## WEST VIRGINIA LEGISLATURE 2017 FIRST EXTRAORDINARY SESSION

#### Introduced

#### Senate Bill 1005

By Senators Carmichael (Mr. President) and
Prezioso

[BY REQUEST OF THE EXECUTIVE]

[Introduced May 16, 2017; referred to the Committee on the Judiciary]

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 §4-2-13; to amend said code by adding thereto a new section, designated §4-3-6; to amend said code 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 to amend said code by adding thereto a new section. designated §51-3-19, all relating generally to the furlough of public employees during declared fiscal emergency; defining terms; permitting declaration of fiscal emergency by Governor under certain defined circumstances; permitting Governor to issue executive orders instituting furloughs of certain state employees; setting forth conditions of furlough; providing for termination of declared fiscal emergency; authorizing furlough of employees by constitutional officers; setting forth conditions of furlough of those employees; authorizing President of the Senate to furlough employees of State Senate; authorizing Speaker of the House of Delegates to furlough employees of the House of Delegates; 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 Finance: setting forth conditions of furlough of legislative employees; authorizing Supreme 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 other employees and personnel of circuit courts, family courts and magistrate courts; and setting forth terms of furlough of judicial employees.

Be it enacted by the Legislature of West Virginia:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

1

2

3

4

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 §4-3-6; that said code be amended by adding thereto a new article, designated §5-30-1, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-30-2, §5-3

5 30-3, §5-30-4, §5-30-5 and §5-30-6; and that said code be amended by adding thereto a new

6 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.

- (a) When the Governor declares a fiscal emergency pursuant to section two, article thirty,
- 2 <u>chapter five of this code, the President of the Senate may furlough employees of the state Senate.</u>
- 3 (b) When the Governor declares a fiscal emergency pursuant to section two, article thirty,
- 4 <u>chapter five of this code, the Speaker of the House of Delegates may furlough employees of the</u>
- 5 House of Delegates.

maximum rate permissible under state law.

1

6

7

16

- (c) During the period of any furlough, the following shall apply with respect to the benefits 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 portion of the employee's share of the premium as is unpaid: Provided, That when the furlough 14 15 ends, the employer shall deduct such aggregate payments from the employee's future pay at the

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	(3) Days, parts of days or weeks for which legislative employees are furloughed shall be										
21	considered days employed or days worked for purposes of accruing sick leave or annual leave.										
22	(4) No legislative employee who has been furloughed may use accrued annual leave or										
23	accrued sick leave for days on which he or she is scheduled to be furloughed pursuant to this										
24	section.										
25	(d) For any furlough implemented pursuant to this section, the presiding officer directing										
26	the furlough may elect to permit a legislative employee's reduction in compensation to be										
27	allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in										
28	which the furlough occurs.										
29	(e) Placement of a legislative employee on furlough under this section shall not give rise										
30	to a claim or right of a legislative employee to receive unemployment compensation.										
31	(f) Nothing contained in this section shall prohibit or prevent the President of the Senate										
32	or the Speaker of the House of Delegates from instituting a reduction in force, nor shall anything										
33	contained herein be construed to prohibit a reduction in force from being applied to an individual										
34	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.										
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 Auditor to furlough one or more employees of the Legislative										

4 Auditor.

(b) During the period of any furlough, the following shall apply with respect to the benefits of furloughed legislative employees:

- (1) Furloughed employees will remain eligible for public employee health insurance as before the furlough. The furlough may not prohibit the Legislative Auditor from paying the employer portion of the insurance premium for any employee to the Public Employees Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from and remit to the Public Employee Insurance Agency the employee's share of his or her health insurance premium, then the employer shall remit to the Public Employees Insurance Agency such portion of the employee's share of the premium as is unpaid: *Provided*, That when the furlough ends, the employer shall deduct such aggregate payments from the employee's future pay at the maximum rate permissible under state law.
- (2) Days, parts of days or weeks for which legislative employees are furloughed shall be considered days employed or days worked for purposes of calculating retirement eligibility and state service time.
- (3) Days, parts of days or weeks for which legislative employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.
- (4) No legislative 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.
- (c) For any furlough implemented pursuant to this section, the Senate President and Speaker of the House of Delegates may jointly elect to permit a legislative employee's reduction in compensation to be allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in which the furlough occurs.
- (d) Placement of a legislative employee on furlough under this section shall not give rise to a claim or right of a public employee to receive unemployment compensation.

