WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 1992

ENROLLED

HOUSE BILL No. 4734

(By Delegates Rutledge & Browning)

Passed March 2, 1992

In Effect from Passage
AN ACT to amend and reenact section six, article six, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the board of investments; charges for expenses of the board; creation of loss expenses account; purpose of the account; expenditures from the account; transfer of funds remaining in the account to the liquidity investment pool; and transfer of excess funds and appropriation of the funds by the Legislature.

Be it enacted by the Legislature of West Virginia:

That section six, 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.

§12-6-6. Costs and expenses; fees for services; special revenue account; costs of determining third parties' liability; recoupment of investment losses.

1 (a) The board shall make a charge against the earnings of the various funds managed by the board for all necessary expenses of the board. The charge shall be on a pro rata basis of actual earnings of the various funds managed by the board. The charge shall be deposited to the credit of the general revenue fund.
(b) There is hereby created in the state treasury a special revenue account to be known as the "loss expenses account." The purpose of this account is to provide funds to the board of investments to pay costs, fees and expenses incurred, or to be incurred, for the following: (1) Investigation and pursuit of claims against third parties for the investment losses incurred during the period beginning the first day of August, one thousand nine hundred eighty-four, and ending on the thirty-first day of January, one thousand nine hundred eighty-nine; (2) consulting services regarding the restructuring of the office of the treasurer following said losses; and (3) implementation of the recommendations made as a result of the consultations regarding restructuring. That special revenue account shall be funded by depositing income derived by the board from securities lending and recoveries from third parties. The board is authorized to deposit into the special revenue account, and to expend in accordance with the provisions of this section, those funds received from such recoveries and not more than two million dollars annually from income derived by the board from securities lending. Funds in the loss expense account in excess of reasonably estimated costs, fees and expenses for any fiscal year and any funds remaining in such special revenue account at the end of each fiscal year after expenditures, for the purposes specified above, may be transferred by the board to its "liquidity investment pool," to be used, in such manner as the board determines, to eliminate the present imbalance in the state accounts caused by the investment losses described above in this subsection: Provided, That amounts collected which are found from time to time to exceed the funds needed for the purposes set forth in this section may be transferred to other accounts or funds and redesignated for other purposes by appropriation of the Legislature. The authority for this special revenue account expires on the thirtieth day of June, one thousand nine hundred ninety-five.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Thomas H. Luck
Chairman Senate Committee

Ernest C. Moore
Chairman House Committee

Originating in the House.

Takes effect from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker of the House of Delegates

The within is approved this the 17th day of March, 1992.

[Signature]
Governor
PRESENTED TO THE
GOVERNOR
Date 3/11 9:2
Time 3:40 pm