



1 The Governor may, in lieu of imposing a reduction in  
2 appropriations, request an appropriation by the Legislature from  
3 the Revenue Shortfall Reserve Fund established in this section.

4 (b) (1) A Revenue Shortfall Reserve Fund is ~~hereby~~ continued  
5 within the State Treasury. The Revenue Shortfall Reserve Fund  
6 shall be funded continuously and on a revolving basis in accordance  
7 with this subsection up to an aggregate amount not to exceed  
8 thirteen percent of the total appropriations from the State Fund,  
9 General Revenue, for the fiscal year just ended. The Revenue  
10 Shortfall Reserve Fund shall be funded as set forth in this  
11 subsection from surplus revenues, if any, in the State Fund,  
12 General Revenue, as the surplus revenues may accrue from time to  
13 time. Within sixty days of the end of each fiscal year, the  
14 secretary shall cause to be deposited into the Revenue Shortfall  
15 Reserve Fund ~~such amount of~~ an amount equal to the first fifty  
16 percent of all surplus revenues, if any, determined to have accrued  
17 during the fiscal year just ended, as may be necessary to bring the  
18 balance of the Revenue Shortfall Reserve Fund to thirteen percent  
19 of the total appropriations from the State Fund, General Revenue,  
20 for the fiscal year just ended. If at the end of any fiscal year  
21 the Revenue Shortfall Reserve Fund is funded at an amount equal to  
22 or exceeding thirteen percent of the State's General Revenue Fund  
23 budget for the fiscal year just ended, then there ~~shall~~ may be no  
24 further deposit by the secretary under the provisions of this

1 section of any surplus revenues as set forth in this subsection  
2 until that time the Revenue Shortfall Reserve Fund balance is less  
3 than thirteen percent of the total appropriations from the State  
4 Fund, General Revenue.

5 (2) Notwithstanding any other provision of this section,  
6 within sixty days of the end of fiscal years 2014 and 2015, the  
7 first eighty percent of all surplus revenues, if any, determined to  
8 have accrued during each of those fiscal years just ended, shall be  
9 deposited into the Revenue Shortfall Reserve Fund.

10 (c) Not earlier than November 1 of each calendar year, if the  
11 state's fiscal circumstances are such as to otherwise trigger the  
12 authority of the Governor to reduce appropriations under this  
13 section or section twenty-one or twenty-two of this article, then  
14 in that event the Governor may notify the presiding officers of  
15 both houses of the Legislature in writing of his or her intention  
16 to convene the Legislature pursuant to section nineteen, article VI  
17 of the Constitution of West Virginia for the purpose of requesting  
18 the introduction of a supplementary appropriation bill or to  
19 request a supplementary appropriation bill at the next preceding  
20 regular session of the Legislature to draw money from the surplus  
21 Revenue Shortfall Reserve Fund to meet any anticipated revenue  
22 shortfall. If the Legislature fails to enact a supplementary  
23 appropriation from the Revenue Shortfall Reserve Fund during any  
24 special legislative session called for the purposes set forth in

1 this section or during the next preceding regular session of the  
2 Legislature, then the Governor may proceed with a reduction of  
3 appropriations pursuant to sections twenty-one and twenty-two of  
4 this article. Should any amount drawn from the Revenue Shortfall  
5 Reserve Fund pursuant to an appropriation made by the Legislature  
6 prove insufficient to address any anticipated shortfall, then the  
7 Governor may also proceed with a reduction of appropriations  
8 pursuant to sections twenty-one and twenty-two of this article.

9 (d) Upon the creation of the fund, the Legislature is  
10 authorized and may make an appropriation from the Revenue Shortfall  
11 Reserve Fund for revenue shortfalls, for emergency revenue needs  
12 caused by acts of God or natural disasters or for other fiscal  
13 needs as determined solely by the Legislature.

14 (e) Prior to ~~the thirty first day of October~~ April 1 in any  
15 fiscal year in which revenues are inadequate to make timely  
16 payments of the state's obligations, the Governor may by executive  
17 order, after first notifying the presiding officers of both houses  
18 of the Legislature in writing, borrow funds from the Revenue  
19 Shortfall Reserve Fund. The amount of funds borrowed under this  
20 subsection ~~shall~~ may not exceed one and one-half percent of the  
21 general revenue estimate for the fiscal year in which the funds are  
22 to be borrowed, or the amount the Governor determines is necessary  
23 to make timely payment of the state's obligations, whichever is  
24 less. Any funds borrowed pursuant to this subsection shall be

1 repaid, without interest, and redeposited to the credit of the  
2 Revenue Shortfall Reserve Fund within ninety days of their  
3 withdrawal.

