

UPSHUR COUNTY COMMISSION  
Upshur County Administrative Annex  
91 West Main Street, Suite 101 ▪ Buckhannon, West Virginia 26201  
*Equal Opportunity Employer (EOE)*

Telephone: (304) 472-0535  
Telecopier: (304) 473-2802

TDD Numbers  
Business: 472-9550

November 27, 2018

Joint Committee on Government and Finance  
1900 Kanawha Boulevard E  
Building 1 Room E132  
Charleston, WV 25305

*Submitted via online portal only*

Dear Committee Members:

The Upshur County Commission committed Coal Reallocation Funds to the infrastructure projects listed below within Fiscal Year (FY) 2018.

1. Buckhannon Upshur Airport Pilot's Lounge Construction Project  
Total Expenditure: \$12,916.30  
Status: Completed August 4, 2017
2. Upshur County Public Library Parking Lot Expansion  
Total Expenditure: \$0  
Status: Initiated in Fall of FY 2019

The report, as required by WV Code 11-13A-6a, detailing the Buckhannon Upshur Airport Pilot's Lounge Construction Project as well as related invoices and expenditure reports is attached hereto. Please note that the first of the two invoices received for this project was dated June 28, 2017; however, it was not received until July 5, 2017. When Accounts Payable processed the invoice, it was charged to FY 16 as that was the Fiscal Year in which the obligation was incurred. I apologize for our lack of report for FY 2016 as I did not realize this charge was to FY 2016 until the present day.

If you need any additional information, please do not hesitate to contact me at 304-472-0535.

Sincerely,



Carrie L. Wallace  
County Administrator  
Upshur County Commission



**PO Box 1042**

**Buckhannon, WV 26201**

**304-472-9437**

To: Carrie Wallace  
County Administrator  
Upshur County Commission  
Upshur County Administrative Annex  
91 W. Main Street, Suite 101  
Buckhannon, WV 26201

From: Phil Loftis  
Treasurer, Buckhannon Upshur Airport Authority  
PO Box 1042  
Buckhannon, WV 26201

Re: Upshur County Economic Development and Infrastructure Project Report  
Upshur Regional Airport Pilot's Lounge Facility Construction

Carrie,

Per your requests of 6/8/2017 and 1/20/2018, I am providing the attached draft of the subject report. Please advise if the content of the draft is inconsistent with the information you require for documentation of proper use of Reallocated Coal Severance Tax funds.

I apologize for the extended delay in providing this draft. The Airport Authority appreciates your efforts (and those of the Upshur County Commission) on behalf of the Upshur County Regional Airport.

Kind regards,

Phil Loftis  
Treasurer, BUAA

# Upshur County Economic Development and Infrastructure Project Report

## Upshur Regional Airport Pilot's Lounge Facility Construction

### Executive Summary

In the spring of 2017, the Upshur County Airport Authority requested financial support from the Upshur County Commission to construct a Pilot's Lounge Facility within the existing Snow Removal Equipment building at the Upshur County Regional Airport. The Authority characterized the need for the facility (to be used by transient pilots for flight planning purposes, and by pilots and passengers alike as a waiting area sheltered against inclement weather) as important to the continued growth of the Airport and various Airport tenant businesses. The construction project was approved, and was completed in late summer of 2017. This report serves as documentation that the Coal Severance Tax funds used by the County Commission to pay for the construction were properly applied, and that no improper use of the funds occurred.

### Definition of Project Need

The Buckhannon-Upshur Airport Authority, a Regional Airport Authority operating under provisions of WV State Code Chapter 8, Article 29 - "Intergovernmental Relations - Regional Airports" and sponsored by the Upshur County Commission and the City of Buckhannon, determined the need for a Pilot's Lounge and Flight Planning Resource Area for use by transient pilots, aircraft crew members and their passengers. The new facility must provide:

