

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 2936

**FISCAL
NOTE**

By Delegate Young

[Introduced February 25, 2025; referred to the
Committee on Energy and Public Works then
Finance]

1 A BILL to amend and reenact §59-1-2 of the Code of West Virginia, 1931, as amended, relating to
2 waiving the \$100 fee for a new for-profit business or domestic corporation to obtain a
3 license in this state.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. FEES AND ALLOWANCES.

§59-1-2. Fees to be charged by Secretary of State.

1 (a) Except as may be otherwise provided in this code, the Secretary of State shall charge
2 for services rendered in his or her office the following fees to be paid by the person to whom the
3 service is rendered at the time it is done:

4 (1) For filing, recording, indexing, preserving a record of, and issuing a certificate relating
5 to, the formation, amendment, change of name, registration of trade name, merger, consolidation,
6 conversion, renewal, dissolution, termination, cancellation, withdrawal, revocation, and
7 reinstatement of business entities organized within the state, as follows:

8 (A) Articles of incorporation of for-profit corporation, \$100;

9 (B) Articles of incorporation of nonprofit corporation, \$25;

10 (C) Articles of organization of limited liability company, \$100;

11 (D) Agreement of a general partnership, \$50;

12 (E) Certificate of a limited partnership, \$100;

13 (F) Agreement of a voluntary association, \$50;

14 (G) Articles of organization of a business trust, \$50;

15 (H) Amendment or correction of articles of incorporation, including change of name or
16 increase of capital stock, in addition to any applicable license tax, \$25;

17 (I) Amendment or correction, including change of name, of articles of organization of
18 business trust, limited liability partnership, limited liability company, or professional limited liability
19 company; or of certificate of limited partnership; or of agreement of voluntary association, \$25;

20 (J) Amendment and restatement of articles of incorporation, certificate of limited

21 partnership, agreement of voluntary association or articles of organization of limited liability
22 partnership, limited liability company or professional limited liability company or business trust,
23 \$25;

24 (K) Registration of trade name, otherwise designated as a true name, fictitious name or D.

25 B. A. (doing business as) name for any domestic business entity as permitted by law, \$25;

26 (L) Articles of merger of two corporations, limited partnerships, limited liability partnerships,
27 limited liability companies or professional limited liability companies, voluntary associations or
28 business trusts, \$25;

29 (M) Plus for each additional party to the merger in excess of two, \$15;

30 (N) Statement of conversion, when permitted, from one business entity into another
31 business entity, in addition to the cost of filing the appropriate documents to organize the surviving
32 entity, \$25;

33 (O) Articles of dissolution of a corporation, voluntary association or business trust, or
34 statement of dissolution of a general partnership, \$25;

35 (P) Revocation of voluntary dissolution of a corporation, voluntary association or business
36 trust, \$15;

37 (Q) Articles of termination of a limited liability company, cancellation of a limited partnership
38 or statement of withdrawal of limited liability partnership, \$25;

39 (R) Reinstatement of a limited liability company or professional limited liability company
40 after administrative dissolution, \$25.

41 (2) For filing, recording, indexing, preserving a record of and issuing a certificate relating to
42 the registration, amendment, change of name, merger, consolidation, conversion, renewal,
43 withdrawal or termination within this state of business entities organized in other states or
44 countries, as follows:

45 (A) Certificate of authority of for-profit corporation, \$100;

46 (B) Certificate of authority of nonprofit corporation, \$50;

