

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

House Bill 4580

BY DELEGATES ZATEZALO AND HOUSEHOLDER

[Introduced February 13, 2018; Referred
to the Committee on Finance.]

1 A BILL to amend and reenact §5-1A-2 of the Code of West Virginia, 1931, as amended, relating
 2 to submission of the budget bill; prescribing definitions for use in this section; requiring the
 3 Governor to include appropriation limitations in the budget and a bill for all the proposed
 4 appropriations of the budget delivered to the presiding officer of each house; establishing
 5 the factors and mechanisms for setting the state appropriation limitation for specific fiscal
 6 years; requiring the Governor to use estimates of the aggregate general revenue for fiscal
 7 year 2017; requiring the Governor for any fiscal year to use the most recent published
 8 data regarding inflation and population change, as well as estimated rates of inflation and
 9 population change; and requiring the Governor to update the rates of inflation, population
 10 change, and aggregate fund appropriations to reflect the most recent published data for
 11 determination of state appropriation limitations.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 1A. ITEMIZATION OF PROPOSED APPROPRIATIONS IN BUDGET BILL
 SUBMITTED BY GOVERNOR TO LEGISLATURE.**

**§5-1A-2. Submission of budget bill; form prescribed by article; section definitions;
inclusion of aggregate General Revenue Fund appropriations and state
appropriation limitations.**

1 (a) Pursuant to section fifty-one, article six of the Constitution of West Virginia, the
 2 Governor shall deliver to the presiding officer of each house the budget and a bill for all the
 3 proposed appropriations of the budget. The proposed appropriations in such bill shall be clearly
 4 itemized and classified in the form and detail prescribed by this article.

1 (b) As used in this section:

2 (1) "Aggregate General Revenue Fund appropriations" means all General Revenue Fund
 3 appropriations in the budget and a bill for all the proposed appropriations of the budget, except
 4 for the following:

5 (A) Appropriations of money received from the federal government;

6 (B) Appropriations made for tax relief or refunds of taxes and other overpayments; and

7 (C) Appropriations of money received as gifts.

8 (2) "Rate of inflation" means the percentage increase or decrease in the Consumer Price
9 Index over a one-year period, based on the most recent Consumer Price Index for all urban
10 consumers, mid-Atlantic region, all items, as determined by the Bureau of Labor Statistics of the
11 United States Department of Labor or, if that index is no longer published, a generally available
12 comparable index.

13 (3) "Rate of population change" means the percentage increase or decrease in the
14 population of this state over a one-year period, based on the most recent population data available
15 for the state published by the Bureau of the Census of the United States Department of
16 Commerce, or its successor in responsibility, in the population estimates program, or its
17 successive equivalent.

18 (c) As part of the state budget and a bill for all the proposed appropriations of the budget
19 the Governor submits to the presiding officer of each house, the Governor shall include the state
20 appropriation limitations the Legislature may not exceed when making aggregate General
21 Revenue Fund appropriations for each respective fiscal year covered by that budget. The
22 aggregate General Revenue Fund appropriations the Governor proposes in the state budget also
23 may not exceed those limitations for each respective fiscal year covered by that budget.

24 (d) For fiscal year 2019, the state appropriation limitation is the sum of the following:

25 (1) The aggregate General Revenue Fund appropriations for fiscal year 2018; plus.

26 (2) The aggregate General Revenue Fund appropriations for fiscal year 2018 multiplied
27 by either three and one-half percent, or the sum of the rate of inflation plus the rate of population
28 change, whichever is greater.

29 (e) For each fiscal year thereafter the state appropriation limitation is the sum of the
30 following:

- 31 (1) The state appropriation limitation for the previous fiscal year; plus
32 (2) The state appropriation limitation for the previous fiscal year multiplied by either three
33 and one-half percent, or the sum of the rate of inflation plus the rate of population change,
34 whichever is greater.
- 35 (f) The Governor, in determining the state appropriation limitation for fiscal year 2019, shall
36 use estimates regarding the aggregate General Revenue Fund appropriations for fiscal year
37 2018. For any fiscal year, the Governor shall use the most recent published data available
38 regarding the rates of inflation and population change, and estimated rates of inflation and
39 population change.
- 40 (g) When determining the state appropriation limitations for each fiscal year after 2019,
41 the Governor shall update the rates of inflation and population change used in the determination
42 of the state appropriation limitation for the previous fiscal year to reflect the most recent published
43 data, shall recalculate that fiscal year's limitation based on the update, and shall use the
44 recalculated limitation for determining the state appropriation limitations for the ensuing fiscal year
45 to be included in the budget submitted pursuant to this article. The Governor also shall update
46 the aggregate General Revenue Fund appropriations amount for the previous fiscal year. The
47 Governor then shall recalculate that year's limitation based on the updates and shall use the
48 recalculated limitation for determining the state appropriation limitations for the ensuing fiscal year
49 be included in the budget submitted under this article.

NOTE: The purpose of this bill is to require the Governor to include the state appropriation limitations the Legislature may not exceed when making aggregate General Revenue Fund appropriations in the budget bill submitted to the Legislature. It also requires that the limitations be updated annually.

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