COMPREHENSIVE WATER PROTECTION LAW FINALIZED

Senate Bill 373 establishes the Aboveground Storage Tank Act and the Protect Our Water Fund

On January 9, 2014, a chemical called crude methylcyclohexane methanol, or MCHM, leaked through a ruptured aboveground storage tank at Freedom Industries, a chemical processing and storage facility for the coal industry that sits on the Elk River. West Virginia American Water’s intake valve, that supplies 300,000 people with clean tap water, sits a mile downstream from Freedom Industries.

After discovering the leak, Governor Tomblin declared a state of emergency and ordered West Virginia American Water customers to only use the water to flush the toilet or to put out a fire. The Federal Emergency Management

See WATER, pg 4

BUDGET PASSES AMID REVENUE SHORTFALLS

State Taps Into Rainy Day Fund For the First Time

Lawmakers last Sunday convened the extended budget session to complete work on the Fiscal Year 2015 State Budget. For the second year in a row, non-exempt state agencies took a 7.5 percent reduction in funding across the board. Lawmakers had to craft the budget with the prospects of millions of dollars in looming revenue shortfalls from lower than expected tax collections and managed to balance the budget without cutting critical services to children and seniors.

This year, for the first time ever, the Legislature had to craft a budget which relied on approximately $147.5 million in funds from the Revenue Shortfall Reserve Fund, otherwise known as the “Rainy Day Fund.” West Virginia’s “Rainy Day Fund” is considered one of the country’s strongest, prior to this budget standing at around $922 million. However, the $147.5 million figure was expected to be reduced following action on a bill in the 1st Extraordinary Session which would return millions of dollars through a supplemental appropriation bill to the fund and the balance was still expected to remain strong enough to not adversely affect the state’s bond rating.

The final agreed to Budget Bill, Senate Bill 306, includes an increase of $5 million for in-home care assistance to allow more seniors to stay at home; $13 million placed back into state Road Fund for paving and
On Friday March 14, 2014, The Legislature convened and adjourned for the 1st Extraordinary Session of the 81st Legislature. Collectively, 14 bills were introduced, five House bills and nine Senate bills. Of those, nine bills completed legislation.

**House Bill 101** will reduce the amount transferred from the State Excess Lottery Fund to the West Virginia Infrastructure Fund from $40,000,000 per year to $20,000,000 per year. The State Excess Lottery Fund will be transferred revenues that come from racetrack video lottery, lottery racetrack table games and lottery historic hotel gaming facility activities.

**House Bill 104** will increase the cap for annual collections into the land division special revenue account of the Department of Agriculture from $1,500,000 to $2,000,000. If the collections exceed the cap, 50 percent will be deposited into the General Revenue and another 50 percent will be deposited into a special revenue account.

**House Bill 106** will clarify the priority and timing of debt service payment and make technical corrections to the statutes authorizing the issuance of lottery revenue bonds for the Chesapeake and Greenbrier watershed compliance project and the Cacapon and Beech Fork State Parks from the State Lottery and State Excess Lottery Funds.

**House Bill 107** will allow additional drill cuttings and drilling waste from well sites to be kept at certain commercial solid waste facilities above the existing tonnage limit. There would be a horizontal drilling waste assessment fee at $1 per ton. Radiation and leachate monitoring will be required, and the Department of Environmental Protection will conduct an investigation on certain issues and report it to the Legislature. The West Virginia Division of Highways will administer the Gas Field Highway Repair and Horizontal Drilling Waste Study Fund. This fund will be expended to improve, maintain and repair public roads of three lanes or less located in the watershed from which the revenue was received and the Commissioner of Highways says the damage was caused by traffic associated with horizontal well drilling sites.

**House Bill 108** creates the Sexual Assault Forensic Examination Commission which establishes a regulatory system for sexual assault forensic examinations across the state of West Virginia. The Commission will be chaired by the director of the Division of Justice and Community Service. Outlined in the bill, members will include: the Commissioner of the Bureau of Public Health, the President of the West Virginia Hospital Association, an emergency room physician, a sexual assault nurse examiner, a director of a child advocacy center and many more. The bill requires the commission to create mandatory statewide protocols for sexual assault forensic examinations. This will ensure evidence that is collected from a sexual assault exam is collected correctly and properly so it can be used in a court of law.

**Senate Bill 1005** will give counties the authority to increase salaries of the county commissioner and elected county officials. This bill requires a county to file a written request with the State Auditor if this salary increase is sought. The auditor then determines if the county can increase salaries based on the county’s fiscal condition or annual budget. If the auditor certifies the county, it can increase the salaries based on a salary increase chart outlined in the bill.

**Senate Bill 1009** will recalculate local share in the state aide formula for public schools. This bill repeals previous provisions that assessed real property values based on an assessment ratio study instead of actual real property values. Additionally, the State Board of Education will use 96 percent of the total assessed public utility valuation in the calculation of local share.

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maintenance; an additional $1.5 million for the Safe Drinking Water Program; $3 million for community based substance abuse treatment; and funding to hire additional State Police to staff the Crimes Against Children Unit.

Other funding restored to the budget bill from the introduced version included $150,464 to the Family Resource Networks and Family Resource Centers, $250,000 to in-home Family Education programs, $80,000 to the West Virginia Children’s Trust Fund for grants to go towards preventing child abuse, $357,900 to the domestic violence prevention, $111,908 for the Child Advocacy Centers including an additional $200,000 keeping funding level for local programs due to rapid growth and expansion and $2 million for the West Virginia State Police.

The budget also added $400,000 for the WV Council for Community and Technical Colleges for the “West Virginia Advance Workforce Development,” This funding is to be used solely for “Advanced Manufacturing and Energy Industry Specific Training Programs” and preparing our workforce. The bill also partially restored cuts to the In-Home & Nutrition Services for Senior Citizens, or “Meals on Wheels” in the amount of $400,000.

Next year, lawmakers will begin working on the Fiscal Year 2016 State Budget with revenue shortfalls again expected.

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**Final 2014 Issue**

This is the final issue of Wrap-Up for 2014. Digital versions of all past issues are available online at the Legislature’s Web site: [www.legis.state.wv.us](http://www.legis.state.wv.us)

Thank you for reading!
Agency, or FEMA, and the West Virginia National Guard began distributing clean water across the nine counties affected. The Center for Disease Control, or the CDC, determined the safe non-detectable levels for MCHM are 1 part per million. Based on this threshold, West Virginia American Water established zones throughout the nine counties affected and began lifting the “do not use” ban after that zone’s water was tested.

Originally, Freedom Industries reported that 5,000 gallons of MCHM leaked into the river. The estimate increased twice after its original estimate to 7,500 gallons and then 10,000 gallons. Additionally it was later reported that, although the tank was predominately storing MCHM, it was a mixture of six other chemicals including propylene glycol phenyl ether, or PPH.

Senate Bill 373 is designed to protect water resources and the public health in West Virginia. This legislation establishes the Aboveground Storage Tank Act, the Protect Our Water Fund and revises the Water Resources Protection and Management Act. The bill contains provisions that state all aboveground storage tanks located in the zone of critical concern register with the Department of Environmental Protection (DEP) and undergo an annual inspection. Additionally, all public water systems are required to submit a source water protection plan to the DEP for approval. The plan must include an alternative intake valve incase of contamination, response to contamination and public notification procedures. Under provisions of the bill, the Bureau of Public Health will collect relative evidence in order to conduct a long-term medical surveillance study.