

H. B. 2531

(By Delegate Morgan)

[Introduced February 2, 2015; referred to the

Committee on Small Business, Entrepreneurship and Economic Development then Finance]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §5B-2I-1, §5B-2I-2, §5B-2I-3, §5B-2I-4 and §5B-2I-5, all relating to creating the Good Jobs Internet Reporting Act; requiring government agencies to report job creation and retention information related to development assistance programs to the Department of Revenue; requiring tracking numbers for all development assistance projects and tax credits; requiring the Tax Department to report development assistance tax credit information to the Department of Revenue; requiring tax levying bodies to report tax assessment valuation determination information to the Department of Revenue; requiring the Department of Revenue to compile and report all information required under this article to the Legislature; and requiring the Department of Revenue to publish reports on the internet.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new article, designated §5B-2I-1, §5B-2I-2, §5B-2I-3, §5B-2I-4 and §5B-2I-5, all to read as follows:

1 **ARTICLE 2I. THE GOOD JOBS INTERNET REPORTING ACT.**

2 **§5B-2I-1. Short title.**

3 This article may be cited as the "Good Jobs Internet Reporting Act."

4 **§5B-2I-2. Definitions.**

5 (1) "Department" means, unless otherwise noted, the Department of Revenue or any
6 successor agency.

7 (2) "Development assistance" means any tax credit administered by the Tax Department that
8 has a job creation or retention qualification or job reporting requirement, or any direct economic
9 development loan or grant administered by the West Virginia Economic Development Authority,
10 the Development Office or the West Virginia Infrastructure and Jobs Development Council.

11 (3) "Full-time, permanent job" means the same as that term is defined in the statute
12 authorizing the development assistance or in the legislative rule promulgated pursuant to the statute.
13 On and after the effective date of this article, if there is no definition in the statute or legislative rule,
14 then "full-time, permanent job" means a job in which the new employee works for the recipient at
15 a rate of at least thirty-five hours per week.

16 (4) "Granting body" means any agency, board, office, public benefit corporation or authority
17 of West Virginia that provides or administers development assistance, and any successor agency.

18 (5) "New employee" means the same as that term is defined in the statute authorizing the
19 development assistance or in the legislative rule promulgated pursuant to the statute. On and after
20 the effective date of this article, if there is no definition in the statute or legislative rule, then "new
21 employee" means a full-time, permanent employee who represents a net increase in the number of
22 the recipient's employees statewide. "New employee" includes an employee who previously filled

1 a new employee position with the recipient who was rehired or called back from a layoff. The term

2 "new employee" does not include any of the following:

3 (A) An employee of the recipient who performs a job that was previously performed by

4 another employee, if that job existed in this state for at least six months before hiring the employee;

5 or

6 (B) A child, grandchild, parent, or spouse, or spouse other than a spouse who is legally

7 separated from the individual, of any individual who is an employee of the recipient and who has a

8 direct or an indirect ownership interest of at least five percent in the profits, capital, or value of the

9 recipient.

10 (6) "Part-time job" means the same as that term is defined in the statute authorizing the

11 development assistance or in the legislative rule promulgated pursuant to the statute. On and after

12 the effective date of this article, if there is no definition in the statute or legislative rule, then

13 "part-time job" means a job in which the new employee works for the recipient at a rate of less than

14 thirty-five hours per week.

15 (7) "Recipient" means any business that receives economic development assistance. A

16 business is any corporate shareholders, limited liability company, partners, joint venture, association,

17 sole proprietorship, or other legally recognized entity.

18 (8) "Retained employee" means the same as that term is defined in the statute authorizing the

19 development assistance or in the legislative rule promulgated pursuant to the statute. On and after

20 the effective date of this article, if there is no definition in the statute or legislative rule, then

21 "retained employee" means any employee defined as having a full-time or full-time equivalent job

22 preserved at a specific project site that was threatened to be lost by a specific and demonstrable

1 threat.

