

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 3307

**FISCAL
NOTE**

By Delegates G. Howell, Masters, Stephens,
Barnhart, and Linville

[Introduced March 11, 2025; referred to the
Committee on Government Organization]

1 A BILL to amend the Code of West Virginia, 1931, as amended, to add thereto a new section,
2 designated §31E-1-153, relating to limitations on expenditures by non-governmental
3 organizations or nonprofit corporations; requiring financial reporting; and authorizing an
4 audit of non-governmental organizations and nonprofit corporations.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. GENERAL PROVISIONS.

§31E-1-153. Limitation on expenditures; financial reporting; audit.

1 (a) Notwithstanding any other provision of this code to the contrary, a non-governmental
2 organization (NGO) or nonprofit corporation that receives a state grant, award, tax credit, or other
3 funding in the amount of \$100,000 or more shall not spend more than fifteen percent (15%) of such
4 funding on administrative costs.

5 (b) Any non-governmental organization or nonprofit corporation that receives a state grant,
6 award, tax credit, or other funding in the amount of \$100,000 or more shall file an annual financial
7 report with the West Virginia State Auditor which includes a sworn statement of expenditures
8 made under the state grant, award, tax credit or funding. The scope of the report is intended to
9 show that the state grant, award, tax credit, or funding was spent for the purposes intended when
10 the grant or award was made, and that administrative expenditures were limited to no more than
11 fifteen percent (15%) of such funds.

12 (c) All non-governmental organizations and nonprofit corporations that receive a state
13 grant, award, tax credit, or other funding in the amount of \$100,000 or more shall be subject to an
14 annual audit by the West Virginia State Auditor.

NOTE: The purpose of this bill is to establish limitations on expenditures by non-governmental organizations or nonprofit corporations; require financial reporting; and authorize an audit of non-governmental organizations and nonprofit corporations.

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