- (C) Certificate of authority of foreign limited liability companies, \$150;
- (D) Certificate of exemption from certificate of authority, \$25;
- (E) Registration of a general partnership, \$50;
- (F) Registration of a limited partnership, \$150;
- (G) Registration of a limited liability partnership for two-year term, \$500;
- (H) Registration of a voluntary association, \$50;
- (I) Registration of a trust or business trust, \$50;
- (J) Amendment or correction of certificate of authority of a foreign corporation, including change of name or increase of capital stock, in addition to any applicable license tax, \$25;
- (K) Amendment or correction of certificate of limited partnership, limited liability partnership, limited liability company or professional limited liability company, voluntary association or business trust, \$25;
- (L) Registration of trade name, otherwise designated as a true name, fictitious name or D. B. A. (doing business as) name for any foreign business entity as permitted by law, \$25;
- (M) Amendment and restatement of certificate of authority or of registration of a corporation, limited partnership, limited liability partnership, limited liability company or professional limited liability company, voluntary association or business trust, \$25;
- (N) Articles of merger of two corporations, limited partnerships, limited liability partnerships, limited liability companies or professional limited liability companies, voluntary associations or business trusts, \$25;
- (O) Plus, for each additional party to the merger in excess of two, \$5;
- (P) Statement of conversion, when permitted, from one business entity into another business entity, in addition to the cost of filing the appropriate articles or certificate to organize the surviving entity, \$25;
- (Q) Certificate of withdrawal or cancellation of a corporation, limited partnership, limited liability partnership, limited liability company, voluntary association or business, trust \$25;

73 Notwithstanding any other provision of this section to the contrary, after June 30, 2008, the
74 fees described in this subdivision that are collected for the issuance of a certificate relating to the
75 initial registration of a corporation, limited partnership, domestic limited liability company or foreign
76 limited liability company shall be deposited in the general administrative fees account established
77 by this section.

78 (3) For receiving, filing and recording a change of the principal or designated office, change
79 of the agent of process and/or change of officers, directors, partners, members or managers, as
80 the case may be, of a corporation, limited partnership, limited liability partnership, limited liability
81 company or other business entity as provided by law, \$15.

82 (4) For receiving, filing and preserving a reservation of a name for each 120 days or for any
83 other period in excess of seven days prescribed by law for a corporation, limited partnership,
84 limited liability partnership or limited liability company, \$15;

85 (5) For issuing a certificate relating to a corporation or other business entity, as follows:

86 (A) Certificate of good standing of a domestic or foreign corporation, \$10;

87 (B) Certificate of existence of a domestic limited liability company and certificate of
88 authorization foreign limited liability company, \$10;

89 (C) Certificate of existence of any business entity, trademark or service mark registered
90 with the Secretary of State, \$10;

91 (D) Certified copy of corporate charter or comparable organizing documents for other
92 business entities, \$15;

93 (E) Plus, for each additional amendment, restatement or other additional document, \$5;

94 (F) Certificate of registration of the name of a foreign corporation, limited liability company,
95 limited partnership or limited liability partnership, \$25;

96 (G) And for the annual renewal of the name registration, \$10;

97 (H) Any other certificate not specified in this subdivision, \$10.

98 (6) For issuing a certificate other than those relating to business entities, as provided in this

99 subsection, as follows:

100 (A) Certificate or apostille relating to the authority of certain public officers, including the
101 membership of boards and commissions, \$10;

102 (B) Plus, for each additional certificate pertaining to the same transaction, \$5;

103 (C) Any other certificate not specified in this subdivision, \$10;

104 (D) For acceptance, indexing and recordation of service of process for any corporation,
105 limited partnership, limited liability partnership, limited liability company, voluntary association,
106 business trust, insurance company, person or other entity as permitted by law, \$15;

107 (E) For shipping and handling expenses for execution of service of process by certified
108 mail upon any defendant within the United States, which fee is to be deposited to the special
109 revenue account established in this section for the operation of the office of the Secretary of State,
110 \$5;

111 (F) For shipping and handling expenses for execution of service of process upon any
112 defendant outside the United States by registered mail, which fee is to be deposited to the special
113 revenue account established in this section for the operation of the office of the Secretary of State,
114 \$15;

115 (7) For a search of records of the office conducted by employees of or at the expense of the
116 Secretary of State upon request, as follows:

117 (A) For any search of archival records maintained at sites other than the office of the
118 Secretary of State no less than, \$10;

119 (B) For searches of archival records maintained at sites other than the office of the
120 Secretary of State which require more than one hour, for each hour or fraction of an hour
121 consumed in making a search, \$10;

122 (C) For any search of records maintained on site for the purpose of obtaining copies of
123 documents or printouts of data, \$5;

124 (D) For any search of records maintained in electronic format which requires special

125 programming to be performed by the state information services agency or other vendor any actual
126 cost, but not less than, \$25;

127 (E) The cost of the search is in addition to the cost of any copies or printouts prepared or
128 any certificate issued pursuant to or based on the search.