- A quiet, secure area sheltered from inclement weather, where pilots and crew may rest safely and comfortably while awaiting the arrival of passengers or other crew, improvement in weather conditions necessary for safe flight, refueling or repair of aircraft, etc., accessible both during and after regular Airport business hours
- Flight planning resources - computer, internet access, telephone access, weather information access, etc. in promotion of safety of flight
- Light refreshments provided compliments of the Airport Authority

The Authority desires to ultimately fill this need via construction of a Passenger Terminal facility, to be funded in large part by the Federal Aviation Administration. However, the long-term nature of this effort (estimated to take at least 2 years, and dependent upon uncertain release of funding from Congress), and the urgency of the existing need (low fuel sales and passenger enplanements from low transient traffic) dictate pursuing a more short-term solution to meeting the need.

## Project Description

The Buckhannon Upshur Airport Authority has operated the Upshur County Regional Airport since 1994. At one time, it offered pilot lounge facilities via a mobile modular structure that was funded privately. The Authority was able to secure funds to purchase the former pilot lounge, then leased it to its current tenant, Healthnet, for its exclusive use and moved it to its current location off the flight line. While meeting the needs of Healthnet for suitable crew quarters, this action eliminated an important resource that transient pilots and their passengers expect.

The Airport Authority operates a fixed-base operation (FBO) offering fuel sales, hangar leases, and rental of ramp space for aircraft parking. Although the existing hangar space is fully subscribed at present, fuel sales and passenger enplanements are significantly off from prior years. The Authority attributes part of this result to the lack of a passenger facility to attract transients to the Airport.

In March of 2016, the Authority entered into a long-term lease for various hangar and ground space on the Airport to Airtech LLC. The resulting SASO agreement permits Airtech to engage in providing various aviation-oriented services such as aircraft maintenance. Airtech LLC has described the significant negative impact that the lack of a pilot lounge facility has had upon the growth of its business, and strongly requested that the Authority address this need at its earliest opportunity.

Building a standalone pilot's lounge was determined to be beyond the reach of immediately available resources. Accordingly, the Authority identified space in the existing Snow Removal Equipment (SRE) building that could quickly and inexpensively be repurposed to serve as a pilot's lounge and flight planning facility.

The Authority requested financial support from the Upshur County Commission, which body agreed to use Coal Reallocation Funds to construct a small room within the SRE building with suitable security, electrical, lighting, and heating elements to meet the identified need until such time as the Authority could secure funding for a larger terminal services building.

The diagrams in Figures 1 and 2 below depict the "before" and "after" floor plans of the SRE building. The bathroom facility is left open for public use both during and after business hours of the Airport. Likewise, the Pilot's Lounge facility must be able to be used outside of normal Airport business hours without jeopardizing security of the equipment housed in the rest of the SRE building. The plan, therefore, was to construct (via studded drywall) 3 walls and a ceiling in the area of the SRE building allocated for use as the Pilot's Lounge. The room would be accessed by a framed lockable steel door. Two additional steel doors preserve security of SRE building areas that include equipment and vulnerable utility infrastructure. Access to the Pilot's Lounge area could therefore be left unlocked, while other SRE building areas remain secured after hours.

In addition to the walls and doors, electric service was extended to the new room for lighting, computer support, etc. An electric baseboard heater was installed to maintain suitable ambient temperatures in wintertime. A refrigerator, microwave oven, table and chairs previously owned by the Authority were moved into the room. Donated computer and printer equipment finished the initial furnishing of the room.

