

110-657-2

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1982

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ENROLLED

SENATE BILL NO. 657

(By Mr. Susman)

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PASSED March 12, 1982

In Effect ninety days from Passage



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
2 fund to be managed by the board and designated as the
3 "consolidated pension fund" for the common investment
4 of pension funds. All administrators, custodians or trustees of the various pension funds are hereby authorized
5 to make moneys available to the board for investment.
6 Pension funds received by the board shall be deposited in
7 the consolidated pension fund. Any security deposited by
8 the various pension funds shall be valued at the prevailing
9 market price on the day of deposit.

10
11 (b) There is hereby also established a special investment
12 fund to be managed by the board and designated as
13 the "consolidated fund." The consolidated fund shall
14 consist of a special account for the common investment of
15 state funds designated as the "state account" and a special
16 account for the common investment of local government

17 funds designated as the "local government account."
18 Moneys in both accounts may be combined for the com-
19 mon investment of the consolidated fund on an equitable
20 basis.

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

26 (d) Each political subdivision of this state through its
27 treasurer or equivalent financial officer is hereby autho-
28 rized to enter into agreements with the board for the
29 investment of moneys of such political subdivision:
30 *Provided*, That it first be determined by the treasurer for
31 such political subdivision that the available interest rate
32 offered by an acceptable depository in such treasurer's
33 county be less than the interest rate, net of administrative
34 fees referred to in article six, chapter twelve of this
35 code, offered it through the state board of investments:
36 *Provided further*, That, notwithstanding any provision of
37 this code to the contrary, such moneys shall be invested in
38 such manner as to gain the greatest rate of return as
39 determined by bids for such moneys made by state de-
40 positories eligible to accept deposit of such moneys at
41 the prevailing rate of interest at the time such moneys
42 are awarded for deposit. Local government funds received
43 by the board pursuant to such agreements shall be de-
44 posited in the local government account.

45 (e) Each county board of education through its treas-
46 urer is hereby authorized to enter into agreements with
47 the board of investments for the investment of moneys
48 of such county board of education: *Provided, however*,
49 That it first be determined by the treasurer for such
50 county board of education that the available interest rate
51 offered by an acceptable depository in such treasurer's
52 county be less than the interest rate, net of administrative
53 fees referred to in article six, chapter twelve of this code,
54 offered it through the state board of investments.

55 (f) Moneys held in the various funds and accounts
56 administered by the board shall be invested as permitted

57 in section nine and subject to the restrictions contained
58 in section ten of this article. The board shall maintain
59 records of the deposits and withdrawals of each partici-
60 pant and the performance of the various funds and ac-
61 counts. The board shall also establish such rules and
62 regulations for the administration of the various funds
63 and accounts established by this section as it shall deem
64 necessary for the administration thereof, including, but
65 not limited to, (1) the specification of minimum amounts
66 which may be deposited in any fund or account and
67 minimum periods of time for which deposits will be
68 retained; (2) creation of reserves for losses; (3) provision
69 for payment of expenses from earnings; and (4) distri-
70 bution of the earnings in excess of such expenses or allo-
71 cation of losses to the several participants in an equitable
72 manner: *Provided*, That in the event any moneys made
73 available to the board may not lawfully be combined for
74 investment or deposited in the consolidated funds estab-
75 lished by this section, the board may create special
76 accounts and may administer and invest such moneys in
77 accordance with the restrictions specially applicable
78 thereto.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

R. P. Bayler
Chairman Senate Committee

Tony E. Whitlow
Chairman House Committee

Originated in the Senate.

To take effect ninety days from passage.

Todd C. Whith
Clerk of the Senate

VA Blankenship
Clerk of the House of Delegates

Warren R. McAnaw
President of the Senate

Walter H. Seely
Speaker House of Delegates

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

John R. Rye
Governor

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