COMMONWEALTH OF VIRGINIA

OFFICE OF THE COMMISSIONER OF THE REVENUE

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The Honorable Terence R. McAuliffe 1111 E Broad Street, Floor 3 Richmond, Virginia 23219-1934

Dear Governor McAuliffe:

Thank you so much for the recent get-together you hosted at the Executive Mansion for Virginia's Constitutional Officers. I appreciated the hospitality and look forward to your continued support for our offices.

As Commissioner of the Revenue for Loudoun County, I am discouraged that the General Assembly failed to adopt a budget by the close of this year's regular session. As you are aware, my office is state-supported and relies on the passage of a state budget in a timely manner in order to serve our citizens by carrying out both state and local duties. My locality's entire FY15 budget is essentially on hold until an agreement on a state budget can be reached.

One of the roles I play is assisting in economic development efforts to expand my locality's, and therefore the Commonwealth's, commercial tax base. That includes counseling owners of prospective businesses on the advantages of a Loudoun location. Through these efforts I have found that business owners are particularly sensitive to uncertainty, whether it is regarding local tax treatment or zoning or permitting processes. Business owners want predictability.

The Commonwealth is well known for its sound fiscal practices, AAA bond rating, and distinction as one of the best states to do business. Loudoun is blessed with similar accolades as well. If we are to attract new businesses and expand our existing ones, which I fully support as one of your administration's major initiatives, Virginia's reputation for predictability and responsible financial management must be maintained. Uncertainty discourages investment and disrupts localities' budgeting processes, which ultimately negatively impacts the offices of local Constitutional Officers such as mine.

In order to sustain the Commonwealth's reputation as a sound place to invest and allow my Board of Supervisors to adopt its FY15 budget, I hope you'll consider removing expansion of our Medicaid system from the budget negotiation process. While this issue is extremely important to our citizens, I ask that you continue to work with the General Assembly to minimize additional delays in adopting a budget upon which my locality and my office depend.

Commissioner of the Revenue

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