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SENATE BILL NO. 211

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance
on February 8, 2012)

(Patron Prior to Substitute—Senator Barker)

A BILL to amend and reenact § 2.2-1514, as it is currently effective and as it may become effective, of the Code of Virginia, relating to assignments by the Comptroller of certain general fund balances.

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-1514, as it is currently effective and as it may become effective, of the Code of Virginia 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 as follows: ~~one-third~~ *one-sixth* 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, *one-sixth shall be assigned for additional contributions to certain state and local employee retirement programs as provided in subsection C*, and two-thirds shall be assigned for deposit into the Transportation Trust Fund. No such assignment shall be made unless the full amounts required for other restrictions, commitments, or assignments including but not limited to (i) 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.

C. *After the full amounts required for clauses (i) through (vii) of subsection B have been set aside, one-sixth of the remaining amount of the general fund balance shall be set aside pursuant to this subsection if (i) at the end of the fiscal year the ratio of actuarial assets to actuarial liabilities is less than 0.80 for any of the defined benefit retirement plans established under Chapter 1 (§ 51.1-124.1 et seq.), 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et seq.), or 3 (§ 51.1-300 et seq.) of Title 51.1 or (ii) for the fiscal year just ended, the contribution by the Commonwealth for certain optional retirement plans under § 51.1-126 is less than the minimum contributions set forth in subdivision F 1 of § 51.1-126, as in effect on January 1, 2011. The one-sixth of the remaining amount of the general fund balance shall be set aside as follows: 75 percent to the Virginia Retirement System as additional contributions to the defined benefit retirement plans described in clause (i) to the extent needed in order that the ratio of actuarial assets to actuarial liabilities is at least 0.80 for all of the defined benefit retirement plans, and 25 percent to be paid as additional contributions to the optional retirement plans described in clause (ii) of employees in service in the current fiscal year in order to fund the difference between the minimum contributions set forth in subdivision F 1 of § 51.1-126, as in effect on January 1, 2011, and the actual contributions made by the Commonwealth in the fiscal year just ended.*

If the full amount set aside for contributions to the defined benefit retirement plans or the optional retirement plans is not needed to meet the respective condition, any excess shall be used to meet the remaining condition in clause (i) or clause (ii), as applicable. If the full one-sixth of the remaining general fund balance set aside under this subsection is not needed to meet the conditions in clauses (i) and (ii), any excess shall be set aside or assigned for nonrecurring expenditures and deposit into the Transportation Trust Fund pro rata using the percentages for assignments for nonrecurring expenditures

60 *and deposit into the Transportation Trust Fund provided under subsection B.*

61 ~~C. D.~~ The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended
62 appropriations from the general fund or recommended amendments to general fund appropriations in the
63 general appropriation act in effect at that time ~~an amount for nonrecurring expenditures and an amount~~
64 *amounts for nonrecurring expenditures, additional contributions to certain state and local employee*
65 *retirement programs, and* deposit into the Transportation Trust Fund equal to the amounts assigned by
66 the Comptroller for such purposes pursuant to the provisions of ~~subsection~~ *subsections B and C*. Such
67 deposit to the Transportation Trust Fund shall not preclude the appropriation of additional amounts from
68 the general fund for transportation purposes.

69 § 2.2-1514. (Contingent effective date - see Editor's notes) Assignment of general fund for
70 nonrecurring expenditures.

71 A. As used in this section:

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

74 "Nonrecurring expenditures" means the acquisition or construction of capital outlay projects as
75 defined in § 2.2-1518, the acquisition or construction of capital improvements, the acquisition of land,
76 the acquisition of equipment, or other expenditures of a one-time nature as specified in the general
77 appropriation act.