4 (f) ~~There is hereby created in the State Treasury~~ The Revenue  
5 Shortfall Reserve Fund - Part B created in the State Treasury is  
6 continued. The Revenue Shortfall Reserve Fund - Part B ~~shall~~  
7 ~~consist~~ consists of moneys transferred from the West Virginia  
8 Tobacco Settlement Medical Trust Fund pursuant to the provisions of  
9 section two, article eleven-a, chapter four of this code,  
10 repayments made of the loan from the West Virginia Tobacco  
11 Settlement Medical Trust Fund to the Physician's Mutual Insurance  
12 Company pursuant to the provisions of article twenty-f, chapter  
13 thirty-three of this code, and all interest and other return earned  
14 on the moneys in the Revenue Shortfall Reserve Fund - Part B.  
15 Moneys in the Revenue Shortfall Reserve Fund - Part B may be  
16 expended solely for the purposes set forth in subsection (d) of  
17 this section, subject to the following conditions:

18 (1) No moneys in the Revenue Shortfall Reserve Fund - Part B  
19 nor any interest or other return earned thereon may be expended for  
20 any purpose unless all moneys in the Revenue Shortfall Reserve Fund  
21 described in subsection (b) of this section have first been  
22 expended, except that the interest or other return earned on moneys  
23 in the Revenue Shortfall Reserve Fund - Part B may be expended as  
24 provided in subdivision (2) of this subsection; and

1           (2) Notwithstanding any other provision of this section to the  
2 contrary, the Legislature may appropriate any interest and other  
3 return earned thereon that may accrue on the moneys in the Revenue  
4 Shortfall Reserve Fund - Part B after June 30, 2025, for  
5 expenditure for the purposes set forth in section three, article  
6 eleven-a, chapter four of this code; and

7           (3) Any appropriation made from Revenue Shortfall Reserve Fund  
8 - Part B ~~shall~~ may be made only in instances of revenue shortfalls  
9 or fiscal emergencies of an extraordinary nature.

10          (g) Subject to the conditions upon expenditures from the  
11 Revenue Shortfall Reserve Fund - Part B prescribed in subsection  
12 (f) of this section, in appropriating moneys pursuant to the  
13 provisions of this section, the Legislature may in any fiscal year  
14 appropriate from the Revenue Shortfall Reserve Fund and the Revenue  
15 Shortfall Reserve Fund - Part B a total amount up to, but not  
16 exceeding, ten percent of the total appropriations from the State  
17 Fund, General Revenue, for the fiscal year just ended.

18          (h) (1) Of the moneys in the Revenue Shortfall Reserve Fund,  
19 \$100 million, or ~~such~~ a greater amount as may be certified as  
20 necessary by the Director of the Budget for the purposes of  
21 subsection (e) of this section, shall be made available to the West  
22 Virginia Board of Treasury Investments for management and  
23 investment of the moneys in accordance with the provisions of  
24 article six-c, chapter twelve of this code. All other moneys in

1 the Revenue Shortfall Reserve Fund shall be made available to the  
2 West Virginia Investment Management Board for management and  
3 investment of the moneys in accordance with the provisions of  
4 article six, chapter twelve of this code. Any balance of the  
5 Revenue Shortfall Reserve Fund including accrued interest and other  
6 return earned thereon at the end of any fiscal year ~~shall~~ do not  
7 revert to the General Fund but shall remain in the Revenue  
8 Shortfall Reserve Fund for the purposes set forth in this section.

9 (2) All of the moneys in the Revenue Shortfall Reserve Fund -  
10 Part B shall be made available to the West Virginia Investment  
11 Management Board for management and investment of the moneys in  
12 accordance with the provisions of article six, chapter twelve of  
13 this code. Any balance of the Revenue Shortfall Reserve Fund -  
14 Part B, including accrued interest and other return earned thereon  
15 at the end of any fiscal year, ~~shall~~ do not revert to the General  
16 Fund but shall remain in the Revenue Shortfall Reserve Fund - Part  
17 B for the purposes set forth in this section.

NOTE: The purpose of this bill is to amend from fifty to eighty percent the percent of all surplus revenues deposited into the Revenue Shortfall Reserve Fund within sixty days of end of fiscal years 2014 and 2015 and to amend the date by which the Governor can borrow funds from the Revenue Shortfall Reserve Fund.

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