WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1982

ENROLLED
SENATE BILL NO. 657

(By Mr. ____________ Susman ____________)

PASSED March 12, 1982
In Effect ninety days from Passage
AN ACT to amend and reenact section eight, article six, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to providing for the investment of political subdivision funds by the West Virginia state board of investments by use of bidding.

Be it enacted by the Legislature of West Virginia:

That section eight, article six, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 6. WEST VIRGINIA STATE BOARD OF INVESTMENTS.
§12-6-8. Investment funds established; management thereof.

1 (a) There is hereby established a special investment fund to be managed by the board and designated as the “consolidated pension fund” for the common investment of pension funds. All administrators, custodians or trustees of the various pension funds are hereby authorized to make moneys available to the board for investment. Pension funds received by the board shall be deposited in the consolidated pension fund. Any security deposited by the various pension funds shall be valued at the prevailing market price on the day of deposit.

(b) There is hereby also established a special investment fund to be managed by the board and designated as the “consolidated fund.” The consolidated fund shall consist of a special account for the common investment of state funds designated as the “state account” and a special account for the common investment of local government funds.
funds designated as the "local government account."
Moneys in both accounts may be combined for the common investment of the consolidated fund on an equitable basis.

(c) Each board, commission, department, official or agency charged with the administration of state funds is hereby authorized to make moneys available to the board for investment. State funds received by the board shall be deposited in the state account.

(d) Each political subdivision of this state through its treasurer or equivalent financial officer is hereby authorized to enter into agreements with the board for the investment of moneys of such political subdivision: Provided, That it first be determined by the treasurer for such political subdivision that the available interest rate offered by an acceptable depository in such treasurer's county be less than the interest rate, net of administrative fees referred to in article six, chapter twelve of this code, offered it through the state board of investments: Provided further, That, notwithstanding any provision of this code to the contrary, such moneys shall be invested in such manner as to gain the greatest rate of return as determined by bids for such moneys made by state depositories eligible to accept deposit of such moneys at the prevailing rate of interest at the time such moneys are awarded for deposit. Local government funds received by the board pursuant to such agreements shall be deposited in the local government account.

(e) Each county board of education through its treasurer is hereby authorized to enter into agreements with the board of investments for the investment of moneys of such county board of education: Provided, however, that it first be determined by the treasurer for such county board of education that the available interest rate offered by an acceptable depository in such treasurer's county be less than the interest rate, net of administrative fees referred to in article six, chapter twelve of this code, offered it through the state board of investments.

(f) Moneys held in the various funds and accounts administered by the board shall be invested as permitted
in section nine and subject to the restrictions contained in section ten of this article. The board shall maintain records of the deposits and withdrawals of each participant and the performance of the various funds and accounts. The board shall also establish such rules and regulations for the administration of the various funds and accounts established by this section as it shall deem necessary for the administration thereof, including, but not limited to, (1) the specification of minimum amounts which may be deposited in any fund or account and minimum periods of time for which deposits will be retained; (2) creation of reserves for losses; (3) provision for payment of expenses from earnings; and (4) distribution of the earnings in excess of such expenses or allocation of losses to the several participants in an equitable manner: Provided, That in the event any moneys made available to the board may not lawfully be combined for investment or deposited in the consolidated funds established by this section, the board may create special accounts and may administer and invest such moneys in accordance with the restrictions specially applicable thereto.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is disposed of this the 31 day of March, 1982.

Governor