

1 **ENROLLED**

2 **COMMITTEE SUBSTITUTE**

3 FOR

4 **H. B. 2519**

5 (By Mr. Speaker, (Mr. Thompson) and Delegate Armstead)

6
7 [Passed April 12, 2013; in effect ninety days from pasasge.]

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9
10 AN ACT to amend and reenact §11-24-43a of the Code of West
11 Virginia, 1931, as amended; to amend and reenact §31-15A-16 of
12 said code; and to amend and reenact §33-20F-4 of said code,
13 all relating to reallocation and repatriation of certain funds
14 to the General Revenue Fund; eliminating the required payments
15 into the Special Railroad and Intermodal Enhancement Fund for
16 fiscal year 2014; reducing the amount deposited annually to
17 the credit of the West Virginia Infrastructure General
18 Obligation Debt Service Fund, subject to certain limitations,
19 conditions and constraints; eliminating provisions regarding
20 a loan from the Tobacco Settlement Medical Trust Fund to the
21 Physician's Mutual Insurance Company; eliminating the
22 requirement that certain taxes imposed upon medical
23 malpractice insurance premiums to paid into the Revenue

1 Shortfall Reserve Fund; and specifying effective dates.

2 *Be it enacted by the Legislature of West Virginia:*

3 That §11-24-43a of the Code of West Virginia, 1931, as
4 amended, be amended and reenacted; that §31-15A-16 of said code be
5 amended and reenacted; and that §33-20F-4 of said code be amended
6 and reenacted, all to read as follows:

7 **CHAPTER 11. TAXATION.**

8 **ARTICLE 24. CORPORATION NET INCOME TAX.**

9 **§11-24-43a. Dedication of tax proceeds to railways.**

10 (a) Beginning January 1, 2008, there is dedicated an annual
11 amount of up to \$4,300,000 from annual collections of the tax
12 imposed by this article for the purpose of construction,
13 reconstruction, maintenance and repair of railways, the
14 construction of railway-related structures and payment of principal
15 and interest on state bonds issued for railway purposes, as
16 approved by the West Virginia Public Port Authority.

17 (b) For purposes of administering the deposits required by
18 this subdivision, after December 31, 2007, from the taxes imposed
19 by this section and paid to the Tax Commissioner in each quarter of
20 the year, after deducting the amount of any refunds lawfully paid
21 and any administrative costs authorized by this code, the Tax
22 Commissioner shall pay into the Special Railroad and Intermodal
23 Enhancement Fund provided in section seven-a, article sixteen-b,

1 chapter seventeen of this code an amount equal to at least
2 \$1,075,000. In any quarter where the collections are less than the
3 amount required to be paid into the Special Railroad and Intermodal
4 Enhancement Fund, or where the total amount paid in any year will
5 be less than \$4,300,000, the difference shall be paid from amounts
6 available from collections in succeeding quarters until paid in
7 full. Notwithstanding any provision of this section to the
8 contrary, the total amount to be deposited into the Special
9 Railroad and Intermodal Enhancement Fund for 2013 may not exceed
10 \$2,150,000: *Provided*, That no deposits shall be made into the
11 Special Railroad and Intermodal Enhancement Fund during the fiscal
12 year 2014.

13
14 **CHAPTER 31. CORPORATIONS.**

15 **ARTICLE 15A. WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT**

16 **COUNCIL.**

17 **§31-15A-16. Dedication of severance tax proceeds.**

18 (a) There shall be dedicated an annual amount from the
19 collections of the tax collected pursuant to article thirteen-a,
20 chapter eleven of this code for the construction, extension,
21 expansion, rehabilitation, repair and improvement of water supply
22 and sewage treatment systems and for the acquisition, preparation,
23 construction and improvement of sites for economic development in

1 this state as provided in this article.