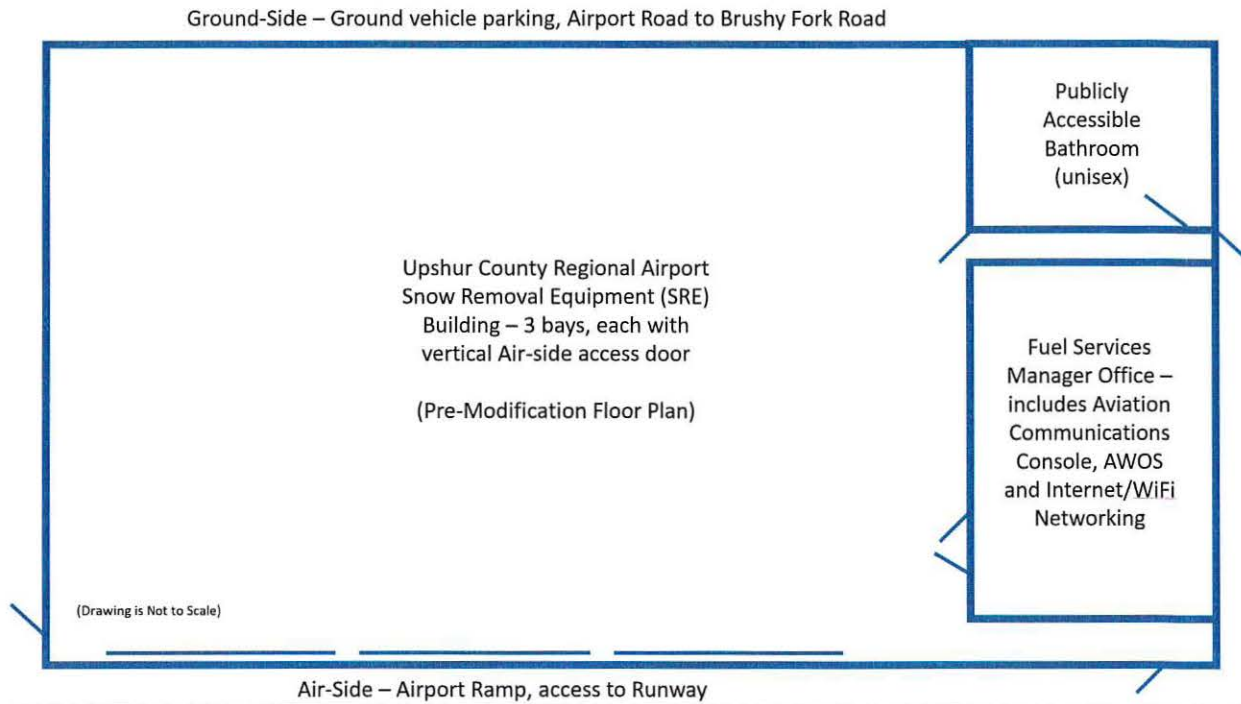


Figure 1 - SRE Building Floor Plan before modification

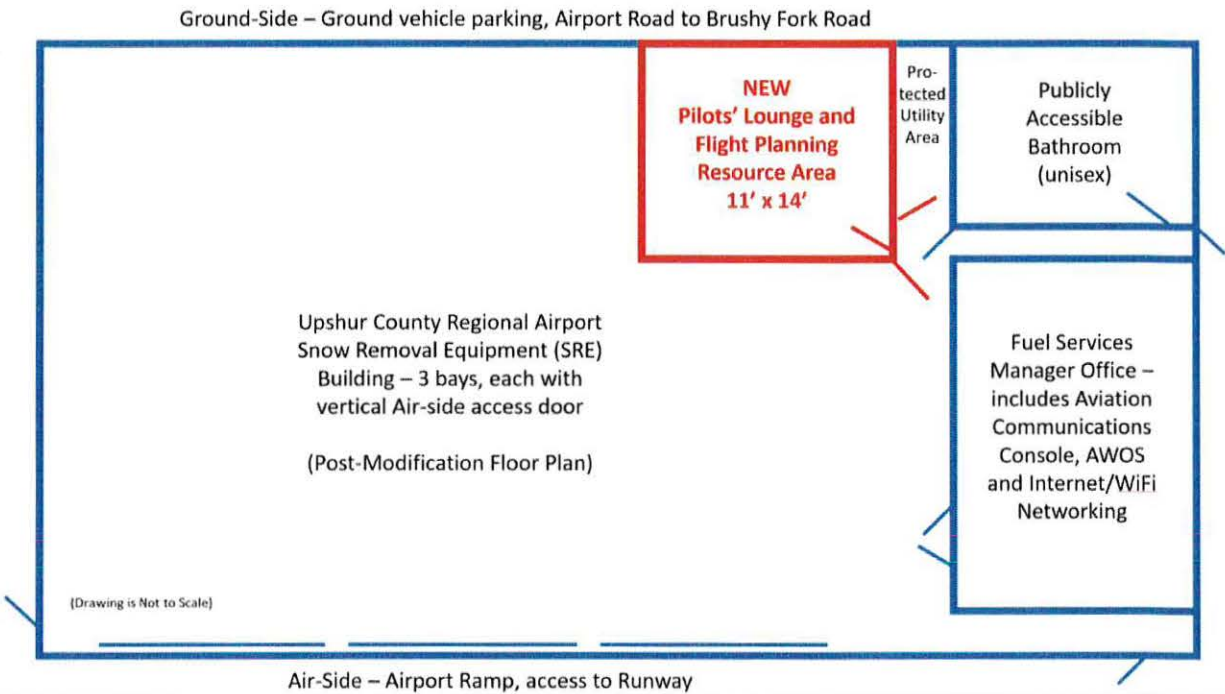
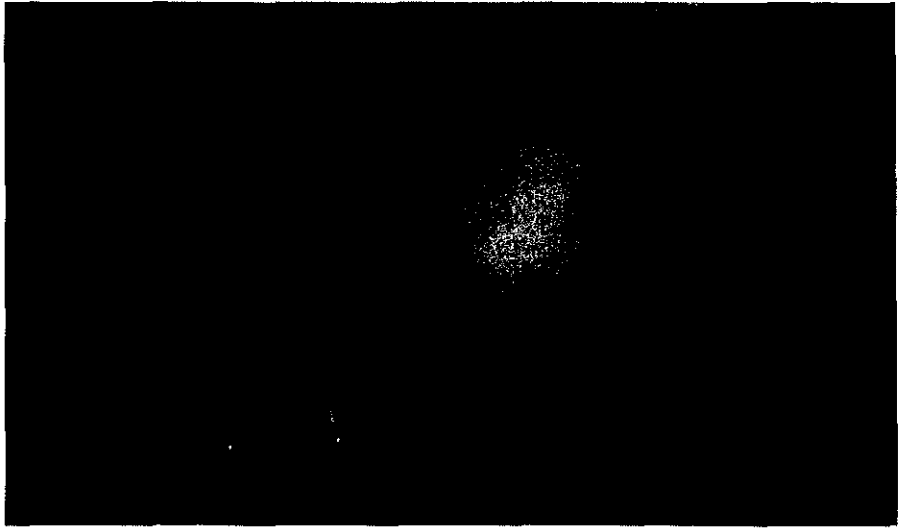


Figure 2 - SRE Building Floor Plan after modification; changes shown in red



*Figure 4 - View from Pilot's Lounge Doorway*

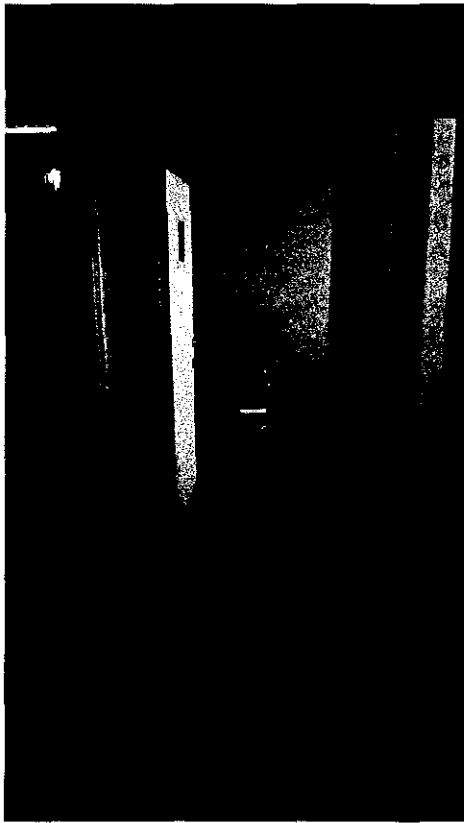


Figure 3 - View from Public Entrance to SRE



Figure 3 - View from Pilot's Lounge to Door

### Evidence of Applicability of Coal Severance Reallocation Funds

Per WV Code §11-13A-6a, Coal Reallocation funds may be used for projects "... likely to foster economic growth and development in the area in which the project is developed for commercial, industrial, community improvement or preservation or other proper purposes.