129 (F) For recording any paper for which no specific fee is prescribed, \$5.

130 (8) For producing and providing photocopies or printouts of electronic data of specific
131 records upon request, as follows:

132 (A) For a copy of any paper or printout of electronic data, if one sheet, \$1;

133 (B) For each sheet after the first, 50 cents;

134 (C) For sending the copies or lists by fax transmission, \$5;

135 (D) For producing and providing photocopies of lists, reports, guidelines and other
136 documents produced in multiple copies for general public use, a publication price to be established
137 by the Secretary of State at a rate approximating \$2 plus 10 cents per page and rounded to the
138 nearest dollar;

139 (E) For electronic copies of records obtained in data format on disk, the cost of the record
140 in the least expensive available printed format, plus, for each required disk, which shall be
141 provided by the Secretary of State, \$5.

142 (b) The Secretary of State may propose rules for legislative approval, in accordance with
143 the provisions of §29A-3-1 *et seq.* of this code, for charges for online electronic access to
144 database information or other information maintained by the Secretary of State.

145 (c) For any other work or service not enumerated in this section, the fee prescribed
146 elsewhere in this code or a rule promulgated under the authority of this code.

147 (d) The records maintained by the Secretary of State are prepared and indexed at the
148 expense of the state and those records shall not be obtained for commercial resale without the
149 written agreement of the state to a contract including reimbursement to the state for each instance
150 of resale.

151 (e) The Secretary of State may provide printed or electronic information free of charge as
152 he or she considers necessary and efficient for the purpose of informing the general public or the
153 news media.

154 (f) There is hereby continued in the State Treasury a special revenue account to be known
155 as the Service Fees and Collections Account. Expenditures from the account shall be used for the
156 operation of the office of the Secretary of State and are not authorized from collections, but are to
157 be made only in accordance with appropriation by the Legislature and in accordance with the
158 provisions of §12-3-1 *et seq.* of this code and upon the fulfillment of the provisions set forth in §5A-
159 2-1 *et seq.* of this code. Notwithstanding any other provision of this code to the contrary, except as
160 provided in subsection (h) of this section and §59-1-2a of this code, one half of all the fees and
161 service charges established in the following sections and for the following purposes shall be
162 deposited by the Secretary of State or other collecting agency to that special revenue account and
163 used for the operation of the office of the Secretary of State:

164 (1) The annual attorney-in-fact fee for corporations and limited partnerships established in
165 §11-12C-5 of this code;

166 (2) The fees received for the sale of the State Register, Code of State Rules and other
167 copies established by rule and authorized by §29A-2-7 of this code;

168 (3) The registration fees, late fees and legal settlements charged for registration and
169 enforcement of the charitable organizations and professional solicitations established in §29-19-5,
170 §29-19-9, and §29-19-15b this code;

171 (4) The annual attorney-in-fact fee for limited liability companies as designated in §31B-1-
172 108 of this code and the annual report fee established in §31B-2-211 of this code: *Provided*, That
173 after June 30, 2008, the annual report fees designated in §31B-1-108 of this code shall upon
174 collection, be deposited in the General Administrative Fees Account described in subsection (h) of
175 this section;

176 (5) The filing fees and search and copying fees for uniform commercial code transactions

177 established by §46-9-525 of this code;

178 (6) The annual attorney-in-fact fee for licensed insurers established in §33-4-12 of this
179 code;

180 (7) The fees for the application and record maintenance of all notaries public established
181 by §39-4-20 of this code;

182 (8) The fees for registering credit service organizations as established by §46A-6C-5 of
183 this code;

184 (9) The fees for registering and renewing a West Virginia limited liability partnership as
185 established by §47B-10-1 of this code;

186 (10) The filing fees for the registration and renewal of trademarks and service marks
187 established in §47-2-17 of this code;

188 (11) All fees for services, the sale of photocopies and data maintained at the expense of
189 the Secretary of State as provided in this section; and

190 (12) All registration, license and other fees collected by the Secretary of State not specified
191 in this section.

