

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

ENROLLED

Committee Substitute

for

House Bill 2014

BY DELEGATES KIMES, FAST, PRITT, FERRELL, BRIDGES,

HANNA, MANDT, TONEY, REYNOLDS, STATLER AND

STORCH

[Passed March 31, 2021; in effect from passage.]

1 AN ACT to amend and reenact §4-11-1, §4-11-2, §4-11-3, §4-11-4, §4-11-5, §4-11-6, and §4-11-
2 7 of the Code of West Virginia, 1931, as amended; to amend and reenact §5-1A-1 of said
3 code; to amend and reenact §11B-1-1 and §11B-1-4 of said code; to amend and reenact
4 §11B-2-11, §11B-2-21, and §11B-2-23 of said code; to amend and reenact §12-2-2 of said
5 code; to amend and reenact §12-3-12 and §12-3-17 of said code; and to amend and
6 reenact §12-4-2 and §12-4-3 of said code, all relating to disposition of moneys received
7 by the state generally; specifying the role of the Legislature in appropriating federal funds;
8 updating references to types of federal funds; providing for appropriation of federal funds
9 in accordance with the state constitution; updating and clarifying statutory cross-
10 references; limiting gubernatorial authority to spend federal funds without appropriation of
11 the Legislature; continuing and limiting spending of certain emergency funds for certain
12 emergencies without additional enactment; requiring reports to the Legislature on
13 proposed and actual spending of those funds; removing certain emergency federal fund
14 exclusion language from the provisions governing appropriations of federal funds;
15 establishing controlling provisions in case of conflict of law; clarifying statutes applicable
16 to preparation of state budget; clarifying meaning of certain terms; conditioning the
17 Secretary of Revenue's receipt and expenditure of federal funds; providing copy of certain
18 reports to the Legislature; enlarging matters to be reported to the Legislature regarding
19 revenue estimates, collections and appropriations; requiring any budget reductions be
20 made before end of fiscal year; enlarging matters to be reported in the annual
21 Consolidated Federal Funds report; authorizing funds to be reappropriated from one fiscal
22 year to the next, and providing circumstances under which those funds expire to the
23 general revenue fund instead of being reappropriated; modifying certain terms; and
24 updating references to public officers.

Be it enacted by the Legislature of West Virginia:

CHAPTER 4. THE LEGISLATURE.

ARTICLE 11. LEGISLATIVE APPROPRIATION OF FEDERAL FUNDS.

§4-11-1. Legislative findings and purpose.

1 The Legislature finds and declares that in order to carry out its responsibility for the
2 enactment of all appropriations needed for the operation of state government, the Legislature
3 needs continuous and accurate accounts of the amounts and purposes of all federal funds being
4 requested, received or expended by the various agencies and departments of the state. The
5 Legislature further finds and declares that the increased availability of and reliance on federal
6 financial assistance has a substantial impact upon the programs, priorities and fiscal affairs of the
7 state. "It is the purpose of this article to clarify and specify the role of the Legislature in
8 appropriating federal funds received by the state in all events, including public emergencies, and
9 in prescribing, by general law, the required form and detail of the itemization and classification of
10 proposed appropriations to assure that state purposes are served and legislative priorities are
11 adhered to by the acceptance and use of such funds.

§4-11-2. Definitions.

1 As used in this article:

2 "Federal funds" means any financial assistance made to a spending unit by the United
3 States government, whether a loan, grant, block grant, subsidy, augmentation, reimbursement or
4 any other form of such assistance, including "federal-matching funds";

5 "Federal-matching funds" means federal funds of a specified amount or proportion for
6 which a specified outlay of state contributions, including funds, property or services, are required
7 as a condition for receipt or expenditure;

8 "Spending unit" means the State of West Virginia and all agencies, offices, departments,
9 divisions, boards, commissions, councils, committees or other entities of the state government for
10 which an appropriation is requested or to which an appropriation is made by the Legislature.

