



WEST VIRGINIA LEGISLATURE
STATE CAPITOL
CHARLESTON, WEST VIRGINIA 25305

May 17, 2016

The Honorable Earl Ray Tomblin
Governor of West Virginia
State Capitol Complex
Charleston, West Virginia 25305

Dear Governor Tomblin:

We are writing to request that you consider expanding the call for the ongoing special session to specifically include additional measures to help close the \$271 million budget gap in the least painful manner possible for the citizens of our great State.

By this request to include additional items specifically on the call, we do not mean to imply that any of these measures would be excluded by the terms of the present call. Applicable case law regarding the areas falling within the scope of a call for a special legislative session dealing with the budget gives great latitude and deference to the legislative bodies. However, we believe that specific inclusion of these items on the call would be a more cooperative method of moving forward.

In its current form, the specific bills mentioned in the special session proclamation leaves members of the Legislature with two limited paths forward for balancing the FY2017 budget – massive tax increases on West Virginia citizens and/or significant budget cuts to our state government. As you know, we have both been proponents for a more balanced approach to our budget challenges, looking to achieve a mix of revenue measures, cuts and one-time funds.

We believe that there are a number of items that may help facilitate this approach, none of which were specifically included on the call. During a joint meeting of the House and Senate Finance Committees yesterday, Secretary of Revenue Bob Kiss expressed a willingness on your part to consider additional measures for the special session call. To that end, we hope that you will give consideration to adding some, if not all, of the following measures:

- Legislation ending discretionary transfers to the Licensed Racetrack Modernization Fund (HB 4271);
- Legislation decreasing the distribution to the West Virginia Infrastructure Fund by approximately \$10 million;
- Legislation eliminating the Secretary of Education and the Arts, totaling \$851,753 in personal services and employee benefits;
- Legislation revising the School Aid Formula through the elimination of the Growth County Facilities Act (SB 452);
- Legislation defunding the West Virginia Greyhound Breeding Development Fund (SB 641 & HB 4625); and,

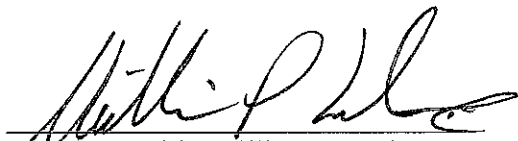
- Two additional supplemental appropriation bills allowing for certain special revenue funds to be expired to the surplus balance of general revenue, and the subsequent appropriation of such funds thereafter, or alternatively an additional supplemental appropriation bill to expire certain special revenue funds to the Revenue Shortfall Reserve Fund.

While we can understand your hesitancy to re-introduce HB 4271 and SB 452, which were to your credit introduced by request of the Executive during the regular session, we believe that circumstances have changed enough since then that the pieces of legislation merit further consideration. We also think that there is sufficient interest in the measures listed above – more so than a 1% consumer sales tax or elimination of the telecommunications tax credit – that we should consider such measures during the ongoing budget process.

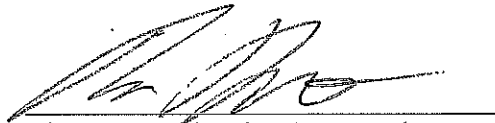
Finally, we would ask that you include on an amended call the Department of Environmental Protection rules bundle that was lost in the waning hours of the regular session, as well as the Money Laundering bill (HB 4575) which was lost on the last night of session due to a clerical error. The rules bundle is of extreme importance to many businesses in West Virginia's energy and manufacturing sectors, and we have unfortunately heard rumors that the bundle is being "held up" in exchange for legislative action on the currently proposed tax increases. We sincerely hope that is not the case, and would implore you to put this rules bundle on the call.

We thank you for your consideration of these measures, and look forward to continuing to work with you towards providing a balanced and common-sense solution to West Virginia's ongoing budget problems.

Sincerely,



The Honorable William P. Cole III
President of the Senate



The Honorable Tim Armstead
Speaker of the House of Delegates