

4095

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1988



# ENROLLED

Com. Sub. for  
HOUSE BILL No. 4095

(By Mr. Speaker, Mr. Chambers, + Del. Swann)  
[By request of the Executive]



Passed ..... February 18, ..... 1988

In Effect ..... From ..... Passage

**ENROLLED**  
COMMITTEE SUBSTITUTE  
FOR  
**H. B. 4095**

(By MR. SPEAKER, MR. CHAMBERS, and DELEGATE SWANN)  
[By request of the Executive]

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[Passed February 18, 1988; in effect from passage.]

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AN ACT to amend article six, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section nine-b, relating to transfers from the board of investments consolidated fund and the portion thereof designated "state account" and involving only state funds, upon request of the governor, as needed for timely payment for government operations during fiscal year 1987-88; specifying purposes for which transferred moneys may be expended and maximum amount of transfer authority; providing terms and conditions for full repayment of transfers with interest to the consolidated fund; making certain findings and declarations; permitting or requiring governor to place in effect spending reductions under either his current authority and methods or a new authority and method granted to the governor; providing for repayment of transfers in current fiscal year, with any shortfall of repayment to constitute first priority against receipts of ensuing fiscal year, and with full payment of all transfers in any event no later than the close of the first quarter of such ensuing fiscal year; creating a special account in the

state treasury for deposit, withdrawal and repayment transfer activities and for invoking application of special fund doctrine in respect of budget activities beyond one fiscal year; and specifying certain effective dates.

*Be it enacted by the Legislature of West Virginia:*

That article six, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section nine-b, to read as follows:

**ARTICLE 6. WEST VIRGINIA BOARD OF INVESTMENTS.**

**§12-6-9b. Transfers to the state; maximum amount of transfer authorization; purposes for use of moneys; terms, conditions, and repayment, with interest; creation of special account in state treasury.**

1 Whenever the governor determines that the general  
2 revenues available for expenditure are insufficient for  
3 timely payments for government operations, the board  
4 shall transfer money from the consolidated fund and  
5 that portion thereof designated "state account" and  
6 involving only state funds, to the special account created  
7 by this section in the state treasury, in the amounts  
8 determined by the governor to be sufficient and  
9 necessary to meet such payments. The total of the  
10 transfers may not exceed fifty million dollars, and the  
11 transfers are subject to the payment of interest equal to  
12 the interest rate earned by the consolidated fund on the  
13 day of each transfer for the period of each transfer until  
14 repayment.

15 Any such transfer may be used only for the following  
16 purposes:

- 17 (1) Payments of state aid to public schools;
- 18 (2) Payments to or from the public employees insu-  
19 rance board for claims; and
- 20 (3) Payments for medicaid reimbursement.

21 The Legislature finds and declares that moneys  
22 transferred pursuant to this section can be repaid by the

23 end of this current fiscal year by (i) the Legislature  
24 enacting measures expiring and reducing appropri-  
25 ations of spending units for the current fiscal year 1987-  
26 88; (ii) the governor causing additional money to expire  
27 through executive action in the current fiscal year,  
28 including spending reductions which he may institute  
29 under the authority granted him and by one of the  
30 methods in article two, chapter five-a of this code; and  
31 (iii) improved and deferred receipts of general revenues  
32 in the remainder of the current fiscal year enabling the  
33 state to meet the governor's revenue estimate.  
34 Repayment of transfers are therefore to be made by the  
35 governor from such expired moneys and deferred  
36 receipts of general revenues relating to the current  
37 fiscal year and no later than the thirty-first day of July,  
38 one thousand nine hundred eighty-eight, when all  
39 reconciliations of receipts and expenses in respect of  
40 fiscal year 1987-88 have been made, through transfer  
41 from the state general revenue fund to the special  
42 account created herein and thence with transfer from  
43 such special account to the consolidated fund: *Provided,*  
44 That at least five million dollars of such transfers shall  
45 be repaid no later than the thirtieth day of June, one  
46 thousand nine hundred eighty-eight.

47 The governor is hereby granted new authority and a  
48 new method, in addition to the authority and methods  
49 granted him in article two, chapter five-a of this code  
50 in respect of instituting spending reductions, to provide  
51 for and institute reductions of expenditures by spending  
52 units, but excluding therefrom any reductions in respect  
53 of public schools, higher education, the public employees  
54 insurance board, or medicaid; to accomplish full  
55 repayment of transfers to the consolidated fund.

56 If sufficient revenues are nevertheless not received  
57 during this fiscal year to meet such revenue estimate  
58 and to enable full repayment of all transfers by the end  
59 of this fiscal year, the governor shall, if he has not  
60 already done so, place into effect required reductions of  
61 expenditures by spending units from the general  
62 revenue fund by one of the methods hereinbefore  
63 authorized and set forth, and with such spending

64 reductions to be placed in effect in any event not later  
65 than the thirty-first day of July, one thousand nine  
66 hundred eighty-eight (the close of the period for  
67 reconciliation of receipts and expenses of fiscal year  
68 1987-88). Full repayment of any and all transfers shall  
69 then constitute a first priority on the moneys available  
70 in the first quarter of fiscal year 1988-89 and shall be  
71 made by the close of such first quarter, on the thirtieth  
72 day of September, one thousand nine hundred eighty-  
73 eight by the governor. The governor shall submit his  
74 schedule for repayment, both as to sources and amounts,  
75 to the board of investments and a copy thereof at the  
76 same time to the legislative auditor.

77 Any repayment of transfers shall not be deemed to  
78 renew, restore or increase in any way the maximum  
79 amount of fifty million dollars of transfers herein  
80 authorized.

81 There is hereby created in the state treasury a special  
82 account for the deposits, withdrawals and repayments  
83 transferred and made pursuant to this section and to be  
84 used in connection with invoking the applicability of the  
85 special fund doctrine in respect of budgetary activities  
86 involving more than one fiscal year.

87 The authority of the board to make and of the  
88 governor to request transfers pursuant to this section  
89 shall expire on the thirtieth day of June, one thousand  
90 nine hundred eighty-eight.


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

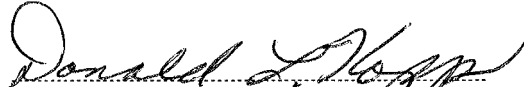
  
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Chairman Senate Committee

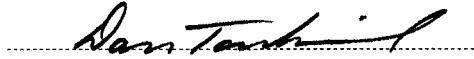
  
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Chairman House Committee


Originating in the House.

Takes effect from passage.

  
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Clerk of the Senate

  
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Clerk of the House of Delegates

  
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President of the Senate

  
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Speaker of the House of Delegates

The within ..... this the .....  
day of ....., 1988.

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Governor

RECORDED TO THE

GOVERNOR

Date 8/23/88

Time 1:56 pm

RECEIVED

1938 MAR - 1 PM 1:56

OFFICE OF THE  
SECRETARY OF STATE