

1 **H. B. 2837**

2  
3 (By Delegates Boggs, White, Reynolds, Hunt, Guthrie,  
4 Perdue, Pethtel, Williams, Manypenny,  
5 R. Phillips and Skaff)  
6

7 (By Request of ths State Treasurer)

8 [Introduced March 6, 2013; referred to the  
9 Committee on Pensions and Retirement then Finance.]

**FISCAL  
NOTE**

10

11 A BILL to repeal §12-1-12c of the Code of West Virginia, 1931, as  
12 amended; to repeal §12-6B-1, §12-6B-2, §12-6B-3 and §12-6B-4  
13 of said code; to repeal §48-2-604 of said code; to amend and  
14 reenact §5-10B-3 of said code; to amend said code by adding  
15 thereto a new section, designated §5-10B-14; to amend and  
16 reenact §12-1-3, §12-1-8, §12-1-11 and §12-1-12b of said code;  
17 to amend and reenact §12-2-2 and §12-2-3 of said code; to  
18 amend and reenact §12-3-1 of said code; to amend and reenact  
19 §12-3A-3 of said code; to amend and reenact §12-5-4 of said  
20 code; to amend and reenact §12-6A-1, §12-6A-2, §12-6A-3,  
21 §12-6A-4 and §12-6A-5, §12-6A-6 and §12-6A-7 of said code; to  
22 amend and reenact §12-6C-7 and §12-6C-9 of said code; to amend  
23 and reenact §18-30-8 and §18-30-11 of said code; to amend and  
24 reenact §33-3-14d; and to amend and reenact §36-8-13 of said  
25 code, all relating to the State Treasurer's office;

1 authorizing organizations exempt from taxation within West  
2 Virginia to participate in the deferred compensation plan in  
3 accordance with the Internal Revenue Code; authorizing Roth  
4 accounts within the deferred compensation plan in accordance  
5 with the Internal Revenue Code; authorizing financial  
6 institutions to offer products in addition to certificates of  
7 deposit; updating references to investing authorities to  
8 include the Board of Treasury Investments; raising the amount  
9 of eligible deposits from \$100,000 to the amount insured by a  
10 federal agency; deleting archaic language pertaining to  
11 eligible depositories; amending language pertaining to what  
12 constitutes a conflict of interest for applicants and  
13 employees of the Treasurer's office in connection with  
14 financial institutions by prohibiting those persons with a  
15 defined conflict from participating in the selection of or in  
16 contract negotiations with a depository; authorizing  
17 depositories to submit reports in an electronic format;  
18 repealing duplicate §12-1-12c; clarifying that payments under  
19 the CMIA are interest payments; changing the CMIA report from  
20 a quarterly report to an annual report since the calculation  
21 is only prepared annually; changing the requirement that  
22 deposits are required within twenty-four hours to one business  
23 day; establishing standards for receipting of moneys,

1 including reviewing of internal controls by auditors and the  
2 Treasurer and ensuring copies of audits are submitted to the  
3 Legislative Auditor; ensuring confidential information in  
4 internal control procedures is redacted before release;  
5 clarifying the definitions of federal, special and general  
6 revenue funds; eliminating reference to the chief inspector of  
7 public offices, which position has not existed for many years;  
8 changing the report to the Legislative Auditor for accounts  
9 outside the treasury from quarterly to an annual report;  
10 clarifying that investments are managed by the Board of  
11 Treasury Investments in addition to the Investment Management  
12 Board; conforming language pertaining to determining the  
13 amount of federal funds in stale state checks to the  
14 capabilities of the Enterprise Resource Planning System;  
15 clarifying that the Treasurer determines the competitive  
16 bidding of banking, investment and related goods and services  
17 required for treasury operations; authorizing the Treasurer to  
18 develop procedures for storing, retaining and disposing of  
19 records for his or her office; ensuring the Director of the  
20 Division of Archives and History receives records with  
21 historical value; clarifying that the Treasurer is responsible  
22 for earnings received on securities, not just interest;  
23 repealing §12-6B-1 et seq.; consolidating the debt capacity

1 division into the debt management division; amending  
2 legislative findings to acknowledge the importance of  
3 monitoring the debt of the state and its spending units;  
4 continuing division of debt management as the central  
5 information source for debt issued by the state and its  
6 spending units; expanding the definition of debt to include  
7 debentures, lease purchases, mortgages, securitizations and  
8 other types of obligations with specific amounts owed and  
9 payable on demand or on determinable dates; defining debt  
10 impact report, moral obligation bond, net tax supported debt  
11 and tax supported debt; amending definition of spending unit;  
12 eliminating requirement for developing a long-term debt plan;  
13 clarifying the division is responsible for continuously  
14 evaluating debt and debt service requirements and reviewing  
15 all proposed debt offerings of the state and its spending  
16 units; clarifying the division is to issue a debt impact  
17 report if requested by the Governor, Senate President or House  
18 of Delegates Speaker and that the report shall not restrict  
19 the Governor, Legislature or spending unit; requiring the  
20 division to monitor continuing disclosure requirements and  
21 post-issuance compliance issues; eliminating requirement that  
22 the debt management division provide staff for the debt  
23 capacity division; clarifying the reporting requirements of

1 the division and the spending units; requiring the division to  
2 prepare and issue the debt capacity report; clarifying the  
3 Treasurer promulgates the rules; altering the bond required  
4 for the Board of Treasury Investments from \$50 million to at  
5 least \$10 million, as set by the board; updating language  
6 pertaining to rating agencies to nationally recognized  
7 statistical rating organizations; permitting investment in  
8 corporate debt in investment grade securities and in money  
9 market and other fixed income funds; authorizing the board to  
10 make loans specified by the Legislature and to offer an  
11 equipment and software financing program for state government  
12 entities; removing requirement that direct or guaranteed  
13 obligations of the United States constitute at least fifteen  
14 percent of the consolidated fund; providing that securities  
15 falling out of compliance with the Code do not have to be sold  
16 if the investment manager and investment consultant recommend  
17 retention; authorizing moneys in the College Prepaid Tuition  
18 and Savings Program Administrative Account be used to provide  
19 matching grants and scholarships for the program; clarifying  
20 the value of a prepaid tuition or savings plan account is not  
21 considered for purposes of determining eligibility for  
22 income-based governmental financial assistance unless required  
23 by federal law; satisfying amounts due to and from policemen's

1 and firemen's pension and relief funds and the Teachers  
2 Retirement System; authorizing expenses related to operations  
3 and programs of the office of the Treasurer from the Unclaimed  
4 Property Fund; authorizing transfer of moneys from the  
5 Unclaimed Property Trust Fund for payment to policemen's and  
6 firemen's pension and relief funds; repealing §48-2-604 which  
7 duplicates the fee for marriage licenses; and making various  
8 technical clean up revisions.

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

10 That §12-1-12c of the Code of West Virginia, 1931, as amended,  
11 be repealed; that §12-6B-1, §12-6B-2, §12-6B-3 and §12-6B-4 of said  
12 code be repealed; that §48-2-604 of said code be repealed; that  
13 §5-10B-3 of said code be amended and reenacted; that said code be  
14 amended by adding thereto a new section, designated §5-10B-14; that  
15 §12-1-3, §12-1-8, §12-1-11 and §12-1-12b of said code be amended  
16 and reenacted; that §12-2-2 and §12-2-3 of said code be amended and  
17 reenacted; that §12-3-1 of said code be amended and reenacted; that  
18 §12-3A-3 of said code be amended and reenacted; that §12-5-4 of  
19 said code be amended and reenacted; that §12-6A-1, §12-6A-2,  
20 §12-6A-3, §12-6A-4, §12-6A-5, §12-6A-6 and §12-6A-7 of said code be  
21 amended and reenacted; that §12-6C-7 and §12-6C-9 of said code be  
22 amended and reenacted; that §18-30-8 and §18-30-11 of said code be  
23 amended and reenacted; that §33-3-14d of said code be amended and

1 reenacted; and that §36-8-13 of said code be amended and reenacted,  
2 all to read as follows:

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

6 **ARTICLE 10B. GOVERNMENT EMPLOYEES DEFERRED COMPENSATION PLANS.**

7 **§5-10B-3. Powers; contracts; meetings.**

8 (a) Notwithstanding any provision of this code to the  
9 contrary, including, without limitation, this chapter and chapter  
10 five-a of this code, the state employer and a public employer have  
11 the power necessary or appropriate to carry out the provisions and  
12 objectives of this article and to operate the trust, including,  
13 without limitation, entering into contracts and executing and  
14 delivering instruments; engaging consultants, auditors, counsel,  
15 managers, advisors, trustees or any other contractors or  
16 professionals; and charging and collecting administrative fees.

17 (b) The state employer or any public employer may, by  
18 contract, agree with any of its employees to defer and hold in  
19 trust any portion of that employee's compensation and may  
20 subsequently purchase or acquire from vendors licensed to do  
21 business in the State of West Virginia investment products for the  
22 purpose of carrying out the objectives of the deferred compensation

1 plan as described in this article.

2 (c) Employees are authorized to attend meetings called by the  
3 state employer or public employer for the purpose of explaining a  
4 plan during regular working hours.

5 (d) Notwithstanding any provision of this code to the contrary  
6 and in accordance with the Internal Revenue Code, the Treasurer may  
7 extend participation in the plan to organizations exempt from  
8 taxation located within West Virginia.

9 **§5-10B-14. Roth Accounts.**

10 The Treasurer or any public employer may authorize Roth  
11 accounts within the plan in accordance with the Internal Revenue  
12 Code, including, without limitation, conversions, deferrals,  
13 rollovers and transfers.