... or buildings that promote job creation and retention.

... and shall direct the total funds available in its coal county reallocated severance tax fund to project

development, which may include the costs of architectural and engineering plans, site

Figure 6 - Initial Pilot's Lounge furnishings



assessments, site remediation, specifications and surveys, and any other expenses necessary or incidental to determining the feasibility or practicability of any economic development project or infrastructure project."

The subject project serves the economic development interests of Upshur County by removing an identified inhibitor of increased transient pilot and passenger traffic through the Upshur County Regional Airport. Such increased traffic benefits Upshur County businesses and individuals providing services to pilots and their passengers (overnight lodging, meals, and other purchases), benefits the Airport and its tenants in increased fuel sales as well as opportunities for providing aircraft maintenance services, and leads to increased employment at the Airport (and helps avoid reduction in the existing work force).

#### Evidence that No Improper use of Funds was Committed

Per WV Code §11-13A-6a - "A county commission may not expend any of the funds available in its coal county reallocated severance tax fund for personal services, for the costs of issuing bonds, or for the payment of bond debt service...".

The funds committed by the Upshur County Commission for the Upshur Regional Airport Pilot's Lounge Facility Construction project were exclusively used to pay suitably-incurred costs of construction, including studding, drywalling and painting new walls and ceiling; installing electrical wiring, switches, outlets and lighting fixtures and electrical heating appliance; and installing doors, door frames and door locks. Please refer to the attached invoices and ledger for an itemized list of expenditures.



<b>FY 2018 Commission Projects</b>			
<b>Coal Reallocation Account WV Code 11-13A-6a</b>			
<b>Reports required to submit to the Joint Committee on Gov't &amp; Finance Prior to Dec. 1</b>			
	<b>Name</b>	<b>Est Completion</b>	<b>Amount</b>
1	BUAA Pilots Lounge	Fall 2017	\$15,000.00
2	UCPL Parking Lot	Winter 2017	\$15,000.00
<b>BUAA Pilots Lounge</b>			
<b>Date</b>	<b>Amount Requested</b>	<b>Funds Expended to Date</b>	<b>Remaining Fund Balance</b>
7/5/2017	\$3,116.30	\$3,116.30	\$11,883.70
7/28/2017	\$9,800.00	\$12,916.30	\$2,083.70
<b>UCPL Parking Lot</b>			
<b>Date</b>	<b>Amount Requested</b>	<b>Funds Expended to Date</b>	<b>Remaining Fund Balance</b>
NA	\$0.00	\$0.00	\$15,000.00



TOTAL PERIOD TRANSACTIONS & ENDING BALANCE  
12916.30 .00 12916.30

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REPORT DATE 11/27/2018  
PAGE 2  
SYSTEM DATE 11/27/2018  
TIME 08:58:15  
FILES ID U  
USER DAH

UPSHUR COUNTY COMMISSION  
LEDGER

SUMMARY PAGE INFORMATION

ERRORS DETECTED: 0

END OF REPORT

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INTEROFFICE MEMORANDUM

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TO: DEBBIE HULL, DEPUTY COUNTY CLERK/BOOKKEEPER  
FROM: CARRIE WALLACE, COUNTY ADMINISTRATOR *aw*  
SUBJECT: DUSTIN WAMSLEY INVOICE #0096  
DATE: JULY 5, 2017  
CC: TABATHA PERRY, ASSISTANT COUNTY ADMINISTRATOR

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Debbie,

Please process payment for the attached invoice from Dustin Wamsley in the amount of \$3,116.30 from the Coal Reallocation Account per WV Code §11-13A-6a, attached. The Commission has allocated \$15,000 from the Coal Reallocation Account towards the Pilot's Lounge Project which this invoice is a part of. Additional invoices will be submitted as the BUAA receives them. Once the Project is complete, the BUAA will submit a final report which will then be presented to the Joint Committee on Government and Finance prior to December 31<sup>st</sup>.

