

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Committee Substitute

for

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for

Senate Bill 730

BY SENATORS TARR, WOODRUM, AND THORNE

[Reported March 29, 2025, from the Committee on

Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
2 designated §19-1D-1, §19-1D-2, §19-1D-3, and §19-1D-4, relating to the establishment
3 of a Forest Carbon Registry under the administration of the Division of Forestry;
4 providing for the registration of carbon offset agreements and projects affecting West
5 Virginia forestlands; requiring the inclusion of geographic information system
6 shapefiles for encumbered properties; assigning responsibility to purchasers and
7 certain landowners to record such agreements or projects; establishing a deadline for
8 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.

1 (a) The purpose of this article is to establish a Forest Carbon Registry to track properties
2 in West Virginia that are encumbered by carbon offset agreements or project and to ensure
3 transparency and accountability in the management of forest carbon resources.

4 (b) For the purposes of this article:

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

8 "Forest carbon offset project" means an undertaking by a third-party forest carbon project
9 developer to locate and solicit the sale of carbon offsets on the property of a landowner to an end
10 purchaser of those credits.

11 "Division" means the Division of Forestry created in §19-1A-1 et seq. of this code.

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

14 "Landowner" includes any individual or entity that owns forestland and engages in a
15 carbon offset agreement or project.

16 "Developer" means a forest carbon project developer as an entity that designs,
17 implements, or manages forest carbon projects for the purpose of generating carbon credits that
18 may be sold to offset certain carbon emissions.

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

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

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

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

4 (b) The registry shall include, at a minimum:

5 (1) The legal description of any property encumbered by a carbon offset agreement or
6 project with reference to the tax map and lot number of the subject land;

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

8 (3) The names and contact information of the landowners, developers, and purchasers;

9 (4) The date of execution of each agreement or initiation of a project; and

10 (5) The duration and forest management obligations of each carbon offset obligation.

11 (c) The division may promulgate legislative rules pursuant to §29A-3-1 et seq. of this code
12 to:

13 (1) Implement and maintain the registry, including specifications for the submission of GIS
14 shapefiles; and

15 (2) Establish reasonable fees to cover administrative costs.

§19-1D-3. Responsibility and deadline for recording.

1 (a) The following parties shall record their forest carbon offset activities with the Forest
2 Carbon registry and in the county courthouse of any county in which the land is sited:

3 (1) The developer who contracts with the landowner and end purchaser of carbon credits;

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

6 (b) The developer or landowner required to report pursuant to subsection (a) of this section
7 shall submit the required information, including the GIS shapefile, to the registry within 60 days of
8 executing of a carbon offset agreement or initiating a carbon offset project.

9 (c) By July 1, 2027, the developer or landowner where there is no developer is responsible
10 for filing a memorandum describing the land by reference to its tax map and lot number and the
11 duration of the agreement of any existing forest carbon offset agreement with the county
12 courthouse of any county in which the land is sited: *Provided*, That the county clerk of the county
13 in which the land is sited shall file the memorandum of the agreement in such a manner as will
14 ensure it is readily apparent when performing a title search for the encumbered land.

15 (d) Where there is a carbon offset agreement between a landowner and a developer, the
16 landowner is not responsible or liable for the developer's failure to comply with this section.

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

1 (a) Any developer or landowner where there is no developer who fails to record with the
2 registry a carbon offset agreement or carbon offset project as required by §19-1D-3 of this article,
3 is subject to the following penalties:

4 (1) For the first offense, a civil penalty of \$2,500;

5 (2) For the second offense, a civil penalty of \$5,000;

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

8 (b) The 30th day following the initial 60-day deadline during which the agreement or project
9 remains unrecorded constitutes a subsequent offense.

10 (c) The division shall notify the Secretary of State of any subsequent offense resulting in
11 a business license suspension, and the Secretary of State shall effectuate the suspension in
12 accordance with state law.

13 (d) Monetary penalties collected under subsection (a) of this section shall be deposited
14 into the division's operating fund to support the administration of the registry.

15 (e) The division may pursue enforcement actions through the appropriate courts to ensure
16 compliance with this article.