

# **WEST VIRGINIA LEGISLATURE**

## **2026 REGULAR SESSION**

**Introduced**

### **Senate Bill 726**

By Senators Barnhart and Woodrum

[Introduced February 3, 2026; referred  
to the Committee on Government Organization]

- 1 A BILL to amend and reenact §8-37-3 of the Code of West Virginia, 1931, as amended, relating to  
2 removing the 30 percent cap on municipal stabilization funds.

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

**ARTICLE 37. MUNICIPAL FINANCIAL STABILIZATION FUND ACT.**

**§8-37-3. Budget stabilization fund; creation; appropriation; maximum.**

- 1 (a) A municipality may create a financial stabilization fund by a majority vote of its  
2 governing body. The fund may receive appropriations, gifts, grants and any other funds made  
3 available.

- 4 (b) The governing body may appropriate a sum to the fund from any surplus in the General  
5 Fund at the end of each fiscal year or from any other money available.

- 6 ~~(c) The amount of money in the fund may not exceed thirty percent of the municipality's~~  
7 ~~most recent general fund budget, as originally adopted. When the fund exceeds the thirty percent,~~  
8 ~~the governing body shall transfer the excess to any fund it considers appropriate.~~

NOTE: The purpose of this bill is to remove the 30% cap on municipal stabilization funds.

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