11 “Spending unit” does not mean any county, city, township, public service district or other political
12 subdivision of the state; and

13 “State-matching funds” means state contributions, including funds, property or services
14 that are required by the federal government, by law or regulation, as a condition for receipt or
15 expenditure of federal funds.

§4-11-3. Receipt of federal funds and required deposit in state treasury.

1 Unless contrary to federal law, all federal funds received by a spending unit shall be
2 deposited in and credited to special fund accounts as provided by §12-2-2 of this code and shall
3 be available for appropriation by the Legislature as part of the state budget in accordance with
4 Article X of the Constitution of this state.

§4-11-4. Inclusion of federal funds in state budget and the budget bill.

1 Pursuant to article §5-1A-1 *et seq.*, and §11B-2-1 *et seq.* of this code, the Governor shall
2 itemize in the state budget and in the budget bill, on a line-item basis, separately, for each
3 spending unit, the amount and purpose of all federal funds received or anticipated for expenditure,
4 with a reference to the account number, line item and amount of any state funds required for such
5 purpose: *Provided*, That all federal block grant funds shall be so itemized in a separate section of
6 the state budget and the budget bill devoted exclusively to proposed appropriations from the block
7 grant funds.

§4-11-5. Legislative appropriation authority.

1 (a) No spending unit may make expenditures of any federal funds, whether such funds
2 are advanced prior to expenditure or as reimbursement, unless such expenditures are made
3 pursuant to specific appropriations by the Legislature, except as may be hereinafter provided.

4 (b) To the extent not precluded by the terms and conditions under which federal funds are
5 made available to the spending unit by the United States government, the spending unit shall use
6 federal funds in accordance with any purposes, policies or priorities the Legislature may have

7 established for the activity being assisted or for the use of state, federal and other fiscal resources
8 in a particular fiscal year.

9 (c) If the federal funds received by a spending unit for a specific purpose are greater than
10 the amount of such funds contained in the appropriation by the Legislature for such purpose, the
11 total appropriation of federal funds and any state matching funds for such purpose shall remain
12 at the level appropriated, except as hereinafter provided.

13 (d) If federal funds become available to the spending unit for expenditure while the
14 Legislature is not in session and the availability of such funds could not reasonably have been
15 anticipated and included in the budget approved by the Legislature for the next fiscal year, the
16 treasurer may accept such funds on behalf of the spending unit and the Governor may authorize,
17 in writing, the expenditure of such funds by the spending unit during that fiscal year as authorized
18 by federal law and pursuant to the provisions of §11B-2-1 *et seq.* of this code and upon the filing
19 of a proper expenditure schedule: *Provided*, That the Governor may not authorize the expenditure
20 of such funds received for the creation of a new program or for a significant alteration of an existing
21 program. For purposes of this article, a mere new source of funding of federal moneys for a
22 program which has been prior approved by legislative appropriation is not a “new program” or a
23 “significant alteration of an existing program” and the Governor may authorize the expenditure of
24 such funds as herein provided, subject to the limitations under subsection (e) of this section.
25 Should a question arise concerning whether such expenditures would constitute a new program
26 or significant alteration of an existing program, while the Legislature is not in session, the
27 Governor shall seek the recommendation of the council of finance and administration, as created
28 and existing pursuant to the provisions of §5A-1-4 of this code. Upon application to the federal
29 government for such funds and upon receipt of such funds, the Governor shall submit to the
30 Legislative Auditor two copies of a statement:

31 (1) Describing the proposed expenditure of such funds in the same manner as it would be
32 described in the state budget; and

33 (2) Explaining why the availability of such federal funds and why the necessity of their
34 expenditure could not have been anticipated in time for such expenditures to have been approved
35 as part of the adopted budget for that particular fiscal year.

