

# **WEST VIRGINIA LEGISLATURE**

## **2016 REGULAR SESSION**

**Introduced**

### **Senate Bill 364**

BY SENATORS COLE (MR. PRESIDENT) AND KESSLER

(BY REQUEST OF THE EXECUTIVE)

[Introduced January 21, 2016;

Referred to the Committee on Finance.]



1 A BILL expiring funds to the unappropriated balance in the State Fund, General Revenue, for the  
2 fiscal year ending June 30, 2016, in the amount of \$51,800,000 from the Department of  
3 Revenue, Office of the Secretary – Revenue Shortfall Reserve Fund, fund 7005, fiscal  
4 year 2016, organization 0701, in the amount of \$1,940,500 from the Department of  
5 Revenue, Insurance Commissioner – Examination Revolving Fund, fund 7150, fiscal year  
6 2016, organization 0704, and in the amount of \$4,800,000 from the Department of  
7 Revenue, Insurance Commissioner, WV Health Insurance Plan Fund, fund 7161, fiscal  
8 year 2016, organization 0704.

1 Whereas, The Governor submitted to the Legislature the Executive Budget Document,  
2 dated January 13, 2016, which included a Statement of the State Fund, General Revenue, setting  
3 forth therein the cash balance as of July 1, 2015, and further included the estimate of revenues  
4 for the fiscal year 2016, less net appropriation balances forwarded and regular appropriations for  
5 the fiscal year 2016; and

6 Whereas, The Secretary of the Department of Revenue has submitted a monthly General  
7 Revenue Fund Collections Report for the first six months of fiscal year 2016 as prepared by the  
8 State Budget Office; and

9 Whereas, This report demonstrates that the State of West Virginia has experienced a  
10 revenue shortfall of approximately \$158 million for the first six months of fiscal year 2016, as  
11 compared to the monthly revenue estimates for the first six months of the fiscal year 2016; and

12 Whereas, Current economic and fiscal trends are anticipated to result in projected year-  
13 end revenue deficits, including potential significant shortfalls in Severance Tax, and shortfalls in  
14 Personal Income Tax and Consumers Sales and Use Tax; and

15 Whereas, Projected year-end revenue surpluses in various other General Revenue  
16 sources will only offset a small portion of these deficits; and

17 Whereas, The total projected year-end revenue deficit for the General Revenue Fund is  
18 estimated at \$354 million; and

19           Whereas, On October 22, 2015, the Governor issued Executive Order 7-15 which directed  
20 a spending reduction for General Revenue appropriations for fiscal year 2016 totaling  
21 \$93,379,526; and

22           Whereas, The Legislature agreed to take voluntary action to effect a four percent spending  
23 reduction of its General Revenue appropriation for fiscal year 2016 totaling \$938,067; and

24           Whereas, The Revenue Shortfall Reserve Fund may be drawn on in the event of a revenue  
25 shortfall in lieu of imposing additional reductions in appropriations; and

26           Whereas, The Governor finds that the account balances in the Department of Revenue,  
27 Insurance Commissioner – Examination Revolving Fund, fund 7150, fiscal year 2016,  
28 organization 0704, and in the Department of Revenue, Insurance Commissioner, WV Health  
29 Insurance Plan Fund, fund 7161, fiscal year 2016, organization 0704, exceed that which is  
30 necessary for the purposes for which the accounts were established; therefore

*Be it enacted by the Legislature of West Virginia:*

1           That the balance of the funds available for expenditure in the fiscal year ending June 30,  
2 2016, in the Department of Revenue, Office of the Secretary - Revenue Shortfall Reserve Fund,  
3 fund 7005, fiscal year 2016, organization 0701, be decreased by expiring the amount of  
4 \$51,800,000, and in the Department of Revenue, Insurance Commissioner – Examination  
5 Revolving Fund, fund 7150, fiscal year 2016, organization 0704 be decreased by expiring the  
6 amount of \$1,940,500, and in the Department of Revenue, Insurance Commissioner, WV Health  
7 Insurance Plan Fund , fund 7161, fiscal year 2016, organization 0704, be decreased by expiring  
8 the amount of \$4,800,000, all to the unappropriated balance of the State Fund, General Revenue,  
9 to be available during the fiscal year ending June 30, 2016.

NOTE: The purpose of this supplemental appropriation bill is to expire funds from the aforesaid accounts to the State Fund, General Revenue unappropriated balance for the fiscal year 2016.