenue are detailed in the attachment titled [Mid-Session Revenue Review](#). In addition, I have also instructed Secretary of Finance Aubrey Layne to review this information with your respective staffs.

As the General Assembly Session has progressed, we have worked diligently together to address very important issues facing the Commonwealth, and it is my hope we continue to do so during these next few weeks – and beyond.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph S. Northam". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ralph S. Northam

Cc: April Kees – Staff Director, Senate Finance & Appropriations Committee
Anne Oman – Staff Director, House Appropriations Committee
The Honorable Aubrey L. Layne, Jr. – Secretary of Finance