

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

ENGROSSED

House Bill 5227

By Delegates Funkhouser, Moore, Hillenbrand,

Ridenour, and Heckert

(Requested By the Office of the Secretary of State)

[Introduced February 05, 2026; referred to the

Committee on the Judiciary]

1 A BILL to amend and reenact §59-1-2a of the Code of West Virginia, 1931, as amended, providing
2 for the amount the Secretary of State may charge under this section for a bad check fee;
3 allowing the Secretary of State to waive late fees; providing for a veteran-owned business
4 logotype.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. FEES AND ALLOWANCES.

**§59-1-2a. Annual and biennial business fees to be paid to the Secretary of State; filing of
annual and biennial reports; purchase of data.**

1 (a) Definitions. — As used in this section:

2 "Annual report fee" means the fee described in subsection (c) of this section that is to be
3 paid to the Secretary of State each year by corporations, limited partnerships, domestic limited
4 liability companies, and foreign limited liability companies. After June 30, 2008, any reference in
5 this code to a fee paid to the Secretary of State for services as a statutory attorney in fact shall
6 mean the annual report fee described in this section.

7 "Biennial Report fee" means the biennial fee described in subsection (c) of this section that
8 is to be paid to the Secretary of State every two years by corporations, limited partnerships,
9 domestic limited liability companies, and foreign limited liability companies.

10 "Business activity" means all activities engaged in or caused to be engaged in with the
11 object of gain or economic benefit, direct or indirect, but does not mean any of the activities of
12 foreign corporations enumerated in §31D-15-1501(b) of this code, except for the activity of
13 conducting affairs in interstate commerce when activity occurs in this state, nor does it mean any
14 of the activities of foreign limited liability companies enumerated in §31B-10-1003(a) of this code,
15 except for the activity of conducting affairs in interstate commerce when activity occurs in this
16 state.

17 "Corporation" means a "domestic corporation", a "foreign corporation", or a "nonprofit
18 corporation".

19 "Deliver or delivery" means any method of delivery used in conventional commercial
20 practice, including, but not limited to, delivery by hand, mail, commercial delivery, and electronic
21 transmission.

22 "Domestic corporation" means a corporation for profit, which is not a foreign corporation,
23 incorporated under or subject to chapter 31D of this code.

24 "Domestic limited liability company" means a limited liability company, which is not a
25 foreign limited liability company, under or subject to chapter 31B of this code.

26 "Foreign corporation" means a for-profit corporation incorporated under a law other than
27 the laws of this state.

28 "Foreign limited liability company" means a limited liability company organized under a law
29 other than the laws of this state.

30 "Limited partnership" means a partnership as defined by §47-9-1 of this code.

31 "Nonprofit corporation" means a nonprofit corporation as defined by §31E-1-150 of this
32 code.

33 "Registration fee" means the fee for the issuance of a certificate relating to the initial
34 registration of a corporation, limited partnership, domestic limited liability company, or foreign
35 limited liability company described in §59-1-2(a)(2) of this code. The term "initial registration" also
36 means the date upon which the registration fee is paid.

37 "Veteran" means any person who has served as an active member of the armed forces of
38 the United States, the National Guard, or a reserve component as described in 38 U.S.C. §101.
39 Notwithstanding any provision in this code to the contrary, a veteran must be honorably
40 discharged or under honorable conditions as described in 38 U.S.C. §101.

41 "Veteran-owned business" or "active-duty member-owned business" means a business
42 that meets the following criteria:

43 (A) Is at least 51 percent unconditionally owned by one or more veterans, active-duty
44 members of any branch of the United States military, or their respective spouses; or

45 (B) In the case of a publicly owned business, at least 51 percent of the stock is
46 unconditionally owned by one or more veterans, active-duty members of any branch of the United
47 States military, or their respective spouses.

48 (b) Required payment of annual or biennial report fee and filing of annual or biennial report.
49 — After ~~June 30, 2008~~, July 1, 2026, no corporation, limited partnership, domestic limited liability
50 company, or foreign limited liability company may engage in any business activity in this state
51 without paying the annual or biennial report fee and filing the annual or biennial report as required
52 by this section.