14 **CHAPTER 12. PUBLIC MONEYS AND SECURITIES.**

15 **ARTICLE 1. STATE DEPOSITORIES.**

16 **§12-1-3. Depositories for interest earning deposits;**  
17 **qualifications.**

18 Any state or national bank or any state or federal savings and  
19 loan association in this state shall, upon request made to the  
20 State Treasurer, be designated as an eligible depository for  
21 interest earning deposits of state funds if such bank or state or  
22 federal savings and loan association meets the requirements set

1 forth in this chapter. For purposes of this article, the term  
2 "interest earning deposits" includes certificates of deposit or  
3 other financial institution products. The State Treasurer shall  
4 make and apportion such interest earning deposits and shall  
5 prescribe the interest rates, terms and conditions of ~~such~~  
6 deposits, all in accordance with the provisions of ~~article six~~  
7 articles six and six-c of this chapter: Provided, That state or  
8 federal savings and loan associations insured by an agency of the  
9 federal government shall be eligible for such deposits not in  
10 excess of ~~one hundred thousand dollars~~ the amount insured by any  
11 agency of the federal government. ~~Provided, however, That~~  
12 ~~notwithstanding any provision of this article to the contrary, no~~  
13 ~~such interest earning deposits may be deposited in any depository~~  
14 ~~which has been in existence over a period of five years which does~~  
15 ~~not have a loan to deposit ratio of fifty percent or more and which~~  
16 ~~does not have farm, single or multifamily residential unit loans in~~  
17 ~~an amount greater than twenty-five percent of the amount of loans~~  
18 ~~representing a loan to deposit ratio of fifty percent. For the~~  
19 ~~purpose of making the foregoing calculation, the balances due the~~  
20 ~~depository on the following loans shall be given effect: (1)~~  
21 ~~Qualifying residential loans held by the depository; (2) qualifying~~  
22 ~~loans made in participation with other financial institutions; (3)~~  
23 ~~qualifying loans made in participation with agencies of the state,~~

1 ~~federal or local governments; and (4) qualifying loans originated~~  
2 ~~and serviced by the depository but owned by an out-of-state~~  
3 ~~investor. The computation of the criteria for eligibility specified~~  
4 ~~above shall be based on the average daily balances of deposits, the~~  
5 ~~average daily balances of total loans and qualifying residential~~  
6 ~~loans for the period being reported.~~

7 **§12-1-8. Conflict of interest.**

8 ~~No depository in this State may serve or be eligible for~~  
9 ~~designation as a State Depository if any employee of the~~  
10 ~~Treasurer's office, or a spouse or minor child of that employee, is~~  
11 ~~an officer, director or employee of the depository or owns greater~~  
12 ~~than two percent of the depository either in his or her own name or~~  
13 ~~beneficially or an interest in the depository. An employee of the~~  
14 ~~Treasurer's office shall disclose the circumstance, if any, in the~~  
15 ~~sworn statement required under the provisions of section one,~~  
16 ~~article one, chapter six-b of this code. An employee or a person~~  
17 ~~applying for a position with the office of the Treasurer shall~~  
18 ~~disclose to the Treasurer if he or she, or his or her spouse, is an~~  
19 ~~officer, director or employee of a depository or owns greater than~~  
20 ~~two percent of a depository. Any employee of the office of the~~  
21 ~~Treasurer who, or whose spouse, is an officer, director or employee~~  
22 ~~of a depository or owns greater than two percent of a depository~~  
23 ~~may not participate in any selection of or in any contract~~

1 negotiations with any depository.

2 **§12-1-11. Reports by depositories to Treasurer; discontinuance of**  
3 **depositories.**

4 (a) Each depository of state funds shall at the end of each  
5 quarter cause its president or ~~cashier~~ designated officer to report  
6 to the Treasurer the amount of state funds on deposit and the  
7 report shall be verified by the affidavit of the officer making it.  
8 The form and contents of the report shall be prescribed by the  
9 Treasurer and may be in an electronic format.

10 (b) For the failure to file the report, or for other good  
11 cause, the Treasurer may discontinue any depository as an eligible  
12 depository and cause all state funds to be withdrawn from any  
13 depository or depositories ~~so~~ discontinued.

14 (c) When a depository is discontinued, the Treasurer shall  
15 immediately notify such depository of its discontinuance, and shall  
16 immediately withdraw by current checks or by transfer to another  
17 depository or depositories the full amount of the deposits held by  
18 any depository ~~so~~ discontinued. After discontinuance, it shall be  
19 unlawful for the Treasurer to deposit any state funds in any  
20 depository ~~so~~ discontinued until such time as the depository may be  
21 reinstated to eligibility.

22 **§12-1-12b. Cash Management Improvement Act; administration;**  
23 **reports.**

1           (a) The Cash Management Improvement Act of 1990, Public Law  
2 101-453, October 24, 1990, 31 U.S.C. Section 6501 et. seq. (CMIA)  
3 and regulations, as amended, establishes requirements and  
4 techniques, including calculations, for the receipt and  
5 disbursement of federal funds by states. The authorized official  
6 and representative of the State of West Virginia for the CMIA is  
7 the State Treasurer.

8           (b) In administering the CMIA, the State Treasurer is  
9 authorized to do all things reasonably necessary, including without  
10 limitation, entering into agreements with, negotiating settlements  
11 with, ~~refunding~~ paying any interest due and satisfying any  
12 liability to the United States Treasury in accordance with the  
13 CMIA.

14           (c) Periodically, the State Treasurer shall transfer to the  
15 "Federal Cash Management Fund", which is hereby authorized and  
16 continued, earnings on the State General Revenue Fund in an amount  
17 the Treasurer estimates is needed to make ~~refunds~~ interest payments  
18 in accordance with the CMIA. After each annual settlement with the  
19 United States Treasury, the State Treasurer shall transfer to the  
20 State General Revenue Fund any moneys remaining in the Federal Cash  
21 Management Interest Fund for the period just settled.

22           (d) The State Treasurer shall also transfer periodically to  
23 the "Federal Cash Management - Administration Fund," which is

1 hereby authorized and continued, earnings on the State General  
2 Revenue Fund in an amount the Treasurer determines is needed to pay  
3 for the costs of administering the CMIA. The State Treasurer may  
4 pay the costs he or she incurs in administering the CMIA from the  
5 Federal Cash Management-Administration Fund.

6 (e) All state spending units shall cooperate fully with the  
7 State Treasurer in accumulating all the necessary data elements to  
8 fully comply with the CMIA.

9 (f) The State Treasurer shall send ~~quarterly reports~~ an annual  
10 report on the activities involving the CMIA to the Governor,  
11 Auditor, Secretary of Revenue and Joint Committee on Government and  
12 Finance.

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

15 **§12-2-2. Itemized record of moneys received for deposit;**  
16 **regulations governing deposits; credit to state**  
17 **fund; exceptions.**

18 ~~(a) All officials and employees of the state authorized by~~  
19 ~~statute to accept moneys due the State of West Virginia shall keep~~  
20 ~~a daily itemized record of moneys received for deposit in the state~~  
21 ~~Treasury and shall deposit within twenty-four hours with the state~~  
22 ~~Treasurer all moneys received or collected by them for or on behalf~~

~~1 of the state for any purpose whatsoever. The State Treasurer may  
2 review the procedures and methods used by officials and employees  
3 authorized to accept moneys due the state and change the procedures  
4 and methods if he or she determines it is in the best interest of  
5 the state: *Provided*, That the state Treasurer may not review or  
6 amend the procedures by which the Department of Revenue accepts  
7 moneys due the state. The State Treasurer shall propose rules for  
8 legislative approval, in accordance with the provisions of article  
9 three, chapter twenty-nine-a of this code governing the procedure  
10 for deposits. The official or employee making deposits with the  
11 state Treasurer shall prepare deposit lists in the manner and upon  
12 report forms prescribed by the state Treasurer in the state  
13 accounting system. The State Treasurer shall review the deposits  
14 in the state accounting system and forward the information to the  
15 State Auditor and to the Secretary of Revenue.~~

~~16 (b) All moneys received by the state from appropriations made  
17 by the Congress of the United States shall be recorded in special  
18 fund accounts, in the state Treasury apart from the general  
19 revenues of the state, and shall be expended in accordance with the  
20 provisions of article eleven, chapter four of this code. All  
21 moneys, other than federal funds, defined in section two, article  
22 eleven, chapter four of this code, shall be credited to the state  
23 fund and treated by the State Auditor and State Treasurer as part~~

1 ~~of the general revenue of the state except the following funds~~  
2 ~~which shall be recorded in separate accounts:~~

3 ~~(1) All funds excluded by the provisions of section six,~~  
4 ~~article eleven, chapter four of this code;~~

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

7 ~~(3) All endowment funds, bequests, donations, executive~~  
8 ~~emergency funds and death and disability funds;~~

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

11 ~~(5) All funds derived from collections from dormitories,~~  
12 ~~boardinghouses, cafeterias and road camps;~~

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

15 ~~(7) All insurance collected on account of losses by fire and~~  
16 ~~refunds;~~

17 ~~(8) All funds derived from bookstores and sales of blank paper~~  
18 ~~and stationery, and collections by the chief inspector of public~~  
19 ~~offices;~~

20 ~~(9) All moneys collected and belonging to the capitol building~~  
21 ~~fund, state road fund, state road sinking funds, general school~~  
22 ~~fund, school fund, state fund (moneys belonging to counties,~~  
23 ~~districts and municipalities), state interest and sinking funds,~~

