# **WEST VIRGINIA LEGISLATURE**

# **2017 REGULAR SESSION**

**Committee Substitute** 

# for

# Senate Bill 446

BY SENATORS CARMICHAEL (MR. PRESIDENT) AND

PREZIOSO (BY REQUEST OF THE EXECUTIVE)

[Originating in the Committee on the Judiciary;

reported on March 27, 2017]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §4-1-24; to amend said code by adding thereto a new section, designated §4-2 3 2-13; to amend said code by adding thereto a new section, designated §4-3-6; to amend 4 said code by adding thereto a new article, designated §5-30-1, §5-30-2, §5-30-3, §5-30-5 4, §5-30-5 and §5-30-6; and to amend said code by adding thereto a new section, 6 designated §51-3-19, all relating generally to the furlough of public employees during 7 declared fiscal emergency; defining terms; permitting declaration of fiscal emergency by Governor under certain defined circumstances; permitting Governor to issue executive 8 9 orders instituting furloughs of certain state employees; setting forth conditions of furlough; 10 providing for termination of declared fiscal emergency; authorizing furlough of employees 11 by constitutional officers; setting forth conditions of furlough of those employees; 12 authorizing President of the Senate to furlough employees of State Senate; authorizing 13 Speaker of the House of Delegates to furlough employees of the House of Delegates: 14 authorizing President of the Senate and Speaker of the House of Delegates jointly to direct furlough of employees of Legislative Auditor and Joint Committee on Government and 15 16 Finance; setting forth conditions of furlough of legislative employees; authorizing Supreme 17 Court of Appeals to furlough employees and personnel of Supreme Court of Appeals; authorizing Supreme Court of Appeals to issue orders directing or authorizing furlough of 18 19 other employees and personnel of circuit courts, family courts and magistrate courts; and 20 setting forth terms of furlough of judicial employees.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
section, designated §4-1-24; that said code be amended by adding thereto a new section,
designated §4-2-13; that said code be amended by adding thereto a new section, designated §43-6; that said code be amended by adding thereto a new article, designated §5-30-1, §5-30-2, §5-

30-3, §5-30-4, §5-30-5 and §5-30-6; and that said code be amended by adding thereto a new
section, designated §51-3-19, all to read as follows:

## CHAPTER 4. THE LEGISLATURE.

ARTICLE I. OFFICERS, MEMBERS AND EMPLOYEES; APPROPRIATIONS; INVESTIGATIONS; DISPLAY OF FLAGS; RECORDS; USE OF CAPITOL BUILDING; PREFILING OF BILLS AND RESOLUTIONS; STANDING COMMITTEES; INTERIM MEETINGS; NEXT MEETING OF THE SENATE.

# §4-1-24. Furlough of employees of the State Senate and House of Delegates during declared fiscal emergency.

1 (a) When the Governor declares a fiscal emergency pursuant to section two, article thirty, 2 chapter five of this code, the President of the Senate may furlough employees of the State Senate. (b) When the Governor declares a fiscal emergency pursuant to section two, article thirty, 3 4 chapter five of this code, the Speaker of the House of Delegates may furlough employees of the 5 House of Delegates. 6 (c) During the period of any furlough, the following shall apply with respect to the benefits 7 of furloughed legislative employees: 8 (1) Furloughed employees will remain eligible for public employee health insurance as 9 before the furlough. The furlough may not prohibit the Senate or the House of Delegates from 10 paying the employer portion of the insurance premium for any employee to the Public Employees 11 Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from 12 and remit to the Public Employees Insurance Agency the employee's share of his or her health 13 insurance premium, then the employer shall remit to the Public Employee Insurance Agency such

14 portion of the employee's share of the premium as is unpaid: *Provided*, That when the furlough

15 ends, the employer shall deduct such aggregate payments from the employee's future pay at the

16 maximum rate permissible under state law.

