

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2784

FISCAL
NOTE

BY MR. SPEAKER (MR. ARMSTEAD) AND DELEGATE MILEY

[BY REQUEST OF THE EXECUTIVE]

[Introduced March 3, 2017; Referred
to the Committee on Finance.]

1 A BILL to amend and reenact §21A-8-16 of the Code of West Virginia, 1931, as amended, relating
2 to maintaining the solvency of the Unemployment Compensation Fund; and extending the
3 time period for borrowing funds from the Revenue Shortfall Reserve Fund for the
4 Unemployment Compensation Fund to September 1, 2018.

Be it enacted by the Legislature of West Virginia:

1 That §21A-8-16 of the Code of West Virginia, 1931, as amended, be amended and
2 reenacted to read as follows:

ARTICLE 8. UNEMPLOYMENT COMPENSATION FUND.

§21A-8-16. Loans to Unemployment Compensation Fund from Revenue Shortfall Reserve Fund.

1 (a) Notwithstanding any provision of this code to the contrary and subject to the provisions
2 of this section, the Governor may, by executive order, after first notifying the presiding officers of
3 both houses of the Legislature in writing, borrow funds from the Revenue Shortfall Reserve Fund
4 created in section twenty, article two, chapter eleven-b of this code for deposit into the
5 Unemployment Compensation Fund, created in section one of this article, to be expended in
6 accordance with this code. The amount of funds borrowed and outstanding under this section
7 may not exceed \$50 million at any one time, or the amount the Governor determines is necessary
8 to adequately sustain the balance in the Unemployment Compensation Fund at a minimum of
9 \$50 million, whichever is less.

10 (b) Notwithstanding the provisions of subsection (a) of this section, the Governor may not
11 borrow funds from the Revenue Shortfall Reserve Fund unless the Executive Director of
12 Workforce West Virginia has projected that the balance in the state's Unemployment
13 Compensation Fund will be less than \$50 million at any time during the next thirty days.

14 (c) Any funds borrowed pursuant to this section shall be used to pay benefits only.

15 (d) Any funds borrowed pursuant to this subsection shall be repaid from funds on deposit
16 in the Unemployment Trust Fund in excess of \$50 million or from other funds legally available for

- 17 such purpose, without interest, and redeposited to the credit of the Revenue Shortfall Reserve
18 Fund within one hundred eighty days of their withdrawal.
- 19 (e) No amounts may be borrowed pursuant to the provisions of this section after
20 September 1, ~~2017~~ 2018.

NOTE: The purpose of this bill is to maintain the solvency of the Unemployment Compensation Fund; and extending the time period for borrowing funds from the Revenue Shortfall Reserve Fund for the Unemployment Compensation Fund to September 1, 2018.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.