~~1 state compensation funds, the fund maintained by the Public Service  
2 Commission for the investigation and supervision of applications  
3 and all fees, money, interest or funds arising from the sales of  
4 all permits and licenses to hunt, trap, fish or otherwise hold or  
5 capture fish and wildlife resources and money reimbursed and  
6 granted by the federal government for fish and wildlife  
7 conservation; and~~

~~8 (10) All moneys collected or received under any act of the  
9 Legislature providing that funds collected or received under the  
10 act shall be used for specific purposes.~~

~~11 (c) All moneys, except as provided in subdivisions (1) through  
12 (9), inclusive, subsection (b) of this section, shall be paid into  
13 the state Treasury in the same manner as collections not excepted  
14 and recorded in separate accounts for receipt and expenditure for  
15 the purposes for which the moneys are authorized to be collected by  
16 law: *Provided*, That amounts collected pursuant to subdivision  
17 (10), subsection (b) of this section, which are found, from time to  
18 time, to exceed funds needed for the purposes set forth in general  
19 law may be transferred to other accounts or funds and redesignated  
20 for other purposes by appropriation of the Legislature. The gross  
21 amount collected in all cases shall be paid into the state  
22 Treasury. Commissions, costs and expenses, including, without  
23 limitation, amounts charged for use of bank, charge, credit or~~

1 ~~debit cards, incurred in the collection process shall be paid from~~  
2 ~~the gross amount collected in the same manner as other payments are~~  
3 ~~made from the state Treasury.~~

4 ~~(d) The State Treasurer may establish an imprest fund or funds~~  
5 ~~in the office of any state spending unit upon receipt of a proper~~  
6 ~~application. To implement this authority, the state Treasurer~~  
7 ~~shall propose rules for legislative approval in accordance with the~~  
8 ~~provisions of article three, chapter twenty nine a of this code.~~  
9 ~~The State Treasurer or his or her designee shall annually audit all~~  
10 ~~imprest funds and prepare a list of the funds showing the location~~  
11 ~~and amount as of fiscal year end, retaining the list as a permanent~~  
12 ~~record of the state Treasurer until the Legislative Auditor has~~  
13 ~~completed an audit of the imprest funds of all agencies and~~  
14 ~~institutions involved.~~

15 ~~(e) The State Treasurer may develop and implement a~~  
16 ~~centralized receipts processing center. The State Treasurer may~~  
17 ~~request the transfer of equipment and personnel from appropriate~~  
18 ~~state agencies to the centralized receipts processing center in~~  
19 ~~order to implement the provisions of this section: *Provided, That*~~  
20 ~~the Governor or appropriate Constitutional officer has authority to~~  
21 ~~authorize the transfer of equipment or personnel to the centralized~~  
22 ~~receipts processing center from the respective agency.~~

23 (a) All officials and employees of the state authorized by

1 statute to accept moneys on behalf of the State of West Virginia  
2 shall keep a daily itemized record of moneys received for deposit  
3 in the State Treasury and shall deposit within one business day  
4 with the State Treasurer all moneys received or collected by them  
5 for or on behalf of the state for any purpose whatsoever. The  
6 State Treasurer may grant an exception to the one business day rule  
7 when circumstances make compliance difficult or expensive.

8       (b) The State Treasurer shall establish standards for internal  
9 controls for spending units receipting moneys, assist spending  
10 units in developing and improving their internal control procedures  
11 for receipting moneys and provide training. State spending units  
12 accepting moneys shall establish and at least annually review  
13 internal control procedures for receipting moneys that safeguard  
14 assets, minimize fraud, waste and abuse, and comply with applicable  
15 laws, rules and regulations. Upon request of the State Treasurer,  
16 spending units, except the Department of Revenue, shall submit the  
17 internal control procedures and any revisions to the internal  
18 control procedures to the State Treasurer for review. The State  
19 Treasurer may make revisions to or suggestions for the internal  
20 control procedures if he or she believes the procedures do not  
21 provide reasonable protection for moneys collected. A spending  
22 unit shall adopt any revisions made by the Treasurer.

23       (c) Any confidential information in internal control

1 procedures shall be redacted before release of the internal control  
2 procedures in accordance with a request pursuant to §29B-1-1 et  
3 seq. of this code.

4 (d) The Treasurer may also audit the receipting of moneys by  
5 a spending unit, except spending units within the Department of  
6 Revenue. A copy of any audit performed by the Treasurer shall be  
7 submitted to the Legislative Auditor. Any audit of a spending unit  
8 by an internal auditor or by an auditing firm shall include an  
9 evaluation of and report on the adequacy of internal control  
10 procedures for receipting moneys, with a copy of the audit being  
11 sent to the Treasurer and to the Legislative Auditor within thirty  
12 days of receipt of the audit by the spending unit.

13 (e)The State Treasurer shall propose rules for legislative  
14 approval, in accordance with the provisions of article three,  
15 chapter twenty-nine-a of this code governing the procedure for  
16 deposits.

17 (f) The official or employee making deposits with the State  
18 Treasurer shall prepare deposit lists in the manner and upon report  
19 forms prescribed by the State Treasurer in the state accounting  
20 system. The State Treasurer shall review the deposits in the state  
21 accounting system and forward the information to the State Auditor  
22 and to the Secretary of Revenue.

23 (g) All moneys received by the state shall be recorded in

1 federal, general revenue and special fund accounts in the State  
2 Treasury, as follows:

3 (1) All federal funds, defined in section two, article eleven,  
4 chapter four of this code, received shall be recorded in federal  
5 fund accounts in the state treasury apart from the general and  
6 special revenues of the state, and shall be expended in accordance  
7 with the provisions of article eleven, chapter four of this code.

8 (2) All moneys, other than federal and special revenue funds,  
9 shall be credited to the state fund and treated by the State  
10 Auditor and State Treasurer as part of the general revenue of the  
11 state.

12 (3) All moneys from specific revenue sources which by  
13 legislative enactments are not required to be accounted for as  
14 general revenue funds or federal funds, are special revenue funds,  
15 and include, but are not limited to the following funds which shall  
16 be recorded in separate accounts:

17 (A) All funds excluded by the provisions of section six,  
18 article eleven, chapter four of this code;

19 (B) All funds derived from the sale of farm and dairy products  
20 from farms operated by any spending unit of the state;

21 (C) All endowment funds, bequests, donations, executive  
22 emergency funds and death and disability funds;

23 (D) All fees and funds collected at state educational

1 institutions for student activities;

2 (E) All funds derived from collections from dormitories,  
3 boardinghouses, cafeterias and road camps;

4 (F) All moneys received from counties by institutions for the  
5 deaf and blind on account of clothing for indigent pupils;

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

8 (H) All funds derived from bookstores;

9 (I) All moneys collected and belonging to the capitol building  
10 fund, state road fund, general school fund, school fund, political  
11 subdivisions, state compensation funds, the fund maintained by the  
12 Public Service Commission for the investigation and supervision of  
13 applications and all fees, money, interest or funds arising from  
14 the sales of all permits and licenses to hunt, trap, fish or  
15 otherwise hold or capture fish and wildlife resources and money  
16 reimbursed and granted by the federal government for fish and  
17 wildlife conservation; and

18 (J) All moneys collected or received under any act of the  
19 Legislature providing that funds collected or received under the  
20 act shall be used for specific purposes.

21 (K) All moneys, except as provided in paragraphs (A) through  
22 (I), inclusive, subdivision (3), subsection (g) of this section,  
23 shall be paid into the State Treasury in the same manner as

1 collections not excepted and recorded in separate accounts for  
2 receipt and expenditure for the purposes for which the moneys are  
3 authorized to be collected by law: Provided, That amounts collected  
4 pursuant to, paragraph (J), subdivision (3), subsection (g) of this  
5 section, which are found, from time to time, to exceed funds needed  
6 for the purposes set forth in general law may be transferred to  
7 other accounts or funds and redesignated for other purposes by  
8 appropriation of the Legislature.

9 (L) The gross amount collected in all cases shall be paid into  
10 the State Treasury. Commissions, costs and expenses, including,  
11 without limitation, amounts charged for use of bank, charge, credit  
12 or debit cards, incurred in the collection process shall be paid  
13 from the gross amount collected in the same manner as other  
14 payments are made from the State Treasury.

15 (M) The State Treasurer may establish an imprest fund or funds  
16 in the office of any state spending unit upon receipt of a proper  
17 application. To implement this authority, the State Treasurer shall  
18 propose rules for legislative approval in accordance with the  
19 provisions of article three, chapter twenty-nine-a of this code.  
20 The State Treasurer or his or her designee shall annually audit all  
21 imprest funds and prepare a list of the funds showing the location  
22 and amount as of fiscal year end, retaining the list as a permanent  
23 record of the State Treasurer until the Legislative Auditor has

1 completed an audit of the imprest funds of all agencies and  
2 institutions involved.

3 (N) The State Treasurer may develop and implement a  
4 centralized receipts processing center. The State Treasurer may  
5 request the transfer of equipment and personnel from appropriate  
6 state agencies to the centralized receipts processing center in  
7 order to implement the provisions of this section: Provided, That  
8 the Governor or appropriate constitutional officer has authority to  
9 authorize the transfer of equipment or personnel to the centralized  
10 receipts processing center from the respective agency.

