

March 14, 2024

## **VIA HAND DELIVERY**

The Honorable Mac Warner Secretary of State State Capitol Complex Building 1, Suite 157-K Charleston, West Virginia 25305

Re: Enrolled Committee Substitute for Senate Bill 200

## Secretary Warner:

Pursuant to the provisions of Section Fifty-One, Article VI of the Constitution of West Virginia, I hereby return Enrolled Committee Substitute for Senate Bill 200, passed March 9, 2024, approved with the following objections:

My first objection is to an incorrect fund number ("fund 2440") to which an appropriation is directed to be transferred in item 31, page 27, lines 2 and 3, which lines state as follows:

"The above appropriation for Directed Transfer (fund 0204, appropriation 70000) shall be transferred to the Information Services and Communication Fund (fund 2440)."

The correct fund number for the Information Services and Communication Fund is "fund 2220" and I have therefore deleted the incorrect reference to "(fund 2440)" in the bill.

My second objection is to a directed transfer of \$300,000 in item 80, page 58, lines 41 and 42, which lines state as follows:

"From the above appropriation of Current Expenses (fund 0403, appropriation 13000), \$300,000 shall be used for Green Acres Regional Center, Inc."

The line item for fund 0403, appropriation 13000, was reduced by \$1,214,190, which is anticipated to potentially result in a loss of federal matching dollars north of \$650,000. The Department of Human Services believes this \$300,000 can be more impactful for West Virginians if it is otherwise utilized by the Department and not directed to this entity, which can and does bill the State for its services, setting it on a level field with other, similar businesses. I am therefore deleting the language in its entirety, page 58, lines 41 and 42.

## OFFICE OF THE GOVERNOR

My third objection is to items 439 through 443, in their entirety, on pages 216 and 217. These appropriations are to only certain of our institutions of higher education to the exclusion of others. In 2022, the Legislature passed and I signed House Bill 4008, mandating a performance-based funding formula be developed for our colleges and universities. Section 1 of the budget bill does include formula-based appropriations for all of our higher education institutions, except for an inflationary component of that formula. These items 439 through 443 appear to be appropriations for the inflationary component excluded from the Section 1 appropriations but only to certain institutions. The inclusion and exclusion of certain institutions is not the result of objectively applying the formula, and the decision to include and exclude certain institutions wasn't made at the recommendation of or in consultation with the West Virginia Higher Education Policy Commission, the state agency with expertise in this subject matter. If we are to follow a truly performance-based formula for funding our great colleges and universities, then this should be done on a fair and objective basis transparent to all.

There are also certain clerical errors that should be addressed when the Legislature is convened for other important budgetary matters, prior to the end of the fiscal year.

For the reasons stated herein, I have approved, subject to the above objections, Enrolled Committee Substitute for Senate Bill No. 200.

Sincerely,

Jim Justic

cc: The Honorable Craig Blair President of the Senate

The Honorable Roger Hanshaw Speaker of the House of Delegates