- 17 (2) Days, parts of days or weeks for which legislative employees are furloughed will count 18 as days employed or days worked for purposes of calculating retirement eligibility and state 19 service time. 20 (d) For any furlough implemented pursuant to this section, the presiding officer directing 21 the furlough may elect to permit a legislative employee's reduction in compensation to be 22 allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in 23 which the furlough occurs. 24 (e) Placement of a legislative employee on furlough under this section shall not give rise 25 to a claim or right of a public employee to receive unemployment compensation. 26 (f) Nothing contained in this section shall prohibit or prevent the President of the Senate 27 or the Speaker of the House of Delegates from instituting a reduction in force, nor shall anything 28 contained herein be construed to prohibit a reduction in force from being applied to an individual 29 who is currently or has previously been furloughed. ARTICLE 2. LEGISLATIVE AUDITOR: POWERS: FUNCTIONS: DUTIES: COMPENSATION. §4-2-13. Furlough of employees of the Legislative Auditor during declared fiscal emergency. (a) When the Governor declares a fiscal emergency pursuant to section two, article thirty, 1 2 chapter five of this code, the President of the Senate and the Speaker of the House of Delegates
  - 3 <u>may jointly direct the Legislative Auditor to furlough one or more employees of the Legislative</u>
    4 Auditor.
  - 5 (b) During the period of any furlough, the following shall apply with respect to the benefits
    6 of furloughed judicial employees:
  - 7 (1) Furloughed employees will remain eligible for public employee health insurance as
    8 before the furlough. The furlough may not prohibit the Legislative Auditor from paying the
    - 3

9	employer portion of the insurance premium for any employee to the Public Employees Insurance
10	Agency. If, because of the furlough, an employee's pay is insufficient to deduct from and remit to
11	the Public Employee Insurance Agency the employee's share of his or her health insurance
12	premium, then the employer shall remit to the Public Employees Insurance Agency such portion
13	of the employee's share of the premium as is unpaid: Provided, That when the furlough ends, the
14	employer shall deduct such aggregate payments from the employee's future pay at the maximum
15	rate permissible under state law.
16	(2) Days, parts of days or weeks for which public employees are furloughed shall be
17	considered days employed or days worked for purposes of calculating retirement eligibility and
18	state service time.
19	(d) For any furlough implemented pursuant to this section, the Senate President and
20	Speaker of the House of Delegates may jointly elect to permit a legislative employee's reduction
21	in compensation to be allocated over the balance of the fiscal year rather than solely in the pay
22	period or pay periods in which the furlough occurs.
23	(e) Placement of a legislative employee on furlough under this section shall not give rise
24	to a claim or right of a public employee to receive unemployment compensation.
25	(f) Nothing contained in this section shall prohibit or prevent the President of the Senate
26	and the Speaker of the House of Delegates from jointly instituting a reduction in force, nor shall
27	anything contained herein be construed to prohibit a reduction in force from being applied to an
28	individual who is currently or has previously been furloughed.
	ARTICLE 3. JOINT COMMITTEE ON GOVERNMENT AND FINANCE.
	§4-3-6. Furlough of employees of the Joint Committee on Government and Finance during
	declared fiscal emergency.

- 1 (a) When the Governor declares a fiscal emergency pursuant to section two, article thirty,
- 2 chapter five of this code, the President of the Senate and the Speaker of the House of Delegates
- 3 may jointly direct the Legislative Manager to furlough one or more employees of the Joint

