

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 5425

By Delegates Leavitt, Stephens, Roop, Pritt,
Shamblin, Flanigan, Akers, and Rohrbach

[Introduced February 10, 2026; referred to the
Committee on Government Organization]

1 A BILL to amend and reenact §16-18-30 and §31-18E-9 of the Code of West Virginia, 1931, as
 2 amended, relating to acquisitions of properties by land reuse agencies and urban renewal
 3 authorities.

Be it enacted by the Legislature of West Virginia:

ARTICLE 18E. WEST VIRGINIA LAND REUSE AGENCY AUTHORIZATION ACT.

§16-18-30. Acquisition of property.

1 (a) *Title to be held in its name.* — An urban renewal authority shall hold in its own name all
 2 real property it acquires.

3 (b) *Methods of acquisition.* — An urban renewal authority may acquire real property or
 4 interests in real property by any means, upon terms and conditions, and in a manner the urban
 5 renewal authority considers proper: *Provided,* That an urban renewal authority may not acquire
 6 any interest in oil, gas, or minerals which have been severed from the realty.

7 (c) *Acquisitions from municipalities or counties.* —

8 (1) An urban renewal authority may acquire real property by purchase contracts, lease
 9 purchase agreements, installment sales contracts, and land contracts, and may accept transfers
 10 from municipalities or counties upon terms and conditions as agreed to by the urban renewal
 11 authority and the municipality or county.

12 (2) A municipality or county may transfer to an urban renewal authority real property and
 13 interests in real property of the municipality or county upon terms and conditions and according to
 14 procedures determined by the municipality or county as long as the real property is located within
 15 the jurisdiction of the urban renewal authority.

16 (3) A land reuse agency, as defined in §31-18E-3 of this code, located in part or in full within
 17 an urban renewal authority jurisdiction established under this article may, with the consent of the
 18 local governing body and without a redevelopment contract, convey property to the urban renewal
 19 authority. A conveyance under this subdivision shall be with fee simple title, free of all liens and
 20 encumbrances.

21 (d) *Maintenance*. — An urban renewal authority shall maintain all of its real property in
22 accordance with the statutes and ordinances of the jurisdiction in which the real property is
23 located.

24 (e) *Prohibition*. —

25 (1) Subject to the provisions of subdivision (2) of this subsection, an urban renewal
26 authority may not own or hold real property located outside the jurisdictional boundaries of the
27 entities which created the urban renewal authority under §16-18-4(c) of this code.

28 (2) An urban renewal authority may be granted authority pursuant to an intergovernmental
29 cooperation agreement with a municipality or county to manage and maintain real property located
30 within the jurisdiction of the municipality or county.

31 (f) *Acquisition of tax-delinquent properties*. —

32 (1) Notwithstanding any other provision of this code to the contrary, if authorized by the
33 municipality which created an urban renewal authority or otherwise by intergovernmental
34 cooperation agreement, an urban renewal authority may acquire an interest in tax-delinquent
35 property through the provisions of §11A-1-1 *et seq.* of this code. Notwithstanding the provisions of
36 §11A-3-8 of this code, if no person present at the tax sale bids the amount of the taxes, interest,
37 and charges due on any unredeemed tract or lot, or undivided interest in real estate offered for
38 sale, the sheriff shall, prior to certifying the real estate to the Auditor for disposition pursuant to
39 §11A-3-44 of this code, provide a list of all said real estate within an urban renewal authority's
40 jurisdiction to the urban renewal authority, and the urban renewal authority shall be given an
41 opportunity to purchase the tax lien and pay the taxes, interest, and charges due for any
42 unredeemed tract or lot, or undivided interest therein, as if the urban renewal authority were an
43 individual who purchased the tax lien at the tax sale.

44 (2) Notwithstanding any other provision of this code to the contrary, if authorized by the
45 municipality which created an urban renewal authority or otherwise by intergovernmental
46 cooperation agreement, the urban renewal authority has the right of first refusal to purchase any

47 tax-delinquent property which is within municipal limits, if it meets one or more of the following
48 criteria:

49 (A) It has an assessed value of \$25,000 to \$100,000, or less;

50 (B) There are municipal liens on the property that exceed the amount of back taxes owed in
51 the current tax cycle;

52 (C) The property has been on the municipality's vacant property registry for 24 consecutive
53 months or longer;

54 (D) The property was sold at a tax sale within the previous three years, was not redeemed,
55 and no deed was secured by the previous lien purchaser; or

56 (E) Has been condemned: *Provided*, That the urban renewal authority satisfies the
57 requirements of subdivision (3) of this subsection. A list of properties which meet the criteria of this
58 subdivision shall regularly be compiled by the sheriff of the county, and an urban renewal authority
59 may purchase any qualifying tax-delinquent property for an amount equal to the taxes owed and
60 any related fees before such property is placed for public auction.

