2006 Special Session I

Budget Bill - HB5002 (Introduced)

Item 4-1.05

§ 4-1.05 REVERSION OF APPROPRIATIONS AND REAPPROPRIATIONS

a. GENERAL FUND OPERATING EXPENSE:

1.a) General fund appropriations which remain unexpended on (i) the last day of the previous biennium, ending on June 30, 2006, and (ii) the last day of the first year of the current biennium, ending on June 30, 2007, shall be reappropriated and allotted for expenditure in the respective succeeding year for the following agencies and programs, provided however, that the reappropriations shall not be used to create ongoing obligations or expand or create new programs, but shall be applied to nonrecurring costs:

1) Agencies in the Legislative Department, the Judicial Department, and the Independent Agencies, except as may be specifically provided otherwise by the General Assembly;

2) Agencies in the Executive Department, subject to the prior written approval of the Governor, except as may be specifically provided otherwise by the General Assembly;

3) Specific program balances in Executive Department agencies identified by the General Assembly through language in this act; and

4) Institutions of higher education, subject to § 2.2-5005, Code of Virginia.

2. a. The Governor shall report within five calendar days after completing the reappropriation process to the Chairmen of the Senate Finance and House Appropriations Committees on the reappropriated amounts for each state agency in the Executive Department. He shall provide a preliminary report of reappropriation actions on or before November 1 and a final report on or before December 20 to the Chairmen of the House Appropriations and Senate Finance Committees.

b. The Director, Department of Planning and Budget, may transfer reappropriated amounts within an agency to cover such nonrecurring costs.

3. Pursuant to subsection E of § 2.2-1125, Code of Virginia, the determination of compliance by an agency or institution with management standards prescribed by the Governor shall be made by the Secretary of Finance and the Secretary having jurisdiction over the agency or institution, acting jointly.

4. The general fund resources available for appropriation in the first enactment of this act for the first year of the biennium include the planned reversion of certain unexpended balances in operating appropriations as of June 30, 2005, which were otherwise required to be reappropriated for the second year of the biennium by language in Chapter 951, 2005 Acts of Assembly, or prior Appropriation Acts.

5. Upon request, the Director, Department of Planning and Budget, shall provide a report to the Chairmen of the House Appropriations and Senate Finance Committees showing the amount reverted for each agency and the total

amount of such reversions.

b. NONGENERAL FUND OPERATING EXPENSE:

Based on analysis by the State Comptroller, when any nongeneral fund has had no increases or decreases in fund balances for a period of 24 months, the State Comptroller shall promptly transfer and pay the balance into the fund balance of the general fund. If it is subsequently determined that an appropriate need warrants repayment of all or a portion of the amount transferred, the Director, Department of Planning and Budget shall include repayment in the next budget bill submitted to the General Assembly. This provision does not apply to funds held in trust by the Commonwealth.

c. CAPITAL PROJECTS:

1. Upon certification by the Director, Department of Planning and Budget, the State Comptroller is hereby authorized to revert to the fund balance of the general fund any portion of the unexpended general fund cash balance and corresponding appropriation or reappropriation for a capital project when the Director determines that such portion is not needed for completion of the project. The State Comptroller may similarly return to the appropriate fund source any part of the unexpended nongeneral fund cash balance and reduce any appropriation or reappropriation which the Director determines is not needed to complete the project.

2. The unexpended general fund cash balance and corresponding appropriation or reappropriation for capital projects shall revert to and become part of the fund balance of the general fund during the current biennium as of the date the Director, Department of Planning and Budget, certifies to the State Comptroller that the project has been completed in accordance with the intent of the appropriation or reappropriation and there are no known unpaid obligations related to the project. The State Comptroller shall return the unexpended nongeneral fund cash balance, if there be any, for such completed project to the source from which said nongeneral funds were obtained. Likewise, he shall revert an equivalent portion of the appropriation or reappropriation of said nongeneral funds.

3. The Director, Department of Planning and Budget, may direct the restoration of any portion of the reverted amount if he shall subsequently verify an unpaid obligation or requirement for completion of the project. In the case of a capital project for which an unexpended cash balance was returned and appropriation or reappropriation was reverted in the prior biennium, he may likewise restore any portion of such amount under the same conditions.