If you should have any questions, feel free to contact me.

Thank you.

# Dustin Wamsley

Business Number: 2311-3662  
1225 Kesling Mill Rd  
Buckhannon, WV 26201  
P: 304-613-7798  
M: 304-613-7798  
dustinwamsley15@gmail.com

## Bill To

Upshur County Airport/ Upshur County Commission  
Jamie Wilt ( Service Manager)

## Invoice INV0096

Date 06/28/2017  
Due 06/30/2017

DESCRIPTION	QTY	RATE	AMOUNT
Labor (2 electricians)		\$2,040.00	\$2,040.00
Material		\$909.36	\$909.36
Tax		\$166.94	\$166.94
Project included installation of new circuits for airport break room. New heater circuit, lighting, receptacles. Exit lighting. Testing of new installations. Thank you for your business.		Total Balance Due	\$3,116.30 \$3,116.30

## Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

<b>Print or type See Specific Instructions on page 2.</b>	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>Dustin L. Wamsley</b>		
	2 Business name/disregarded entity name, if different from above		
	3 Check appropriate box for federal tax classification; check <b>only one</b> of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <b>Note.</b> For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	5 Address (number, street, and apt. or suite no.) <b>1225 Kesling Mill Rd.</b>	Requester's name and address (optional)  <b>Upshur County Commission</b>	
	6 City, state, and ZIP code <b>Buckhannon WV, 26201</b>		
	7 List account number(s) here (optional)		

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

<b>Social security number</b>										
2	3	3	-	2	9	-	4	0	0	0
or										
<b>Employer identification number</b>										
			-							

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fw9](http://www.irs.gov/fw9).

**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

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INTEROFFICE MEMORANDUM

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TO: DEBBIE HULL, DEPUTY COUNTY CLERK/BOOKKEEPER  
FROM: CARRIE WALLACE, COUNTY ADMINISTRATOR *CW*  
SUBJECT: K&Z CONSTRUCTION INV #2  
DATE: JULY 28, 2017  
CC: TABATHA PERRY, ASSISTANT COUNTY ADMINISTRATOR

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Debbie,

Please process payment for the attached invoice from K&Z Construction, c/o Elmer Kelley, in the amount of \$9,800.00 from the Coal Reallocation Account per WV Code §11-13A-6a, attached. The Commission has allocated \$15,000 from the Coal Reallocation Account towards the Pilot's Lounge Project which this invoice is a part of. According to my records, after this invoice is paid the BUAA will have spent \$12,916.30 of the \$15,000 allocation.

Additional invoices will be submitted as the BUAA receives them. Once the Project is complete, the BUAA will submit a final report which will then be presented to the Joint Committee on Government and Finance prior to December 31<sup>st</sup>.

If you should have any questions, feel free to contact me.

Thank you.



**ELMER KELLEY  
K&Z CONSTRUCTION  
(304)613-7281**

**UPSHUR COUNTY AIRPORT**

**USPHUR COUNTY COMMISSION**

**INVOICE 2**

**LABOR AND MATERIAL TO BUILD LUNCHROOM,  
HALLWAY AND STORAGE AREA. FINISH INSIDE  
WITH DRYWALL AND PAINT.**

**TOTAL-\$8,000.00**

**INSULATE AND DRYWALL OUTSIDE-\$1,800.00**

**TOTAL INVOICE-\$9,800.00**

**K&Z CONSTRUCTION**

**ELMER KELLEY**

# Request for Taxpayer Identification Number and Certification

Give Form to the  
 requester. Do not  
 send to the IRS.

