ENROLLED

HOUSE BILL No. 103

(By Delegate Mr. Speaker, Mr. Chamber and Delegate Ashley)

Passed July 16, 1996

In Effect From Passage
AN ACT to amend and reenact section twenty, article two, chapter five-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the revenue shortfall reserve fund; clarifying permissible expenditures from the fund; authorizing moneys to be borrowed from the fund under specific circumstances; and requiring repayment of borrowed funds.

Be it enacted by the Legislature of West Virginia:

That section twenty, article two, chapter five-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 2. FINANCE DIVISION.

§5A-2-20. Reduction of appropriations; powers of governor; revenue shortfall reserve fund and permissible expenditures therefrom.

(a) Notwithstanding any provision of this section, the governor may reduce appropriations according to any of the methods set forth in sections twenty-one and twenty-two of this article. The governor may, in lieu of imposing a reduction in appropriations, request an appropriation by the Legislature from the revenue shortfall reserve fund established in this section.

(b) A revenue shortfall reserve fund is hereby continued within the state treasury. The revenue shortfall reserve
fund shall be funded as set forth in this subsection from surplus revenues, if any, in the state fund, general revenue, as the surplus revenues may accrue from time to time.

Within sixty days of the end of each fiscal year, the secretary shall cause to be deposited into the revenue shortfall reserve fund the first fifty percent of all surplus revenues, if any, determined to have accrued during the fiscal year just ended. The revenue shortfall reserve fund shall be funded continuously and on a revolving basis in accordance with this subsection up to an aggregate amount not to exceed five percent of the total appropriations from the state fund, general revenue, for the fiscal year just ended. If at the end of any fiscal year the revenue shortfall reserve fund is funded at an amount equal to or exceeding five percent of the state's general revenue fund budget for the fiscal year just ended, then there shall be no further obligation of the secretary under the provisions of this section to apply any surplus revenues as set forth in this subsection until such time as the revenue shortfall reserve fund balance is less than five percent of the total appropriations from the state fund, general revenue.

(c) Not earlier than the first day of November of each calendar year, if the state's fiscal circumstances are such as to otherwise trigger the authority of the governor to reduce appropriations under section twenty, twenty-one or twenty-two of this article, then in that event the governor may notify the presiding officers of both houses of the Legislature in writing of his or her intention to convene the Legislature pursuant to section 19, article VI of the West Virginia Constitution for the purpose of requesting the introduction of a supplementary appropriation bill or to request a supplementary appropriation bill at the next preceding regular session of the Legislature to draw money from the surplus revenue shortfall reserve fund to meet any anticipated revenue shortfall. If the Legislature fails to enact a supplementary appropriation from the revenue shortfall reserve fund during any special legislative session called for the purposes set forth in this section or during the next preceding regular session of the Legislature, then the governor may proceed with a reduction of appropriations pursuant to sections twenty-one and twenty-two of
this article. Should any amount drawn from the revenue shortfall reserve fund pursuant to an appropriation made by the Legislature prove insufficient to address any anticipated shortfall, then the governor may also proceed with a reduction of appropriations pursuant to sections twenty-one and twenty-two of this article.

(d) Upon the creation of the fund, the Legislature is authorized and may make an appropriation from the revenue shortfall reserve fund for revenue shortfalls, for emergency revenue needs caused by acts of God or natural disasters or for other fiscal needs as determined solely by the Legislature.

(e) Prior to the thirty-first day of October, in any fiscal year in which revenues are inadequate to make timely payments of the state's obligations, the governor may by executive order, after first notifying the presiding officials of both houses of the Legislature in writing, borrow funds from the revenue shortfall reserve fund. The amount of funds borrowed under this subsection shall not exceed one percent of the general revenue estimate for the fiscal year in which the funds are to be borrowed, or the amount the governor determines is necessary to make timely payment of the state's obligations, whichever is less. Any funds borrowed pursuant to this subsection shall be repaid, without interest, and redeposited to the credit of the revenue shortfall reserve fund within ninety days of their withdrawal.
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 is approved this the 24th day of July, 1996.

Governor