(e) Nothing contained in this section shall prohibit or prevent the President of the Senate and the Speaker of the House of Delegates from jointly instituting a reduction in force, nor shall anything contained herein be construed to prohibit a reduction in force from being applied to an 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.

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

(b) During the period of any furlough, the following shall apply with respect to the benefits of furloughed legislative employees:

(1) Furloughed employees will remain eligible for public employee health insurance as before the furlough. The furlough may not prohibit the Senate or the House of Delegates from paying the employer portion of the insurance premium for any employee to the Public Employees Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from and remit to the Public Employee Insurance Agency the employee's share of his or her health insurance premium, then the employer shall remit to the Public Employees Insurance Agency such portion of the employee's share of the premium as is unpaid: *Provided*, That when the furlough ends, the employer shall deduct such aggregate payments from the employee's future pay at the maximum rate permissible under state law.

(2) Days, parts of days or weeks for which legislative employees are furloughed will count as days employed or days worked for purposes of calculating retirement eligibility and state service time.

(3) Days, parts of days or weeks for which legislative employees are furloughed shall be

INTRODUCED H.B. 201714017S 201714016H

considered days employed or days worked for purposes of accruing sick leave or annual leave.

- (4) No legislative 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.
- (c) For any furlough implemented pursuant to this section, the President of the Senate and Speaker of the House of Delegates may jointly elect to permit a legislative employee's reduction in compensation to be allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in which the furlough occurs.
- (d) Placement of a legislative employee on furlough under this section shall not give rise to a claim or right of a public employee to receive unemployment compensation.
- (e) Nothing contained in this section shall prohibit or prevent the Senate President and the Speaker of the House of Delegates from jointly instituting a reduction in force, nor shall anything contained herein be construed to prohibit a reduction in force from being applied to an individual 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.

20

21

22

23

24

25

26

27

28

29

30

31

32

33

- 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:

INTRODUCED H.B. 201714017S 201714016H

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
4	supporting the declaration of a fiscal emergency.
	§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
	identified for furlough as essential personnel may be exempted from furlough or may be furloughed on a different schedule than others within the designated department, agency, division,

(B) If an organizational unit or classification of workers within a designated department, agency, division, office or program can be identified, then that particular organizational unit or classification of workers may be furloughed on a different schedule than others within the designated department, agency, division, office or program.

- (C) Individuals who voluntarily accept furlough for a full week or weeks may be furloughed on a different schedule than others within the designated department, agency, division, office or program.
- (D) Individuals who are designated as will and pleasure employees, or who are not classified civil service employees, may be furloughed on a different schedule than others within the designated department, agency, division, office or program.
- (2) Where a furlough has been ordered, the Governor shall instruct the chief administrator of an affected department, agency, division, office or program to create a schedule for furlough weeks, furlough days or portions of furlough days.
  - (3) Under no circumstances may a department, agency or division close completely.
- (4) The Governor may not furlough Constitutional officers, employees of Constitutional officers or members or employees of the legislative or judicial branches.
  - (5) During the period of any furlough, the following shall apply with respect to the benefits of state employees:
  - (A) Furloughed employees will remain eligible for public employee health insurance as before the furlough. The furlough may not prohibit the Governor from paying the employer portion of the insurance premium for any employee to the Public Employees Insurance Agency. If, because of the furlough, an employee's pay is insufficient to deduct from and remit to the Public Employee Insurance Agency the employee's share of his or her health insurance premium, then the employer shall remit to the Public Employees Insurance Agency such portion of the employee's share of the premium as is unpaid: *Provided*, That when the furlough ends, the employer shall deduct such aggregate payments from the employee's future pay at the maximum

	(B) Days	s, parts of	days or	weeks	for	which	state	employees	are furloug	hed sh	all be
consid	dered days	s employed	d or days	worke	d for	purpo	ses o	f calculating	retirement	eligibilit	ty and
state s	service tim	e.									

- (C) Days, parts of days or weeks for which state employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.
- (D) No state 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.
- (E) For any furlough implemented pursuant to this section, the Governor may elect to permit a state employee's reduction in compensation to be allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in which the furlough occurs.
- (6) Placement of a state employee on furlough under this section shall not give rise to the right of a grievance or appeal to the West Virginia Public Employees Grievance Board.
- (7) Placement of a state employee on furlough under this section shall not give rise to a claim or right of a public employee to receive unemployment compensation.
- (8) Nothing contained in this section shall prohibit or prevent the Governor from instituting a reduction in force, nor shall anything contained herein be construed to prohibit a reduction in force from being applied to an individual who is currently or has previously been furloughed.

