**WEST VIRGINIA LEGISLATURE**

**2025 REGULAR SESSION**

**Introduced**

**Senate Bill 730**

By Senators Tarr, Woodrum, and Thorne

[Introduced March 10, 2025; referred
to the Committee on Energy, Industry, and Mining; and then to the Committee on Finance]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article, designated §19-1D-1, §19-1D-2, §19-1D-3, and §19-1D-4, relating to the establishment of a Forest Carbon Registry under the administration of the West Virginia Division of Forestry; providing for the registration of carbon offset agreements and projects affecting West Virginia forestlands; requiring the inclusion of geographic information system shapefiles for encumbered properties; assigning responsibility to purchasers and certain landowners to record such agreements or projects; establishing a deadline for recording; and imposing civil penalties for noncompliance.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 1D. WEST VIRGINIA FOREST CARBON REGISTRY.**

**§19-1D-1. Purpose and definitions.**

(a) The purpose of this article is to establish a Forest Carbon Registry to track properties in West Virginia encumbered by carbon offset agreements or projects, ensuring transparency and accountability in the management of forest carbon resources.

(b) For the purposes of this article:

"Carbon offset agreement" means a contractual arrangement in which a landowner agrees to maintain or enhance carbon sequestration on their property in exchange for compensation from a purchaser.

"Carbon offset project" means an undertaking by a landowner, including a carbon trading company, to generate and sell carbon offsets directly from their own property without a separate purchaser.

"Purchaser" means the entity or individual acquiring rights to carbon offsets under a carbon offset agreement from a landowner.

"Landowner" includes any entity or individual, such as a carbon trading company, that owns forestland and engages in a carbon offset agreement or project.

"Registry" means the Forest Carbon Registry established under this article.

"GIS shapefile" means a geospatial data file format that contains the boundaries and location of a property in a format compatible with geographic information systems.

§19-1D-2. Establishment and Administration of the Forest Carbon Registry.

(a) The West Virginia Division of Forestry shall establish and administer a Forest Carbon Registry to record all carbon offset agreements and carbon offset projects affecting forestlands within the state.

(b) The Registry shall include, at a minimum:

(1) The legal description of the property encumbered by the carbon offset agreement or project;

(2) A GIS shapefile delineating the boundaries of the encumbered property;

(3) The names and contact information of the landowner and the purchaser;

The date of execution of the agreement or initiation of the project; and The duration and terms of the carbon offset obligation.

(c) The Division of Forestry may promulgate rules to (1) implement and maintain the Registry, including specifications for the submission of GIS shapefiles and (2) to establish reasonable fees to cover administrative costs.

§19-1D-3. Responsibility and Deadline for Recording.

(a) The following parties shall record their carbon offset activities with the Forest Carbon Registry:

(1) The purchaser under a carbon offset agreement, when the agreement involves a separate landowner; or

(2)The landowner, including a carbon trading company, when the landowner directly initiates and sells carbon offsets through a carbon offset project on their own property.

(b) The responsible party under subsection (a) of this section shall submit the required information, including the GIS shapefile, to the Registry within 60 days of the execution of a carbon offset agreement or the initiation of a carbon offset project.

(c) Where there is a carbon offset agreement between a landowner and a purchaser, the landowner may not bear responsibility or liability for the purchaser's failure to comply with this section.

§19-1D-4. Penalties for Noncompliance.

(a) Any purchaser or landowner who fails to record a carbon offset agreement or carbon offset project, including the required GIS shapefile, with the Forest Carbon Registry within 60 days of execution or initiation, as applicable, shall be subject to the following penalties:

(1) For the first offense, a civil penalty of $5,000;

(2) For any subsequent offense, permanent suspension of the responsible party's West Virginia business license.

(b) Each 30-day period following the initial 60-day deadline during which the agreement or project remains unrecorded l constitutes a separate offense.

(c) The Division of Forestry shall notify the West Virginia Secretary of State of any subsequent offense resulting in a business license suspension, and the Secretary of State shall effectuate the suspension in accordance with state law.

(d) Penalties collected under subsection (a)(1) of this section shall be deposited into the West Virginia Division of Forestry's operating fund to support the administration of the Registry.

(e) The Division of Forestry may pursue enforcement actions through the appropriate courts to ensure compliance with this article.

NOTE: The purpose of this bill is to establish of a Forest Carbon Registry under the administration of the West Virginia Division of Forestry.

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