

1 authorizing the Economic Development Authority to make
2 qualified investments and loans; authorizing recoverable
3 revenue credits to private investors for investments in
4 qualified investment companies pursuant to rules to be
5 promulgated by the Economic Development Authority; authorizing
6 tax credits to investors in qualified community development
7 entities; creating a revolving fund to deposit all profits
8 collected by the Economic Development Authority; and
9 specifying disclosure, conflict of interest and
10 confidentiality standards for the operation of the innovation
11 and development program.

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

13 That the Code of West Virginia, 1931, as amended, be amended
14 by adding thereto a new article, designated §5E-3-1, §5E-3-2, §5E-
15 3-3, §5E-3-4, §5E-3-5, §5E-3-6, §5E-3-7, §5E-3-8, §5E-3-9 and §5E-
16 3-10; and that §31-15-6 of said code be amended and reenacted, all
17 to read as follows:

18 **CHAPTER 5E. VENTURE CAPITAL COMPANY.**

19 **ARTICLE 3. INNOVATION AND DEVELOPMENT ACT.**

20 **§5E-3-1. Short title.**

21 This article may be cited as the West Virginia Innovation and
22 Development Act.

23 **§5E-3-2. Declaration of policy.**

1 (a) The Legislature finds and declares that the West Virginia
2 economy can be strengthened by the establishment of a technology-
3 based economic development program that is tailored to West
4 Virginia's specific markets, opportunities and challenges in
5 establishing innovation-driven enterprises.

6 (b) The Legislature further finds that West Virginia's
7 specific markets, opportunities and challenges in establishing
8 innovation-driven enterprises can best be addressed by the
9 establishment and operation of a technology-based economic
10 development program as set forth in this article.

11 **§5E-3-3. Purposes.**

12 (a) The purpose of this article is to promote the development
13 of the human resources and the diversification of the economy of
14 West Virginia by strengthening the foundations of West Virginia's
15 distinctive market environment, by building on West Virginia's
16 established industrial and economic base and establishing a long-
17 term program that will result in a strong, viable and high-growth
18 economy in West Virginia.

19 (b) This article establishes an economic development program
20 that is designed to:

21 (1) Help build and nurture entrepreneurial support structures
22 and attract executives to lead West Virginia-based companies;

23 (2) Support the formation and deployment of private equity at

1 all stages of the business development life cycle including seed
2 capital, venture capital and other equity and normal bank debt that
3 can help emerging as well as mature businesses remain, adapt and
4 grow in West Virginia;

5 (3) Be flexible in terms of who may access program resources;
6 and how it is accessed;

7 (4) Operate according to clearly expressed standards designed
8 to grow, build and keep businesses in West Virginia;

9 (5) Provide measurable results and hold participants
10 accountable;

11 (6) Leverage existing programs and resources in all regions of
12 West Virginia;

13 (7) Operate as a fund of funds by investing in qualified
14 investment companies and receiving a return on such investments
15 from distributions from participating companies;

16 (8) Support angel networks and the funding of seed and venture
17 capital funds, specifically including community development venture
18 capital companies; and

19 (9) Provide for a return on the state's investment by sharing
20 the return of capital and profits with private limited partners.

21 **§5E-3-4. Definitions.**

22 As used in this article, the following terms have the meanings
23 ascribed to them in this article unless the context in which the

1 term is used clearly requires another meaning or a specific
2 different definition is provided:

3 (1) "Authority" means the West Virginia Economic Development
4 Authority established under article fifteen, chapter thirty-one of
5 this code or any successor to all or any substantial part of its
6 powers and duties.

7 (2) "Qualified Investment Company" means an angel network,
8 seed capital, venture capital or other private equity fund that has
9 been qualified by the authority.

10 (3) "Recoverable revenue credits" means credits awarded by the
11 authority pursuant to section seven of this article and entitles
12 the state to receive not less than forty percent of the profits
13 allocable to the tax-advantage portions of the investment.

14 (4) "State" means the State of West Virginia.

