

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Committee Substitute

for

Senate Bill 415

BY SENATORS TARR, STOLLINGS, AND NELSON

[Originating in the Committee on Finance; reported on

February 11, 2022]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §11-13A-20b, relating to severance taxes; capping severance tax collections
3 in general revenue at a specified percentage and dedicating any excess above the
4 specified percentage to a special revenue account; creating a special revenue account;
5 setting out the purpose of the account and use of funds therein; setting an effective date;
6 and providing for administration of the account.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13A. SEVERANCE AND BUSINESS PRIVILEGE TAX ACT.

**§11-13A-20b. Diversion of specified funds; creation of Economic Development Growth
Encouragement Fund.**

1 (a) Effective July 1, 2024, and every year thereafter, at the end of any fiscal year when
2 the severance taxes collected pursuant to this article which are deposited into the state's General
3 Revenue Fund exceed eight and one-half percent of the state's general revenue collections, the
4 amount of taxes collected shall be distributed as provided in this section.

5 (1) The first eight and one-half percent shall remain in the General Revenue Fund.

6 (2) Any excess over and above the eight and one-half percent shall be deposited into a
7 special revenue account in the State Treasury created in subsection (b) of this section.

8 (b) A special revenue account to be known as the Economic Development Growth
9 Encouragement Fund is hereby created. The fund shall be administered by the Secretary of the
10 Department of Economic Development. Expenditures from this fund shall be for the purposes set
11 forth in §5B-2-1 et seq. of this code, as authorized from collections and by appropriation from the
12 Legislature, and in accordance with the provisions of §12-3-1 et seq. of this code, and upon the
13 fulfillment of the provisions of §11B-2-1 et seq. of this code.