36 (e) Notwithstanding the provisions of subsection (d) of this section, no amount of such
37 unanticipated federal funds for an existing program, for a significant alteration of an existing
38 program, or for the creation of a new program made available to the state for costs and damages
39 resulting from an emergency including, but not limited to, flooding, forest fires, earthquakes,
40 storms or similar natural disasters, civil disobedience, human-caused disasters, infectious
41 disease outbreaks, or similar public health or safety emergencies that occur and are received
42 while the Legislature is not in session and that are declared by the Governor as a state of
43 emergency in excess of \$150 million for any part or the whole of the declared emergency may be
44 expended without appropriation by the Legislature enacted following receipt of the funds. No
45 provision of this code or any appropriations act in effect upon the receipt of unanticipated federal
46 funds made available to the state for costs and damages resulting from an emergency including,
47 but not limited to, flooding, forest fires, earthquakes, storms or similar natural disasters, civil
48 disobedience, human-caused disasters, infectious disease outbreaks, or similar public health or
49 safety emergencies that occur and are received while the Legislature is not in session and that
50 are declared by the Governor as a state of emergency may be construed to authorize the
51 appropriation of those funds, except as provided in this subsection.

52 (f)(1) If federal funds become available to a spending unit and the funds were not included
53 in the budget approved by the Legislature for the next fiscal year but are authorized to be
54 expended while the Legislature is not in session under subsection (d) of this section, the Governor
55 shall submit reports in writing to the President of the Senate, the Speaker of the House of
56 Delegates, the chairs of the respective committees on finance of the two houses of the
57 Legislature, and the Legislative Auditor as follows:

58 (A) On or before the first day of each month following the receipt of the funds until the
59 funds are expended in their entirety, the reports shall include the following:

60 (i) The purposes for which funds were made available, the identification of any federal and
61 state laws governing the expenditure of the funds and a general itemization of the Governor's
62 plan of expenditure for the whole of the funds;

63 (ii) A detailed schedule setting forth the Governor's proposed expenditures of the funds
64 for the month, including, but not limited to, as to each proposed expenditure, the amount and
65 purpose of the expenditure; the spending unit responsible for making the expenditure; and the
66 anticipated recipient or recipients of the expenditure; and

67 (iii) An explanation of any changes made from the prior month's general itemization of the
68 Governor's plan of expenditure for the whole of the funds and of any changes the prior month's
69 schedule of proposed expenditures made by the actual expenditures made during that month;

70 (B) On or before the 15th day of the month following month in which the funds were
71 expended in their entirety, the report shall set forth a complete itemized report of each expenditure
72 of the funds; and

73 (C) The Governor shall also include in each report such additional information as may be
74 requested the Legislative Auditor.

75 (2) The Legislative Auditor shall provide a copy of each report to the Joint Committee on
76 Government and Finance.

§4-11-6. Exclusions.

1 The following are excluded from the provisions of this article:

2 (1) Federal funds received by state institutions of higher education or by students or faculty
3 members of such institutions for instructional or research purposes and federal funds received for
4 student scholarships or grants-in-aid;

5 (2) Federal nondiscretionary pass-through funds which are earmarked in specified
6 amounts or proportions for transmittal to local political subdivisions or to designated classes of

7 organizations and individuals which do not require state-matching funds and do not permit
8 discretion in their distribution by the receiving state spending unit; and

9 (3) All federal funds received by the West Virginia department of highways or the West
10 Virginia commissioner of highways.

§4-11-7. Conflict with other statutory provisions.

1 If there is any conflict between the provisions of this article and any other provision of law,
2 including this code, relating to receiving or expending federal funds, the provisions of this article
3 shall govern and control.

**CHAPTER 5. GENERAL POWERS AND AUTHORITY OF THE
GOVERNOR, SECRETARY OF STATE AND ATTORNEY GENERAL;
BOARD OF PUBLIC WORKS; MISCELLANEOUS AGENCIES,
COMMISSIONS, OFFICES, PROGRAMS, ETC.**

**ARTICLE 1A. ITEMIZATION OF PROPOSED APPROPRIATIONS IN BUDGET BILL
SUBMITTED BY GOVERNOR TO LEGISLATURE.**

§5-1A-1. Legislative findings and purposes.