15 **§5E-3-5. Rules - Report of findings to Joint Committee on**
16 **Government and Finance.**

17 The authority shall propose rules for legislative approval in
18 accordance with article three, chapter twenty-nine-a of this code
19 to carry out the policy and purposes of this article, to provide
20 any necessary clarification of this article and to efficiently
21 provide for the general administration of this article. The
22 authority may propose additional rules for legislative approval in
23 accordance with article three, chapter twenty-nine-a of this code

1 that it considers necessary to provide for the efficient
2 administration of the recoverable revenue credits awarded to
3 qualified investment companies under this article. Such rules
4 shall include provisions that create a procedure to determine that
5 all investments made by the state pursuant to section six and all
6 investments made by a taxpayer for which a recoverable revenue
7 credit is awarded pursuant to section seven is ultimately invested
8 in companies or businesses in the state. The authority shall
9 propose rules in conjunction with the Department of Commerce to
10 require persons receiving any money or recoverable tax credits
11 pursuant to this article to submit information that is necessary to
12 determine the effectiveness of this act and whether the act shall
13 be continued. Beginning July 1, 2012, and on July 1 of each
14 succeeding year, the authority shall report its findings obtained
15 from such information to the Joint Committee on Government and
16 Finance.

17 **§5E-3-6. Investments and technical assistance.**

18 (a) From moneys appropriated for such purposes to the
19 authority, the authority is authorized to provide or pay for
20 technical and professional assistance to entrepreneurs in the state
21 under rules proposed by the authority pursuant to section five of
22 this article and the policies and procedures adopted by the
23 authority to effectuate the purposes of this article.

1 (b) From moneys appropriated for such purposes, the authority
2 is authorized to make seed capital, venture capital and other
3 equity investments in qualified investment companies operating in
4 the state under rules proposed by the authority pursuant to section
5 five of this article and the policies and procedures adopted by the
6 authority to effectuate the purposes of this article: *Provided,*
7 That such qualified investment company must invest at least two
8 times the amount of investment made by the state pursuant to this
9 subsection in a company or business located in West Virginia.

10 (c) The authority is authorized to award a total of \$5 million
11 in each fiscal year to fulfill the purposes of this section:
12 *Provided,* That the authority may not award more than \$1 million per
13 year to any one qualified investment company or other entity for
14 such purposes. Funds disbursed or awarded under this section shall
15 be awarded by a competitive selection and award process designed to
16 further the purposes of this article under rules proposed by the
17 authority pursuant to section five of this article and the policies
18 and procedures adopted by the authority to effectuate the purposes
19 of this article.

20 **§5E-3-7. Recoverable revenue credits.**

21 (a) To encourage private investors to invest in qualified
22 investment companies, including seed capital, venture capital and
23 other private equity funds to build and support innovative

1 businesses across the state, the authority is authorized to award
2 a total of \$25 million in recoverable revenue credits to be
3 distributed within the next five years. The total amount of
4 recoverable revenue credits authorized for a single qualified
5 investment company may not exceed \$10 million per year.

6 (b) Recoverable revenue credits authorized by this section are
7 intended to provide the state with the opportunity to benefit from
8 the success of all qualified investment companies authorized under
9 this article and consists of: (1) A tax credit for private
10 investors in qualified investment companies equal to fifty percent
11 of the investor's investment to be calculated and applied as set
12 forth in this article, coupled with; (2) the right in the state to
13 receive not less than forty percent of the profits allocable to the
14 tax-advantaged portion of investments in a qualified investment
15 company authorized under this article, all pursuant to rules
16 proposed by the authority under section five of this article and
17 pursuant to policies and procedures adopted by the authority to
18 effectuate the purposes of this article.

19 (c) Recoverable revenue credits authorized by this section
20 shall be allocated pursuant to rules proposed by the authority
21 under section five of this article and pursuant to policies and
22 procedures adopted by the authority to effectuate the purposes of
23 this article.

1 (d) Any investor, including an individual, partnership,
2 limited liability company, corporation or other entity, who makes
3 an investment in a qualified investment company authorized by the
4 authority under this article, which is independently operated by
5 qualified managers, as determined by the authority, and is not
6 directly or indirectly operated or managed by the investors, is
7 entitled to a recoverable revenue credit equal to no more than
8 fifty percent of the investor's investment in the qualified
9 investment company. No investor may receive the recoverable
10 revenue credit without the approval of the authority. The other
11 terms and conditions of the credit shall be established by the
12 authority pursuant to rules proposed by the authority under section
13 five of this article and pursuant to policies and procedures
14 adopted by the authority to effectuate the purposes of this
15 article.

