

**E N R O L L E D**

COMMITTEE SUBSTITUTE

FOR

**H. B. 2519**

---

(BY MR. SPEAKER, (MR. THOMPSON)

AND DELEGATE ARMSTEAD)

---

[Passed April 12, 2013; in effect from pasasge.]

---

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

imposed upon medical malpractice insurance premiums to be paid into the Revenue Shortfall Reserve Fund; and specifying effective dates.

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

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

## **CHAPTER 11. TAXATION.**

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

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

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

8           (b) For purposes of administering the deposits required by  
9 this subdivision, after December 31, 2007, from the taxes  
10 imposed by this section and paid to the Tax Commissioner in  
11 each quarter of the year, after deducting the amount of any  
12 refunds lawfully paid and any administrative costs authorized by  
13 this code, the Tax Commissioner shall pay into the Special  
14 Railroad and Intermodal Enhancement Fund provided in section  
15 seven-a, article sixteen-b, chapter seventeen of this code an  
16 amount equal to at least \$1,075,000. In any quarter where the  
17 collections are less than the amount required to be paid into the  
18 Special Railroad and Intermodal Enhancement Fund, or where  
19 the total amount paid in any year will be less than \$4,300,000,  
20 the difference shall be paid from amounts available from  
21 collections in succeeding quarters until paid in full.

22 Notwithstanding any provision of this section to the contrary, the  
23 total amount to be deposited into the Special Railroad and  
24 Intermodal Enhancement Fund for 2013 may not exceed  
25 \$2,150,000: *Provided*, That no deposits shall be made into the  
26 Special Railroad and Intermodal Enhancement Fund during the  
27 fiscal year 2014.

## CHAPTER 31. CORPORATIONS.

### ARTICLE 15A. WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL.

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

1 (a) There shall be dedicated an annual amount from the  
2 collections of the tax collected pursuant to article thirteen-a,  
3 chapter eleven of this code for the construction, extension,  
4 expansion, rehabilitation, repair and improvement of water  
5 supply and sewage treatment systems and for the acquisition,  
6 preparation, construction and improvement of sites for economic  
7 development in this state as provided in this article.

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

24 section three, article fifteen-b of this chapter shall be the first  
25 \$23 million of the tax annually collected pursuant to article  
26 thirteen-a, chapter eleven of this code.

27 (c) Notwithstanding any provision of subsection (b) of this  
28 section to the contrary: (1) None of the collections from the tax  
29 imposed pursuant to section six, article thirteen-a, chapter eleven  
30 of this code shall be so dedicated or deposited; and (2) the  
31 portion of the tax imposed by article thirteen-a, chapter eleven  
32 and dedicated for purposes of Medicaid and the Division of  
33 Forestry pursuant to section twenty-a of said article thirteen-a  
34 shall remain dedicated for the purposes set forth in that section  
35 twenty-a.

36 (d) On or before May 1 of each year, commencing May 1,  
37 1995, the council, by resolution, shall certify to the Treasurer  
38 and the Water Development Authority the principal and interest  
39 coverage ratio and amount for the following fiscal year on any  
40 infrastructure general obligation bonds issued pursuant to the  
41 provisions of article fifteen-b of this chapter.

## CHAPTER 33. INSURANCE.

### ARTICLE 20F. PHYSICIANS' MUTUAL INSURANCE COMPANY.

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

1 (a) Subject to the provisions of this article, a physicians'  
2 mutual insurance company may be created as a domestic,  
3 private, nonstock, nonprofit corporation. As an incentive for its  
4 creation, the company may be eligible for funds from the  
5 Legislature in accordance with the provisions of section seven of  
6 this article. The company must remain for the duration of its  
7 existence a domestic mutual insurance company owned by its  
8 policyholders and may not be converted into a stock corporation,  
9 a for-profit corporation or any other entity not owned by its  
10 policyholders. The company may not declare any dividend to its  
11 policyholders; sell, assign or transfer substantial assets of the

12 company; or write coverage outside this state, except for  
13 counties adjoining this state, until after any and all debts owed  
14 by the company to the state have been fully paid.

15 (b) For the duration of its existence, the company is not and  
16 may not be considered a department, unit, agency, or  
17 instrumentality of the state for any purpose. All debts, claims,  
18 obligations, and liabilities of the company, whenever incurred,  
19 shall be the debts, claims, obligations, and liabilities of the  
20 company only and not of the state or of any department, unit,  
21 agency, instrumentality, officer or employee of the state.

22 (c) The moneys of the company are not and may not be  
23 considered part of the General Revenue Fund of the state. The  
24 debts, claims, obligations, and liabilities of the company are not  
25 and may not be considered a debt of the state or a pledge of the  
26 credit of the state.

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

30 (e) All premiums collected by the company are subject to the  
31 premium taxes, additional premium taxes, additional fire and  
32 casualty insurance premium taxes and surcharges contained in  
33 sections fourteen, fourteen-a, fourteen-d and thirty-three, article  
34 three of this chapter.

35 (f) *Effective Date* - The changes to this section adopted in  
36 2013 are effective and apply on and after July 1, 2013.



That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

---

*Chairman, House Committee*

---

*Chairman, Senate Committee*

Originating in the House.

In effect from passage.

---

*Clerk of the House of Delegates*

---

*Clerk of the Senate*

---

*Speaker of the House of Delegates*

---

*President of the Senate*

The within \_\_\_\_\_ this the \_\_\_\_\_  
day of \_\_\_\_\_, 2013.

---

*Governor*