1 The Legislature finds and declares that section fifty-one, article six of the Constitution,
2 known as the “modern budget amendment,” authorizes the Legislature to prescribe by law the
3 form and detail of the itemization and classification of the proposed appropriations of the budget
4 bill submitted to it by the Governor, and that said section further authorizes the Legislature to
5 enact such laws, not inconsistent with said section, as may be necessary and proper to carry out
6 its provisions. The Legislature further finds and declares that said section makes the Legislature
7 solely responsible for enacting all appropriations needed for the operation of state government,
8 and that in carrying out such responsibility, the Legislature requires a continuous and timely flow
9 of accurate information relative to the financial condition of the state, the needs and operations of
10 the various agencies and departments of the state, and the amounts and purposes of all funds,

11 including federal funds, being requested, received or expended by such agencies and
12 departments from sources other than the revenues of the state.

13 Therefore, it is the purpose of this article to implement the aforementioned provisions of
14 the Constitution, to enable the Legislature to carry out its Constitutional responsibility by
15 prescribing the form and detail of the itemization and classification of the proposed appropriations
16 of the budget bill submitted to the Legislature by the Governor, and in conjunction with certain
17 sections of §5-1A-1 *et seq.* and §11B-2-1 *et seq.* of this code and §12-4-3 of this code, to ensure
18 that the Legislature will be furnished the information needed to discharge such responsibility.

CHAPTER 11B. DEPARTMENT OF REVENUE.

ARTICLE 1. DEPARTMENT OF REVENUE.

§11B-1-1. Department of Revenue; Office of Secretary of Revenue; Director of Budget; federal funds.

1 (a) The Department of Revenue and the office of secretary of revenue are continued in
2 the executive branch of state government. Wherever in this code the words “office of secretary of
3 tax and revenue” or “secretary of tax and revenue” are used, such words shall mean the office of
4 secretary of revenue or the secretary of revenue. Wherever in this code the words “department
5 of tax and revenue” are used, such words shall mean the Department of Revenue.

6 (b) The secretary of revenue shall be the chief executive officer of the department and
7 director of the budget. The secretary shall be appointed by the Governor, by and with the advice
8 and consent of the Senate, for a term not exceeding the term of the Governor.

9 (c) The Department of Revenue is hereby authorized to receive federal funds for deposit
10 in compliance with §12-2-2 of this code and for expenditure only upon appropriation by the
11 Legislature of this state and in accordance with §4-11-1 *et seq.* of this code.

12 (d) The secretary shall serve at the will and pleasure of the Governor. The annual
13 compensation of the secretary shall be as specified in §6-7-2a of this code.

§11B-1-4. Reports by secretary.

1 The secretary shall make an annual report to the Governor concerning the conduct of the
2 department and the administration of the budget. The secretary shall also make other reports as
3 the Governor may require. Copies of any such reports shall be submitted to the Legislature in the
4 manner required by §5-1-20 of this code.

ARTICLE 2. STATE BUDGET OFFICE.

**§11B-2-11. Estimates of revenue; reports on revenue collections; withholding department
funds on noncompliance.**

1 (a) Prior to the beginning of each fiscal year, the secretary shall estimate the revenue to
2 be collected month by month by each classification of tax for that fiscal year as it relates to the
3 official estimate of revenue for each tax for that fiscal year and the secretary shall certify this
4 estimate to the Governor and the Legislative Auditor and the West Virginia Investment
5 Management Board by July 1, for that fiscal year.

