

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2801

BY DELEGATE MILEY

[By Request of the Executive]

[Introduced March 6, 2017; Referred
to the Committee on Finance.]

1 A BILL expiring funds to the unappropriated balance in the State Fund, General Revenue, for the
2 fiscal year ending June 30, 2017 in the amount of \$101,700,000 from the Department of
3 Revenue, Office of the Secretary – Revenue Shortfall Reserve Fund, fund 7005, fiscal
4 year 2017, organization 0701.

5 Whereas, The Governor submitted to the Legislature the Executive Budget document,
6 dated February 8, 2017, which included a Statement of the State Fund, General Revenue, setting
7 forth therein the cash balance as of July 1, 2016, and further included the estimate of revenues
8 for the fiscal year 2017, less net appropriation balances forwarded and regular appropriations for
9 the fiscal year 2017; and

10 Whereas, The Secretary of the Department of Revenue has submitted a monthly General
11 Revenue Fund Collections Report for the first seven months of fiscal year 2017 as prepared by
12 the State Budget Office; and

13 Whereas, This report demonstrates that the State of West Virginia has experienced a
14 revenue shortfall of approximately \$116 million for the first seven months of fiscal year 2017, as
15 compared to the monthly revenue estimates for the first seven months of the fiscal year 2017;
16 and

17 Whereas, Current economic and fiscal trends are anticipated to result in projected year-
18 end revenue deficits, including potential significant shortfalls in Personal Income Tax, Consumer
19 Sales and Use Tax, and Corporation Net Income Tax; and

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

22 Whereas, The total projected year-end revenue deficit for the General Revenue Fund is
23 estimated at \$192 million; and

24 Whereas, On November 4, 2016, the Governor issued Executive Order 8-16 which
25 redirected certain revenues pursuant to the terms SB 419 for fiscal year 2017 of approximately

26 \$25.5 million; and

27 Whereas, On November 15, 2016, the Governor issued Executive Order 9-16 which
28 directed a spending reduction for General Revenue appropriations for fiscal year 2017 of
29 approximately \$59.8 million; and

30 Whereas, On December 30, 2016, the remaining balance of \$5,000,000 in the Personal
31 Income Tax Reserve Fund was utilized to ensure timely payment of tax refunds; and

32 Whereas, The Revenue Shortfall Reserve Fund may be drawn on in the event of a revenue
33 shortfall in lieu of imposing additional reductions in appropriations; and

Be it enacted by the Legislature of West Virginia:

1 That the balance of the funds available for expenditure in the fiscal year ending June 30,
2 2017, in the Department of Revenue, Office of the Secretary - Revenue Shortfall Reserve Fund,
3 fund 7005, fiscal year 2017, organization 0701, be decreased by expiring the amount of
4 \$101,700,000, to the unappropriated balance of the State Fund, General Revenue, to be available
5 during the fiscal year ending June 30, 2017.

NOTE: The purpose of this supplemental appropriation bill is to expire funds from the aforesaid account to the State Fund, General Revenue unappropriated balance for the fiscal year 2017.