78 B. At the end of each fiscal year, the Comptroller shall assign within his annual report pursuant to
79 § 2.2-813 ~~an amount for nonrecurring expenditures, which shall equal as follows: five-sixths of the~~
80 *remaining amount of the general fund balance that is not otherwise restricted, committed, or assigned for*
81 *other usage within the general fund shall be assigned by the Comptroller for nonrecurring expenditures*
82 *and one-sixth shall be assigned for additional contributions to certain state and local employee*
83 *retirement programs as provided in subsection C*. No such assignment shall be made unless the full
84 amounts required for other restrictions, commitments, or assignments including but not limited to (i) the
85 Revenue Stabilization Fund deposit pursuant to § 2.2-1829, (ii) the Virginia Water Quality Improvement
86 Fund deposit pursuant to § 10.1-2128, but excluding any deposits provided under the Virginia Natural
87 Resources Commitment Fund established under § 10.1-2128.1, (iii) capital outlay reappropriations
88 pursuant to the general appropriation act, (iv) (a) operating expense reappropriations pursuant to the
89 general appropriation act, and (b) reappropriations of unexpended appropriations to certain public
90 institutions of higher education pursuant to § 2.2-5005, (v) pro rata rebate payments to certain public
91 institutions of higher education pursuant to § 2.2-5005, (vi) the unappropriated balance anticipated in the
92 general appropriation act for the end of such fiscal year, and (vii) interest payments on deposits of
93 certain public institutions of higher education pursuant to § 2.2-5005 are set aside. The Comptroller shall
94 set aside amounts required for clauses (iv) (b), (v), and (vii) beginning with the initial fiscal year as
95 determined under § 2.2-5005 and for all fiscal years thereafter.

96 C. *After the full amounts required for clauses (i) through (vii) of subsection B have been set aside,*
97 *one-sixth of the remaining amount of the general fund balance shall be set aside pursuant to this*
98 *subsection if (i) at the end of the fiscal year the ratio of actuarial assets to actuarial liabilities is less*
99 *than 0.80 for any of the defined benefit retirement plans established under Chapter 1 (§ 51.1-124.1 et*
100 *seq.), 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et seq.), or 3 (§ 51.1-300 et seq.) of Title 51.1 or (ii) for*
101 *the fiscal year just ended, the contribution by the Commonwealth for certain optional retirement plans*
102 *under § 51.1-126 is less than the minimum contributions set forth in subdivision F 1 of § 51.1-126, as in*
103 *effect on January 1, 2011. The one-sixth of the remaining amount of the general fund balance shall be*
104 *set aside as follows: 75 percent to the Virginia Retirement System as additional contributions to the*
105 *defined benefit retirement plans described in clause (i) to the extent needed in order that the ratio of*
106 *actuarial assets to actuarial liabilities is at least 0.80 for all of the defined benefit retirement plans, and*
107 *25 percent to be paid as additional contributions to the optional retirement plans described in clause*
108 *(ii) of employees in service in the current fiscal year in order to fund the difference between the*
109 *minimum contributions set forth in subdivision F 1 of § 51.1-126, as in effect on January 1, 2011, and*
110 *the actual contributions made by the Commonwealth in the fiscal year just ended.*

111 *If the full amount set aside for contributions to the defined benefit retirement plans or the optional*
112 *retirement plans is not needed to meet the respective condition, any excess shall be used to meet the*
113 *remaining condition in clause (i) or clause (ii), as applicable. If the full one-sixth of the remaining*
114 *general fund balance set aside under this subsection is not needed to meet the conditions in clauses (i)*
115 *and (ii), any excess shall be set aside or assigned for nonrecurring expenditures.*

116 ~~C. D.~~ The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended
117 appropriations from the general fund or recommended amendments to general fund appropriations in the
118 general appropriation act in effect at that time ~~an amount~~ *amounts for nonrecurring expenditures and*
119 *additional contributions to certain state and local employee retirement programs equal to the amount*
120 *amounts assigned by the Comptroller for such purpose purposes pursuant to the provisions of subsection*
121 ~~B of this section~~ *subsections B and C*.