

WEST VIRGINIA LEGISLATURE

2023 REGULAR SESSION

Introduced

House Bill 3388

FISCAL
NOTE

By Delegate Summers

[Introduced February 13, 2023; Referred to the
Committee on Health and Human Resources then
Finance]

1 A BILL to amend the code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated, §11-13MM-1, §11-13MM-2, and §11-13MM-3; and to amend and reenact §30-
 3 1-10 of said code, all relating to creating the health care professionals preceptor tax credit;
 4 providing for legislative findings and a purpose; providing for definitions; establishing the
 5 Health Care Professionals Preceptor Tax Credit; and providing for the creation of a special
 6 fund.

Be it enacted by the Legislature of West Virginia:

CHAPTER 11. TAXATION.

ARTICLE 13MM. HEALTH CARE PROFESSIONALS PRECEPTOR TAX CREDIT.

§11-13MM-1. Legislative finding and purpose.

1 The Legislature finds that West Virginia faces significant challenges in recruiting and
 2 retaining health care professionals. These challenges have contributed greatly to the shortage of
 3 trained health care professionals throughout the state, and especially at the local community level.
 4 Many health professions' trainees enrolled as students at West Virginia colleges and universities
 5 are not being retained after graduation. Data from the West Virginia Higher Education Policy
 6 Commission indicates that the strongest predictor for retaining students is completion of their post-
 7 graduation training requirements within the state. Clinical preceptors, other than those employed
 8 by academic medical centers, who provide supervised practice hours many trainees require to
 9 complete licensure requirements, are difficult to secure in community settings. The provision of
 10 community-based alternatives would expand statewide capacity for training the next generation of
 11 health care professionals and increase their retention in the state's community settings. Efficiently
 12 and effectively expansion of preceptor resources needed to train and retain health care
 13 professionals within the community-based setting requires innovation. The development of a
 14 nonrefundable tax credit available to community-based preceptors of public and private higher
 15 education institutions is innovative. Providing an incentive to community-based preceptors of

16 certain identified health professions will make the hours of supervision and training required for
17 licensure easier to access and improve the potential for their retention once licensed.

§11-13MM-2. Definitions.

1 (a) General. — When used in this article, or in the administration of §11-13MM-1 et seq. of
2 this code, terms defined in subsection (b) have the meanings ascribed to them by this section,
3 unless a different meaning is clearly required by either the context in which the term is used, or by
4 specific definition in §11-13MM-1 et seq. of this code.

5 (b) Terms defined. —

6 "Community-based setting" means a practice location of the preceptor that is other than an
7 academic medical center including, but not limited to, Federally Qualified Health Centers (FQHCs)
8 and FQHC Look-a Likes, and, Comprehensive Behavioral Health Centers.

9 "Eligible taxpayer" means any healthcare professional as that term is defined elsewhere
10 who is a resident of West Virginia, licensed to practice in one of the healthcare professions
11 identified elsewhere, and practices in a community-based (or alternatively a nonacademic medical
12 center) location.

13 "Personal taxable income" means a resident individual's West Virginia adjusted gross
14 income; less personal exemptions as set forth elsewhere.

15 "Health care professional" means a person who is licensed by the State of West Virginia to
16 practice in one of the healthcare professions identified elsewhere.

17 "Preceptor" means a health care professional licensed to practice in this state pursuant to
18 the provisions of §30-3-1 of this code and who otherwise meets all other requirements of the
19 appropriate licensing body to be a preceptor.

§11-13MM-3. Health Care Professionals Preceptor Tax Credit.

1 There is created a Health Care Professionals Preceptor Tax Credit Incentive Program for
2 the purpose of providing a personal income tax credit to community-based health professional
3 preceptors who provide preceptorships.

4 Any preceptor wishing to participate shall register with the WV Higher Education Policy
5 Commission, registered preceptors will be eligible to receive up to three - \$500 tax credits on a
6 first-come, first-served basis, each \$500 tax credit will be awarded upon the completion of at-least
7 160 hours of clinical preceptorship of a student enrolled in a health profession program at a public
8 or private West Virginia higher education institution, preceptors must have clinical preceptorship
9 hours verified by a representative of the program in which the trainee is enrolled, tax credits may
10 be used to decrease tax liability but will be nonrefundable, preceptors employed as compensated
11 academic faculty are ineligible for the tax credit. The credit shall flow to the preceptor not the
12 employer.

13 The aggregate annual amount of the tax credit shall not exceed the excess funds held by
14 each of the medical licensing boards as provided under chapter 30 and transferred to the special
15 fund in the treasurer's known as the preceptor tax credit program fund. Each year the state budget
16 office will certify to the Higher Education Policy Commission the total amount of funds available for
17 preceptorship tax credits.

CHAPTER 30. PROFESSIONS AND OCCUPATIONS.

ARTICLE 1. GENERAL PROVISIONS APPLICABLE TO ALL STATE BOARDS OF EXAMINATION OR REGISTRATION REFERRED TO IN CHAPTER.

§30-1-10. Disposition of money fines; legislative audit; review of board's fee structure.

1 (a) The secretary of every board referred to in this chapter shall receive and account for all
2 money which it derives pursuant to the provisions of this chapter which are applicable to it. With
3 the exception of money received as fines, each board shall pay all money which is collected into a
4 separate special fund of the State Treasury which has been established for each board. This
5 money shall be used exclusively by each board for purposes of administration and enforcement of
6 its duties pursuant to this chapter. Any money received as fines shall be deposited into the General
7 Revenue Fund of the State Treasury. When the special fund of any board accumulates to an

8 amount which exceeds twice the annual budget of the board or \$10,000, whichever is greater, the
9 State Treasurer shall: Provided, That when a transfer occurs, it shall be deposited into a special
10 fund in the treasurer's office designated as the Preceptor Tax Credit Incentive Fund; and

11 (2) Notify the Legislative Auditor that the transfer has been made.

12 (b) (1) Every licensing board which is authorized by the provisions of this chapter shall be
13 subject to audit by the office of the Legislative Auditor.

14 (2) Within a reasonable time after the State Treasurer notifies the Legislative Auditor of a
15 transfer required to be made under this section, the Legislative Auditor shall conduct a review of
16 the fee structure of the applicable board to determine if the amount of the board's fees generate
17 excessive revenue, when compared to the board's normal expenses. If the Legislative Auditor
18 finds that excess revenue is generated, he or she shall report his or her findings to the
19 Legislature's Joint Standing Committee on Government Organization, along with
20 recommendations on how the fees can be adjusted to generate only the amount the board
21 reasonably needs to operate under this chapter.

NOTE: The purpose of this bill is to create the Health Care Professionals Preceptor Tax Credit.

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