

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 726

BY SENATORS BARNHART, WOODRUM, AND DEEDS

[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
2 to 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.