4 Committee on Government and Finance. (b) During the period of any furlough, the following shall apply with respect to the benefits 5 6 of furloughed legislative employees: 7 (1) Furloughed employees will remain eligible for public employee health insurance as 8 before the furlough. The furlough may not prohibit the Senate or the House of Delegates from 9 paying the employer portion of the insurance premium for any employee to the Public Employees 10 Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from 11 and remit to the Public Employee Insurance Agency the employee's share of his or her health 12 insurance premium, then the employer shall remit to the Public Employees Insurance Agency 13 such portion of the employee's share of the premium as is unpaid: Provided, That when the 14 furlough ends, the employer shall deduct such aggregate payments from the employee's future 15 pay at the maximum rate permissible under state law. 16 (2) Days, parts of days or weeks for which public employees are furloughed will count as 17 days employed or days worked for purposes of calculating retirement eligibility and state service 18 time. 19 (c) For any furlough implemented pursuant to this section, the President of the Senate and 20 Speaker of the House of Delegates may jointly elect to permit a legislative employee's reduction 21 in compensation to be allocated over the balance of the fiscal year rather than solely in the pay 22 period or pay periods in which the furlough occurs. 23 (d) Placement of a legislative employee on furlough under this section shall not give rise 24 to a claim or right of a public employee to receive unemployment compensation. 25 (e) Nothing contained in this section shall prohibit or prevent the Senate President and the 26 Speaker of the House of Delegates from jointly instituting a reduction in force, nor shall anything 27 contained herein be construed to prohibit a reduction in force from being applied to an individual 28 who is currently or has previously been furloughed.

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

## ARTICLE 30. FISCAL EMERGENCY.

#### §5-30-1. Definitions.

- 1 (a) "Declared fiscal emergency" means a period of time commencing upon the Governor's 2 issuance of a gubernatorial proclamation upon determination that a fiscal emergency, as defined 3 in subsection (b) of this section, exists. 4 (b) "Fiscal emergency" means that one or more of the following exist: 5 (1) There is an overdraft or deficit in the state fund, general revenue, and that revenues 6 are inadequate for the state to make timely payments of its debt service payment obligations on 7 outstanding bonds; 8 (2) There is an anticipated deficit in the state fund, general revenue, and that revenues 9 are inadequate for the state to make timely payments of its debt service payment obligations on 10 outstanding bonds; or 11 (3) No budget has been enacted for the current fiscal year. 12 (c) "Furlough" means a mandatory, temporary, unpaid leave of absence required pursuant 13 to an executive order issued by the Governor and subject to the conditions set forth in this section. §5-30-2. Declaration of fiscal emergency. 1 Upon determination that one or more of the circumstances set forth in subsection (b), 2 section one of this article, the Governor may declare a fiscal emergency. The declaration shall
- 3 be made by formal gubernatorial proclamation and shall set forth the specific circumstances

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4 <u>supporting the declaration of a fiscal emergency.</u>

