

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

Senate Bill 825

By Senator Jeffries

[Introduced March 20, 2025; referred
to the Committee on Economic Development]

1 A BILL to amend and reenact §18B-12-1 and §18B-12-2 of the Code of West Virginia, 1931, as
2 amended; and to amend the code by adding a new section, designated §18B-12-11,
3 relating to permitting higher education institutions to enter into agreements with certain
4 non-profit organizations for purposes of economic development and job creation; and
5 establishing powers to govern the business relationship of any state higher education
6 institution and non-profit corporation contracting for such economic development
7 purposes.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 12. RESEARCH AND DEVELOPMENT AGREEMENTS FOR STATE
INSTITUTIONS OF HIGHER EDUCATION.**

§18B-12-1. Definitions.

1 The following words used in this article shall, unless the context clearly indicates a different
2 meaning, be construed as follows:

3 (a) "Agreement" means any agreement being entered into between a governing board and
4 a corporation pursuant to ~~section four~~ §18B-12-4 or §18B-12-11 of this article code.

5 (b) "Corporation" means a nonstock, not-for-profit corporation established under the
6 general corporation laws of the state which meets the description presented by ~~section three~~
7 §18B-12-3 or §18B-12-11 of this article code.

8 (c) "Corporate directors" means the board of directors of a corporation.

§18B-12-2. Legislative findings and purpose.

1 (a) The Legislature finds and determines that the future economic development in the state
2 will depend in part upon research developed at the state institutions of higher education, and
3 enhanced research opportunities for state institutions of higher education will promote the general
4 economic welfare of the citizens of the state. In order to enhance the competitive position of state
5 institutions of higher education in the current environment for research and development,

expenditures for equipment and material for research projects must be handled in an expeditious fashion, and the acquisition and utilization of research grants can be simplified and expedited through the utilization of private corporations.

(b) The interest of the citizens of the state will be best met by agreements entered into and carried out by the governing boards and corporations to provide research assistance for state institutions of higher education. Therefore, in order to facilitate research and development grants, economic development and opportunities for state institutions of higher education, it is appropriate to authorize the governing boards to contract with private corporations organized for the purpose of providing such services to state institutions of higher education.

§18B-12-11. Agreements with corporations solely for economic development.

Notwithstanding any other provision of this article to the contrary, any state institution of higher education may enter into an agreement with a nonstock, not-for-profit corporation established under corporation laws of the state exclusively for purposes of economic development and job creation which qualifies as an exempt organization under section 501(c) of the Internal Revenue Code of 1986, as amended, and such corporation shall:

(1) Be exempt from the requirements of §18B-12-3, §18B-12-4 and §18B-12-4(b)-(c) of this code;

(2) Be designated as the economic development entity for the state institution of higher education;

(3) Have corporate officers, directors and employees of a governing board and the affected state institution of higher education which hold appointments to offices of the corporation or a governing board of a state institution of higher education;

(4) Have such contractual arrangements with the state institution of higher education as may be agreed to between the parties; and

(5) Have such powers and authorizations as permitted by law.

NOTE: The purpose of this bill is to permit state higher education institutions to enter into

agreements with certain non-profit organizations for the sole purpose of promoting economic development and job creation and to establish powers to govern the business relationship of any state higher education institution and non-profit corporation contracting under § 18B-12-1, *et. seq.*

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