53 (c) Annual or biennial Report fee. — After ~~June 30, 2008~~, July 1, 2026, each corporation,
54 limited partnership, domestic limited liability company, and foreign limited liability company
55 engaged in or authorized to do business in this state shall pay an annual report fee of \$25 for the
56 services of the Secretary of State as attorney-in-fact for the corporation, limited partnership,
57 domestic limited liability company, or foreign limited liability company and for such other
58 administrative services as may be imposed by law upon the Secretary of State. If a corporation,
59 limited partnership, domestic limited liability company, or foreign limited liability company elects for
60 biennial reporting under subdivision (d)(3) of this section, then such corporation, limited
61 partnership, domestic limited liability company, or foreign limited liability company shall pay a
62 biennial report fee of \$50 for the services of the Secretary of State as attorney-in-fact for the
63 corporation, limited partnership, domestic limited liability company, or foreign limited liability
64 company and for such other administrative services as may be imposed by law upon the Secretary
65 of State. The fee is due and payable ~~each year after the initial registration of the corporation,~~
66 ~~limited partnership, domestic limited liability company, or foreign limited liability company with the~~
67 ~~annual or biennial report described in subsection (d) of this section on or before the dates specified~~
68 ~~in subsection (e) of this section. The fee is due and payable each year with the annual report from~~
69 ~~corporations, limited partnerships, domestic limited liability companies, and foreign limited liability~~
70 ~~companies that paid the registration fee prior to July 1, 2008, on or before the dates specified in~~

71 ~~subsection (e) of this section.~~ The annual and biennial report fees received by the Secretary of
72 State pursuant to this subsection shall be deposited by the Secretary of State in the general
73 administrative fees account established by §59-1-2 of this code.

74 (d) Annual or biennial report. —

75 (1) After ~~June 30, 2008,~~ July 1, 2026, each corporation, limited partnership, domestic
76 limited liability company, and foreign limited liability company engaged in or authorized to do
77 business in this state shall file an annual report. The report is due each year after the initial
78 registration of the corporation, limited partnership, domestic limited liability company, or foreign
79 limited liability company with the annual report fee described in subsection (c) of this section on or
80 before the dates specified in subsection (e) of this section. ~~The report is due each year from~~
81 ~~corporations, limited partnerships, domestic limited liability companies, and foreign limited liability~~
82 ~~companies that paid the registration fee prior to July 1, 2008, on or before the dates specified in~~
83 ~~subsection (e) of this section.~~

84 (2)(A) The annual report shall be filed with the Secretary of State on forms provided by the
85 Secretary of State for that purpose. The annual report shall, in the case of corporations, contain: (i)
86 The address of the corporation's principal office; (ii) the names and mailing addresses of its
87 officers and directors; (iii) the name and mailing address of the person on whom notice of process
88 may be served; (iv) the name and address of the corporation's parent corporation and of each
89 subsidiary of the corporation licensed to do business in this state; (v) in the case of limited
90 partnerships, domestic limited liability companies, and foreign limited liability companies, similar
91 information with respect to their principal or controlling interests as determined by the Secretary of
92 State or otherwise required by law to be reported to the Secretary of State; (vi) the county or
93 county code in which the principal office address or mailing address of the company is located; (vii)
94 business class code; ~~and~~ (viii) an e-mail address where informational notices and reminders of
95 annual filings may be sent, unless there is a technical inability to comply; and (ix) any other
96 information the Secretary of State considers appropriate.

97 (B) Notwithstanding any other provision of law to the contrary, the Secretary of State shall,
98 upon request of any person, disclose, with respect to corporations: (i) The address of the
99 corporation's principal office; (ii) the names and addresses of its officers and directors; (iii) the
100 name and mailing address of the person on whom notice of process may be served; (iv) the name
101 and address of each subsidiary of the corporation and the corporation's parent corporation; (v) the
102 county or county code in which the principal office address or mailing address of the company is
103 located; and (vi) the business class code. The Secretary of State shall provide similar information
104 with respect to information in its possession relating to limited partnerships, domestic limited
105 liability companies, and foreign limited liability companies, similar information with respect to their
106 principal or controlling interests.

