

# **WEST VIRGINIA LEGISLATURE**

## **2016 REGULAR SESSION**

### **Committee Substitute**

**for**

### **House Bill 2444**

(BY MR. SPEAKER (MR. ARMSTEAD), MILLER, WAXMAN,  
AZINGER, UPSON, KESSINGER, SUMMERS, HANSHAW,  
KURCABA, HILL, E. NELSON)

[Originating in the Committee on Small Business,  
Entrepreneurship and Economic Development.]



1 A BILL to amend and reenact §5B-2-5 of the Code of West Virginia, 1931, as amended, relating  
2 to providing assistance to small businesses; requiring that the director of the West Virginia  
3 Development Office report biennially and offer recommendations for reducing the burdens  
4 imposed on small businesses; and further identifying the report's contents.

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

1 That §5B-2-5 of the Code of West Virginia, 1931, as amended, be amended and reenacted  
2 to read as follows:

**ARTICLE 2. WEST VIRGINIA DEVELOPMENT OFFICE.**

**§5B-2-5. Economic development representatives.**

1 (a) The executive director may employ economic development representatives to be paid  
2 a base salary within legislative appropriations to the West Virginia Development Office, subject to  
3 applicable contract provisions pursuant to section four of this article. Economic development  
4 representatives may receive performance-based incentives and expenses paid from private funds  
5 from a nonprofit corporation contracting with the West Virginia Development Office pursuant to  
6 the provisions of section four of this article. The executive director shall establish job descriptions  
7 and responsibilities of economic development representatives, subject to the provisions of any  
8 contract with a nonprofit corporation entered into pursuant to section four of this article.

9 (b) Notwithstanding any provision of this code to the contrary, economic development  
10 representatives employed within the West Virginia Development Office are not subject to the  
11 procedures and protections provided by articles six and six-a, chapter twenty-nine of this code.  
12 Any employee of the West Virginia Development Office on the effective date of this article who  
13 applies for employment as an economic development representative is not entitled to the  
14 protections of article six, chapter twenty-nine with respect to hiring procedures and qualifications;  
15 and upon accepting employment as an economic development representative, the employee  
16 relinquishes the protections provided for in article two, chapter six-c and article six, chapter  
17 twenty-nine of this code.

18 (c) On the last Monday in January, in years 2017, 2019 and 2021, the executive director  
19 shall submit to the Legislature a written report. The executive director shall provide copies of his  
20 or her report to the President of the Senate, the Speaker of the House of Delegates, the chair of  
21 the Senate Committee on Economic Development and the chair of the House Committee on Small  
22 Business, Entrepreneurship and Economic Development. The executive director's report shall  
23 do the following:

24 (1) Identify and describe loans, grants or other funding sources that economic  
25 development representatives have assisted small businesses acquire during the immediately  
26 preceding reporting cycle;

27 (2) Identify and describe generally inquiries, requests for assistance or other matters that  
28 other state or federal agencies have presented to the West Virginia Development Office in the  
29 immediately preceding reporting cycle in connection with those agencies' efforts to regulate or  
30 assist small businesses;

31 (3) Identify and describe the formation, registration and licensure requirements that state  
32 law imposes on small businesses;

33 (4) Identify and provide copies of all forms and applications, including materials from  
34 relevant websites, that state agencies require in connection with the formation, registration or  
35 licensure of small businesses;

36 (5) Identify specific forms, processes or requirements imposed by state law that may be  
37 streamlined, simplified, combined or eliminated in order to reduce unnecessary costs, delays or  
38 other burdens on small businesses;

39 (6) Propose and describe concrete and specific steps that any branch, agency or level of  
40 state government may take to streamline, simplify, combine or eliminate the forms, processes or  
41 requirements identified in subdivision (6) of this subsection; and

42 (7) Provide the following information:

43 (A) The number of small businesses counseled by the West Virginia Development Office  
44 during the immediately preceding reporting cycle;

45 (B) The number of new businesses created while being counseled by the West Virginia  
46 Development Office during the immediately preceding reporting cycle;

47 (C) The number of jobs created by businesses counseled by the West Virginia  
48 Development Office during the immediately preceding reporting cycle; and

49 (D) Any other information that, in the opinion of the executive director, demonstrates the  
50 performance of the West Virginia Development Office or economic development representatives  
51 during the immediately preceding reporting cycle.

52 (8) No employee may be a relative to the executive director, as defined in Article 1 of  
53 Chapter 6B of this code.

NOTE: The purpose of this bill is to provide assistance to small businesses by the West Virginia Development office. The bill requires that the executive director of the West Virginia Development Office submit biennial reports that describe how the West Virginia Development Office is assisting small businesses and suggestions it has to make statutory or regulatory requirements imposed on small businesses more efficient.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.