

H. B. 4562

(By Delegates Householder, J. Miller and Gearheart)
[Introduced February 16, 2012; referred to the
Committee on Government Organization then Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by
adding thereto a new article, designated §4-14-1, §4-14-2, §4-
14-3, §4-14-4 and §4-14-5, all relating to creating the Tea
Party Act; making legislative findings; requiring spending
cuts in state government and tax relief to taxpayers;
requiring the spending cuts and half of any budget surplus to
be deposited in a new account; requiring moneys in the account
to be used to reduce taxes for all West Virginians; and
establishing an effective date.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended
by adding thereto a new article, designated §4-14-1, §4-14-2, §4-
14-3, §4-14-4 and §4-14-5, all to read as follows:

ARTICLE 14. TEA PARTY ACT.

§4-14-1. Legislative findings.

1 Reducing government spending and cutting taxes is the best way
2 to help create jobs for our citizens, improve our state's economy,
3 and give our citizens more freedom.

4 The current budget of the State of West Virginia is the
5 largest in our state's history. The total budget stands at roughly
6 \$11 billion.

7 State government wastes at least ten percent of the taxpayers'
8 money every year. This wasted money must be cut and given back to
9 the taxpayers because the taxpayers know how to spend their own
10 money better than the state government.

11 Elected representatives need pressure put on them to reduce
12 spending. The best way to put this pressure on them is by
13 legislation.

14 This article requires spending cuts and tax relief. If the
15 Legislature does not do this, elected representatives will find
16 ways to avoid the difficult task of cutting spending, such as
17 borrowing more, passing "temporary" tax increases, or increasing
18 taxes but calling these tax increases "fee" increases.

19 Therefore, to help create jobs for our citizens, improve our
20 state's economy, and give our citizens more freedom, this article
21 cuts spending by \$1 billion over five years, or roughly ten percent
22 of the current state budget, freezes spending at this reduced level
23 for five years, and uses these savings to provide tax relief for
24 all West Virginians.

1 **§4-14-2. Spending cuts.**

2 (a) Once this article becomes effective, for the next five
3 fiscal years, the budget of the State of West Virginia shall be
4 reduced by \$200 million each fiscal year.

5 (b) The Legislature shall freeze state spending for five
6 fiscal years at the level in which it rests at the end of the fifth
7 fiscal year in which \$200 million has been cut from the budget of
8 the State of West Virginia.

9 **§4-14-3. Tax relief.**

10 (a) Once this article becomes effective, for the next five
11 fiscal years, \$200 million shall be deposited into the Tax Relief
12 Account created pursuant to section four of this article and used
13 for tax reduction as deemed appropriate by the Legislature.

14 (b) Once the \$200 million has been deposited into the Tax
15 Relief Account, the following fiscal year the Legislature shall use
16 the money in the Tax Relief Account to reduce taxes for all West
17 Virginians.

18 **§4-14-4. Tax Relief Account.**

19 (a) The Tax Relief Account is hereby created within the State
20 Treasury by this article.

21 (b) All money deposited into the Tax Relief Account shall be
22 used to reduce taxes for all West Virginians. Money in this account
23 shall not be used for any other purpose.

24 (c) Fifty percent of all surplus money shall be deposited into

1 the Tax Relief Account by the Legislature.

2 **§4-14-5. Effective date.**

3 This article takes effect on July 1, 2012.

NOTE: The purpose of this bill is to create the Tea Party Act. The bill makes legislative findings. The bill requires \$200 million of spending cuts per year for five years in state government. The bill requires the savings from the spending cuts and fifty percent of any budget surpluses be placed in a new account. The bill requires moneys in this new account to be used to reduce the taxes of all West Virginians. The bill also establishes July 1, 2012 the effective date.

This article is new; therefore, it has been completely underscored.