107 (3) Notwithstanding any provision of this section to the contrary, any corporation, limited
108 partnership, domestic limited liability company, or foreign limited liability company authorized to do
109 business in this state may elect to file a biennial report in lieu of an annual report if the corporation,
110 limited partnership, domestic limited liability company, or foreign limited liability company has
111 timely filed all required annual reports under this section for five consecutive calendar years and is
112 in good standing with the Secretary of State at the time of election.

113 (A) The election shall be made at the time of filing the fifth consecutive timely annual report,
114 or, for any corporation, limited partnership, domestic limited liability company, or foreign limited
115 liability company that has already satisfied the five-year timely filing requirement as of the effective
116 date of this subsection, at any time between January 1 and July 1 of the next calendar year
117 following the effective date of this subsection in a form and manner prescribed by the Secretary of
118 State;

119 (B) Upon making the biennial reporting election, the corporation, limited partnership,
120 domestic limited liability company, or foreign limited liability company is not required to file an
121 annual report for the next calendar year. The first biennial report shall be delivered to the Secretary

122 of State between January 1 and July 1 of the second calendar year following the calendar year in
123 which the election is made, and every two years thereafter;

124 (C) Biennial reports shall include the same information as the annual reports outlined in
125 subsection (a) of this section and shall be delivered in a form and manner prescribed by the
126 Secretary of State. If a biennial report does not contain the information required in subsection (a)
127 of this section, the Secretary of State shall promptly notify the reporting corporation, limited
128 partnership, domestic limited liability company, or foreign limited liability company and return the
129 report to it for correction. If the report is corrected to contain the information required in subsection
130 (a) of this section and delivered to the Secretary of State within 60 days after the effective date of
131 the notice, it is timely filed;

132 (D) After election of biennial reporting, any failure to timely file a biennial report or loss of
133 good standing revokes the biennial reporting election, and the corporation, limited partnership,
134 domestic limited liability company, or foreign limited liability company must timely file annual
135 reports for another five consecutive calendar years before making the election again;

136 (E) Amendments to this section concerning the election of biennial reporting enacted into
137 law during the Regular Legislative Session of the year 2026, shall take effect on July 1, 2026, and
138 shall not forgive prior failures to file annual reports or pay annual fees previously due.

139 (e) Annual or biennial reports and fees due by June 30. — Each domestic and foreign
140 corporation, limited partnership, limited liability company, and foreign limited liability company
141 shall file with the Secretary of State the annual or biennial report and pay the annual or biennial
142 report fee on or before 11:59 PM on June 30 of each year or every two years if an election for
143 biennial reporting under subdivision (d)(3) of this section is properly made.

144 (f) Deposit of fees. — The annual and biennial report fees received by the Secretary of
145 State pursuant to this section shall be deposited by the Secretary of State in the general
146 administrative fees account established by §59-1-2 of this code.

147 (g)(1) Duty to pay. — It is the duty of each corporation, limited partnership, limited liability
148 company, and foreign limited liability company required to pay the annual report fees imposed
149 under this article to remit them with a properly completed annual report to the Secretary of State,
150 and if it fails to do so it is subject to the late fees prescribed in subsection (h) of this section and
151 dissolution or revocation, pursuant to this code: *Provided*, That before dissolution or revocation for
152 failure to pay fees may occur, the Secretary of State shall notify the entity by certified mail, return
153 receipt requested, of its failure to pay, all late fees or bad check fees associated with the failure to
154 pay, and the date upon which dissolution or revocation will occur if all fees are not paid in full. The
155 certified mail required by this subdivision shall be postmarked at least 30 days before the
156 dissolution or revocation date listed in the notice.

157 (2) Bad check fee. — If any corporation, limited partnership, limited liability company, or
158 foreign limited liability company submits payment by check or money order for the annual report
159 fee imposed under this article and the check, ~~or money order, or automatic bank transfer~~ is
160 rejected or declined because there are insufficient funds in the account, an invalid account number
161 is provided, ~~or the account is closed, or for any other reason,~~ the Secretary of State shall assess a
162 bad check fee to the corporation, limited partnership, limited liability company, or foreign limited
163 liability company ~~that is equivalent to the service charge paid by the Secretary of State due to the~~
164 ~~rejected check or money order~~ not exceeding an amount equal to \$5 plus any amount passed on
165 from a financial institution on a drawer or indorser. The bad check fee assessed under this
166 subdivision shall be deposited into the account or accounts from which the Secretary of State paid
167 the service charge.