61 ~~(3) When an urban renewal authority exercises a right of first refusal in accordance with~~
62 ~~subdivision (2) of this subsection, the urban renewal authority shall, within 15 days of obtaining a~~
63 ~~tax deed, provide written notice to all owners of real property that are adjacent to the tax-~~
64 ~~delinquent property. Any such property owner shall have a period of 120 days from the receipt of~~
65 ~~notice, actual or constructive, to express an interest in purchasing the tax-delinquent property from~~
66 ~~the urban renewal authority for an amount equal to the amount paid for the property plus expenses~~
67 ~~incurred by the urban renewal authority: *Provided*, That the urban renewal authority may refuse to~~
68 ~~sell the property to the adjacent property owner that expressed interest in the tax-delinquent~~
69 ~~property if that property owner or an entity owned by the property owner or its directors is~~
70 ~~delinquent on any state and local taxes or municipal fees, liens, or penalties on any of its property.~~

71 (4) Effective July 1, 2026, the provisions of subdivisions (2) and (3) of this subsection shall
72 sunset and have no further force and effect.

73 ~~(5) Prior to (3) As soon as possible after January 1, 2026, of each year~~ any urban renewal
 74 authority which exercises the authority granted by this subsection may submit to the ~~Joint~~
 75 ~~Committee on Government and Finance~~ a West Virginia Land Stewardship Corporation an annual
 76 report on the entity's activities related to the purchase of tax-delinquent properties and any
 77 benefits realized from the authority granted by this subsection. The West Virginia Land
 78 Stewardship Corporation shall then provide a compiled report to the Joint Committee on
 79 Government and Finance detailing those activities of the urban renewal authorities for the
 80 preceding calendar year. The Joint Committee on Government and Finance may conduct an audit
 81 of the activities reported and may subpoena any urban renewal authority for that purpose.

ARTICLE 18E. CORPORATIONS.
§31-18E-9. Acquisition of property.

1 (a) *Title to be held in its name.* — A land reuse agency or municipal land bank shall hold in
 2 its own name all real property it acquires.

3 (b) *Tax exemption.* — (1) Except as set forth in subdivision (2) of this subsection, the real
 4 property of a land reuse agency or municipal land bank and its income and operations are exempt
 5 from property tax.

6 (2) Subdivision (1) of this subsection does not apply to real property of a land reuse agency
 7 or municipal land bank after the fifth consecutive year in which the real property is continuously
 8 leased to a private third party. However, real property continues to be exempt from property taxes if
 9 it is leased to a nonprofit or governmental agency at substantially less than fair market value.

10 (c) *Methods of acquisition.* — A land reuse agency or municipal land bank may acquire real
 11 property or interests in real property by any means on terms and conditions and in a manner the
 12 land reuse agency considers proper: *Provided*, That a land reuse agency or municipal land bank
 13 may not acquire any interest in oil, gas, or minerals which have been severed from the realty.

14 (d) *Acquisitions from municipalities or counties.* — (1) A land reuse agency or municipal
 15 land bank may acquire real property by purchase contracts, lease purchase agreements,

16 installment sales contracts, and land contracts and may accept transfers from municipalities or
17 counties upon terms and conditions as agreed to by the land reuse agency or municipal land bank
18 and the municipality or county.

19 (2) A municipality or county may transfer to a land reuse agency or municipal land bank
20 real property and interests in real property of the municipality or county on terms and conditions
21 and according to procedures determined by the municipality or county as long as the real property
22 is located within the jurisdiction of the land reuse agency or municipal land bank.

23 (3) An urban renewal authority, as defined in §16-18-4 of this code, located within a land
24 reuse jurisdiction established under this article may, with the consent of the local governing body
25 and without a redevelopment contract, convey property to the land reuse agency. A conveyance
26 under this subdivision shall be with fee simple title, free of all liens and encumbrances.

27 (e) *Maintenance.* — A land reuse agency or municipal land bank shall maintain all of its
28 real property in accordance with the statutes and ordinances of the jurisdiction in which the real
29 property is located.