6 (1) The secretary shall ascertain the collection of the revenue of the state and shall
7 determine for each month of the fiscal year the proportion which the amount actually collected
8 during a month bears to the collection estimated by him or her for that month. The secretary shall
9 certify to the Governor, the Legislative Auditor and the Investment Management Board, as soon
10 as possible after the close of each month, and not later than the 15th day of each month, and at
11 other times as the Governor, the Legislative Auditor or the Investment Management Board may
12 request, the condition of the state revenues and of the several funds of the state and the
13 proportion which the amount actually collected during the preceding month bears to the collection
14 estimated by him or her for that month. The secretary shall include in this certification the same
15 information previously certified for prior months in each fiscal year. The certification for the final
16 month of a fiscal year shall also include the proportion which the amount actually collected during
17 the preceding fiscal year bears to the appropriations made for that year. For the purposes of this

18 section, the secretary shall have the authority to require all necessary estimates and reports from
19 any spending unit of the state government.

20 (2) If the secretary fails to certify to the Governor, the Legislative Auditor and the
21 Investment Management Board the information required by this subsection within the time
22 specified herein, the Legislative Auditor shall notify the Auditor and Treasurer of the failure and
23 thereafter no funds appropriated to the Department of Revenue may be expended until the
24 secretary has certified the information required by this subsection.

25 (b) Prior to July 1, of each fiscal year, the secretary shall estimate daily revenue flows for
26 the General Revenue Fund for the next fiscal year as it relates to the official estimate of revenue.
27 Subsequent to the end of each fiscal year, the secretary shall compare the projected daily revenue
28 flows with the actual daily revenue flows from the previous year. The secretary may for any month
29 or months, at his or her discretion, revise the annual projections of the daily revenue flows. The
30 secretary shall certify to the Governor, the Legislative Auditor and the Investment Management
31 Board, as soon as possible after the close of each month and not later than the 15th day of each
32 month, and at other times as the Governor, the Legislative Auditor or the Investment Management
33 Board may request, the condition of the General Revenue Fund and the comparison of the
34 projected daily revenue flows with the actual daily revenue flows. If the secretary fails to certify to
35 the Governor, the Legislative Auditor and the Investment Management Board the information
36 required by this subsection within the time specified herein, the Legislative Auditor shall notify the
37 Auditor and treasurer of the failure and thereafter no funds appropriated to the Department of
38 Revenue may be expended until the secretary has certified the information required by this
39 subsection.

**§11B-2-21. Reduction of appropriations — Reduction of appropriations from general
revenue.**

1 If the Governor determines that the amounts, or parts thereof, appropriated from the
2 general revenue cannot be expended without creating an overdraft or deficit in the General Fund,

3 he or she may, before the end of the fiscal year, instruct the secretary to reduce all appropriations
4 out of general revenue in a degree as necessary to prevent an overdraft or a deficit in the General
5 Fund. No reduction of appropriations may be made after June 30 of the fiscal year.

**§11B-2-23. Approval of secretary of requests for changes and receipt and expenditure of
federal funds by state agencies; copies or sufficient summary information to be
furnished to secretary; consolidated report of federal funds; central agency for
receipt of federal funds; unlawful acts.**

1 (a) Every agency of the state government when making requests or preparing budgets to
2 be submitted to the federal government for funds, equipment, material or services, the grant or
3 allocation of which is conditioned upon the use of state matching funds, shall have the request or
4 budget approved in writing by the secretary before submitting it to the proper federal authority.
5 When the federal authority has approved the request or budget, the agency of the state
6 government shall resubmit it to the secretary for recording before any allotment or encumbrance
7 of the federal funds can be made. Whenever any agency of the state government receives from
8 any agency of the federal government a grant or allocation of funds which do not require state
9 matching, the state agency shall report to the secretary the amount of the federal funds granted
10 or allocated.

11 (b) Unless contrary to federal law, any agency of state government, when making requests
12 or preparing budgets to be submitted to the federal government for funds for personal services,
13 shall include in the request or budget the amount of funds necessary to pay for the costs of any
14 fringe benefits related to the personal service. For the purposes of this section, "fringe benefits"
15 means any employment benefit granted by the state which involves state funds, including, but not
16 limited to, contributions to insurance, retirement and social security and which does not affect the
17 basic rate of pay of an employee.