#### §5-30-4. Furlough of employees by Constitutional officers.

- (a) When the Governor declares a fiscal emergency pursuant to section two of this article, the Secretary of State, State Auditor, State Treasurer, Attorney General and Commissioner of Agriculture shall have full authority to furlough one or more of the employees within their offices and under their supervision and control.
- (b) During the period of any furlough, the following shall apply with respect to the benefits of any employee furloughed pursuant to this section:

INTRODUCED H.B. 201714017S 201714016H

(1) Furloughed employees of Constitutional officers will remain eligible for public employee health insurance as before the furlough. The furlough may not prohibit the Constitutional officer from paying the employer portion of the insurance premium for any employee to the Public Employees Insurance Agency If, because of the furlough, an employee's pay is insufficient to deduct from and remit to the Public Employees Insurance Agency the employee's share of his or her health insurance premium, then the employer shall remit to the Public Employee Insurance Agency such portion of the employee's share of the premium as is unpaid: *Provided*, That when the furlough ends, the employer shall deduct such aggregate payments from the employee's future pay at the maximum rate permissible under state law.

- (2) Days, parts of days or weeks for which Constitutional office employees are furloughed will be considered as days employed or days worked for purposes of calculating retirement eligibility and state service time.
- (3) Days, parts of days or weeks for which Constitutional office employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave.
- (4) No Constitutional office 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.
- (c) Placement of a Constitutional office employee on furlough under this section shall not give rise to a claim or right of a public employee to receive unemployment compensation.
- (d) For any furlough implemented pursuant to this section, the Constitutional officer may elect to permit a Constitutional office employee's reduction in compensation to be allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in which the furlough occurs.
- (e) Nothing contained in this section shall prohibit or prevent a Constitutional officer from instituting a reduction in force, nor shall anything contained herein be construed to prohibit a

INTRODUCED H.B. 201714017S 201714016H

33 reduction in force from being applied to an individual who is currently or has previously been 34 furloughed.

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

- 1 (a) For purposes of any hours worked during any declared fiscal emergency, no claim 2 shall accrue to any state employee under article five, chapter twenty-one of this code.
- 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

2

1

3

4

5

6

7

A declared fiscal emergency shall continue until the Governor issues a proclamation <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.
- (c) During the period of any furlough, the following shall apply with respect to the benefits 2 of furloughed judicial employees:
  - (1) Furloughed employees will remain eligible for public employee health insurance as before the furlough. The furlough may not prohibit the Constitutional officer from paying the employer portion of the insurance premium for any employee to the Public Employees Insurance Agency if, because of the furlough, an employee's pay is insufficient to deduct from and remit to the Public Employee Insurance Agency the employee's share of his or her health insurance

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

premium, then the employer shall remit to the Public Employee Insurance Agency such portion of the employee's share of the Public Employee Insurance Agency premium as is unpaid: Provided, That when the furlough ends, the employer shall deduct such aggregate payments from the employee's future pay at the maximum rate permissible under state law. (2) Days, parts of days or weeks for which judicial employees are furloughed will count as days employed or days worked for purposes of calculating retirement eligibility and state service time. (3) Days, parts of days or weeks for which judicial employees are furloughed shall be considered days employed or days worked for purposes of accruing sick leave or annual leave. (4) No judicial 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. (d) For any furlough implemented pursuant to this section, the Supreme Court of Appeals may elect to permit a judicial employee's reduction in compensation to be allocated over the balance of the fiscal year rather than solely in the pay period or pay periods in which the furlough occurs. (e) Placement of a judicial employee on furlough under this section shall not give rise to a claim or right to receive unemployment compensation. (f) Nothing contained in this section shall prohibit or prevent the Supreme Court of Appeals from instituting a reduction in force, nor shall anything contained herein be construed to prohibit a reduction in force from being applied to an individual who is currently or has previously been furloughed. (g) Nothing in this section shall be construed as granting authority for the furlough of elected judicial officers, nor shall it be construed as restricting or otherwise limiting the plenary authority of the Supreme Court of Appeals or the lower courts.

NOTE: The purpose of this bill is to create new sections and a new article of West Virginia Code authorizing the furlough of public employees, WV House and Senate employees, Joint Committee on Government and Finance employees, Legislative Auditor employees, Constitutional office employees and employees of the WV Supreme Court of Appeals. It also establishes the conditions under which furlough is to occur; defines terms, and permitting declaration and termination of the fiscal emergency.

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