#### §5-30-3. Furlough of state executive branch employees.

- 1 (a) When the Governor declares a fiscal emergency pursuant to section two of this article. 2 the Governor may, by executive order, institute furloughs of state employees employed in the 3 executive branch of limited or indefinite duration as an alternative to a reduction in force. 4 (b) Any furlough ordered pursuant to this section shall comply with the following: 5 (1) The furlough must be inclusive of all employees within a designated department, 6 agency, division, office or program, regardless of the source of funds or place of work, subject to 7 the following exceptions: 8 (A) Individuals identified by the Governor or the secretary of the particular department 9 identified for furlough as essential personnel may be exempted from furlough or may be 10 furloughed on a different schedule than others within the designated department, agency, division, 11 office or program. 12 (B) If an organizational unit or classification of workers within a designated department, 13 agency, division, office or program can be identified, then that particular organizational unit or 14 classification of workers may be furloughed on a different schedule than others within the 15 designated department, agency, division, office or program. 16 (C) Individuals who voluntarily accept furlough for a full week or weeks may be furloughed 17 on a different schedule than others within the designated department, agency, division, office or 18 program. 19 (D) Individuals who are designated as will and pleasure employees, or who are not 20 classified civil service employees, may be furloughed on a different schedule than others within 21 the designated department, agency, division, office or program. 22 (2) Where a furlough has been ordered, the Governor shall instruct the chief administrator 23 of an affected department, agency, division, office or program to create a schedule for furlough 24 weeks, furlough days or portions of furlough days.
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25	(3) Under no circumstances may a department, agency or division close completely.
26	(4) The Governor may not furlough constitutional officers, employees of constitutional
27	officers or members or employees of the legislative or judicial branches.
28	(5) During the period of any furlough, the following shall apply with respect to the benefits
29	of state employees:
30	(A) Furloughed employees will remain eligible for public employee health insurance as
31	before the furlough. The furlough may not prohibit the Senate or the House of Delegates from
32	paying the employer portion of the insurance premium for any employee to the Public Employees
33	Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from
34	and remit to the Public Employee Insurance Agency the employee's share of his or her health
35	insurance premium, then the employer shall remit to the Public Employees Insurance Agency
36	such portion of the employee's share of the premium as is unpaid: Provided, That when the
37	furlough ends, the employer shall deduct such aggregate payments from the employee's future
38	pay at the maximum rate permissible under state law.
38 39	pay at the maximum rate permissible under state law. (B) Days, parts of days or weeks for which public employees are furloughed shall be
39	(B) Days, parts of days or weeks for which public employees are furloughed shall be
39 40	(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and
39 40 41	(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.
39 40 41 42	(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time. (C) Days, parts of days or weeks for which public employees are furloughed shall be
<ol> <li>39</li> <li>40</li> <li>41</li> <li>42</li> <li>43</li> </ol>	<ul> <li>(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.</li> <li>(C) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.</li> </ul>
<ol> <li>39</li> <li>40</li> <li>41</li> <li>42</li> <li>43</li> <li>44</li> </ol>	<ul> <li>(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.</li> <li>(C) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.</li> <li>(D) No public employee who has been furloughed may use accrued annual leave or</li> </ul>
<ol> <li>39</li> <li>40</li> <li>41</li> <li>42</li> <li>43</li> <li>44</li> <li>45</li> </ol>	<ul> <li>(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.</li> <li>(C) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.</li> <li>(D) No public employee who has been furloughed may use accrued annual leave or accrued sick leave for days on which he or she is scheduled to be furloughed pursuant to this</li> </ul>
<ol> <li>39</li> <li>40</li> <li>41</li> <li>42</li> <li>43</li> <li>44</li> <li>45</li> <li>46</li> </ol>	<ul> <li>(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.</li> <li>(C) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.</li> <li>(D) No public employee who has been furloughed may use accrued annual leave or accrued sick leave for days on which he or she is scheduled to be furloughed pursuant to this section.</li> </ul>
<ol> <li>39</li> <li>40</li> <li>41</li> <li>42</li> <li>43</li> <li>44</li> <li>45</li> <li>46</li> <li>47</li> </ol>	<ul> <li>(B) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.</li> <li>(C) Days, parts of days or weeks for which public employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.</li> <li>(D) No public employee who has been furloughed may use accrued annual leave or accrued sick leave for days on which he or she is scheduled to be furloughed pursuant to this section.</li> <li>(6) Placement of a state employee on furlough under this section shall not give rise to the</li> </ul>

51	(8) Nothing contained in this section shall prohibit or prevent the Governor from instituting
52	a reduction in force, nor shall anything contained herein be construed to prohibit a reduction in
53	force from being applied to an individual who is currently or has previously been furloughed.
	§5-30-4. Furlough of employees by constitutional officers.
1	(a) When the Governor declares a fiscal emergency pursuant to section two of this article,
2	the Secretary of State, State Auditor, State Treasurer, Attorney General and Commissioner of
3	Agriculture shall have full authority to furlough one or more of the employees within their offices
4	and under their supervision and control.
5	(b) During the period of any furlough, the following shall apply with respect to the benefits
6	of any employee furloughed pursuant to this section:
7	(1) Furloughed employees of constitutional officers will remain eligible for public employee
8	health insurance as before the furlough. The furlough may not prohibit the Senate or the House
9	of Delegates from paying the employer portion of the insurance premium for any employee to the
10	Public Employees Insurance Agency. If, because of the furlough, an employee's pay is
11	insufficient to deduct from and remit to the Public Employees Insurance Agency the employee's
12	share of his or her health insurance premium, then the employer shall remit to the Public
13	Employee Insurance Agency such portion of the employee's share of the premium as is unpaid:
14	Provided, That when the furlough ends, the employer shall deduct such aggregate payments
15	from the employee's future pay at the maximum rate permissible under state law.
16	(2) Days, parts of days or weeks for which constitutional office employees are furloughed
17	will be considered as days employed or days worked for purposes of calculating retirement
18	eligibility and state service time.
19	(c) Placement of a constitutional office employee on furlough under this section shall not
20	give rise to a claim or right of a public employee to receive unemployment compensation.
21	(d) For any furlough implemented pursuant to this section, the constitutional officer may
22	elect to permit a constitutional office employee's reduction in compensation to be allocated over