18 (c) In addition to the other requirements of this section, the secretary shall, as soon as
19 possible after the end of each fiscal year but no later than December 31, of each year, submit to
20 the Governor a consolidated report which shall contain a detailed itemization of all federal funds
21 received by the state during the preceding and current fiscal years, as well as those scheduled or
22 anticipated to be received during the remainder of the current fiscal year and the next ensuing
23 fiscal year. The itemization shall show:

24 (1) Each spending unit which has received or is scheduled or expected to receive federal
25 funds in either of the fiscal years;

26 (2) The amount of each separate grant or distribution received or to be received; and

27 (3) A brief description of the purpose of every grant or other distribution, with the name of
28 the federal agency, bureau or department making the grant or distribution: *Provided*, That it is not
29 necessary to include in the report an itemization of federal block grants, or federal funds received
30 for the benefit of the Division of Highways of the Department of Transportation.

31 (d) The secretary may obtain from the spending units any and all information necessary
32 to prepare a report.

33 (e) Notwithstanding the other provisions of this section and in supplementation of the
34 provisions of this section, the Legislature hereby determines that the Department of Revenue and
35 its secretary need to be the single and central agency for receipt of information and documents
36 in respect of applications for, and changes, receipt and expenditure of, federal funds by state
37 agencies. Every agency of state government, when making application for federal funds in the
38 nature of a grant, allocation or otherwise; when amending the applications or requests; when in
39 receipt of federal funds; or when undertaking any expenditure of federal funds, in all respective
40 instances, shall provide to the secretary of revenue document copies or sufficient summary

41 information in respect of the federal funds to enable the secretary to provide approval in writing
42 for any activity in respect to the federal funds.

CHAPTER 12. PUBLIC MONEYS AND SECURITIES.

ARTICLE 2. PAYMENT AND DEPOSIT OF TAXES AND OTHER AMOUNTS DUE THE STATE OR ANY POLITICAL SUBDIVISION.

§12-2-2. Itemized record of moneys received for deposit; regulations governing deposits; credit to state fund; exceptions.

1 (a) All officials and employees of the state authorized by statute to accept moneys on
2 behalf of the State of West Virginia shall keep a daily itemized record of moneys received for
3 deposit in the State Treasury and shall deposit within one business day with the State Treasurer
4 all moneys received or collected by them for or on behalf of the state for any purpose whatsoever.
5 The State Treasurer may grant an exception to the one business day rule when circumstances
6 make compliance difficult or expensive. The State Treasurer may review the procedures and
7 methods used by officials and employees authorized to accept moneys due the state and change
8 the procedures and methods if he or she determines it is in the best interest of the state: *Provided,*
9 That the State Treasurer may not review or amend the procedures by which the Department of
10 Revenue accepts moneys due the state. The State Treasurer shall propose rules for legislative
11 approval, in accordance with the provisions of §29A-3-1 *et seq.* of this code governing the
12 procedure for deposits. The official or employee making deposits with the State Treasurer shall
13 prepare deposit lists in the manner and upon report forms prescribed by the State Treasurer in
14 the state accounting system. The State Treasurer shall review the deposits in the state accounting
15 system and forward the information to the State Auditor and to the Secretary of Revenue.

16 (b) All moneys received by the state from appropriations made by the Congress of the
17 United States shall be recorded in special fund accounts, in the State Treasury apart from the
18 general revenues of the state, and shall be expended only upon appropriation of the Legislature

19 in accordance with the provisions of §4-11-1 *et seq.* of this code. All moneys, other than federal
20 funds, defined in §4-11-2 of this code, shall be credited to the state fund and treated by the State
21 Auditor and State Treasurer as part of the general revenue of the state except the following funds
22 which shall be recorded in separate accounts:

23 (1) All funds excluded by the provisions of §4-11-6 of this code;

24 (2) All funds derived from the sale of farm and dairy products from farms operated by any
25 spending unit of the state;

