WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1996

ENROLLED

HOUSE BILL No. 4861

(By Delegates Love, Osborne, Varma, Cann, Harrison, Sprouse and Cabanet)

Passed March 8, 1996

In Effect Ninety Days From Passage
ENROLLED

H. B. 4866

(By Delegates Love, Osborne, Varner, Cann, Harrison, Sprouse and Calvert)

[Passed March 8, 1996; in effect ninety days from passage.]

AN ACT to amend and reenact section eleven, article two, chapter five-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended; to amend and reenact section one, article three, chapter twelve of said code; and to further amend article six of said chapter twelve by adding thereto a new section, designated section nine-g, relating to furnishing certain reports to the board of investments requiring the secretary of the department of administration to provide the board of investments with monthly revenue projections and projections of the daily revenue flows for the general revenue fund; requiring the auditor to present daily reports to the board of investments on warrants issued; and requiring that securities shall be held by the board of investments, its custodian bank or a neutral third party when the board enters into repurchase agreements.

Be it enacted by the Legislature of West Virginia:

That section eleven, article two, chapter five-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; that section one, article three, chapter twelve of said code be amended and reenacted; and that article six, chapter twelve be amended by adding thereto a new section, designated section five-a, all to read as follows:

CHAPTER 5A. DEPARTMENT OF ADMINISTRATION.

ARTICLE 2. FINANCE DIVISION.
§5A-2-11. Estimates of revenue; reports on revenue collections; withholding department funds on noncompliance.

(a) Prior to the beginning of each fiscal year the secretary shall estimate the revenue to be collected month by month by each classification of tax for that fiscal year as it relates to the official estimate of revenue for each tax for that fiscal year and the secretary shall certify this estimate to the governor and the legislative auditor and the board of investments by the first day of July for that fiscal year.

The secretary shall ascertain the collection of the revenue of the state and shall determine for each month of the fiscal year the proportion which the amount actually collected during a month bears to the collection estimated by him or her for that month. The secretary shall certify to the governor, the legislative auditor and the board of investments, as soon as possible after the close of each month, and not later than the fifteenth day of each month, and at such other times as the governor, the legislative auditor or the board of investments may request, the condition of the state revenues and of the several funds of the state and the proportion which the amount actually collected during the preceding month bears to the collection estimated by him or her for that month. The secretary shall include in this certification the same information previously certified for prior months in each fiscal year. For the purposes of this section, the secretary shall have the authority to require all necessary estimates and reports from any spending unit of the state government.

If the secretary fails to certify to the governor, the legislative auditor and the board of investments the information required by this subsection within the time specified herein, the legislative auditor shall notify the auditor and treasurer of the failure, and thereafter no funds appropriated to the department of administration may be expended until the secretary has certified the information required by this subsection.

(b) Prior to the first day of July of each fiscal year, the secretary shall estimate daily revenue flows for the general revenue fund for the next fiscal year as it relates to the
official estimate of revenue. Subsequent to the end of each fiscal year, the secretary shall compare the projected daily revenue flows with the actual daily revenue flows from the previous year. The secretary may for any month or months, at his or her discretion, revise the annual projections of the daily revenue flows. The secretary shall certify to the governor, the legislative auditor and the board of investments, as soon as possible after the close of each month, and not later than the fifteenth day of each month, and at such other times as the governor, the legislative auditor or the board of investments may request, the condition of the general revenue fund and the comparison of the projected daily revenue flows with the actual daily revenue flows. If the secretary fails to certify to the governor, the legislative auditor and the board of investments the information required by this subsection within the time specified herein, the legislative auditor shall notify the auditor and treasurer of the failure, and thereafter no funds appropriated to the department of administration may be expended until the secretary has certified the information required by this subsection.

CHAPTER 12. PUBLIC MONEYS AND SECURITIES.

ARTICLE 3. APPROPRIATIONS, EXPENDITURES AND DEDUCTIONS.

§12-3-1. Manner of payment from treasury; form of checks.

Every person claiming to receive money from the treasury of the state shall apply to the auditor for a warrant for same. The auditor shall thereupon examine the claim, and the vouchers, certificates and evidence, if any, offered in support thereof, and for so much thereof as he or she finds to be justly due from the state, if payment thereof is authorized by law, and if there is an appropriation not exhausted or expired out of which it is properly payable, the auditor shall issue his or her warrant on the treasurer, specifying to whom and on what account the money mentioned therein is to be paid, and to what appropriation it is to be charged. The auditor shall present to the board of investments daily reports on the number of warrants issued, the amounts of the warrants and the dates on the warrants for the purpose of effectuating the investment
policy of the board of investments. On the presentation of
the warrant to the treasurer, the treasurer shall ascertain
whether the warrant has been drawn in pursuance of an
appropriation made by law, and if he or she finds it to be
so, he or she shall in that case, but not otherwise, endorse
his or her check upon the warrant, directed to some depos-
itory, which check shall be payable to the order of the
person who is to receive the money therein specified; or
the treasurer may issue a bank wire in payment of the
warrant. If the check is not presented for payment within
six months after it is drawn, it shall then be the duty of the
treasurer to credit it to the depository on which it was
drawn, to credit the state fund with the amount, and imme-
diately notify the auditor to make corresponding entries
on the auditor's books. No state depository may pay a
check unless it is presented within six months after it is
drawn and every check shall bear upon its face the words,
"Void, unless presented for payment within six months."
All claims required by law to be allowed by any court, and
payable out of the state treasury, shall have the seal of the
court allowing or authorizing the payment of the claim
affixed by the clerk of the court to his or her certificate of
its allowance; and no such claim may be audited and paid
by the auditor unless the seal of the court is thereto at-
tached as aforesaid. No tax or fee may be charged by the
clerk for affixing his or her seal to the certificate, referred
to in this section. The treasurer and the board of invest-
ments shall jointly promulgate rules in accordance with
the provisions of chapter twenty-nine-a of this code gov-
erning the procedure for such payments from the trea-
sury.

ARTICLE 6. WEST VIRGINIA STATE BOARD OF INVEST-
MENTS.

§12-6-9g. Securities handling.

In financial transactions whereby securities are pur-
chased by the board under an agreement providing for the
resale of such securities to the original seller at a stated
price, the board shall take physical possession of the secu-
rities, directly, by its custodian bank or through a neutral
third party: Provided, That an agreement with a neutral
third party may not waive liability for the handling of the securities: *Provided, however, That when the board is unable to take possession; directly, by its custodian bank or through a mutual third party, the board may leave securities in a segregated account with the original seller, provided the amount of the securities with any one seller may not exceed one hundred and fifty million dollars.*
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 ninety days 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 1st day of April, 1996.

Governor
PRESENTED TO THE
GOVERNOR
Date 3/27/96
Time 3:04 pm