168 (h) Late fees. —

169 (1) The following late fees are in addition to any other penalties and remedies available
170 elsewhere in this code:

171 (A) Administrative late fee. — The Secretary of State shall assess upon each corporation,
172 limited partnership, limited liability company, and foreign limited liability company delinquent in the

173 payment of an annual or biennial report fee or the filing of an annual or biennial report an
174 administrative late fee in the amount of \$50 for an annual delinquency and \$100 for a biennial
175 delinquency.

176 (B) Administrative late fees for nonprofit corporations. — The Secretary of State shall
177 assess each nonprofit corporation delinquent in the payment of an annual or biennial report fee or
178 the filing of an annual or biennial report an administrative late fee in the amount of \$25 for an
179 annual delinquency and \$50 for a biennial delinquency.

180 (2) The Secretary of State shall deposit the first \$25,000 of fees collected under this
181 subsection into the General Administrative Fees Account established in §59-1-2(h) of this code
182 and shall deposit any additional fees collected under this section into the General Revenue Fund
183 of the state.

184 (3) With respect to any fees collected under this section, the Secretary of State may waive
185 or reduce an administrative late fee if the delinquency in the payment of an annual report fee or the
186 filing of an annual report is determined by the Secretary of State to have been caused by
187 circumstances beyond the control of the filer or the filer's agent. In determining whether to waive or
188 reduce the late fee, the Secretary of State may consider:

189 (A) The history of compliance and timely payment and filing including, but not limited to,
190 previous waiver requests, late filings, and late payments;

191 (B) The weight and sufficiency of the evidence supporting the request to waive or reduce
192 the late fee for the late filing or payment;

193 (C) Any evidence which shows that the late payment or late filing was caused by
194 circumstances that were not directly related to the actions of the filer or the filer's agent; and

195 (D) Any other factor deemed by the Secretary of State to be relevant.

196 (i) Reports to Tax Commissioner; suspension, cancellation or withholding of business
197 registration certificate. —

198 (1) The Secretary of State shall, within 20 days after the close of each month, make a
199 report to the Tax Commissioner for the preceding month, in which he or she shall set out the name
200 of every business entity to which he or she issued a certificate to conduct business in the State of
201 West Virginia during that month. The report shall set out the names and addresses of all
202 corporations, limited partnerships, limited liability companies, and foreign limited liability
203 companies to which he or she issued certificates of change of name or of change of location of
204 principal office, dissolution, withdrawal, or merger. If the Secretary of State fails to make the report,
205 it is the duty of the Tax Commissioner to report such failure to the Governor. A writ of mandamus
206 lies for correction of such failure.

207 (2) Notwithstanding any other provision of this code to the contrary, upon receipt of notice
208 from the Secretary of State that a corporation, limited partnership, limited liability company, and
209 foreign limited liability company is more than 30 days delinquent in the payment of annual report
210 fees or in the filing of an annual report required by this section, or if a corporation, limited
211 partnership, limited liability company, or foreign limited liability company which elected for biennial
212 reporting under subdivision (d)(3) of this section is more than 60 days delinquent in the payment of
213 biennial report fees or in the filing of a biennial report required by this section, the Tax
214 Commissioner may suspend, cancel, or withhold a business registration certificate issued to or
215 applied for by the delinquent corporation, limited partnership, limited liability company, or foreign
216 limited liability company until the same is paid and filed in the manner provided for the suspension,
217 cancellation, or withholding of business registration certificates for other reasons under §11-12-1
218 *et seq.* of this code.

219 (j) Purchase of data. — The Secretary of State shall provide electronically, for purchase,
220 any data maintained in the Secretary of State's Business Organizations Database. For the
221 electronic purchase of the entire Business Organizations Database, the cost is \$12,000. For the
222 purchase of the monthly updates of the Business Organizations Database, the cost is \$1,000 per
223 month. The fees received by the Secretary of State pursuant to this subsection shall be deposited

224 by the Secretary of State in the general administrative fees account established by §59-1-2 of this
225 code.

