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SENATE BILL NO. 1283

Offered January 12, 2011

Prefiled January 12, 2011

A *BILL to amend and reenact § 2.2-1514 of the Code of Virginia, as it is currently effective, relating to the assignment of the general fund balance remaining at the end of a fiscal year.*

Patron—McWaters

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-1514 of the Code of Virginia, as it is currently effective, is amended and reenacted as follows:

§ 2.2-1514. (Contingent expiration date - see Editor's notes) Assignment of general fund for nonrecurring expenditures.

A. As used in this section:

"The Budget Bill" means the "The Budget Bill" submitted pursuant to § 2.2-1509, including any amendments to a general appropriation act pursuant to such section.

"Nonrecurring expenditures" means the acquisition or construction of capital outlay projects as defined in § 2.2-1518, the acquisition or construction of capital improvements, the acquisition of land, the acquisition of equipment, or other expenditures of a one-time nature as specified in the general appropriation act. Such term shall not include any expenditures relating to transportation, including but not limited to transportation maintenance.

B. At the end of each fiscal year, the Comptroller shall assign within his annual report pursuant to § 2.2-813 *the remaining amount of the general fund balance as follows: one-third of the remaining amount of the general fund balance that is not otherwise restricted, committed, or assigned for other usage within the general fund shall be assigned by the Comptroller for nonrecurring expenditures, and two-thirds shall be assigned for deposit into the Transportation Trust Fund first as provided in this subsection and then as provided in subsection C for nonrecurring expenditures and other items. No such assignment shall be made unless the full amounts required for other restrictions, commitments, or assignments including but not limited to (i) Such general fund balance shall first be assigned by the Comptroller for payment of the full amount required for the Revenue Stabilization Fund deposit pursuant to § 2.2-1829; (ii) the Virginia Water Quality Improvement Fund deposit pursuant to § 10.1-2128, but excluding any deposits provided under the Virginia Natural Resources Commitment Fund established under § 10.1-2128.1; (iii) capital outlay reappropriations pursuant to the general appropriation act; (iv) (a) operating expense reappropriations pursuant to the general appropriation act; and (b) reappropriations of unexpended appropriations to certain public institutions of higher education pursuant to § 2.2-5005; (v) pro rata rebate payments to certain public institutions of higher education pursuant to § 2.2-5005; (vi) the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year; and (vii) interest payments on deposits of certain public institutions of higher education pursuant to § 2.2-5005 are set aside. The Comptroller shall set aside amounts required for clauses (iv) (b), (v), and (vii) beginning with the initial fiscal year as determined under § 2.2-5005 and for all fiscal years thereafter. If a general fund balance remains after the Comptroller's assignment for the deposit to the Revenue Stabilization Fund, 50 percent of the remainder shall be assigned by the Comptroller for deposit into the Transportation Trust Fund established under § 33.1-23.03:1. The remaining 50 percent shall be assigned by the Comptroller for payment of the principal of certain deferred retirement contributions, plus a return on such principal using the applicable long-term rate of return assumed by the Board of Trustees of the Virginia Retirement System, described under paragraph 1 5 of Item 469 of Chapter 874 of the Acts of Assembly of 2010. If in any year the 50 percent assigned by the Comptroller for payment pursuant to such paragraph 1 5 of Item 469 exceeds the amount otherwise required to be paid for such year under the 10-year amortization schedule described in such paragraph, then such excess shall also be assigned by the Comptroller for payment pursuant to such paragraph. Such 50 percent shall be assigned by the Comptroller in every year for payment pursuant to paragraph 1 5 of Item 469 of Chapter 874 of the Acts of Assembly of 2010 until full payment has been made on the deferred retirement contributions, including the investment return on such contributions, as described in such paragraph.*

C. If a general fund balance remains after the requirements of subsection B have been met, the remainder shall be set aside for the full amounts required for (i) the Virginia Water Quality Improvement Fund deposit pursuant to § 10.1-2128, but excluding any deposits provided under the

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59 Virginia Natural Resources Commitment Fund established under § 10.1-2128.1; (ii) capital outlay
60 reappropriations pursuant to the general appropriation act; (iii) (a) operating expense reappropriations
61 pursuant to the general appropriation act and (b) reappropriations of unexpended appropriations to
62 certain public institutions of higher education pursuant to § 2.2-5005; (iv) pro rata rebate payments to
63 certain public institutions of higher education pursuant to § 2.2-5005; (v) the unappropriated balance
64 anticipated in the general appropriation act for the end of such fiscal year; and (vi) interest payments
65 on deposits of certain public institutions of higher education pursuant to § 2.2-5005. The Comptroller
66 shall set aside amounts required for clauses (iii) (b), (iv), and (vi) beginning with the initial fiscal year
67 as determined under § 2.2-5005 and for all fiscal years thereafter. If a general fund balance remains
68 after the set-asides required under this subsection have been made in full, the remainder shall be
69 assigned by the Comptroller for nonrecurring expenditures.

70 ~~ED.~~ The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended
71 appropriations from the general fund or recommended amendments to general fund appropriations in the
72 general appropriation act in effect at that time ~~an amount for nonrecurring expenditures and an amount~~
73 ~~that fully reflect the assignments pursuant to the provisions of subsections B and C for the deposit into~~
74 ~~the Transportation Trust Fund equal to the amounts assigned by the Comptroller for such purposes~~
75 ~~pursuant to the provisions of subsection B, the payment pursuant to paragraph 1 5 of Item 469 of~~
76 ~~Chapter 874 of the Acts of Assembly of 2010, and nonrecurring expenditures. Such~~ Any deposit to the
77 Transportation Trust Fund pursuant to this section shall not preclude the appropriation of additional
78 amounts from the general fund for transportation purposes.