*104960  
 3/7/16*

Print or type See Specific Instructions on page 2.	1 Name (as shown) on your income tax return. Name is required on this line; do not leave this line blank. <b>KYZ CONSTRUCTION LLC</b>	
	2 Business name/disregarded entity name, if different from above <b>Same Elmer L Kelley Jr.</b>	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <small>Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.</small> <input type="checkbox"/> Other (see instructions) ▶ _____	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>	
	5 Address (number, street, and apt. or suite no.) <b>1810 Laurel Run Rd</b>	Requester's name and address (optional)
	6 City, state, and ZIP code <b>Tollmooseville WV 26237</b>	
	7 List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number				
<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table>				
or				
Employer identification number				
<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 25%;">55</td> <td style="width: 25%;">-10770472</td> </tr> </table>	55	-10770472		
55	-10770472			

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign Here**      Signature of U.S. person ▶ *[Signature]*      Date ▶ **3-3-16**

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

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**Purpose of Form**

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- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

**§11-13A-6a. Reallocation and dedication of percentage of severance tax for benefit of coal-producing counties; phase-in period; permissible uses of distributed revenues; duties of State Treasurer and State Tax Commissioner; audits; rulemaking.**

(a) The purpose of this section is to provide for the reallocation and dedication of a portion of the tax attributable to the severance of coal imposed by section three of this article for the use and benefit of the various counties of this state in which the coal upon which that tax is imposed was located at the time it was severed from the ground. Those counties are referred to in this section as the coal-producing counties or, in the singular, as a coal-producing county.

(b)(1) Effective July 1, 2012, one percent of the tax attributable to the severance of coal imposed by section three of this article is dedicated and shall be distributed for the use and benefit of the coal-producing counties as provided in this section. Effective July 1, 2013, two percent of the tax attributable to the severance of coal imposed by section three of this article is dedicated and shall be distributed for the use and benefit of the coal-producing counties as provided in this section. Effective July 1, 2014, three percent of the tax attributable to the severance of coal imposed by section three of this article is dedicated and shall be distributed for the use and benefit of the coal-producing counties as provided in this section. Effective July 1, 2015, four percent of the tax attributable to the severance of coal imposed by section three of this article is dedicated and shall be distributed for the use and benefit of the coal-producing counties as provided in this section. Effective July 1, 2016, and thereafter, five percent of the tax attributable to the severance of coal imposed by section three of this article is dedicated and shall be distributed for the use and benefit of the coal-producing counties as provided in this section.

(2) In no fiscal year may the proceeds dedicated in subdivision (1) of this subsection exceed the sum of \$20 million.

(3) For purposes of this subsection, the tax attributable to the severance of coal imposed by section three of this article does not include the thirty-five one hundredths of one percent additional severance tax on coal imposed by the state for the benefit of counties and municipalities as provided in section six of this article.

(c) The amounts of the tax dedicated in subsection (b) of this section shall be deposited, from time to time, into a special fund known as the Coal County Reallocated Severance Tax Fund, which is hereby established in the State Treasury, as the proceeds are received by the State Tax Commissioner.

(d) The net proceeds of the deposits made into the Coal County Reallocated Severance Tax Fund shall be allocated among and distributed quarterly to the coal-producing counties by the State Treasurer in the manner specified in this section. On or before each distribution date, the State Treasurer shall determine the total amount of moneys that will be available for distribution to the respective counties entitled to the moneys on that distribution date. The amount to which a coal-producing county is entitled from the Coal County Reallocated Severance Tax Fund shall be determined in accordance with subsection (e) of this section. After determining as set forth in subsection (e) of this section the amount each coal-producing county is entitled to receive from the fund, a warrant of the State Auditor for the sum due to each coal-producing county shall be issued and a check drawn thereon making payment of that amount shall thereafter be distributed to each such coal-producing county by hand, mail commercial delivery or electronic transmission.

(i) The State Tax Commissioner shall propose for promulgation legislative rules pursuant to article three, chapter twenty-nine-a of this code for the administration of the provisions of this section, and is authorized to promulgate emergency rules for those purposes pursuant to that article.