16 (e) The recoverable revenue credits allowed by this article
17 shall be taken after all other credits allowed by chapter eleven of
18 this code have been taken. The credits shall be taken against the
19 same taxes and in the same order as set forth in subsections (c)
20 through (i), inclusive, section five, article thirteen-c, chapter
21 eleven of this code. The credit for investments by a partnership,
22 a limited liability company, a corporation electing to be treated
23 as a subchapter S corporation or other entity which is treated as

1 a pass-through entity under federal and state income tax laws may
2 be divided pursuant to election of the partners, members,
3 shareholders or owners.

4 (f) The recoverable revenue credits allowed under this section
5 are to be credited against the taxpayer's tax liability for the
6 taxable year in which the investment is made. If the amount of the
7 recoverable revenue credit exceeds the taxpayer's tax liability for
8 the taxable year, the amount of the credit which exceeds the tax
9 liability for the taxable year may be carried to succeeding taxable
10 years until used in full or until forfeited. Recoverable revenue
11 credits may not be carried forward more than ten years.
12 Recoverable revenue credits may not be carried back to prior
13 taxable years. Any recoverable revenue credit remaining after the
14 tenth taxable year is forfeited.

15 (g) Recoverable revenue credits allowed under this section may
16 not be used against any liability the taxpayer may have for
17 interest, penalties or additions to tax.

18 (h) All money invested in a qualified investment company by a
19 taxpayer eligible to receive recoverable revenue credits that is
20 utilized to determine the amount of the recoverable revenue credits
21 must be invested by the qualified investment companies in companies
22 or businesses located in the state. If the authority or the Tax
23 Commissioner determines that such moneys are not invested in

1 companies or businesses located in the state, the recoverable
2 revenue credit is subject to recapture, elimination or reduction,
3 in whole or in part, in the tax year in which it was claimed by the
4 taxpayer.

5 (i) Notwithstanding any provision in this code to the
6 contrary, the Tax Commissioner shall publish in the State Register
7 the name and address of every taxpayer and the amount, by category,
8 of any recoverable revenue credit awarded under this article. The
9 categories by dollar amount of credit received are as follows:

- 10 (1) More than \$1 but not more than \$50,000;
- 11 (2) More than \$50,000 but not more than \$100,000;
- 12 (3) More than \$100,000 but not more than \$250,000;
- 13 (4) More than \$250,000 but not more than \$500,000;
- 14 (5) More than \$500,000 but not more than \$1 million;
- 15 (6) More than \$1 million but not more than \$3 million; and
- 16 (7) More than \$3 million.

17 **§5E-3-8. Creation of revolving fund.**

18 (a) The authority shall deposit all profits collected from
19 investors receiving recoverable revenue credits, pursuant to
20 section seven of this article, into a special State Treasury Fund
21 to be known as the Innovation and Development Revolving Fund. The
22 revolving fund is a permanent and perpetual fund administered by
23 the economic development authority. Expenditures from the fund

1 shall be for the purposes set forth in this section and made and
2 are authorized from collection and not legislative appropriations.

3 (b) (1) The revolving fund shall be governed, administered and
4 accounted for by the directors, officers and managerial staff of
5 the Economic Development Authority as a special revenue account,
6 separate and distinct from any other moneys, funds or funds owned
7 and managed by the Economic Development Authority. The revolving
8 fund shall consist of subaccounts, as deemed necessary by the
9 Economic Development Authority, for the deposit of:

10 (A) All profits collected from investors receiving recoverable
11 revenue credits pursuant to section seven of this article;

12 (B) All income earned on moneys held in the revolving fund;
13 and

14 (C) Any other moneys granted to the fund by any other entity.

15 (2) Revolving fund amounts not expended at the close of the
16 fiscal year do not lapse or revert to the General Fund but are
17 carried forward to the next fiscal year. Interest earnings on the
18 revolving fund becomes a part of the revolving fund and do not
19 lapse or revert to the General Fund.

20 (c) Revolving fund moneys shall be used by the Economic
21 Development Authority to award moneys for the purposes of section
22 six or section seven of this article in an amount not to exceed
23 \$5 million annually and then to reimburse the state for any

1 recoverable tax credits awarded pursuant to section seven of this
2 article.

