

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Committee Substitute

for

House Bill 4502

(BY DELEGATES LANE, MILLER AND SOBONYA)

[Originating in the Committee on the Judiciary;

February 25, 2016.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §5-1-29, relating to reciprocity agreements with contiguous states and the
3 District of Columbia; authorizing the governor to enter into and renew reciprocity
4 agreements with the governors and other appropriate state governmental agencies from
5 states that share contiguous borders with this state, including the District of Columbia, to
6 establish regulations, licensing requirements and taxation for small businesses
7 headquartered in contiguous states or the District of Columbia that conduct business in
8 this state; providing the governor discretionary power to delegate such authority to the
9 Attorney General or secretary of an executive branch department to negotiate and enter
10 into such reciprocity agreements on behalf of the governor; requiring any reciprocity
11 agreement that impacts or affects taxation, either the receipt or payment thereof, to be
12 approved by Legislative act; and defining terms.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
2 section, designated §5-1-29, to read as follows:

ARTICLE 1. THE GOVERNOR.

**§5-1-29. Reciprocity agreements to establish regulations, licensing requirements and
taxes for small businesses in contiguous states and the District of Columbia
doing business in West Virginia.**

1 (a) The Governor is hereby authorized to enter into and renew reciprocity agreements with
2 the governors and other appropriate state governmental agencies from states that share
3 contiguous borders with this state, and the District of Columbia, to establish regulations, licensing
4 requirements and taxation for small businesses headquartered in contiguous states or the District
5 of Columbia that conduct business in this state. In the discretion of the Governor, the Attorney
6 General or secretary of an executive branch department may be delegated and empowered in
7 writing to negotiate and enter into such reciprocity agreements on behalf of the Governor.

8 (b) Notwithstanding the authority granted in subsection (a) of this section, any reciprocity
9 agreement that impacts or affects taxation, either the receipt or payment thereof, may not be
10 entered into unless and until such agreement is approved by the Legislature by act.

11 (c) For the purposes of this section, the term “small business” has the same meaning as
12 prescribed under section seven-a, article thirteen-c, chapter eleven of this code.

NOTE: The purpose of this bill is to authorize the state to enter into and renew reciprocity agreements with states that share contiguous borders with this state, including the District of Columbia, to establish regulations, licensing requirements and taxation for small businesses headquartered in the contiguous states or the District of Columbia.

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