11 **§12-2-3. Deposit of moneys not due the State.**

12 (a) All officials and employees of the State authorized to  
13 accept moneys that the State Treasurer determines or that this code  
14 specifies are not funds due the State pursuant to the provisions of  
15 section two of this article shall deposit the moneys, as soon as  
16 practicable, in the manner and in the depository specified by the  
17 State Treasurer. The State Treasurer shall prescribe the forms and  
18 procedures for depositing the moneys.

19 (b) Notwithstanding any provision of this code to the  
20 contrary, including provisions stating funds collected are not  
21 state funds and provisions authorizing a spending unit to have one  
22 or more accounts outside the Treasury, a spending unit shall comply  
23 with the State Treasurer's procedures for the receipt and

1 disbursement of moneys not due the state and obtain written  
2 authorization from the State Treasurer before depositing any moneys  
3 in an account outside the Treasury. Upon the State Treasurer`s  
4 written revocation of the authorization, the spending unit shall  
5 deposit funds deposited in an account outside the Treasury into the  
6 Treasury in the manner and in the depository specified by the State  
7 Treasurer. The State Treasurer is the final determining authority  
8 as to whether these funds are funds due or not due the state  
9 pursuant to section two of this article.

10 (c) The State Treasurer shall ~~on a quarterly basis~~ provide the  
11 Legislative Auditor with ~~a~~ an annual report of all accounts  
12 authorized under this section.

13 **ARTICLE 3. APPROPRIATIONS, EXPENDITURES AND DEDUCTIONS.**

14 **§12-3-1. Manner of payment from Treasury; form of checks.**

15 (a) Every person claiming to receive money from the Treasury  
16 of the state shall apply to the Auditor for a warrant for same. The  
17 Auditor shall thereupon examine the claim, and the vouchers,  
18 certificates and evidence, if any, offered in support thereof, and  
19 for so much thereof as he or she finds to be justly due from the  
20 state, if payment thereof is authorized by law, and if there is an  
21 appropriation not exhausted or expired out of which it is properly  
22 payable, the Auditor shall issue his or her warrant on the  
23 Treasurer, specifying to whom and on what account the money

1 mentioned therein is to be paid, and to what appropriation it is to  
2 be charged. The Auditor shall present to the Treasurer daily  
3 reports on the number of warrants issued, the amounts of the  
4 warrants and the dates on the warrants for the purpose of  
5 effectuating the investment policies of the State Treasurer, ~~and~~  
6 the West Virginia Investment Management Board and the West Virginia  
7 Board of Treasury Investments. On the presentation of the warrant  
8 to the Treasurer, the Treasurer shall ascertain whether there are  
9 sufficient funds in the Treasury to pay that warrant, and if he or  
10 she finds it to be so, he or she shall in that case, but not  
11 otherwise, endorse his or her check upon the warrant, directed to  
12 some depository, which check shall be payable to the order of the  
13 person who is to receive the money therein specified.

14 (b) If a check is not presented for payment within six months  
15 after it is drawn, it is the duty of the Treasurer to credit it to  
16 the depository on which it was drawn, to credit the "Treasurer's  
17 Stale Check Fund," which is hereby created in the State Treasury,  
18 and immediately notify the Auditor to make corresponding entries on  
19 the Auditor's books. If the State Treasurer determines any funds  
20 deposited in the stale check account are federal funds, the State  
21 Treasurer shall notify the spending unit authorizing the payment.  
22 Within six months following issuance of the notice, the spending  
23 unit shall inform the State Treasurer of the amount of federal

1 funds included in the check, the account from which the federal  
2 funds were disbursed, and the current fiscal year account to which  
3 the federal funds are to be transferred. After receiving the  
4 information, the State Treasurer shall transfer the amount of  
5 federal funds specified as a reimbursement to the current fiscal  
6 year account specified to receive federal funds by the spending  
7 unit. For a period of up to six months, the State Treasurer shall  
8 endeavor to pay the money in the stale check account to the payee.  
9 The Treasurer shall credit the money that has been in the stale  
10 check account for six months, or for a shorter period as determined  
11 by the Treasurer, to the unclaimed property fund pursuant to the  
12 provisions of article eight, chapter thirty-six of this code, and  
13 shall immediately notify the Auditor to make corresponding entries  
14 on the Auditor's books.

15 (c) No state depository may pay a check issued by the State  
16 Treasurer unless it the check is presented within six months after  
17 it is drawn. ~~and every~~ Every check shall bear upon its face the  
18 words "Void, unless presented for payment within six months." If  
19 a state check is not presented for payment within six months after  
20 it is drawn, the state check is presumed to be a stale check and  
21 shall be reported as unclaimed property, in accordance with §36-8-1  
22 et seq. of this code.

23 All state spending units shall regularly monitor checks issued

1 on their behalf in accordance with procedures established by the  
2 Treasurer. Factors to be reviewed and reported to the Treasurer  
3 include, but are not limited to, whether any outstanding check  
4 contains federal funds, whether good-faith efforts have been made  
5 to locate the payees, and whether the outstanding check still  
6 constitutes a valid obligation owed to the payee. If an  
7 outstanding state check contains any federal funds, the spending  
8 unit shall advise the Treasurer of the amount of federal funds  
9 included in the check, the account from which the federal funds  
10 were disbursed and the current fiscal year account to which the  
11 federal funds are to be transferred. If the check remains  
12 outstanding and becomes a stale check, the Treasurer shall credit  
13 the amount of the check to the state depository on which the check  
14 was issued, notify the Auditor to make corresponding entries on his  
15 or her books, and transfer the amount of federal funds reported as  
16 a reimbursement to the current fiscal year account specified to  
17 receive federal funds by the spending unit. The Treasurer shall  
18 transfer any funds from stale checks that are not federal funds  
19 into the Unclaimed Property Fund.

20 (d) Any information or records maintained by the Treasurer  
21 concerning any check not presented for payment within six months of  
22 the date of issuance is confidential and exempt from disclosure  
23 under the provisions of ~~article one, chapter twenty-nine-b~~ §29B-1-1

1 et seq. of this code, and is disclosable only to the state spending  
2 unit authorizing the check, or to the payee, his or her personal  
3 representative, next of kin or attorney-at-law.

4 (e) All claims required by law to be allowed by any court, and  
5 payable out of the State Treasury, shall have the seal of the court  
6 allowing or authorizing the payment of the claim affixed by the  
7 clerk of the court to his or her certificate of its allowance. No  
8 claim may be audited and ~~paid~~ payment authorized by the Auditor  
9 unless the seal of the court is ~~thereto~~ attached. ~~as aforesaid.~~ No  
10 tax or fee may be charged by the clerk for affixing his or her seal  
11 to the certificate, referred to in this section. The Treasurer  
12 shall propose rules in accordance with the provisions of article  
13 three, chapter twenty-nine-a of this code governing the procedure  
14 for such payments from the treasury.

15 **ARTICLE 3A. FINANCIAL ELECTRONIC COMMERCE.**

16 **§12-3A-3. Financial electronic commerce.**

17 (a) The State Auditor and the State Treasurer shall implement  
18 electronic commerce capabilities for each of their offices to  
19 facilitate the performance of their duties under this code. The  
20 State Treasurer shall competitively bid the selection of vendors  
21 needed to provide the necessary banking, investment and related  
22 goods and services, and the provisions of article one-b, chapter  
23 five, and articles three and seven, chapter five-a of this code

1 shall not apply, unless requested by the ~~State Auditor or State~~  
2 Treasurer.

3 (b) A document or a signature received, issued or used by the  
4 Auditor or the Treasurer shall be considered an original and may  
5 not be denied legal effect on the ground that it is in electronic  
6 form.

7 (c) The Auditor or Treasurer may, in his or her discretion,  
8 require documents filed with or submitted to his or her respective  
9 office be filed or submitted in a prescribed electronic format.

10 (d) The Auditor or Treasurer, in his or her discretion, may  
11 waive:

12 (1) Any requirements for a document filed or submitted in an  
13 electronic format; or

14 (2) Any requirements for the certification, notarization or  
15 verification of a document filed or submitted in an electronic  
16 format.

17 (e) The head of each spending unit is responsible for adopting  
18 and implementing security procedures to ensure adequate integrity,  
19 security, confidentiality, and auditability of the business  
20 transactions of his or her spending unit when utilizing electronic  
21 commerce.

22 (f) The Treasurer shall develop procedures for the storage,  
23 retention and disposal of state records, as defined in section

1 three, article eight, chapter five-a of this code, filed with or  
2 submitted to his or her office, and for the reproduction and  
3 preservation of essential state records, as defined in section  
4 four, article eight, chapter five-a of this code, filed with or  
5 submitted to his or her office. Preservation duplicates, as  
6 defined in section three, article eight, chapter five-a of this  
7 code, shall be maintained in an unalterable readable electronic  
8 media in accordance with industry standards, reviewed for accuracy  
9 and indexed, and shall have the same force and effect as the  
10 original records whether the original records are in existence or  
11 not. The procedures shall provide for the maintenance of the  
12 confidentiality of the records and ensure the Director of the  
13 Division of Archives and History receives the records the director  
14 identifies as having historic value. The Treasurer shall purchase  
15 the equipment and supplies needed for record retention as part of  
16 his or her electronic commerce activities.

17 **ARTICLE 5. PUBLIC SECURITIES.**

18 **§12-5-4. Treasurer to keep accounts and make collections.**

19 ~~It shall be the duty of the Treasurer to~~ The Treasurer shall  
20 keep an accurate account of all securities received by him or her  
21 and collect and account for the interest as it becomes due and  
22 payable earnings received and the principal whenever it is due.

