

UNDER the DOME



JUNE 21, 2016

Welcome

Under the Dome is an update on actions and activities of the West Virginia Legislature, provided during the regular legislative session, interim sessions and special sessions for West Virginia University faculty and staff by WVU's Office of State, Corporate and Local Relations. This issue provides a review of the final budget for FY2017 recently passed by the Legislature and signed by the governor.

The Budget

The Legislature reconvened on June 11. After three weeks of a stalemate that seemed intractable, a bipartisan deal emerged with support from the governor, Senate and House of Delegates leadership to close the \$271 million gap in the FY2017 budget.

Details of the more than \$4.1 billion budget and the bipartisan deal include:

- \$120 million in spending cuts and sweeps of agency accounts
- \$70 million from the Rainy Day Fund
- \$98 million in new moneys from the \$0.65 tobacco tax increase
- \$15 million a year for five years to a newly created PEIA Stability Fund

The budget was passed by the Senate and House of Delegates on June 14. Governor Tomblin signed the budget on June 17 after making a few line-item vetoes to the bill.

To review the final budget document, please visit: http://www.legis.state.wv.us/Bill_Status/bills_history.cfm?INPUT=1013&year=2016&sessiontype=1X.

To review the final budget details signed by the governor, please visit: <http://www.governor.wv.gov/media/Bill%20Status/Documents/SB%201013%20%28Budget%20Bill%29%20line-item%20veto.pdf>.

Tobacco Tax

Part of the budget deal included a \$0.65 increase in the tobacco tax. This measure increases the tax on tobacco, tobacco products and e-cigarette liquids to raise almost \$98 million.

The Senate passed the measure on June 11. The House amended and passed it on June 13. The bill returned to the Senate, which concurred and passed it again. It was sent to the governor's desk for his signature, which occurred on June 17. To review the final tobacco tax bill, please visit: http://www.legis.state.wv.us/Bill_Status/bills_history.cfm?INPUT=1012&year=2016&sessiontype=1X.

PEIA Funding

The governor and Legislature, as part of the budget deal, agreed to provide \$15 million a year for five years to PEIA. This money, funded into a new PEIA Stability Fund, will go to offset increased costs in current and future premium increases for employees and retirees.

\$5 million is directed to reduce retiree premiums, while \$10 million will replenish the PEIA Reserve Fund, which was exhausted in 2015.

The bill received overwhelming support from Republicans and Democrats in the House and unanimous support in the Senate.

WVU at the State Capitol

Travis Mollohan and Rocco Fucillo, both from WVU's State, Corporate and Local Relations, represented WVU at the Capitol during the legislative session. They can answer questions about any issues addressed by the Legislature.

Contact info: Travis Mollohan (tmolloh1@mail.wvu.edu) or Rocco Fucillo (rsfucillo@mail.wvu.edu).

More Information

To learn more about the Legislature, including district maps, bill tracking, committee assignments and a summary of legislative activities, please visit www.legis.state.wv.us/index.cfm.

To learn more about WVU's legislative initiatives, please visit <http://staterelations.wvu.edu>.