

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

House Bill 4531

FISCAL
NOTE

BY DELEGATES BARNHART, HIGGINBOTHAM, P. MARTIN,
PACK, J. JEFFRIES, D. KELLY, BIBBY AND PORTERFIELD

[Introduced January 24, 2020; Referred
to the Committee on Political Subdivisions then
Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §7-23A-1, relating to creating the County Budget Flexibility Act; permitting a
 3 county to hold over unspent budgetary funds and excess revenue for future uses; requiring
 4 those funds be deposited in a county's Future Needs Fund; authorizing the use of those
 5 funds for future or unexpected needs; making findings; and setting forth an intent.

Be it enacted by the Legislature of West Virginia:

ARTICLE 23A. COUNTY BUDGET FLEXIBILITY ACT.

§7-23A-1. County Budget Flexibility Act; findings; intent; fund for future needs.

1 (a) This article may be cited as the County Budget Flexibility Act. The Legislature finds
 2 and declares that county commissions today face numerous challenges managing their budgets
 3 and other resources and delivering services required by federal or state law or demanded by their
 4 constituents. As both amounts of revenue and the funds necessary to meet unexpected and future
 5 needs of a county are in a constant state of flux, and all too often are unknowns from year to year,
 6 it is the intent of the Legislature in enacting this article to provide counties with the monetary
 7 flexibility in order to meet future or unexpected needs.

8 (b) While §7-7-7(c) of this code mandates that a county commission must, prior to March
 9 29 of each year, fix the total amount of money to be expended by the county for the ensuing fiscal
 10 year, there is no provision permitting a county to hold over unspent funds or excess revenue for
 11 future uses. Therefore, notwithstanding any provision of this code to the contrary, a county
 12 commission may create a Future Needs Fund. A county may deposit unused moneys from a fiscal
 13 year just ended into that fund. The fund may only be used for purposes otherwise permitted by
 14 this code in the next fiscal year or future fiscal years.

NOTE: The purpose of this bill is to create the County Budget Flexibility Act. The bill permits a county to hold over unspent budgetary funds or excess revenue for future uses. The bill requires those funds be deposited in a county's Future Needs Fund. The bill authorizes the use of those funds for future or unexpected needs. The bill makes findings and sets forth an intent.

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