23 **ARTICLE 6A. THE DEBT MANAGEMENT ACT OF 1991.**

1 **§12-6A-1. Short title.**

2 This article shall be known and may be cited as "The Debt  
3 Management Act ~~of 1991~~".

4 **§12-6A-2. Legislative findings and declaration of public  
5 necessity.**

6 ~~(a) The Legislature hereby finds and declares that efficient  
7 and effective state government requires the procuring, maintaining  
8 and reporting of pertinent information relating to the debt of the  
9 state and its agencies, boards, commissions and authorities. The  
10 State Treasurer shall perform the functions and duties necessary to  
11 serve as a central information source concerning the incurrence,  
12 recording and reporting of debt issued by the state, its agencies,  
13 boards, commissions and authorities.~~

14 ~~(b) The Legislature hereby finds:~~

15 ~~(1) The credit rating and acceptance of bonds, notes,  
16 certificates of participation and other securities and indebtedness  
17 of the State and its spending units have been unstable as a result  
18 of the instability in traditional national and international  
19 markets of goods and services produced by the citizens of the  
20 State.~~

21 ~~(2) In order to finance essential capital projects for the  
22 benefit of the citizens of the State at the lowest possible cost,  
23 the State must maintain high levels of acceptance of the~~

1 ~~indebtedness of the State and its spending units in the financial~~  
2 ~~markets.~~

3 ~~(3) In order to attain these goals, authorization of State~~  
4 ~~debt must be based on the ability of the State to meet its total~~  
5 ~~debt service requirements, in light of other uses of its fiscal~~  
6 ~~resources. in order to maintain the strong financial management of~~  
7 ~~the state, to meet the fiscal needs of state government and to~~  
8 ~~facilitate financing essential capital projects at the lowest~~  
9 ~~possible cost to the citizens of the state, the state must~~  
10 ~~regularly monitor the amount of debt issued by the state and its~~  
11 ~~spending units, ensure the state and its spending units meet all~~  
12 ~~debt service requirements, monitor the credit rating of the state~~  
13 ~~and analyze the acceptance of debt issued by the state and its~~  
14 ~~spending units. The Legislature further finds that in order to~~  
15 ~~meet these important goals, the Division of Debt Management needs~~  
16 ~~to be continued.~~

17 **§12-6A-3. Division of Debt Management ~~created~~ continued; director.**

18 ~~There is hereby created within the office of the State~~  
19 ~~Treasurer, the (a) The Division of Debt Management is continued in~~  
20 ~~the office of the State Treasurer.~~

21 ~~(b) The Division shall serve as a central information source~~  
22 ~~concerning the incurrence, recording and reporting of debt issued~~  
23 ~~by the state and its spending units, and shall prepare reports~~

1 pertaining to the capacity of the state and its spending units to  
2 issue debt.

3 ~~(c) The division shall be under the control of a Director to~~  
4 ~~be appointed by the Treasurer and who shall be~~ shall appoint a  
5 director, qualified by reason of exceptional training and  
6 experience in the field of activities of his or her respective  
7 division, and who shall serve at the will and pleasure of the  
8 Treasurer.

9 **§12-6A-4. Definitions.**

10 For the purpose of this article:

11 "Debt" means bonds, notes, certificates of participation,  
12 certificate transactions, capital leases, debentures, lease  
13 purchases, mortgages, securitizations and all other forms of  
14 securities and indebtedness obligations evidencing specific amounts  
15 owed and payable on demand or on determinable dates.

16 "Debt impact report" means a report prepared by the division  
17 which includes information pertaining to a proposed issuance of  
18 debt by the state or its spending units.

19 "Division" means the Division of Debt Management.

20 "Moral obligation bond" means a debt obligation for which the  
21 state or a spending unit has made a nonbinding covenant to make up  
22 any deficiency in debt service.

23 "Net tax supported debt" means the amount of tax supported

1 debt less any applicable refundings, defeasances, escrow accounts,  
2 reserve requirements and sinking funds.

3 "State" means the State of West Virginia.

4 "Spending unit" means ~~any of the state's agencies, boards,~~  
5 ~~commissions, committees, authorities or other of its entities with~~  
6 ~~the power to issue debt and secure such debt, and not including~~  
7 ~~local political subdivisions of the State~~ a state department,  
8 agency, board, commission, committee, authority or other entity of  
9 the state with the power to issue and secure debt. Spending unit  
10 does not include local political subdivisions.

11 "Tax supported debt" means: (1) General obligation bonds of  
12 the state; (2) moral obligation bonds of the state or a spending  
13 unit; (3) capital leases, installment purchases, lease purchases,  
14 mortgages, certificates of participation and any other similar debt  
15 financing transaction extending beyond one year issued by the state  
16 or its spending units; and (4) any other debt issued by the state  
17 or a spending unit which is not self-supporting. Tax supported  
18 debt does not include any debt issued by the West Virginia housing  
19 development fund, economic development authority, hospital finance  
20 authority, parkway authority, public energy authority, solid waste  
21 management board and water development authority, with the  
22 exception of debt issued by the entities listed in this definition  
23 secured by lottery revenues or secured by a lease with the

1 Secretary of Administration.

2 **§12-6A-5. Powers and duties.**

3 The Division of Debt Management shall perform the following  
4 functions and duties:

5 (1) ~~Develop a long term debt plan including criteria for the~~  
6 ~~issuance of debt by the State and its spending units and the~~  
7 ~~continuous evaluation of~~ Continuously evaluate the current and  
8 projected debt and debt service requirements of the state and its  
9 spending units.

10 (2) Evaluate cash flow projections relative to proposed and  
11 existing revenue bond issues.

12 (3) Review all proposed offerings of debt of the state and its  
13 spending units, requesting any additional information needed to  
14 issue a debt impact report if requested by the Governor, the  
15 President of the Senate or the Speaker of the House of Delegates.  
16 A debt impact report shall in no way restrict the Governor, the  
17 Legislature or the spending unit.

18 ~~(3)~~ (4) Act as liaison with the Legislature on all debt  
19 matters, including, but not limited to, new debt issues and the  
20 status of debt issued by the state and its spending units.

21 ~~(4)~~ (5) Assist the state and its spending units regarding the  
22 issuance of debt if requested.

23 ~~(5)~~ (6) Establish reporting requirements for the issuance of

1 debt by the state and its spending units pursuant to the provisions  
2 of this article.

3 (7) Monitor continuing disclosure requirements and  
4 post-issuance compliance issues with federal and state tax and  
5 securities law, including, without limitation, arbitrage, rebate  
6 and remedial measures.

7 ~~(6)~~ (8) Make and execute contracts and other instruments and  
8 pay the reasonable value of services or commodities rendered to the  
9 division pursuant to those contracts.

10 ~~(7)~~ (9) Contract, cooperate or join with any one or more other  
11 governments or public agencies, ~~or~~ with any political subdivision  
12 of the state, or with the United States, to perform any  
13 administrative service, activity or undertaking which ~~any such~~ the  
14 contracting party is authorized by law to perform, ~~and to~~ charge  
15 for providing ~~such~~ services and expend any fees collected.

16 ~~(8)~~ (10) Do all things necessary or convenient to effectuate  
17 the intent of this article and to carry out its powers and  
18 functions.

19 ~~(9) Provide staff services to the debt capacity advisory~~  
20 ~~division established in article six b of this chapter.~~

21 **~~§12-6A-6. Debt information reporting~~ Reporting.**

22 (a) Within fifteen days following the end of each calendar  
23 quarter, each state spending unit shall provide the division and

1 the Legislative Auditor, in the manner provided by this article and  
2 in such form and detail as the State Treasurer may ~~by regulation~~  
3 require, a ~~statement of the total debt of each such state spending~~  
4 ~~unit incurred during the calendar quarter and owing at the end of~~  
5 ~~such calendar quarter, which statement shall include~~ report  
6 including, but not ~~be~~ limited to, the name of the state spending  
7 unit, the amounts and types of debt incurred during the calendar  
8 quarter and outstanding at the end of the calendar quarter, the  
9 cost and expenses of incurring the debt, the maturity date of each  
10 debt, the terms and conditions of the debt, the current debt  
11 service on the debt, the ~~current~~ interest rate on the debt, the  
12 source of the proceeds utilized for repayment of the debt, the  
13 amounts of repayment during the calendar quarter, the repayment  
14 schedule and the security for the debt. A state spending unit  
15 having no outstanding debt shall not be required to provide the  
16 quarterly report but shall file an annual report, on forms  
17 established by the Division of Debt Management: *Provided*, That the  
18 state spending unit shall immediately notify the Division of Debt  
19 Management of any change in the spending unit's outstanding debt or  
20 financial condition.

21 (b) Not less than thirty days prior to a proposed offering of  
22 debt ~~to be issued by~~ the state or a state spending unit, written  
23 notice of ~~such~~ the proposed offering and the terms thereof shall be

1 given to the division by ~~such~~ the state spending unit in the form  
2 as the division may ~~by regulation~~ require.

3 (c) Within thirty days after closing on an offering, the  
4 ~~terms shall be reported to the~~ responsible spending unit shall  
5 report to the division the information pertaining to the offering  
6 required by the division in the form ~~as~~ the division may ~~by~~  
7 ~~regulation~~ require.

