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WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 1998

— • —

ENROLLED

Com. Sub. for House Bill No. 4474

(By Mr. Speaker, Mr. Kiss, and Delegate Ashley)
[By Request of the Executive]

— • —

Passed March 12, 1998

In Effect Ninety Days from Passage

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COMMITTEE SUBSTITUTE

FOR

H. B. 4474

(BY MR. SPEAKER, MR. KISS, AND DELEGATE ASHLEY)

[BY REQUEST OF THE EXECUTIVE]

[Passed March 12, 1998; in effect ninety days 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 increasing the amount of money that can be borrowed from the revenue shortfall reserve fund.

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.

- 1 (a) Notwithstanding any provision of this section, the
- 2 governor may reduce appropriations according to any of
- 3 the methods set forth in sections twenty-one and twenty-
- 4 two of this article. The governor may, in lieu of imposing
- 5 a reduction in appropriations, request an appropriation by

6 the Legislature from the revenue shortfall reserve fund
7 established in this section.

8 (b) A revenue shortfall reserve fund is hereby
9 continued within the state treasury. The revenue shortfall
10 reserve fund shall be funded as set forth in this subsection
11 from surplus revenues, if any, in the state fund, general
12 revenue, as the surplus revenues may accrue from time to
13 time. Within sixty days of the end of each fiscal year, the
14 secretary shall cause to be deposited into the revenue
15 shortfall reserve fund the first fifty percent of all surplus
16 revenues, if any, determined to have accrued during the
17 fiscal year just ended. The revenue shortfall reserve fund
18 shall be funded continuously and on a revolving basis in
19 accordance with this subsection up to an aggregate
20 amount not to exceed five percent of the total
21 appropriations from the state fund, general revenue, for
22 the fiscal year just ended. If at the end of any fiscal year
23 the revenue shortfall reserve fund is funded at an amount
24 equal to or exceeding five percent of the state's general
25 revenue fund budget for the fiscal year just ended, then
26 there shall be no further obligation of the secretary under
27 the provisions of this section to apply any surplus
28 revenues as set forth in this subsection until such time as
29 the revenue shortfall reserve fund balance is less than five
30 percent of the total appropriations from the state fund,
31 general revenue.

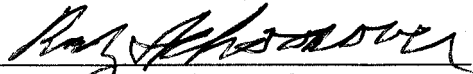
32 (c) Not earlier than the first day of November of each
33 calendar year, if the state's fiscal circumstances are such as
34 to otherwise trigger the authority of the governor to
35 reduce appropriations under this section or section
36 twenty-one or section twenty-two of this article, then in
37 that event the governor may notify the presiding officers
38 of both houses of the Legislature in writing of his or her
39 intention to convene the Legislature pursuant to section
40 19, article VI of the West Virginia Constitution for the
41 purpose of requesting the introduction of a supplementary
42 appropriation bill or to request a supplementary
43 appropriation bill at the next preceding regular session of
44 the Legislature to draw money from the surplus revenue
45 shortfall reserve fund to meet any anticipated revenue
46 shortfall. If the Legislature fails to enact a supplementary

47 appropriation from the revenue shortfall reserve fund
 48 during any special legislative session called for the
 49 purposes set forth in this section or during the next
 50 preceding regular session of the Legislature, then the
 51 governor may proceed with a reduction of appropriations
 52 pursuant to sections twenty-one and twenty-two of this
 53 article. Should any amount drawn from the revenue
 54 shortfall reserve fund pursuant to an appropriation made
 55 by the Legislature prove insufficient to address any
 56 anticipated shortfall, then the governor may also proceed
 57 with a reduction of appropriations pursuant to sections
 58 twenty-one and twenty-two of this article.

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

65 (e) Prior to the thirty-first day of October, in any fiscal
 66 year in which revenues are inadequate to make timely
 67 payments of the state's obligations, the governor may by
 68 executive order, after first notifying the presiding officers
 69 of both houses of the Legislature in writing, borrow funds
 70 from the revenue shortfall reserve fund. The amount of
 71 funds borrowed under this subsection shall not exceed one
 72 and one-half percent of the general revenue estimate for
 73 the fiscal year in which the funds are to be borrowed, or
 74 the amount the governor determines is necessary to make
 75 timely payment of the state's obligations, whichever is less.
 76 Any funds borrowed pursuant to this subsection shall be
 77 repaid, without interest, and redeposited to the credit of the
 78 revenue shortfall reserve fund within ninety days of their
 79 withdrawal.

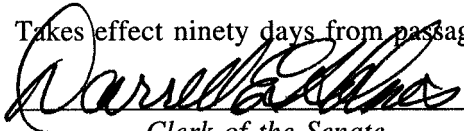
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

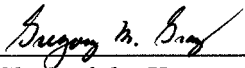

Chairman Senate Committee

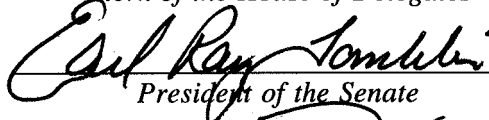

Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

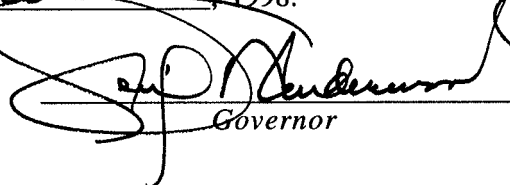

Clerk of the Senate


Clerk of the House of Delegates


President of the Senate


Speaker of the House of Delegates

The within approved this the 24th
day of March, 1998.


Governor

PRESENTED TO THE

GOVERNOR

Date

3/20/98

Time

4:50 pm