226 (k) The Secretary of State may collect the service fee per transaction, if any, charged for an
227 online service from any customer who purchases data or conducts transactions through an online
228 service.

229 (l) Rules. — The Secretary of State may propose rules for legislative approval, in
230 accordance with the provisions of §29A-3-1 *et seq.* of this code, to implement this article.

231 (m) A veteran-owned business, as defined in this section, commenced on or after July 1,
232 2015, or an active-duty member-owned business, as defined in this section, commenced on or
233 after July 1, 2021, is exempt from paying the annual report fee, required by this section, for the first
234 four years after its initial registration: *Provided*, That a veteran-owned business or an active-duty
235 member-owned business is not exempt from any filing deadlines or other fees required by this
236 section.

237 (1) Logotype — No later than 60 days after the effective date of this subsection, the
238 Secretary of State shall develop and design an official veteran-owned business logotype to be
239 used by a veteran-owned business.

240 (A) The logotype shall not include any language that may be construed as an endorsement
241 by the State and shall only indicate that the business is a veteran-owned business.

242 (B) No later than 90 days after the effective date of this subsection, the Secretary of State
243 shall develop an application for which a veteran-owned business may apply to use the logotype.

244 (C) The Secretary of State shall develop guidelines with the criteria to establish veteran-
245 owned status of businesses applying for the logotype.

246 (D) The Secretary of State may provide a space on the application where an applicant may
247 voluntarily make a contribution of any amount to be deposited into the West Virginia Veterans'
248 Home Loan Mortgage Fund.

249 (E) No later than 60 days after the creation of a logotype under this subsection, the
250 Secretary of State shall post a notice that:

251 (i) The logotype under this subsection is available for use by an approved veteran-owned
252 business; and

253 (ii) Includes instructions on how to complete and submit an application.

254 (n) The Secretary of State may waive new business registration fees at up to three
255 entrepreneurship events or conferences within the state of West Virginia.

256 (o) Any person, firm, corporation, or association that is a nongovernmental entity who
257 solicits the purchase of or payment for a product or service from businesses with which they do not
258 have a pre-existing commercial relationship for annual report filing under subsection (d) of this
259 section by means of a mailing, electronic mail, or facsimile, shall include all of the following
260 requirements on each solicitation:

261 (1) Conspicuously display in the heading of the solicitation a disclosure on the front and
262 back of each page, the following statement in 16-point bold Helvetica font and in all capital letters:
263 "THIS PRODUCT OR SERVICE HAS NOT BEEN APPROVED OR ENDORSED BY ANY
264 GOVERNMENTAL AGENCY, AND THIS OFFER IS NOT BEING MADE BY AN AGENCY OF
265 THE GOVERNMENT";

266 (2) In the case of a mailed solicitation, the envelope or outside cover or wrapper in which
267 the solicitation is mailed, conspicuously display in 16-point bold Helvetica font and in all capital
268 letters on the front of the envelope, outside cover, or wrapper, the following disclosure: "THIS IS
269 NOT A GOVERNMENT DOCUMENT"; and

270 (3) On each fee schedule page, the following disclosure in 12-point bold font: "Annual
271 Report filings may be filed directly with the Secretary of State for the statutory \$25 fee". If a biennial
272 report election has been made under subdivision (d)(3) of this section, then the following
273 disclosure in 12-point bold font: "Biennial Report filings may be filed directly with the Secretary of
274 State for the statutory \$50 fee".

275 (p) Any person who violates subsection (o) of this section is guilty of a misdemeanor and,
276 upon conviction thereof, shall be fined up to \$1,000 for each noncompliant solicitation, or confined
277 in jail for a period of up to one year, or both fined and confined.

278 (q) Any person harmed as a result of a violation of subsection (o) of this section may
279 recover damages in an amount equal to three times the amount solicited, any associated court
280 costs and attorneys' fees, and any other damages, at the discretion of the court.

281 (r) Amendments to this section concerning the election of biennial reporting enacted into
282 law during the Regular Legislative Session of the year 2026, shall take effect on July 1, 2026, and
283 shall not forgive prior failures to file annual reports or pay annual fees previously due.