8 ~~(c)~~ (d) On or before ~~the thirty-first day of~~ January 31 and  
9 ~~the thirty-first day of~~ July 31 of each year, the ~~Treasurer~~  
10 division shall prepare and issue a report of all debt of the state  
11 and its spending units and of all proposed debt issuances of which  
12 the ~~Treasurer~~ division has received notice and shall furnish a copy  
13 of ~~such~~ the report to the Governor, the President of the Senate,  
14 the Speaker of the House of Delegates, the members of the Joint  
15 Committee on Government and Finance, the Legislative Auditor and  
16 upon request to any other legislative committee and any member of  
17 the Legislature. The report shall be kept available for inspection  
18 by any citizen of the state. The ~~Treasurer~~ division shall also  
19 prepare updated reports of all debt of the state and its spending  
20 units as of March 31 and September 30 each year, which shall be  
21 available for inspection at the office of the State Treasurer ~~on or~~  
22 ~~before the thirty-first day of March and the thirtieth day of~~  
23 ~~September of each year~~ within thirty days of the end of the

1 respective calendar quarter.

2 (e) On or before ~~the fifteenth day of~~ January 15 each year,  
3 the division shall report to the Governor and to the Legislature on  
4 the capacity of the state to issue additional debt. In preparing  
5 its annual review and estimate, the division shall, at a minimum,  
6 consider:

7 (1) The amount of net tax supported debt outstanding and debt  
8 authorized but not issued during the current and next fiscal year  
9 and annually for the following ten fiscal years;

10 (2) Debt service requirements during the current and next  
11 fiscal year and annually for the following ten fiscal years based  
12 upon existing outstanding debt, previously authorized but unissued  
13 debt and projected bond authorizations;

14 (3) Any information available from the budget office of the  
15 Department of Revenue in connection with projected revenues and  
16 anticipated capital expenditures projected for at least the next  
17 five fiscal years;

18 (4) The amount of debt the state and its spending units may  
19 prudently issue;

20 (5) What is needed to keep West Virginia within an average to  
21 low range of nationally recognized debt limits;

22 (6) The debt ratios rating agencies and analysts use; and

23 (7) The effect of authorizations of new tax supported debt on

1 each of the considerations in this subsection.

2 **§12-6A-7. Promulgation of rules.**

3       The ~~Division of Debt Management~~ Treasurer shall ~~promulgate~~  
4 propose rules for legislative approval relating to reporting  
5 requirements and ~~its~~ the duties under this article ~~and the rules~~  
6 ~~shall be promulgated~~ in accordance with the provisions of article  
7 three, chapter twenty-nine-a of this Code.

8 **ARTICLE 6C. WEST VIRGINIA BOARD OF TREASURY INVESTMENTS.**

9 **§12-6C-7. Management and control of fund; officers; staff;**  
10 **fiduciary or surety bonds for directors; liability**  
11 **of directors.**

12       (a) The management and control of the Consolidated Fund is  
13 vested solely in the board in accordance with the provisions of  
14 this article.

15       (b) The State Treasurer is the chairperson of the board. The  
16 board shall elect a vice chairperson. Annually, the directors shall  
17 elect a secretary to keep a record of the proceedings of the Board  
18 and provide any other duties required by the board. The board may  
19 elect a person who is not a member of the board as secretary.

20       (c) The board may use the staff of the State Treasurer, employ  
21 personnel and contract with any person or entity needed to perform  
22 the tasks related to operating the Consolidated Fund.

1 (d) The board shall retain an internal auditor to report  
2 directly to the board and shall fix his or her compensation. As a  
3 minimum qualification, the internal auditor shall be a certified  
4 public accountant with at least three years' experience as an  
5 auditor. The internal auditor shall develop an internal audit plan,  
6 with board approval, for the testing of procedures, internal  
7 controls and the security of transactions.

8 (e) The board may retain one employee with a chartered  
9 financial analyst designation or an employee who is a certified  
10 treasury manager.

11 (f) Each director shall give a separate fiduciary or surety  
12 bond from a surety company qualified to do business within this  
13 state in a penalty amount of ~~one~~ \$1 million ~~dollars~~ for the  
14 faithful performance of his or her duties as a director. The Board  
15 shall purchase a blanket bond for the faithful performance of its  
16 duties in the amount of ~~of fifty~~ set by the board of at least ten \$10  
17 million ~~dollars. or in an amount equivalent to one percent of the~~  
18 ~~assets under management, whichever is greater.~~ The amount of the  
19 blanket bond is in addition to the \$1 ~~one~~ million ~~dollar~~ individual  
20 bond required of each director by the provisions of this section.  
21 The board may require a fiduciary or surety bond from a surety  
22 company qualified to do business in this state for any person who  
23 has charge of, or access to, any securities, funds or other moneys

1 held by the board and the amount of the fiduciary or surety bond  
2 are fixed by the board. The premiums payable on all fiduciary or  
3 surety bonds are expenses of the board.

4 (g) The directors, employees of the board and employees of the  
5 State Treasurer performing work for or on behalf of the board are  
6 not liable personally, either jointly or severally, for any debt or  
7 obligation created by the board: *Provided*, That the directors and  
8 employees of the board are liable for acts of misfeasance or gross  
9 negligence.

10 (h) The board is exempt from the provisions of article three,  
11 chapter five-a, and sections seven and eleven, article three,  
12 chapter twelve of this code. However, the board is subject to the  
13 purchasing policies and procedures of the State Treasurer's Office.

14 **§12-6C-9. Asset allocation; investment policies, authorized**  
15 **investments; restrictions.**

16 (a) The board shall develop, adopt, review or modify an asset  
17 allocation plan for the Consolidated Fund at each annual board  
18 meeting.

19 (b) The board shall adopt, review, modify or cancel the  
20 investment policy of each fund or pool created at each annual board  
21 meeting. For each participant directed account authorized by the  
22 State Treasurer, staff of the board shall develop an investment  
23 policy for the account and create the requested account. The board

1 shall review all existing participant directed accounts and  
2 investment policies at its annual meeting for modification.

3 (c) The board shall consider the following when adopting,  
4 reviewing, modifying or canceling investment policies:

5 (1) Preservation of capital;

6 (2) Risk tolerance;

7 (3) Credit standards;

8 (4) Diversification;

9 (5) Rate of return;

10 (6) Stability and turnover;

11 (7) Liquidity;

12 (8) Reasonable costs and fees;

13 (9) Permissible investments;

14 (10) Maturity ranges;

15 (11) Internal controls;

16 (12) Safekeeping and custody;

17 (13) Valuation methodologies;

18 (14) Calculation of earnings and yields;

19 (15) Performance benchmarks and evaluation; and

20 (16) Reporting.

21 (d) No security may be purchased by the board unless the type  
22 of security is on a list approved at a board meeting. The board  
23 shall review the list at its annual meeting.

1 (e) Notwithstanding the restrictions which are otherwise  
2 provided by law with respect to the investment of funds, the board  
3 and all participants, now and in the future, may invest funds in  
4 these securities:

5 (1) Obligations of, or obligations that are insured as to  
6 principal and interest by, the United States of America or any  
7 agency or corporation thereof and obligations and securities of the  
8 United States sponsored enterprises, including, without limitation:

9 (i) United States Treasury;

10 (ii) Export-Import Bank of the United States;

11 (iii) Farmers Home Administration;

12 (iv) Federal Farm Credit Banks;

13 (v) Federal Home Loan Banks;

14 (vi) Federal Home Loan Mortgage Corporation;

15 (vii) Federal Land Banks;

16 (viii) Government National Mortgage Association;

17 (ix) Merchant Marine bonds; and

18 (x) Tennessee Valley Authority Obligations;

19 (2) Obligations of the Federal National Mortgage Association;

20 (3) Commercial paper with one of the two highest commercial  
21 paper credit ratings by a nationally recognized ~~investment rating~~  
22 ~~firm~~ statistical rating organization;

23 (4) Corporate debt rated ~~in one of the six highest rating~~

1 ~~categories by a nationally recognized rating agency investment~~  
2 ~~grade by a nationally recognized statistical rating organization;~~

3 (5) State and local government, or any instrumentality or  
4 agency thereof, securities with one of the three highest ratings by  
5 a nationally recognized ~~rating agency~~ statistical rating  
6 organization;

7 (6) Repurchase agreements involving the purchase of United  
8 States Treasury securities and repurchase agreements fully  
9 collateralized by obligations of the United States Government or  
10 its agencies or instrumentalities;

11 (7) Reverse repurchase agreements involving the purchase of  
12 United States Treasury securities and reverse repurchase agreements  
13 fully collateralized by obligations of the United States Government  
14 or its agencies or instrumentalities;

15 (8) Asset-backed securities rated in the highest category by  
16 a nationally recognized ~~rating agency~~ statistical rating  
17 organization;

18 (9) Certificates of deposit; ~~and~~

19 (10) Money market and other fixed income funds; and

20 ~~(10)~~ (11) Investments in accordance with the Linked Deposit  
21 Program, ~~a program~~ loans authorized under this article, programs  
22 using financial institutions in West Virginia to ~~obtain~~  
23 ~~certificates of deposit, loans approved by the Legislature~~ invest

1 moneys, equipment and software financing program for West Virginia  
2 State Government entities that authorize the board to capture  
3 revenues in the event of default and any other programs authorized  
4 by the Legislature.

5 (f) In addition to the restrictions and conditions contained  
6 in this section:

7 (1) At no time shall more than seventy-five percent of the  
8 Consolidated Fund be invested in any bond, note, debenture,  
9 commercial paper or other evidence of indebtedness of any private  
10 corporation or association; and

11 (2) At no time shall more than five percent of the  
12 Consolidated Fund be invested in securities issued by a single  
13 private corporation or association. ~~and~~

14 ~~(3) At no time shall less than fifteen percent of the~~  
15 ~~Consolidated Fund be invested in any direct obligation of or~~  
16 ~~obligation guaranteed as to the payment of both principal and~~  
17 ~~interest by the United States of America.~~

18 (g) Securities purchased in compliance with this article that  
19 become noncompliant may be retained upon recommendation of the  
20 investment manager of the security and the board investment  
21 consultant.

