

WEST VIRGINIA LEGISLATURE

2023 REGULAR SESSION

Introduced

Senate Bill 523

By Senators Tarr, Caputo, and Maroney

[Introduced January 31, 2023; referred
to the Committee on Finance]

1 A BILL to amend and reenact §31-15-23a of the Code of West Virginia, 1931, as amended,
2 relating to funding for infrastructure and economic development; clarifying the purposes
3 and use of the Economic Development Project Fund; providing that funds may be used
4 solely for loans; providing for repayment of loans; and providing a maximum of amount of
5 the funds that may be used for financing high impact development projects.

Be it enacted by the Legislature of West Virginia:

ARTICLE 15. WEST VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY.

§31-15-23a. Economic Development Project Fund.

1 (a) For the purposes of this section, the term "high impact development project" means a
2 project meeting the following criteria, according to a resolution adopted by the authority:

3 (1) The Governor has requested, in writing, that the project be approved for financing by
4 the authority in an amount of \$50 million or greater;

5 (2) The industrial development agency or enterprise undertaking the project will privately
6 invest an amount of \$50 million or greater in the project; and

7 (3) The project meets or exceeds the loan per job ratio criteria for high-impact development
8 projects that may be established, in consultation with the Secretary of the Department of
9 Economic Development, by the board of directors.

10 (b) There is hereby created a special revenue fund in the State Treasury known as the
11 Economic Development Project Fund. The fund shall consist of all moneys appropriated to the
12 authority during the regular session of the Legislature, 2022, from available revenue surplus funds,
13 transfers from the Industrial Development Loans fund, gifts, grants, contributions, any earnings or
14 interest accruing to said fund, and any other moneys appropriated to said fund by the Legislature.
15 The authority may invest and reinvest moneys in the fund with the West Virginia Investment
16 Management Board or the Board of Treasury Investments.

17 (c) The authority may transfer funds in the Industrial Development Loans fund to the
18 Economic Development Project Fund created by this section and any loan repayments or other

19 amounts that would otherwise have been paid into the Industrial Development Loans fund may be
20 paid into the Economic Development Project Fund created by this section.

21 (d) In addition to any powers granted to the authority under any other section of this code,
22 the authority may finance any high impact development project under this section by offering
23 incentives for business formation or expansion to industrial development agencies or enterprises
24 in this state in the form of loans, grants, or other offers of financial assistance or aid upon such
25 terms as the Governor may request and the authority shall deem appropriate which shall be repaid
26 to provide financing for subsequent borrowers.

27 (e) The authority may use moneys in the Economic Development Project Fund to offer
28 incentives for business formation or expansion and provide assistance with site development or
29 other concerns to industrial development agencies or enterprises according to the requirements of
30 this article: *Provided*, That a ~~minimum~~ maximum of \$200 million in the fund may only be used to
31 finance high impact development projects.

32 (f) The authority shall keep itemized records of all fund transactions and agreements
33 entered into in furtherance of the Economic Development Project Fund expenditures. In
34 administering the fund, the authority shall adopt appropriate accounting practices and internal
35 controls, including, but not limited to, strict compliance with the requirements of §5A-8-9 of this
36 code. Fund transactions shall be subject to an annual audit by an independent firm of certified
37 public accountants.

38 (g) The authority shall prepare and submit to the Joint Committee on Government and
39 Finance and the Governor an annual report addressing the status of each project with outstanding
40 financing issued pursuant to this section. The report shall, at a minimum, provide project-specific
41 data addressing:

- 42 (1) The outstanding amount of authority financing for each project;
- 43 (2) The total amount of private investment in each project;
- 44 (3) The number of jobs created by each project since the project's inception; and

- 45 (4) The number of jobs maintained by each project.
- 46 (h) Except for the records and audit required under subsection (f) of this section and the
47 annual reports required under subsection (g) of this section, any documentary material, data, or
48 other writing made or received by the authority relating to high impact development projects under
49 this section, shall be exempt from §29B-1-1 *et seq.* of this code: *Provided*, That any agreement or
50 resolution entered into or signed by the authority which obligates public funds for any high-impact
51 development project shall be subject to inspection and copying pursuant to §29B-1-1 *et seq.* of this
52 code as of the date the agreement or resolution is entered into, signed, or otherwise made public.

NOTE: The purpose of this bill is to provide funding for infrastructure and economic development; clarify the purposes and use of the Economic Development Project Fund; provide that funds may be used solely for loans; provide for repayment of loans, and provide that a maximum amount of \$200 million of the funds may be used for financing high impact development projects.

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