3 **§5E-3-9. Conflict of interest.**

4 No officer, member or employee of the authority may be
5 financially interested, directly or indirectly, in any company or
6 business receiving technical assistance, investments or recoverable
7 revenue credits pursuant to this article.

8 **§5E-3-10. Confidentiality.**

9 (a) The authority shall, by rule, determine which records,
10 reports or information obtained from any person or entity under
11 this article are to be treated by the agency as confidential and
12 not subject to disclosure, except as hereinafter provided in
13 subsection (c) of this section. Notwithstanding any other provision
14 of law to the contrary, the authority shall make available to the
15 public the identity of all qualified investment companies receiving
16 technical assistance or investments under this article.

17 (b) Any other records, reports or information obtained from a
18 person or entity under this article shall be made available to the
19 public except that upon a showing at the time of submission,
20 satisfactory to the authority, by a person or entity, that records,
21 reports or information, or a particular part thereof, to which the
22 authority or any officer, employee or representative thereof has or
23 will have access under this section, if made public, would divulge

1 information entitled to protection under 18 U. S. C. §1905 as that
2 section read on December 20, 1999, such information or particular
3 portion is confidential in accordance with the purposes of this
4 section. In submitting data under this article, a person required
5 to provide such data may designate the data which he or she
6 believes is entitled to protection under this subsection and submit
7 such designated data separately from other data submitted under
8 this article. A designation under this subsection shall be made in
9 writing and in such manner as the authority prescribes.

10 (c) Notwithstanding the foregoing provisions of this section,
11 any record, report, document or information may be disclosed to
12 other officers, employees or authorized representatives of this
13 state charged with administering this article. Notwithstanding the
14 previous sentence, and notwithstanding any provision of this
15 article, the provisions of this code regarding confidentiality and
16 the disclosure of tax returns and tax information, including
17 specifically section five-d, article ten, chapter eleven of this
18 code, apply to the authority, its agents and employees and to
19 information submitted to the authority under this article.

20 **CHAPTER 31. CORPORATIONS.**

21 **ARTICLE 15. WEST VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY.**

22 **§31-15-6. General powers of authority.**

23 The authority, as a public corporation and governmental

1 instrumentality exercising public powers of the state, shall have
2 and may exercise all powers necessary or appropriate to carry out
3 the purposes of this article, including the power:

4 (a) To cooperate with industrial development agencies in
5 efforts to promote the expansion of industrial, commercial,
6 manufacturing and tourist activity in this state.

7 (b) To determine, upon the proper application of an industrial
8 development agency or an enterprise, whether the declared public
9 purposes of this article have been or will be accomplished by the
10 establishment by such agency or enterprise of a project in this
11 state.

12 (c) To conduct examinations and investigations and to hear
13 testimony and take proof, under oath or affirmation, at public or
14 private hearings, on any matter relevant to this article and
15 necessary for information on the establishment of any project.

16 (d) To issue subpoenas requiring the attendance of witnesses
17 and the production of books and papers relevant to any hearing
18 before such authority or one or more members appointed by it to
19 conduct any hearing.

20 (e) To apply to the circuit court having venue of such offense
21 to have punished for contempt any witness who refuses to obey a
22 subpoena, to be sworn or affirmed ~~or~~ to testify or who commits any
23 contempt after being summoned to appear.

1 (f) To authorize any member of the authority to conduct
2 hearings, administer oaths, take affidavits and issue subpoenas.

3 (g) To financially assist projects by insuring obligations in
4 the manner provided in this article through the use of the
5 insurance fund.

6 (h) To finance any projects by making loans to industrial
7 development agencies or enterprises upon such terms as the
8 authority ~~shall deem~~ deems appropriate: *Provided*, That nothing
9 contained in this subsection (h) or under any other provision in
10 this article shall be construed as permitting the authority to make
11 loans for working capital: *Provided, however*, That nothing
12 contained in this article shall be construed as prohibiting the
13 authority from insuring loans for working capital made to
14 industrial development agencies or to enterprises by financial
15 institutions: *Provided further*, That nothing contained in this
16 subsection or any other provision of this article shall be
17 construed as permitting the authority to refinance existing debt
18 except when such refinancing will result in the expansion of the
19 enterprise whose debt is to be refinanced or in the creation of new
20 jobs.

21 (i) To issue revenue bonds or notes to fulfill the purposes of
22 this article, and to secure the payment of such bonds or notes, all
23 as hereinafter provided.

