WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1988

ENROLLED
Com. Sub. for
HOUSE BILL No. 4095

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

Passed February 18, 1988

In Effect from Passage
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.

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

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

(1) Payments of state aid to public schools;
(2) Payments to or from the public employees insurance board for claims; and
(3) Payments for medicaid reimbursement.

The Legislature finds and declares that moneys transferred pursuant to this section can be repaid by the
end of this current fiscal year by (i) the Legislature
enacting measures expiring and reducing appropria-
tions of spending units for the current fiscal year 1987-
88; (ii) the governor causing additional money to expire
through executive action in the current fiscal year,
including spending reductions which he may institute
under the authority granted him and by one of the
methods in article two, chapter five-a of this code; and
(iii) improved and deferred receipts of general revenues
in the remainder of the current fiscal year enabling the
state to meet the governor's revenue estimate.
Repayment of transfers are therefore to be made by the
governor from such expired moneys and deferred
receipts of general revenues relating to the current
fiscal year and no later than the thirty-first day of July,
one thousand nine hundred eighty-eight, when all
reconciliations of receipts and expenses in respect of
fiscal year 1987-88 have been made, through transfer
from the state general revenue fund to the special
account created herein and thence with transfer from
such special account to the consolidated fund: Provided,
That at least five million dollars of such transfers shall
be repaid no later than the thirtieth day of June, one
thousand nine hundred eighty-eight.

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

If sufficient revenues are nevertheless not received
during this fiscal year to meet such revenue estimate
and to enable full repayment of all transfers by the end
of this fiscal year, the governor shall, if he has not
already done so, place into effect required reductions of
expenditures by spending units from the general
revenue fund by one of the methods hereinbefore
authorized and set forth, and with such spending
reductions to be placed in effect in any event not later than the thirty-first day of July, one thousand nine hundred eighty-eight (the close of the period for reconciliation of receipts and expenses of fiscal year 1987-88). Full repayment of any and all transfers shall then constitute a first priority on the moneys available in the first quarter of fiscal year 1988-89 and shall be made by the close of such first quarter, on the thirtieth day of September, one thousand nine hundred eighty-eight by the governor. The governor shall submit his schedule for repayment, both as to sources and amounts, to the board of investments and a copy thereof at the same time to the legislative auditor.

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

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

The authority of the board to make and of the governor to request transfers pursuant to this section shall expire on the thirtieth day of June, one thousand nine hundred eighty-eight.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

Takes effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within the day of , 1988.

Governor