26 (3) All endowment funds, bequests, donations, executive emergency funds and death and
27 disability funds;

28 (4) All fees and funds collected at state educational institutions for student activities;

29 (5) All funds derived from collections from dormitories, boardinghouses, cafeterias and
30 road camps;

31 (6) All moneys received from counties by institutions for the deaf and blind on account of
32 clothing for indigent pupils;

33 (7) All insurance collected on account of losses by fire and refunds;

34 (8) All funds derived from bookstores and sales of blank paper and stationery, and
35 collections by the chief inspector of public offices;

36 (9) All moneys collected and belonging to the capitol building fund, state road fund, state
37 road sinking fund, general school fund, school fund, state fund (moneys belonging to counties,
38 districts and municipalities), state interest and sinking funds, state compensation funds, the fund
39 maintained by the Public Service Commission for the investigation and supervision of applications
40 and all fees, money, interest or funds arising from the sales of all permits and licenses to hunt,
41 trap, fish or otherwise hold or capture fish and wildlife resources and money reimbursed and
42 granted by the federal government for fish and wildlife conservation; and

43 (10) All moneys collected or received under any act of the Legislature providing that funds
44 collected or received under the act shall be used for specific purposes.

45 (c) All moneys, except as provided in subdivisions (1) through (9), inclusive, subsection
46 (b) of this section, shall be paid into the State Treasury in the same manner as collections not
47 excepted and recorded in separate accounts for receipt and expenditure for the purposes for
48 which the moneys are authorized to be collected by law: *Provided*, That amounts collected
49 pursuant to subdivisions (1) through (10), subsection (b) of this section, which are found, from
50 time to time, to exceed funds needed for the purposes set forth in general law may be transferred
51 to other accounts or funds and redesignated for other purposes by appropriation of the
52 Legislature. The gross amount collected in all cases shall be paid into the State Treasury.
53 Commissions, costs and expenses, including, without limitation, amounts charged for use of bank,
54 charge, credit or debit cards, incurred in the collection process shall be paid from the gross
55 amount collected in the same manner as other payments are made from the State Treasury.

56 (d) The State Treasurer may establish an imprest fund or funds in the office of any state
57 spending unit upon receipt of a proper application. To implement this authority, the State
58 Treasurer shall propose rules for legislative approval in accordance with the provisions of §29A-
59 3-1 *et seq.* of this code. The State Treasurer or his or her designee shall annually audit all imprest
60 funds and prepare a list of the funds showing the location and amount as of fiscal year end,
61 retaining the list as a permanent record of the State Treasurer until the Legislative Auditor has
62 completed an audit of the imprest funds of all agencies and institutions involved.

63 (e) The State Treasurer may develop and implement a centralized receipts processing
64 center. The State Treasurer may request the transfer of equipment and personnel from
65 appropriate state agencies to the centralized receipts processing center in order to implement the
66 provisions of this section: *Provided*, That the Governor or appropriate constitutional officer has
67 authority to authorize the transfer of equipment or personnel to the centralized receipts processing
68 center from the respective agency.

ARTICLE 3. APPROPRIATIONS, EXPENDITURES AND DEDUCTIONS.

§12-3-12. Expiration of unexpended appropriations; reappropriations.

1 (a) Except as provided in subsection (b) of this section, every appropriation that is payable
2 out of the general revenue, or so much thereof as may remain undrawn at the end of the year for
3 which made, shall be deemed to have expired at the end of the year for which it is made, and no
4 warrant shall thereafter be issued upon it: *Provided*, That warrants may be drawn through the 31st
5 day of July after the end of the year for which the appropriation is made if the warrants are in
6 payment of bills for such year and have been encumbered by the budget office prior to July first:
7 *Provided, however*, That if such 31st day of July is on Saturday, then warrants may only be drawn
8 through the Friday immediately preceding such Saturday, but if such 31st day of July is on
9 Sunday, the warrants may be drawn through the Monday immediately following such Sunday.