2 (9) "Specific project site" means that distinct operational geographic location to which any
3 development assistance is applied.

4 (10) "Tax Department" means, for the purposes of this article, the West Virginia State Tax
5 Department in its role as the administrator of development assistance tax credits.

6 (11) "Tax assessment valuation determination" means a determination of the value of real
7 or personal property for tax assessment purposes, for an amount that is less than the fair market
8 value, made by an authorized tax levying body for purpose of providing development assistance,
9 including those determinations made pursuant to the provisions of chapter seven, article eleven-b
10 or chapter eleven, article six-e of this code.

11 (12) "Temporary job" means the same as that term is defined in the statute authorizing the
12 development assistance or in the legislative rule promulgated pursuant to the statute. On and after
13 the effective date of this article, if there is no definition in the statute or legislative rule, then
14 "temporary job" means a job in which the new employee is hired for a specific duration of time or
15 season.

16 (13) "Value of assistance" means the aggregate monetary amount of any form of development
17 assistance.

18 **§5B-2I-3. Tracking numbers.**

19 (a) On and after the effective date of this article, the department shall issue a tracking number
20 for each application for development assistance submitted to a granting body, that is specific to both
21 the granting agency and to each application, and for each development assistance tax credit
22 administered by the State Tax Department, that is specific to both the State Tax Department and to

1 each tax return.

2 (b) On and after the effective date of this article, each granting body shall obtain a tracking
3 number from the department for each application for development assistance, before the
4 development assistance is granted or administered.

5 (c) On and after the effective date of this article, the State Tax Department shall obtain a
6 tracking number from the department for each tax return for which a development assistance tax
7 credit is claimed, before the tax credit is granted or administered.

8 **§5B-2I-4. Reports to the Department of Revenue by granting bodies, the State Tax**
9 **Department and tax levying bodies.**

10 (a) On and after July 1, 2015, and on the same date each year thereafter, each granting body
11 shall report to the department the following information, in a form and format prescribed by the
12 department, for each application for development assistance that it granted or administered during
13 the previous fiscal year:

14 (1) An application tracking number that is specific to both the granting agency and to each
15 application;

16 (2) The office mailing addresses, office telephone number, and the name of the chief officer
17 of the granting body;

18 (3) The office mailing address, telephone number, six-digit North American Industry
19 Classification number or successor number, and the name of the president or chief officer of the
20 applicant or authorized designee for the specific project site for which development assistance was
21 requested;

22 (4) The name, street and mailing address, and phone number of the chief officer of the

1 applicant's corporate parent;

2 (5) The street address of the specific project site;

3 (6) The applicant's total number of employees at the specific project site on the date that the
4 application was submitted to the state granting body and on the last date of the reporting period,
5 including the number of full-time, permanent jobs, the number of part-time jobs, and the number of
6 temporary jobs;

7 (7) The type of development assistance and value of assistance requested;

8 (8) The number of jobs created or retained or both created and retained by the applicant as
9 a result of the development assistance, including the number of full-time, permanent jobs, the
10 number of part-time jobs, and the number of temporary jobs;

11 (9) The average hourly wage paid to all current and new employees at the specific project
12 site, broken down by full-time, part-time and temporary positions, job classification or occupation,
13 and further broken down by wage groups as follows: \$8 or less an hour, \$8.01 to \$9 an hour, \$9.01
14 to \$10 an hour, \$10.01 to \$11 an hour, \$11.01 to \$12 an hour, \$12.01 to \$13 an hour, \$13.01 to \$14
15 an hour, and \$14.01 to \$15 an hour, \$15.01 to \$16 an hour, \$17.01 to \$18 an hour, \$18.01 to \$19 an
16 hour, \$19.01 to \$20 an hour, \$20.01 to \$21 and hour, \$21.01 to \$22 and hour, \$22.01 to \$23 an hour,
17 \$23.01 to \$24 an hour, \$24.01 to \$25 and hour, \$25.01 to \$30 an hour, \$30.01 to \$40 an hour, \$40.01
18 to \$50 an hour and \$50.01 or more per hour;