1 (j) To issue and deliver revenue bonds or notes in exchange
2 for a project.

3 (k) To borrow money for its purposes and issue bonds or notes
4 for the money and provide for the rights of the holders of the
5 bonds or notes or other negotiable instruments, to secure the bonds
6 or notes by a deed of trust on, or an assignment or pledge of, any
7 or all of its property and property of the project, including any
8 part of the security for loans. ~~and the~~ The authority may issue and
9 sell its bonds and notes, by public or private sale, in such
10 principal amounts as it ~~shall deem~~ deems necessary to provide funds
11 for any purposes under this article, including the making of loans.
12 ~~for the purposes set forth in this article.~~

13 (l) To maintain such sinking funds and reserves as the board
14 ~~shall determine~~ determines appropriate for the purposes of meeting
15 future monetary obligations and needs of the authority.

16 (m) To sue and be sued, implead and be impleaded, and complain
17 and defend in any court.

18 (n) To adopt, use and alter at will a corporate seal.

19 (o) To make, amend, repeal and adopt both bylaws and rules ~~and~~
20 ~~regulations~~ for the management and regulation of its affairs.

21 (p) To appoint officers, agents and employees and to contract
22 for and engage the services of consultants.

23 (q) To make contracts of every kind and nature to execute all

1 instruments necessary or convenient for carrying on its business.

2 (r) To accept grants and loans from and enter into contracts
3 and other transactions with any federal agency.

4 (s) To take title by conveyance or foreclosure to any project
5 where acquisition is necessary to protect any loan previously made
6 by the authority and to sell, by public or private sale, transfer,
7 lease or convey such project to any enterprise.

8 (t) To participate in any reorganization proceeding pending
9 pursuant to the United States Code (being the act of Congress
10 establishing a uniform system of bankruptcy throughout the United
11 States, as amended) or in any receivership proceeding in a state or
12 federal court for the reorganization or liquidation of an
13 enterprise. The authority may file its claim against any such
14 enterprise in ~~any~~ of the foregoing proceedings, vote upon any
15 questions pending therein which requires the approval of the
16 creditors participating in ~~any~~ a reorganization proceeding or
17 receivership, exchange ~~any~~ evidence of such indebtedness for ~~any~~
18 property, security or evidence of indebtedness offered as a part of
19 the reorganization of such enterprise or of any other entity formed
20 to acquire the assets thereof and may compromise or reduce the
21 amount of any indebtedness owing to it as a part of any such
22 reorganization.

23 (u) To acquire, construct, maintain, improve, repair, replace

1 and operate projects within this state, as well as streets, roads,
2 alleys, sidewalks, crosswalks and other means of ingress and egress
3 to and from projects located within this state.

4 (v) To acquire, construct, maintain, improve, repair and
5 replace and operate pipelines, electric transmission lines,
6 waterlines, sewer lines, electric power substations, waterworks
7 systems, sewage treatment and disposal facilities and any
8 combinations thereof for the use and benefit of any enterprise
9 located within this state.

10 (w) To acquire watersheds, water and riparian rights, rights-
11 of-way, easements, licenses and ~~any~~ and all other property,
12 property rights and appurtenances for the use and benefit of any
13 enterprise located within this state.

14 (x) To acquire, by purchase, lease, donation or eminent
15 domain, ~~any~~ real or personal property, or ~~any~~ a right or interest
16 therein, as may be necessary or convenient to carry out the
17 purposes of the authority. Title to all property, property rights
18 and interests acquired by the authority shall be taken in the name
19 of the authority.

20 (y) To issue renewal notes, or security interests, to issue
21 bonds to pay notes or security interests and, whenever it deems
22 refunding expedient, to refund ~~any~~ bonds or notes by the issuance
23 of new bonds or notes, whether the bonds or notes to be refunded

1 have or have not matured and whether or not the authority
2 originally issued the bonds or notes to be refunded.

3 (z) To apply the proceeds from the sale of renewal notes,
4 security interests or refunding bonds or notes to the purchase,
5 redemption or payment of the notes, security interests or bonds or
6 notes to be refunded.