- 23 the balance of the fiscal year rather than solely in the pay period or pay periods in which the
- 24 <u>furlough occurs.</u>
- 25 (f) Nothing contained in this section shall prohibit or prevent a constitutional officer from
- 26 jointly instituting a reduction in force, nor shall anything contained herein be construed to prohibit
- 27 <u>a reduction in force from being applied to an individual who is currently or has previously been</u>
- 28 <u>furloughed.</u>

## §5-30-5. Applicability of other state laws.

- 1 (a) For purposes of any hours worked during any declared fiscal emergency, no claim
- 2 <u>shall accrue to any state employee under article five, chapter twenty-one of this code.</u>
- 3 (b) During any declared fiscal emergency, the provisions of article six, chapter twenty-nine
- 4 of this code shall not apply to furloughed state employees.

## §5-30-6. Termination of fiscal emergency.

- 1 <u>A declared fiscal emergency shall continue until the Governor issues a proclamation</u>
- 2 <u>declaring that fiscal emergency is over.</u>

# CHAPTER 51. COURTS AND THEIR OFFICERS.

## ARTICLE 3. COURTS IN GENERAL.

## §51-3-19. Furlough of judicial branch employees during declared fiscal emergency.

- 1 (a) When the Governor declares a fiscal emergency pursuant to section two, article thirty,
- 2 chapter five of this code, the Supreme Court of Appeals shall have authority to furlough employees
- 3 and personnel of the judiciary under the Supreme Court of Appeals, including employees and
- 4 personnel of the circuit courts, family courts and magistrate courts.
- 5 (b) Furloughs shall not be employed so as to completely close a court or court office.
- 6 (c) During the period of any furlough, the following shall apply with respect to the benefits
- 7 of furloughed judicial employees:
- 8 (1) Furloughed employees will remain eligible for public employee health insurance as

9	before the furlough. The furlough may not prohibit the Senate or the House of Delegates from
10	paying the employer portion of the insurance premium for any employee to the Public Employee
11	Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from
12	and remit to the Public Employee Insurance Agency the employee's share of his or her health
13	insurance premium, then the employer shall remit to the Public Employee Insurance Agency such
14	portion of the employee's share of the Public Employee Insurance Agency premium as is unpaid:
15	Provided, That when the furlough ends, the employer shall deduct such aggregate payments
16	from the employee's future pay at the maximum rate permissible under state law.
17	(2) Days, parts of days or weeks for which public employees are furloughed will count as
18	days employed or days worked for purposes of calculating retirement eligibility and state service
19	time.
20	(d) For any furlough implemented pursuant to this section, the Supreme Court of Appeals
21	may elect to permit a legislative employee's reduction in compensation to be allocated over the
22	balance of the fiscal year rather than solely in the pay period or pay periods in which the furlough
23	OCCURS.
24	(e) Placement of a judicial employee on furlough under this section shall not give rise to a
25	claim or right to receive unemployment compensation.
26	(f) Nothing contained in this section shall prohibit or prevent the Supreme Court of Appeals
27	from instituting a reduction in force, nor shall anything contained herein be construed to prohibit
28	a reduction in force from being applied to an individual who is currently or has previously been
29	furloughed.
30	(g) Nothing in this section shall be construed as granting authority for the furlough of
31	elected judicial officers, nor shall it be construed as restricting or otherwise limiting the plenary
32	authority of the Supreme Court of Appeals or the lower courts.

Strike-throughs indicate language that would be stricken from a heading or the present law

and underscoring indicates new language that would be added.