19 (10) The type and amount of health care coverage provided by the applicant to the employees,
20 including any costs to be borne by the employees;

21 (11) A detailed list of the occupation or job classifications of new employees or retained
22 employees, a schedule of starting dates of the new hires, and total payroll created as a result of the

1 development assistance;

2 (12) A statement as to whether the development assistance reduced employment at any other
3 site controlled by the applicant or its corporate parent, within or outside of the state, resulting from
4 automation, merger, acquisition, corporate restructuring or other business activity.

5 (13) The total number of individuals employed in the state by the applicant's corporate
6 parent, and all its subsidiaries, as of December 31 of the prior fiscal year, broken down by full-time,
7 part-time and temporary positions;

8 (14) A list of all other forms of development assistance that the applicant has requested or
9 received for the specific project site and the name of each state granting body from which that
10 development assistance was requested or received;

11 (15) A list of all other development assistance that the applicant has requested or received
12 at all locations in the state and the name of each state granting body from which that development
13 assistance was requested or received; and

14 (16) A certification by the chief officer of the applicant, or his or her authorized designee,
15 that the information contained in the application submitted to the granting body contains no known
16 misrepresentation of material facts upon which eligibility for development assistance is based.

17 (b) On and after July 1, 2015, and on the same date each year thereafter, the Tax Department
18 shall report to the department the following information, in a form and format prescribed by the
19 department, for each development assistance tax credit that it granted or administered during the
20 previous tax year:

21 (1) The aggregate amount of tax credit resulting from each type of development assistance
22 authorized in this code, broken down by categories as distinguished by the six-digit North American

1 Industry Classification number; and

2 (2) The name of each corporate taxpayer that claimed any tax credit under subdivision (1)
3 of this section of any value equal to or greater than \$5,000, together with the dollar amount received
4 by each such corporation.

5 (c) In addition to the reporting requirements set forth in chapter seven, article eleven-b of this
6 code, on and after July 1, 2015, and on the same date each year thereafter, each tax levying body
7 shall report to the department the following information, in a form and format prescribed by the
8 department, for each tax assessment valuation determination of real or personal property for an
9 amount less than the fair market value that it made for the purpose of development assistance during
10 the previous tax year:

11 (1) The name of the property owner;

12 (2) The address of the property;

13 (3) The start and end dates of the tax assessment valuation determination;

14 (4) Each tax abatement, reduction and exemption for the property; and

15 (5) The amount of property tax not paid as a result of the reduction or abatement.

16 **§5B-2I-5. Reports to the Legislature; posting reports on Internet.**

17 (a) On and after July 1, 2015, and on the same date each year thereafter, the department shall
18 annually compile and publish all of the data contained in the reports required under section four of
19 this article, in both written and electronic form, and shall file with the Legislature an annual report,
20 in both written and electronic form, that contains the information from each report it received in the
21 preceding calendar year.

22 (b) The report shall contain the specific data on each recipient separately, the data aggregated

1 by categories as distinguished by the six-digit North American Industry Classification number, and
2 as a whole amount as a percentage of the state budget.

3 (c) The department shall publish all reports it receives and its annual report on a website
4 which employs advanced search options, including, but not limited to, the ability to search by types
5 of assistance programs, assistance amounts, state departments, number of new employees hired, and
6 geographic regions. The website should further employ useful data analysis tools such as charts and
7 tables, downloadable spreadsheets, interactive applications, and other useful tools and features to
8 assist the public in analyzing the data.

NOTE: The purpose of this bill is to create the Good Jobs Internet Reporting Act. The bill requires the reporting of job creation and retention data, tax credit data and property tax redemptions, abatements and exemptions to the Department of Revenue. It requires the Department of Revenue to report the data to the Legislature and to publish the reports on the Internet.

This article is new; therefore, it has been completely underscored.