2 (b) Notwithstanding any other provision of this code to the
3 contrary, beginning on July 1, 1995, the first \$16 million of the
4 tax collected pursuant to article thirteen-a, chapter eleven of
5 this code shall be deposited to the credit of the West Virginia
6 Infrastructure General Obligation Debt Service Fund created
7 pursuant to section three, article fifteen-b of this chapter:
8 *Provided*, That beginning on July 1, 1998, the first \$24 million of
9 the tax annually collected pursuant to article thirteen-a of this
10 code shall be deposited to the credit of the West Virginia
11 Infrastructure General Obligation Debt Service Fund created
12 pursuant to section three, article fifteen-b of this chapter:
13 *Provided, however*, That subject to the conditions, limitations,
14 exclusions and constraints prescribed by subsection (c) of this
15 section, beginning on July 1, 2013, the amount deposited under this
16 subsection to the credit of the West Virginia Infrastructure
17 General Obligation Debt Service Fund created pursuant to section
18 three, article fifteen-b of this chapter shall be the first \$23
19 million of the tax annually collected pursuant to article thirteen-
20 a, chapter eleven of this code.

21 (c) Notwithstanding any provision of subsection (b) of this
22 section to the contrary: (1) None of the collections from the tax
23 imposed pursuant to section six, article thirteen-a, chapter eleven

1 of this code shall be so dedicated or deposited; and (2) the
2 portion of the tax imposed by article thirteen-a, chapter eleven
3 and dedicated for purposes of Medicaid and the Division of Forestry
4 pursuant to section twenty-a of said article thirteen-a shall
5 remain dedicated for the purposes set forth in that section
6 twenty-a.

7 (d) On or before May 1 of each year, commencing May 1, 1995,
8 the council, by resolution, shall certify to the Treasurer and the
9 Water Development Authority the principal and interest coverage
10 ratio and amount for the following fiscal year on any
11 infrastructure general obligation bonds issued pursuant to the
12 provisions of article fifteen-b of this chapter.

13 **CHAPTER 33. INSURANCE.**

14 **ARTICLE 20F. PHYSICIANS' MUTUAL INSURANCE COMPANY.**

15 **§33-20F-4. Authorization for creation of company; requirements**
16 **and limitations.**

17 (a) Subject to the provisions of this article, a physicians'
18 mutual insurance company may be created as a domestic, private,
19 nonstock, nonprofit corporation. As an incentive for its creation,
20 the company may be eligible for funds from the Legislature in
21 accordance with the provisions of section seven of this article.
22 The company must remain for the duration of its existence a
23 domestic mutual insurance company owned by its policyholders and

1 may not be converted into a stock corporation, a for-profit
2 corporation or any other entity not owned by its policyholders. The
3 company may not declare any dividend to its policyholders; sell,
4 assign or transfer substantial assets of the company; or write
5 coverage outside this state, except for counties adjoining this
6 state, until after any and all debts owed by the company to the
7 state have been fully paid.

8 (b) For the duration of its existence, the company is not and
9 may not be considered a department, unit, agency, or
10 instrumentality of the state for any purpose. All debts, claims,
11 obligations, and liabilities of the company, whenever incurred,
12 shall be the debts, claims, obligations, and liabilities of the
13 company only and not of the state or of any department, unit,
14 agency, instrumentality, officer or employee of the state.

15 (c) The moneys of the company are not and may not be
16 considered part of the General Revenue Fund of the state. The
17 debts, claims, obligations, and liabilities of the company are not
18 and may not be considered a debt of the state or a pledge of the
19 credit of the state.

20 (d) The company is not subject to provisions of article nine-
21 a, chapter six of this code or the provisions of article one,
22 chapter twenty-nine-b of this code.

23 (e) All premiums collected by the company are subject to the

1 premium taxes, additional premium taxes, additional fire and
2 casualty insurance premium taxes and surcharges contained in
3 sections fourteen, fourteen-a, fourteen-d and thirty-three, article
4 three of this chapter.

5 (f) *Effective Date* - The changes to this section adopted in
6 2013 are effective and apply on and after July 1, 2013.