



Jim Justice
Governor of West Virginia

April 13, 2017

VIA HAND DELIVERY

The Honorable Mac Warner
Secretary of State
Building 1, Suite 157-K
State Capitol
Charleston, West Virginia 25305

RE: Enrolled Committee Substitute for House Bill 2018

Dear Secretary Warner:

Pursuant to section fifty-one, article VI of the Constitution of the State of West Virginia, I hereby veto Enrolled Committee Substitute for House Bill 2018 (the "Budget Bill") in its entirety.

When I presented my vision for West Virginia during the State of the State address in February, I submitted a proposed budget for fiscal year 2018 ("FY2018") that not only was balanced but guaranteed that we would "Save Our State" and not kill the patient. My proposed budget responsibly addressed the \$497 million hole currently projected for FY2018 and would have put West Virginia on a pathway to prosperity.

I am proud of the fact that my proposed budget for FY2018 did not take one penny from the Revenue Shortfall Reserve Fund ("Rainy Day Fund"). It ensured that all sectors of the State would participate in solving our budget crisis and would jump-start the economy with approximately 48,000 new jobs by investing in our roads and bridges. The Budget Bill presented to me today bears no resemblance to my original proposal. It is a reckless spending plan that guarantees future budget shortfalls just one year from now and every year thereafter.

Moreover, it relies on revenue from bills that I have vetoed or did not pass. Among other measures, the Budget Bill irresponsibly uses \$225 million in one-time money, including \$90 million from the Rainy Day Fund to "balance" the FY2018 budget. The Budget Bill includes minimal revenue enhancements and does not address, to any meaningful extent, the structural hole that we face.

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The Legislature's spending plan will not save the patient. The Budget Bill that I am vetoing today only kicks the can further down the road. It does not give our classroom teachers a pay raise, nor does it boost investments in infrastructure or tourism. Not only does it not create the 48,000 jobs, it does not even create one job. In fact, it creates an even bigger hole in the bucket. Quite simply, the Budget Bill has no tools to jump-start our economy. It even abandons the most vulnerable population of our State by cutting the Medicaid program without any plan to make it whole again in the future.

Finally, the Budget Bill's effective date is problematic because the Legislature did not secure the votes to make it effective from passage. The bill does not become effective until July 8, 2017, over a week into the fiscal year. Notwithstanding assurances to the contrary, this will cause a state government shutdown. Perhaps that was the leadership in the Legislature's goal, but it is a nonstarter for me. We must all work together, not as Republicans and Democrats, but as West Virginians, to enact a bipartisan budget that is in place starting July 1, 2017.

I hereby veto the Budget Bill in its entirety. There is time, however, for compromise and responsible action. Let's get serious. Let's get to work.

Sincerely,



Jim Justice
Governor of West Virginia

cc: The Honorable Mitch Carmichael
President of the Senate

The Honorable Tim Armstead
Speaker of the House of Delegates