

COMMITTEE SUBSTITUTE

FOR

**Senate Bill No. 345**

(By Senators Kessler (Mr. President) and M. Hall,  
By Request of the Executive)

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[Originating in the Committee on Finance;  
reported February 27, 2014.]

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A BILL expiring funds to the unappropriated balance in the State Fund, General Revenue, for the fiscal year ending June 30, 2014, in the amount of \$10,000,000 from the Joint Expenses, fund 0175, fiscal year 2006, organization 2300, activity 642, in the amount of \$10,000,000 from the Joint Expenses, fund 0175, fiscal year 2007, organization 2300, activity 642, in the amount of \$9,293,000 from the Joint Expenses, fund 0175, fiscal year 2008, activity 642, in the amount of \$20,000,000 from Joint Expenses, Joint Expense Lottery Fund, fund 1736, fiscal year

2014, organization 2300, in the amount of \$5,707,000 from Joint Expenses, Tax Reduction and Federal Funding Increased Compliance, fund 1732, fiscal year 2014, organization 2300, in the amount of \$5,000,000 from the Attorney General, Consumer Protection Fund, fund 1509, fiscal year 2014, organization 1500, and in the amount of \$10,000,000 from the Department of Revenue, Insurance Commissioner, Insurance Commission Fund, fund 7152, fiscal year 2014, organization 0704, and making a supplementary appropriation of public moneys out of the Treasury from the balance of moneys remaining as an unappropriated balance in the State Fund, General Revenue, to the Department of Military Affairs and Public Safety, Division of Corrections - Correctional Units, and to the Department of Military Affairs and Public Safety, Division of Juvenile Services, by supplementing and amending the appropriations for the fiscal year ending June 30, 2014.

Whereas, the Governor finds that the account balances in Joint Expense, fund 0175, fiscal year 2006, activity 642, Joint Expenses,

fund 0175, fiscal year 2007, organization 2300, activity 642, Joint Expenses, fund 0175, fiscal year 2008, organization 2300, activity 642, Joint Expenses, Joint Expense Lottery Fund, fund 1736, fiscal year 2014, organization 2300, Joint Expenses, Tax Reduction and Federal Funding Increased Compliance, fund 1732, fiscal year 2014, organization 2300, the Attorney General, Consumer Protection Fund, fund 1509, fiscal year 2014, organization 1500, and the Department of Revenue, Insurance Commissioner, Insurance Commission Fund, fund 7152, fiscal year 2014, organization 0704, exceed that which is necessary for the purposes for which the accounts were established; and

Whereas, The Governor submitted to the Legislature the Executive Budget Document, dated January 8, 2014, which included a statement of the State Fund, General Revenue, setting forth therein the cash balance as of July 1, 2013, and further included the estimate of revenues for fiscal year 2014, less net appropriation balances forwarded and regular appropriations for the fiscal year 2014; and

Whereas, The Secretary of the Department of Revenue has submitted a monthly General Revenue Fund Collections Report for the first seven months of fiscal year 2014 as prepared by the State Budget Office; and

Whereas, This report demonstrates that the State of West Virginia has experienced a revenue shortfall of approximately \$73.1 million for the first seven months of fiscal year 2014, as compared to the monthly revenue estimates for the first seven months of the fiscal year 2014; and

Whereas, Current economic and fiscal trends will result in projected year-end revenue deficits, including projected shortfalls in Personal Income Tax, Consumer Sales and Use Tax, and Interest Income; and

Whereas, Projected year-end revenue surpluses in various other General Revenue sources will only offset a small portion of these deficits; and

Whereas, The total projected year-end revenue deficit for the General Revenue Fund is now projected to be higher than the previous estimated deficit of \$60 million; and

Whereas, The Constitution of the State of West Virginia requires that there be a balance between the State's revenues and expenditures for each fiscal year; and

Whereas, On December 17, 2013, the Governor issued a memorandum to cabinet secretaries implementing temporary restrictions on general revenue funded hiring to help reduce expenditures and close the anticipated budget gap in fiscal year 2014; and

Whereas, On January 3, 2014, the Governor, after careful analysis of fiscal year 2014 spending trends to date, issued Executive Order 1-14 to effect a spending reduction of targeted appropriation to aid in the balancing of the fiscal year 2014 budget; and

Whereas, This spending reduction is expected to generate a savings of approximately \$33 million; and

Whereas, There are other possible spending reductions available to the Governor should the need arise; and

Whereas, There is remaining an expected deficit in the budget that must be balanced; therefore

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

That the balance of the funds available for expenditure in the fiscal year ending June 30, 2014, to the Joint Expenses, fund 0175, fiscal year 2006, organization 2300, activity 642, be decreased by expiring the amount of \$10,000,000, and to the Joint Expenses, fund 0175, fiscal year 2007, organization 2300, activity 642, be decreased by expiring the amount of \$10,000,000, and to the Joint Expenses, fund 0175, fiscal year 2008, organization 2300, activity 642, be decreased by expiring the amount of \$9,293,000, and to the Joint Expenses, Joint Expense Lottery Fund, fund 1736, fiscal year 2014, organization 2300, be decreased by expiring the amount of \$20,000,000, and to the Joint Expenses, Tax Reduction and Federal Funding Increased Compliance, fund 1732, fiscal year 2014, organization 2300, be decreased by expiring the amount of \$5,707,000, and to the Attorney General, Consumer Protection Fund, fund 1509, fiscal year 2014, organization 1500, be decreased by expiring the amount of \$5,000,000, and to the Department of Revenue, Insurance Commissioner, Insurance Commission Fund,

fund 7152, fiscal year 2014, organization 0704, be decreased by expiring the amount of \$10,000,000, all to the unappropriated balance of the State Fund, General Revenue, to be available during the fiscal year ending June 30, 2014.

And, That the total appropriation for the fiscal year ending June 30, 2014, to fund 0570, fiscal year 2014, organization 0621, be supplemented and amended by decreasing existing items of appropriation as follows:

1 TITLE II – APPROPRIATIONS.

2 **Section 1. Appropriations from general revenue.**

3 **DEPARTMENT OF MILITARY AFFAIRS**

4 **AND PUBLIC SAFETY**

5 *78–Division of Juvenile Services*

6 (WV Code Chapter 49)

7 Fund 0570 FY 2014 Org 0621

8			<b>General</b>
9		<b>Act-</b>	<b>Revenue</b>
10		<b>ivity</b>	<b>Fund</b>
11	3	Robert L. Shell Juvenile Center . . . 267	\$ 50,653

12 10 Kenneth Honey Rubenstein

13 11 Juvenile Center (R) . . . . . 980 106,445

14 And, That the total appropriation for the fiscal year  
15 ending June 30, 2014, to fund 0450, fiscal year 2014,  
16 organization 0608, be supplemented and amended by adding a  
17 new item of appropriation as follows:

18 TITLE II - APPROPRIATIONS.

19 Section 1. Appropriations from general revenue.

20 DEPARTMENT OF MILITARY AFFAIRS

21 AND PUBLIC SAFETY

22 *74-Division of Corrections -*

23 *Correctional Units*

24 (WV Code Chapters 25, 28, 49 and 62)

25 Fund 0450 FY 2014 Org 0608

26		<b>General</b>
27	<b>Act-</b>	<b>Revenue</b>
28	<b>ivity</b>	<b>Fund</b>

29 18a Investigative Services . . . . . 716 \$ 157,098

30 The purpose of this supplemental appropriation bill is to  
31 supplement, amend, decrease, add a new item and expire items



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32 of appropriation in the aforesaid accounts for the designated

33 spending units for expenditure during the fiscal year 2014.