7 (aa) To accept gifts or grants of property, funds, security
8 interests, money, materials, labor, supplies or services from the
9 United States of America or from any governmental unit or any
10 person, firm or corporation, and to carry out the terms or
11 provisions of, or make agreements with respect to, or pledge, any
12 gifts or grants, and to do ~~any and~~ all things necessary, useful,
13 desirable or convenient in connection with the procuring,
14 acceptance or disposition of gifts or grants.

15 (bb) To the extent permitted under its contracts with the
16 holders of bonds, security interests or notes of the authority, to
17 consent to any modification of the rate of interest, time of
18 payment of any installment of principal or interest, security or
19 any other term of any bond, security interests, note or contract or
20 agreement of any kind to which the authority is a party.

21 (cc) To sell loans, security interests or other obligations in
22 the loan portfolio of the authority. Such security interests shall
23 be evidenced by instruments issued by the authority. Proceeds from

1 the sale of loans, security interests, or other obligations may be
2 used in the same manner and for the same purposes as bond and note
3 revenues.

4 (dd) To procure insurance against any losses in connection
5 with its property, operations or assets in such amounts and from
6 such insurers as the authority deems desirable.

7 (ee) To sell, license, lease, mortgage, assign, pledge or
8 donate its property, both real and personal, or any right or
9 interest therein to another or authorize the possession, occupancy
10 or use of such property or ~~any~~ a right or interest therein by
11 another, ~~in such manner and upon such terms as~~ upon terms it deems
12 appropriate.

13 (ff) To participate with the state and federal agencies in
14 efforts to promote the expansion of commercial and industrial
15 development in this state.

16 (gg) To finance, organize, conduct, sponsor, participate and
17 assist in the conduct of special institutes, conferences,
18 demonstrations and studies relating to the stimulation and
19 formation of business, industry and trade endeavors.

20 (hh) To conduct, finance and participate in technological,
21 business, financial and other studies related to business and
22 economic development.

23 (ii) To conduct, sponsor, finance, participate and assist in

1 the preparation of business plans, financing plans and other
2 proposals of new or established businesses suitable for support by
3 the authority.

4 (jj) To prepare, publish and distribute, with or without
5 charge as the authority ~~may determine, such~~ determines technical
6 studies, reports, bulletins and other materials as it deems
7 appropriate, subject only to the maintenance and respect for
8 confidentiality of client proprietary information.

9 (kk) To exercise ~~such other and~~ additional powers as ~~may be~~
10 necessary or appropriate for the exercise of the powers herein
11 conferred.

12 (ll) To exercise all of the powers which a corporation may
13 lawfully exercise under the laws of this state.

14 (mm) To contract for the provision of legal services by
15 private counsel, and notwithstanding ~~the provisions of~~ article
16 three, chapter five, such counsel may, but is not limited to,
17 represent the authority in court, negotiate contracts and other
18 agreements on behalf of the authority, render advice to the
19 authority on ~~any matter relating thereto,~~ a related matter, prepare
20 contracts and other agreements, and provide such other legal
21 services as ~~may be~~ requested by the authority.

22 (nn) To develop, maintain, operate and apply for the
23 establishment of foreign trade zones pursuant to and in accordance

1 with all applicable provisions of federal law.

2 (oo) To exercise the powers and responsibilities previously
3 vested in the state building commission by section eleven-a,
4 article six, chapter five including, but not limited to, the
5 authority to refund bonds issued in accordance with that section.

6 (pp) To award funds, tax credits and recoverable revenue
7 credits and to collect profits on behalf of the state in accordance
8 with the recoverable revenue credits pursuant to article three,
9 chapter five-e of this code.

(NOTE: The purpose of this bill is to establish a West Virginia innovation and development program, to attract and support capital investment in innovation-driven enterprises in West Virginia through a combination of direct annual investment by the state in seed capital, venture capital and other equity and debt investments in West Virginia. The bill sets forth technical support and assistance to entrepreneurs in the state. The bill establishes recoverable revenue credits to private investors to encourage private investment in seed capital, venture capital and other private equity funds, such program to be run and such funding to be awarded through a competitive selection process to be managed by the West Virginia Economic Development Authority.

§5E-3-1, §5E-3-2, §5E-3-3, §5E-3-4, §5E-3-5, §5E-3-6, §5E-3-7, §5E-3-8, §5E-3-9 and §5E-3-10 are new; therefore, strike-throughs and underscoring have been omitted.

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