10 (b) Notwithstanding any provision of subsection (a) of this section to the contrary:

11 (1) Appropriations that are payable out of the general revenue, or so much thereof as may
12 remain undrawn at the end of the year for which made, for buildings and land or capital outlay
13 shall remain in effect, and shall not be deemed to have expired until the end of three years after
14 the passage of the act by which such appropriations are made; and

15 (2) Appropriations that are payable out of the general revenue, or so much thereof as may
16 remain undrawn at the end of the fiscal year for which made, that are reappropriated by the budget
17 act for the ensuing fiscal year shall not be deemed to have expired unless, at the end of the fiscal
18 year just ended, the total general revenue collections for the fiscal year just ended did not equal
19 or exceed total general revenue appropriations for that fiscal year. If the total general revenue
20 collections for the fiscal year just ended did not equal or exceed total general revenue
21 appropriations for that fiscal year, all such reappropriations shall be deemed to have expired at
22 the end of the fiscal year as provided in subsection (a) of this section.

23 (c) The Legislature may expire or provide for the expiration of any appropriation prior to
24 the end of the fiscal year for which it is made.

§12-3-17. Liabilities incurred by state boards, commissions, officers or employees which cannot be paid out of current appropriations.

1 Except as provided in this section, it shall be unlawful for any state board, commission,
2 officer or employee: (1) To incur any liability during any fiscal year which cannot be paid out of
3 the then current appropriation for such year or out of funds received from an emergency
4 appropriation; or (2) to authorize or to pay any account or bill incurred during any fiscal year out
5 of the appropriation for the following year: *Provided*, That nothing contained herein shall prohibit
6 entering into a contract or lease for buildings, land and space, the cost of which exceeds the
7 current year's appropriation, even though the amount is not available during the then current year,
8 if the aggregate cost does not exceed the amount then authorized by the Legislature. Nothing
9 contained herein shall abrogate the provisions of the general law relating to the expiration of
10 appropriations for buildings and land.

11 Any member of a state board or commission or any officer or employee violating any
12 provision of this section shall be personally liable for any debt unlawfully incurred or for any
13 payment unlawfully made.

ARTICLE 4. ACCOUNTS, REPORTS AND GENERAL PROVISIONS.

§12-4-2. Accounts of Treasurer and Auditor; Auditor to certify condition of revenues and funds of the state.

1 The Treasurer shall keep in his or her office separate accounts with each depository, and
2 also a summary account for the state, and when money is paid into the treasury, it shall be
3 charged to the proper depository and credited to a summary account. The Auditor shall keep in
4 his or her office separate accounts of the particular heads or sources of revenue, and a summary
5 account with the Treasurer, beside such individual accounts with officers and persons as may be
6 necessary, and shall charge every sum of money received for the state as aforesaid to the
7 Treasurer's account, and credit it under the particular head of revenue to which it properly

8 belongs, distinguishing especially in distinct accounts the receipts on account of the capital of the
9 school fund and those on account of the income of said fund subject to annual distribution. The
10 Auditor shall certify annually to the Secretary of Revenue the condition of the state revenues and
11 the several funds of the state. The certification shall be used by the Secretary in the preparation
12 of a tentative state budget as required of him or her by §5-1A-1 *et seq.*, and §11B-2-1 *et seq.* of
13 this code.

§12-4-3. Accounts of appropriations.

1 The Auditor and Secretary of Revenue shall each keep an account of every appropriation
2 made by law, and of the several sums drawn thereon, so that the accounts may show at all times
3 the balance undrawn on each appropriation. The account so kept shall be compared every month
4 and errors, if any, corrected.

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

.....
Chairman, House Committee

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Chairman, Senate Committee

Originating in the House.

In effect from passage.

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Clerk of the House of Delegates

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Clerk of the Senate

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Speaker of the House of Delegates

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President of the Senate

The within this the.....
day of, 2021.

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Governor