30 (f) *Prohibition.* — (1) Subject to the provisions of subdivision (2) of this subsection, a land
31 reuse agency or municipal land bank may not own or hold real property located outside the
32 jurisdictional boundaries of the entities which created the land reuse agency under §31-18E-4(c)
33 of this code.

34 (2) A land reuse agency or municipal land bank may be granted authority pursuant to an
35 intergovernmental cooperation agreement with a municipality or county to manage and maintain
36 real property located within the jurisdiction of the municipality or county.

37 (g) *Acquisition of tax-delinquent properties.* — (1) Notwithstanding any other provision of
38 this code to the contrary, if authorized by the land reuse jurisdiction which created a land reuse
39 agency or municipal land bank or otherwise by intergovernmental cooperation agreement, a land
40 reuse agency or municipal land bank may acquire an interest in tax-delinquent property through
41 the provisions of chapter 11A of this code. If any unredeemed tract or lot or undivided interest in

42 real estate offered for sale at public auction remain unsold following the auction, the Auditor shall
43 provide a list of all of said real estate within a land reuse or municipal land bank jurisdiction to the
44 land reuse agency or municipal land bank and the land reuse agency or municipal land bank shall
45 be given an opportunity to purchase the tax lien and pay the taxes, interest, and charges due for
46 any unredeemed tract or lot or undivided interest therein as if the land reuse agency or municipal
47 land bank purchased the tax lien at the tax sale.

48 (2) Notwithstanding any other provision of this code to the contrary, if authorized by the
49 land reuse jurisdiction which created a land reuse agency or municipal land bank or otherwise by
50 intergovernmental cooperation agreement, the land reuse agency or municipal land bank shall
51 have the right of first refusal to purchase any tax-delinquent property which is within municipal
52 limits, and meets one or more of the following criteria: (A) It has an assessed value of \$50,000 or
53 less; (B) there are municipal liens on the property that exceed the amount of back taxes owed in
54 the current tax cycle; (C) the property has been on the municipality's vacant property registry for
55 24 consecutive months or longer; (D) the property was sold at a tax sale within the previous three
56 years, was not redeemed, and no deed was secured by the previous lien purchaser; or (E) has
57 been condemned: *Provided*, That the land reuse agency or municipal land bank satisfies the
58 requirements of subdivision (3) of this subsection. A list of properties which meet the criteria of this
59 subdivision shall regularly be compiled by the sheriff of the county, and a land reuse agency or
60 municipal land bank may purchase any qualifying tax-delinquent property for an amount equal to
61 the taxes owed and any related fees before such property is placed for public auction.

62 ~~(3) When a land reuse agency or municipal land bank exercises a right of first refusal in~~
63 ~~accordance with subdivision (2) of this section, the land reuse agency or municipal land bank shall,~~
64 ~~within 15 days of obtaining a tax deed, provide written notice to all owners of real property that is~~
65 ~~adjacent to the tax delinquent property. Any such property owner shall have a period of 120 days~~
66 ~~from the receipt of notice, actual or constructive, to express an interest in purchasing the tax-~~
67 ~~delinquent property from the land reuse agency or municipal land bank for an amount equal to the~~

68 amount paid for the property plus expenses incurred by the land reuse agency or municipal land
69 bank: *Provided*, That the land reuse agency or municipal land bank may refuse to sell the property
70 to the adjacent property owner that expressed interest in the tax-delinquent property if that
71 property owner or an entity owned by the property owner or its directors meets any of the criteria
72 expressed in §11A-3-45 or §11A-3-48 of this code.

73 (4) (3) As soon as possible after January 1 of each year, any land reuse agency or
74 municipal land bank which exercises the authority granted by this subsection shall submit to the
75 West Virginia Land Stewardship Corporation an annual report on the entity's activities related to
76 the purchase of tax-delinquent properties and any benefits realized from the authority granted by
77 this subsection. The West Virginia Land Stewardship Corporation shall then provide a compiled
78 report to the Joint Committee on Government and Finance detailing those activities of the land
79 reuse agencies and municipal land banks for the preceding calendar year. The Joint Committee on
80 Government and Finance may conduct an audit of the activities reported and may subpoena any
81 land reuse agency or municipal land bank for that purpose.

NOTE: The purpose of this bill is to update the reporting process used by land reuse agencies.

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