192 (g) Any balance in the service fees and collections account established by this section
193 which exceeds \$500,000 as of June 30, 2003, and each year thereafter, shall be expired to the
194 state fund, General Revenue Fund

195 (h)(1) Effective July 1, 2008, there is hereby created in the State Treasury a special
196 revenue account to be known as the General Administrative Fees Account. Expenditures from the
197 account shall be used for the operation of the office of the Secretary of State and are not
198 authorized from collections, but are to be made only in accordance with appropriation by the
199 Legislature and in accordance with the provisions of §12-3-1 *et seq.* of this code and upon the
200 fulfillment of the provisions set forth in §11B-2-1 *et seq.* of this code: *Provided*, That for the fiscal
201 year ending June 30, 2009, expenditures are authorized from collections rather than pursuant to
202 an appropriation by the Legislature. Any balance in the account at the end of each fiscal year shall

203 not revert to the General Revenue Fund, but shall remain in the fund and be expended as provided
204 by this subsection.

205 (2) After June 30, 2008, all the fees and service charges established in §59-1-2a of this
206 code for the following purposes shall be collected and deposited by the Secretary of State or other
207 collecting agency in the general administrative fees account and used for the operation of the
208 office of the Secretary of State:

209 (A) The annual report fees paid to the Secretary of State by corporations, limited
210 partnerships, domestic limited liability companies and foreign limited liability companies;

211 (B) The fees for the issuance of a certificate relating to the initial registration of a
212 corporation, limited partnership, domestic limited liability company or foreign limited liability
213 company described in subdivision (a)(2) of this section; and

214 (C) The fees for the purchase of data and updates related to the state's Business
215 Organizations Database described in §59-1-2a of this code.

216 (i) There is continued in the office of the Secretary of State a noninterest-bearing, escrow
217 account to be known as the Prepaid Fees and Services Account. This account shall be for the
218 purpose of allowing customers of the Secretary of State to prepay for services, with payment to be
219 held in escrow until services are rendered. Payments deposited in the account shall remain in the
220 account until services are rendered by the Secretary of State and at that time the fees will be
221 reallocated to the appropriate general or special revenue accounts. There shall be no fee charged
222 by the Secretary of State to the customer for the use of this account and the customer may request
223 the return of any moneys maintained in the account at any time without penalty. The assets of the
224 prepaid fees and services account do not constitute public funds of the state and are available
225 solely for carrying out the purposes of this section.

226 (j) A veteran-owned business, as defined in §59-1-2a(a)(13), commenced on or after July
227 1, 2015, or an active-duty member business, as defined in §59-1-2a(a)(13), commenced on or
228 after July 1, 2021, is exempt from paying the fees prescribed in paragraphs (a)(1)(A), (a)(1)(B),

229 (a)(1)(C), (a)(1)(D), (a)(1)(E), (a)(1)(F), and (a)(1)(G) of this section.

230 (k) Notwithstanding any other provisions of this article, after July 1, 2017, the Secretary of
231 State may offer a fee for expedited services which shall not exceed, \$500.

232 (l) The fees provided for in this section shall remain in effect until such time as the
233 Legislature has approved rules promulgated by the Secretary of State, in accordance with the
234 provisions of §29A-3-1 *et seq.* of this code, establishing a schedule of fees for services.

235 (m) Notwithstanding any provision of this code to the contrary, and for the purpose to
236 encourage new businesses in the state, the Secretary of State shall designate up to three days per
237 year for a new, for-profit domestic corporation, provided that they reside in West Virginia, to
238 register business activity in this state without having to pay the \$100 license fee for the first year
239 only.

NOTE: The purpose of this bill is to waive the \$100 fee for a new for profit business or domestic corporation to obtain a license in this state.

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