

---

# VIRGINIA STATE BUDGET

---

1997 Session

## Budget Bill - HB1600 (Chapter 924)

Bill Order » Part 4: General Provisions » Item 4-3.01

---

### Item 4-3.01

---

#### § 4-3.01 DEFICITS

##### a. GENERAL:

1. The Governor is authorized, if he determines an emergency exists, to approve deficit funding for a state agency under the following conditions:

a) an unanticipated federal or legal mandate has been imposed,

b) insufficient funds are available in the first year of the biennium for start-up of General Assembly-approved action or

c) delay in action may result in a substantial increase in cost or loss of other measurable benefit to the state in a General Assembly-approved activity.

Such approval by the Governor shall be in writing under the conditions described in § 4-3.02 a. of this act, and shall be promptly communicated to the Chairmen of the House Appropriations and Senate Finance Committees. No emergency shall be deemed to exist because of conditions which could reasonably have been foreseen when the General Assembly was in session.

2. Deficits shall not be authorized for capital projects.

3. Except as provided in Paragraph 3 4 of this subsection or by authority of the Governor, as described above, no state agency receiving appropriations under the provisions of this act shall obligate or expend funds in excess of its appropriations nor shall it, if appropriations are in whole, or in part, from nongeneral fund revenues, obligate or expend funds in excess of, or at a rate which would result in expenditures in excess of collections of such revenues combined with any general fund appropriations.

4. The Department of Transportation may obligate funds in excess of the current biennium appropriation for projects of a capital nature not covered by § 4-4.00 of this act provided such projects are delineated in the Six Year Improvement Program, as approved by the Commonwealth Transportation Board, and sufficient revenues are projected to meet all obligations for such projects.

b. UNAUTHORIZED: If any agency contravenes any of the prohibitions stated above, thereby incurring an unauthorized deficit, the Governor is hereby directed to withhold approval of such excess obligation or expenditure. Further, there shall be no reimbursement of said excess, nor shall there be any liability or obligation upon the state to make any appropriation hereafter to meet such unauthorized deficit. Further, those members of the governing board of any such agency who shall have voted therefor, or its head if there be no governing board, making any such excess obligation or expenditure shall be personally liable for the full amount of such unauthorized deficit and, at the discretion of the Governor, shall be deemed guilty of neglect of official duty and be subject to removal therefor. Further, the State Comptroller is hereby directed to make public any such

unauthorized deficit, and the Director of the Department of Planning and Budget is hereby directed to set out such unauthorized deficits in the next biennium budget. The Governor is hereby directed to report any such unauthorized deficit to the Chairmen of the House Appropriations and the Senate Finance Committees. In addition, the Governor is directed to bring this provision of this act to the attention of the members of the governing board of each state agency, or its head if there be no governing board, not later than the date this act becomes effective.

c. AUTHORIZED: The amount which the Governor may authorize, under the provisions of this section during the current biennium, to be expended from loans repayable out of the general fund of the state treasury, for all state agencies, or other agencies combined, in excess of general fund appropriations for the current biennium, shall not exceed one and one-half percent (1 1/2%) of the revenues collected and paid into the general fund of the state treasury during the last year of the previous biennium and the first year of the current biennium.