

WEST VIRGINIA LEGISLATURE

2023 REGULAR SESSION

Enrolled

Senate Bill 162

By Senators Blair (Mr. President), Azinger, Barrett,
Boley, Caputo, Chapman, Clements, Deeds, Grady,
Hamilton, Hunt, Jeffries, Karnes, Maroney, Martin,
Maynard, Nelson, Oliverio, Phillips, Plymale, Queen,
Roberts, Rucker, Smith, Stover, Stuart, Swope,
Takubo, Tarr, Taylor, Trump, Weld, Woelfel, and
Woodrum

[Passed January 20, 2023; in effect from passage]

1 AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §20-1-22, relating to authorizing the director of the Division of Natural
3 Resources to lease state-owned pore spaces underlying state forests, natural and scenic
4 areas, and management areas, and other lands under the jurisdiction and control of the
5 director for carbon sequestration; prohibiting the leasing of pore spaces underlying state
6 parks; establishing competitive bidding process; providing for procedures and
7 requirements; and authorizing the director to directly award a pore space under certain
8 circumstances when necessary for an economic development project.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. ORGANIZATION AND ADMINISTRATION.

§20-1-22. Authorizing the director to lease and develop pore spaces.

1 (a) The director may, with the approval in writing of the Secretary of Commerce, lease
2 state-owned pore spaces underlying state forests, natural and scenic areas, wildlife management
3 areas, and other lands under the jurisdiction and control of the director for underground carbon
4 sequestration: *Provided*, That the director is prohibited from leasing state-owned pore spaces
5 underlying lands that are designated as state parks. Before entering into a lease, the director shall
6 receive sealed bids therefor, after notice by publication as a Class I legal advertisement in
7 compliance with the provisions of §59-3-1 *et seq.* of this code, and the publication area for such
8 publication shall be each county in which the affected lands are located, and on the Division's main
9 website for a period of at least 14 days prior to entering into any lease pursuant to this section. The
10 pore space development proposal so advertised shall be leased to the highest responsible bidder,
11 who shall give bond for the proper performance of the lease as the director shall designate; but the
12 director may reject any and all bids and re-advertise for bids. The development of pore spaces
13 pursuant to this section shall be consistent with the requirements of §22-11B-1 *et seq.* of this code.
14 The proceeds arising from any such lease shall be paid to the Treasurer of the State of West
15 Virginia and shall be credited to the Division and used exclusively for the purposes of this chapter.

16 (b) Notwithstanding the competitive bidding process established in subsection (a), the
17 director may, with the approval in writing of the Secretary of the Department of Commerce, directly
18 award a pore space lease when the Secretary of the Department of Commerce and the Secretary
19 of the Department of Economic Development certifies in writing to the director that the lease is a
20 necessary component of an economic development project: *Provided*, That the lease shall afford a
21 market value or greater royalty.