

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Introduced

Senate Bill 533

FISCAL
NOTE

BY SENATORS TARR, BALDWIN, ROBERTS, HAMILTON,

JEFFRIES, MARTIN, AND PLYMALE

[Introduced February 01, 2022; referred
to the Committee on Finance]

1 A BILL to amend and reenact §11-19-2 of the Code of West Virginia, 1931, as amended; to amend
 2 said code by adding thereto a new section, designated §11-19-13; and to amend said
 3 code by adding thereto a new section, designated §33-3-14b, all relating to funding for
 4 health sciences and medical schools in this state; eliminating the direction of proceeds of
 5 the soda tax into special medical school fund; providing for the eventual elimination of the
 6 tax; providing for a sunset date; directing a portion of insurance premium tax to health
 7 sciences and medical schools in this state; setting out findings; providing for specific
 8 amounts to be directed to Health Sciences Center at West Virginia University, Marshall
 9 University School of Medicine, and West Virginia Osteopathic School; and providing that
 10 the amounts directed from premium tax shall not limit total appropriation to the health
 11 sciences and medical schools.

Be it enacted by the Legislature of West Virginia:

CHAPTER 11. TAXATION.

ARTICLE 19. SOFT DRINKS TAX.

§11-19-2. Excise tax on bottled soft drinks, syrups and dry mixtures; disposition thereof.

1 ~~(a) For the purpose of providing revenue for the construction, maintenance and operation~~
 2 ~~of a four-year school of medicine, dentistry and nursing of West Virginia University, an An excise~~
 3 tax is hereby levied and imposed on and after midnight of June 30, 1951, upon the sale, use,
 4 handling or distribution of all bottled soft drinks and all soft drink syrups, whether manufactured
 5 within or without this state, as follows:

6 (1) On each bottled soft drink, a tax of 1¢ on each sixteen and nine-tenths fluid ounces, or
 7 fraction thereof, or on each one-half liter, or fraction thereof contained therein.

8 (2) On each gallon of soft drink syrup, a tax of 80¢, and in like ratio on each part gallon
 9 thereof, or on each four liters of soft drink syrup a tax of 84¢, and in like ratio on each part four
 10 liters thereof.

11 (3) On each ounce by weight of dry mixture or fraction thereof used for making soft drinks,
 12 a tax of 1¢ or on each 28.35 grams, or fraction thereof, a tax of 1¢.

13 (b) Any person manufacturing or producing within this state any bottled soft drink or soft
 14 drink syrup for sale within this state and any distributor, wholesale dealer or retail dealer or any
 15 other person who is the original consignee of any bottled soft drink or soft drink syrup
 16 manufactured or produced outside this state, or who brings such drinks or syrups into this state,
 17 shall be liable for the excise tax hereby imposed. The excise tax hereby imposed shall not be
 18 collected more than once in respect to any bottled soft drink or soft drink syrup manufactured,
 19 sold, used or distributed in this state.

20 ~~All revenue collected by the commissioner under the provisions of this article, less such~~
 21 ~~costs of administration as are hereinafter provided for, shall be paid by him into a special medical~~
 22 ~~school fund, which is hereby created in the State Treasury, to be used solely for the construction,~~
 23 ~~maintenance and operation of a four-year school of medicine, dentistry and nursing, as otherwise~~
 24 ~~provided by law~~

§11-19-13. Effective date of repeal of article.

1 Effective July 1, 2024, the provisions of this article shall become ineffective, and the entire
 2 article shall be repealed. The soft drink tax authorized for collection shall no longer be imposed
 3 or collected after that date.

CHAPTER 33. INSURANCE

ARTICLE 3. LICENSING, FEES AND TAXATION OF INSURERS.

§33-3-14b. Use of Insurance Premium Tax Proceeds to Support Health Sciences and
Medical Schools.

1 (a) The Legislature recognizes that the schools of medicine, dentistry, nursing, and related
 2 programs of the Health Sciences Center of West Virginia University; the Medical School at
 3 Marshall University; and the West Virginia School of Osteopathic Medicine, each provide critical

4 medical and related health educational and service opportunities for the significant benefit of the
5 residents of the State of West Virginia. The Legislature finds and declares that it should dedicate
6 a portion of the insurance tax proceeds credited to the general fund as contemplated by sections
7 fourteen and fourteen-a of this article to provide a dedicated partial base of appropriation support
8 for these schools.

9 (b) To support these schools, the Legislature shall annually appropriate from the amounts
10 sent to the credit of the General Revenue Fund pursuant to subsection (c) of section fourteen of
11 this article and section fourteen-a of this article, as follows:

12 (1) To the schools of medicine, dentistry, nursing, and related programs of the Health
13 Sciences Center of West Virginia University, \$14 million;

14 (2) To the school of medicine at Marshall University, \$5,500,000; and

15 (3) To the West Virginia school of Osteopathic Medicine, \$3,900,000.

16 (c) Nothing in this section shall be construed to limit the amount of total appropriations to
17 schools of medicine, dentistry, nursing, and related programs of the Health Sciences Center of
18 West Virginia University; the Medical School at Marshall University; and the West Virginia School
19 of Osteopathic Medicine to the amounts contemplated by this section.

NOTE: The purpose of this bill is eliminate the direction of proceeds of the soda tax into special medical school fund. The bill provides for the eventual elimination of the tax. The bill provides for a sunset date. The bill directs a portion of insurance premium tax to health sciences and medical schools in this state. The bill sets out findings. The bill provides for specific amounts to be directed to Health Sciences Center at West Virginia University, Marshall University School of Medicine, and West Virginia Osteopathic School. Finally, the bill provides that the amounts directed from premium tax shall not limit total appropriation to the health sciences and medical schools.

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