22 **CHAPTER 18. EDUCATION.**

23 **ARTICLE 30. WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS**

1                   **PROGRAM ACT.**

2 **§18-30-8.           College Prepaid Tuition and Savings Program**  
3                   **Administrative Account.**

4       (a) There is hereby created a separate account within the  
5 State Treasurer's office titled the "College Prepaid Tuition and  
6 Savings Program Administrative Account" for the purposes of  
7 implementing, operating and maintaining the trust funds and program  
8 created by this article, and providing matching grant contributions  
9 and scholarships for the program. ~~On the effective date of this~~  
10 ~~section, all moneys in the Prepaid Tuition Trust Fund~~  
11 ~~Administrative Account are hereby transferred to the College~~  
12 ~~Prepaid Tuition and Savings Program Administrative Account.~~

13       (b) The administrative account shall receive all fees, charges  
14 and penalties collected by the board. Expenditures from the fund  
15 are authorized from collections subject to appropriations made by  
16 the Legislature.

17 **§18-30-11.   Financial aid eligibility.**

18       (a) The calculations of a beneficiary's eligibility for state  
19 student financial aid for higher education may not include or  
20 consider the value of distributions available in a prepaid tuition  
21 account or the value of distributions available in a savings plan  
22 account.

23       (b) The value of a prepaid tuition account or a savings plan

1 account shall not be considered for purposes of determining  
2 eligibility for income-based governmental financial assistance,  
3 unless otherwise required by federal law.

4

#### CHAPTER 33. INSURANCE

5 **ARTICLE 3. LICENSING, FEES, AND TAXATION OF INSURANCE.**

6 **§33-3-14d. Additional fire and casualty insurance premium tax;**  
7 **allocation of proceeds; effective date.**

8 (a) (1) For the purpose of providing additional revenue for  
9 municipal policemen's and firemen's pension and relief funds and  
10 the Teachers Retirement System Reserve Fund and for volunteer and  
11 part-volunteer fire companies and departments, there is hereby  
12 levied and imposed an additional premium tax equal to one percent  
13 of taxable premiums for fire insurance and casualty insurance  
14 policies. For purposes of this section, casualty insurance does not  
15 include insurance on the life of a debtor pursuant to or in  
16 connection with a specific loan or other credit transaction or  
17 insurance on a debtor to provide indemnity for payments becoming  
18 due on a specific loan or other credit transaction while the debtor  
19 is disabled as defined in the policy.

20 (2) All moneys collected from this additional tax shall be  
21 received by the commissioner and paid by him or her into a special  
22 account in the State Treasury, designated the Municipal Pensions  
23 and Protection Fund: *Provided*, That on or after January 1, 2010,

1 the commissioner shall pay ten percent of the amount collected to  
2 the Teachers Retirement System Reserve Fund created in section  
3 eighteen, article seven-a, chapter eighteen of this code,  
4 twenty-five percent of the amount collected to the Fire Protection  
5 Fund created in section thirty-three of this article for allocation  
6 by the Treasurer to volunteer and part-volunteer fire companies and  
7 departments and sixty-five percent of the amount collected to the  
8 Municipal Pensions and Protection Fund: *Provided, however, That*  
9 upon notification by the Municipal Pensions Oversight Board  
10 pursuant to the provisions of section eighteen-b, article  
11 twenty-two, chapter eight of this code, on or after January 1,  
12 2010, or as soon thereafter as the Municipal Pensions Oversight  
13 Board is prepared to receive the funds, sixty-five percent of the  
14 amount collected by the commissioner shall be deposited in the  
15 Municipal Pensions Security Fund created in section eighteen-b,  
16 article twenty-two, chapter eight of this code. The net proceeds of  
17 this tax after appropriation thereof by the Legislature is  
18 distributed in accordance with the provisions of this section,  
19 except for distribution from proceeds pursuant to subsection (d),  
20 section eighteen-a, article twenty-two, chapter eight of this code.

21 (b) (1) Before ~~the first day of~~ August 1 of each year, the  
22 Treasurer of each municipality in which a municipal policemen's or  
23 firemen's pension and relief fund is established shall report to

1 the State Treasurer the average monthly number of members who  
2 worked at least one hundred hours per month and the average monthly  
3 number of retired members of municipal policemen's or firemen's  
4 pension and relief fund or the Municipal Police Officers and  
5 Firefighters Retirement System during the preceding fiscal year:  
6 Provided, That beginning in the year 2010 and continuing  
7 thereafter, the report shall be made to the oversight board created  
8 in section eighteen-a, article twenty-two, chapter eight of this  
9 code. These reports received by the oversight board shall be  
10 provided annually to the State Treasurer by September 1.

11 (2) Before ~~the first day of~~ September 1 of each calendar year,  
12 the State Treasurer, or the Municipal Pensions Oversight Board,  
13 once in operation, shall allocate and authorize for distribution  
14 the revenues in the Municipal Pensions and Protection Fund which  
15 were collected during the preceding calendar year for the purposes  
16 set forth in this section. Before ~~the first day of~~ September 1 of  
17 each calendar year and after the Municipal Pensions Oversight Board  
18 has notified the Treasurer and commissioner pursuant to section  
19 eighteen-b, article twenty-two, chapter eight of this code, the  
20 Municipal Pensions Oversight Board shall allocate and authorize for  
21 distribution the revenues in the Municipal Pensions Security Fund  
22 which were collected during the preceding calendar year for the  
23 purposes set forth in this section. In any year the actuarial

1 report required by section twenty, article twenty-two, chapter  
2 eight of this code indicates no actuarial deficiency in the  
3 Municipal Policemen's or Firemen's Pension and Relief Fund, no  
4 revenues may be allocated from the Municipal Pensions and  
5 Protection Fund or the Municipal Pensions Security Fund to that  
6 fund. The revenues from the Municipal Pensions and Protection Fund  
7 shall then be allocated to all other pension and relief funds which  
8 have an actuarial deficiency. (3) The moneys, and the interest  
9 earned thereon, in the Municipal Pensions and Protection Fund  
10 allocated to volunteer and part-volunteer fire companies and  
11 departments shall be allocated and distributed quarterly to the  
12 volunteer fire companies and departments. Before each distribution  
13 date, the State Fire Marshal shall report to the State Treasurer  
14 the names and addresses of all volunteer and part-volunteer fire  
15 companies and departments within the state which meet the  
16 eligibility requirements established in section eight-a, article  
17 fifteen, chapter eight of this code.

18 (c) (1) Each municipal pension and relief fund shall have  
19 allocated and authorized for distribution a pro rata share of the  
20 revenues allocated to municipal policemen's and firemen's pension  
21 and relief Funds based on the corresponding municipality's average  
22 monthly number of police officers and firefighters who worked at  
23 least one hundred hours per month during the preceding fiscal year.

1 On and after July 1, 1997, from the growth in any moneys collected  
2 pursuant to the tax imposed by this section and interest thereon  
3 there shall be allocated and authorized for distribution to each  
4 municipal pension and relief fund, a pro rata share of the revenues  
5 allocated to municipal policemen's and firemen's pension and relief  
6 funds based on the corresponding municipality's average number of  
7 police officers and firefighters who worked at least one hundred  
8 hours per month and average monthly number of retired police  
9 officers and firefighters. For the purposes of this subsection, the  
10 growth in moneys collected from the tax collected pursuant to this  
11 section is determined by subtracting the amount of the tax  
12 collected during the fiscal year ending June 30, 1996, from the tax  
13 collected during the fiscal year for which the allocation is being  
14 made and interest thereon. All moneys received by municipal pension  
15 and relief funds under this section may be expended only for those  
16 purposes described in sections sixteen through twenty-eight,  
17 inclusive, article twenty-two, chapter eight of this code.

18       (2) Each volunteer fire company or department shall receive an  
19 equal share of the revenues allocated for volunteer and  
20 part-volunteer fire companies and departments.

21       (3) In addition to the share allocated and distributed in  
22 accordance with subdivision (1) of this subsection, each municipal  
23 fire department composed of full-time paid members and volunteers

1 and part-volunteer fire companies and departments shall receive a  
2 share equal to the share distributed to volunteer fire companies  
3 under subdivision (2) of this subsection reduced by an amount equal  
4 to the share multiplied by the ratio of the number of full-time  
5 paid fire department members who are also members of a municipal  
6 firemen's pension and relief fund or the Municipal Police Officers  
7 and Firefighters Retirement System to the total number of members  
8 of the fire department.

9 (d) The allocation and distribution of revenues provided for  
10 in this section are subject to the provisions of section twenty,  
11 article twenty-two, and sections eight-a and eight-b, article  
12 fifteen, chapter eight of this code.

13 (e) Based on the findings of an audit by the Treasurer, the  
14 Legislature hereby finds and declares that during the period of  
15 1982 through February 29, 2012 allocations from the Municipal  
16 Pensions Protection Fund were miscalculated and errors were made in  
17 amounts transferred, resulting in overpayments and underpayments to  
18 the relief and pension funds and to the Teachers Retirement System,  
19 and that the relief and pension funds and the Teachers Retirement  
20 System were not at fault for any of the overpayments and  
21 underpayments. The Legislature hereby further finds and declares  
22 that any attempt by the Municipal Pension Oversight Board or other  
23 entity to recover any of the overpayments would be unjust and

1 create economic hardship for the entities that received  
2 overpayments. No entity, including, without limitation, the  
3 Municipal Pension Oversight Board, may seek to recover from a  
4 relief or pension fund, the Teachers Retirement System or the state  
5 any overpayments received from the Municipal Pensions and  
6 Protection Fund and the overpayments are not subject to recovery,  
7 offset or litigation. Pursuant to the audit by the Treasurer, the  
8 amount of \$3,571,546.55 is determined owed to specific relief and  
9 pension funds through the period of February 29, 2012. The  
10 Treasurer is hereby authorized to transfer the amount of  
11 \$3,571,546.55 from the Unclaimed Property Trust Fund to the  
12 Municipal Pensions and Protect Fund, which is hereby reopened for  
13 the sole purpose of the transfer and remittances pursuant to this  
14 subsection (e), and to use the amount transferred to remit the  
15 amounts due to the pension and relief funds. The payment of the  
16 \$3,571,546.55 to the pension and relief funds is complete  
17 satisfaction of any amounts due, and no entity, including, without  
18 limitation, the Municipal Pension Oversight Board and any pension  
19 or relief fund, may seek to recover any further amounts.

20 **CHAPTER 36. ESTATES AND PROPERTY.**

21 **ARTICLE 8. UNIFORM UNCLAIMED PROPERTY ACT.**

22 **§36-8-13. Deposit of funds.**

23 (a) The administrator shall record the name and last known

1 address of each person appearing from the holders reports to be  
2 entitled to the property and the name and last known address of  
3 each insured person or annuitant and beneficiary and with respect  
4 to each policy or annuity listed in the report of an insurance  
5 company, its number, the name of the company and the amount due.

6 (b) The Unclaimed Property Fund is continued. The  
7 administrator shall deposit all funds received pursuant to this  
8 article in the Unclaimed Property Fund, including the proceeds from  
9 the sale of abandoned property under section twelve of this  
10 article. In addition to paying claims of unclaimed property duly  
11 allowed, the administrator may deduct the following expenses from  
12 the Unclaimed Property Fund:

13 (1) Expenses of the sale of abandoned property;

14 (2) Expenses incurred in returning the property to owners,  
15 including without limitation the costs of mailing and publication  
16 to locate owners;

17 (3) Reasonable service charge; ~~and~~

18 (4) Expenses incurred in examining records of holders of  
19 property and in collecting the property from those holders; and

20 (5) Expenses related to the operations and programs of the  
21 Treasurer's office.

22 (c) The Unclaimed Property Trust Fund is continued within the  
23 State Treasury. The administrator may invest the Unclaimed Property

1 Trust Fund with the West Virginia Board of Treasury Investments and  
2 all earnings shall accrue to the fund and are available for  
3 expenditure in accordance with this article. After deducting the  
4 expenses specified in subsection (b) of this section and  
5 maintaining a sum of money from which to pay claims duly allowed,  
6 the administrator shall transfer the remaining moneys in the  
7 Unclaimed Property Fund to the Unclaimed Property Trust Fund.

8       (d) (1) On July 1, 2009, the unclaimed property administrator  
9 shall transfer the amount of \$8 million from the Unclaimed Property  
10 Trust Fund to the Prepaid Tuition Trust Escrow Fund.

11       (2) On or before December 15 of each year, notwithstanding any  
12 provision of this code to the contrary, the administrator shall  
13 transfer the sum of \$1 million from the Unclaimed Property Trust  
14 Fund to the Prepaid Tuition Trust Escrow Fund, until the actuary  
15 certifies there are sufficient funds to pay out all contracts.

16       (e) On or before June 1, 2007, the unclaimed property  
17 administrator shall transfer the amount of \$2 million from the  
18 Unclaimed Property Trust Fund to the Deferred Compensation Matching  
19 Fund for operation of the deferred compensation matching program  
20 for state employees. On or before June 1, 2008, the unclaimed  
21 property administrator shall transfer the amount of \$1 million from  
22 the Unclaimed Property Trust Fund to the Deferred Compensation  
23 Matching Fund for operation of the matching program.

1        (f) On or before June 1, 2013, the unclaimed property  
2 administrator shall transfer the amount of \$3,571,546.55 from the  
3 Unclaimed Property Trust Fund to the Municipal Pensions Security  
4 Fund for the purpose of satisfying any amounts due as of February  
5 29, 2012 to policemen's and firemen's pension and relief funds in  
6 accordance with §33-3-14d of this Code.

7        ~~(f)~~ (g) After transferring any money required by subsections  
8 ~~(d) and (e)~~ through (f) of this section, the administrator shall  
9 transfer moneys remaining in the Unclaimed Property Trust Fund to  
10 the General Revenue Fund.

NOTE: The purpose of this bill is to amend various provisions of the Code affecting the Treasurer's Office. In addition to various technical clean up revisions, the bill authorizes organizations exempt from taxation within West Virginia to participate in the deferred compensation plan Retirement Plus in accordance with the Internal Revenue Code and authorizes Roth accounts within the deferred compensation plan Retirement Plus in accordance with the Internal Revenue Code. Financial institutions would be permitted to offer products in addition to certificates of deposit. The bill updates references to investing authorities to include the Board of Treasury Investments, raises the amount of eligible deposits from \$100,000 to the amount insured by a federal agency, deletes archaic language pertaining to eligible depositories, amends language pertaining to what constitutes a conflict of interest for applicants and employees of the Treasurer's office in connection with financial institutions by prohibiting those persons with a defined conflict from participating in the selection of or in contract negotiations with a depository, and authorizes depositories to submit reports in an electronic format. In connection with the Cash Management Improvement Act (CMIA), the bill repeals duplicate §12-1-12c, clarifies that payments under the CMIA are interest payments, and changes the CMIA report from a quarterly report to an annual report

since the calculation is only prepared annually. Revisions pertaining to receipting of moneys include changing the requirement that deposits are required within 24 hours to one business day (since 24 hours is not feasible); establishing standards for receipting of moneys; reviewing internal controls by auditors and the Treasurer; ensuring copies of audits are submitted to the Legislative Auditor; and requiring redaction of confidential information in internal control procedures before release of the procedures. The bill clarifies the definitions of federal, special and general revenue funds, eliminates reference to the chief inspector of public offices (position has not existed for many years), and changes the report to the Legislative Auditor for accounts outside the treasury from quarterly to an annual report. Proposed revisions conform language pertaining to determining the amount of federal funds in state state checks to the capabilities of the enterprise resource planning system; clarify that the Treasurer determines the competitive bidding of banking, investment and related goods and services required for treasury operations; authorize the Treasurer to develop procedures for storing, retaining and disposing of records for his or her office; ensure the February 28, 2013 Director of the Division of Archives and History receives records with historical value; and clarify that the Treasurer is responsible for earnings received on securities, not just interest. The bill repeals the provision of article 6B of chapter 12; consolidates the debt capacity division into the debt management division; amends legislative findings to acknowledge the importance of monitoring the debt of the state and its spending units; continues the division of debt management as the central information source for debt issued by the state and its spending units; expands the definition of debt to include debentures, lease purchases, mortgages, securitizations and other types of obligations with specific amounts owed and payable on demand or on determinable dates; defines debt impact report, moral obligation bond, net tax supported debt and tax supported debt; amends definition of spending unit; eliminates requirement for developing a long-term debt plan; clarifies the division is responsible for continuously evaluating debt and debt service requirements and reviewing all proposed debt offerings of the state and its spending units; clarifies the division is to issue a debt impact report if requested by the Governor, Senate President or House of Delegates Speaker and that the report shall not restrict the Governor, Legislature or spending unit; requires the division to monitor continuing disclosure requirements and post-issuance compliance issues; eliminates requirement that the debt management division provide staff for the debt capacity division; clarifies the

reporting requirements of the division and the spending units; requires division to prepare and issue the debt capacity report; and clarifies the Treasurer promulgates the rules. As to the Board of Treasury Investments, the bill proposes to alter the bond required for the board from \$50 million to at least \$10 million, as set by the board; update language pertaining to rating agencies to nationally recognized statistical rating organizations; authorize investment in investment grade corporate debt, in money market and in other fixed income funds; authorize the board to make loans specified by the Legislature and to offer an equipment and software financing program for state government entities; remove requirement that direct or guaranteed obligations of the United States constitute at least fifteen percent of the consolidated fund; and permit securities falling out of compliance with the Code to not have to be sold if the investment manager and investment consultant recommend retention. The bill authorizes moneys in the College Prepaid Tuition and Savings Program Administrative Account be used to provide matching grants and scholarships for the SMART529 program and clarifies the value of a prepaid tuition or savings plan account is not considered for purposes of determining eligibility for income-based governmental financial assistance unless required by federal law. In accordance with the audit conducted by the Treasurer, the bill satisfies amounts due to and from policemen's and firemen's pension and relief funds and the Teachers Retirement System. In addition, the bill authorizes expenses related to operations and programs of the office of the Treasurer from the Unclaimed Property Fund, authorizes transfer of moneys from the Unclaimed Property Trust Fund for payment to policemen's and firemen's pension and relief funds, repeals §48-2-604 which duplicates the fee for marriage licenses, and makes various technical clean up revisions.

§5-10B-14 is new; therefore, it has been completely underscored.

§12-2-2 has been completely rewritten; therefore it has been completely underscored.

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