

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 396

**FISCAL
NOTE**

By Senator Morris

[Introduced January 15, 2026; referred
to the Committee on the Workforce; and then to the
Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
2 designated §11-13NN-1, §11-13NN-2, §11-13NN-3, and §11-13NN-4, relating to the West
3 Virginia Job Training and Placement Act; creating a short title and legislative purpose;
4 defining terms; setting qualifications for certain sales tax retention; and permitting the
5 promulgation of rules.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13NN. WEST VIRGINIA JOB TRAINING AND PLACEMENT ACT.

§11-13NN-1. Short title; findings and purpose.

1 (a) This article may be cited as "West Virginia Job Training and Placement Act".
2 (b) The Legislature finds that retention and use of sales tax revenue collected by certain
3 retailers to provide job training and placement services is in the public interest and promotes the
4 general welfare of the people of this state. To provide greater access to job training and placement
5 services, and thereby increase workforce participation, there is hereby provided to qualifying
6 organizations certain tax credits against the taxes imposed under §11-15-11 et seq. of this code.
7 Qualifying organizations shall use the value of said credit for job training and placement services.

§11-13NN-2. Definitions

1 (a) General. – When used in this article, or in the administration of this article, terms
2 defined in subsection (b) of this section have the meanings ascribed to them by this section unless
3 a different meaning is clearly required by the context in which the term is used.

(b) Terms defined. -

5 "Consumer Sales and Service Tax" means and is limited to the consumer sales and
6 service tax as defined by §11-15-1 et seq. of this code.

7 "Department" means the West Virginia Department of Revenue.

8 "Qualifying organization" means a retailer certified by the department under §11-13NN-3 of
9 this code.

10 "Workforce training community center" means a retailer that is exempt from the payment
11 of federal income taxes under Section 501(a), Internal Revenue Code of 1986, by being listed as
12 an exempt organization under Section 501(c)(3) of that code; collects and remits to the
13 Department sales taxes imposed on the sale of donated goods; has significant experience in
14 assisting persons with a disability or other barriers to employment with job training and placement
15 services and uses a portion of its revenue to provide those services; is affiliated with a national or
16 statewide organization; and has annual sales of at least \$1 million.

§11-13NN-3. Qualification and amount of sales tax retention allowed for job training and placement services.

1 (a) Certification as a qualified organization. – A retailer may apply to the department for
2 certification as a qualifying organization under this section. If the comptroller determines that the
3 applicant meets the requirements to be a workforce training community center, as defined by §11-
4 13NN-2 of this code , the department shall certify the applicant as a qualifying organization.

5 (b) Sales tax retention allowed. – There is allowed or allowable to qualifying organizations
6 as defined under §11-13NN-2 of this code, a retention of the taxes imposed by §11-15-1 et seq. of
7 this code.

8 (c) Amount of retained taxes. – Notwithstanding any other provision of this code, a
9 qualifying organization is not required to remit to the department and may retain 75 percent of the
10 sales taxes after the first \$1 million imposed under this chapter and collected by the organization
11 on sales during the period in which the qualifying organization holds a certification under
12 subsection (a) of this section. The qualifying organization must show the amount retained on a tax
13 report required by this chapter in addition to any other information required by the department.

14 (d) Limitations. – A qualifying organization shall continue to remit to the department sales
15 taxes imposed by a political subdivision of this state and collected on sales with respect to which
16 the qualifying organization retains sales taxes as authorized by subsection (c) of this section.

17 (e) Application of retained consumer sales and use tax. – Except as provided by

subsection (g) of this section, a qualifying organization shall use money retained as authorized by subsection (c) of this section only to:

(1) Provide a variety of job training and placement services to a person with a disability or other barriers to employment, including but not limited to low educational attainment, a criminal record, homelessness, and veteran status;

(2) Develop an individualized written training and employment plan for each person assisted to ensure appropriate and successful job placement; and

(3) Monitor job retention for each person placed for the first 90 days of employment and provide additional services as needed to support job retention or acquisition of a different job.

(f) Authorized initial use of retained taxes. – In its first year of certification, a qualifying organization may use money retained as authorized by subsection (c) of this section to improve its infrastructure and otherwise prepare to provide services described by subsection (e) of this section. This subsection does not apply to the period after a qualifying organization's certification is renewed under subsection (l) of this section.

(g) Required job training and placement services. – After the period described by subsection (f), for every \$10,000 in sales tax collections retained under this section, a qualifying organization shall:

(1) Provide job training and placement services to at least three people, including services related to job-seeking skills and vocational skills training, job placement, job coaching, and post-employment support; and

(2) Successfully place an average of at least 2.25 people in jobs.

(h) Certification term. – Subject to subsection (i) of this section, a retailer that is certified as a qualifying organization retains that certification until the third anniversary of the date of certification. At any time after the period described by subsection (f) of this section during the certification period, the department may, and at the conclusion of the certification period, the department shall, require the qualifying organization to demonstrate, in a manner prescribed by

the department, that the qualifying organization:

(1) Has not used any tax collections retained under this section for a purpose other than a purpose described by subsection (e) of this section after the first year of certification; and

(2) Is successfully meeting or has successfully met, as applicable, the requirements described by subsection (g) of this section.

(i) *Revocation.* – The department, after written notice and a hearing, may revoke a certification issued to a retailer that fails to comply with this chapter or a rule adopted under this chapter. A retailer whose certification the comptroller proposes to revoke under this section is entitled to 20 days' written notice of the time and place of the hearing on the revocation. The notice must state the reason the department is seeking to revoke the retailer's certification. At the hearing the retailer must show cause why the retailer's certification should not be revoked.

(j) *Notice of revocation.* – The department shall give written notice of the revocation of a certification under subsection (i) of this section to the retailer that was certified under this section. The notice may be sent by mail to the retailer's address as shown in the comptroller's records.

(k) *Remittance of taxes after revocation.* – The comptroller shall require an organization whose certification was revoked under subsection (i) of this section to remit an amount of tax collections retained under this section in the comptroller's discretion, but not to exceed \$3,333 per person not successfully placed in a job in accordance with subsection (g)(2) of this section.

(l) *Renewal.* – A retailer that is certified as a qualifying organization may apply to renew the certification. The comptroller may renew a retailer's certification only if the retailer has complied with all requirements during the applicant's certification period and with any other requirements for renewal as prescribed by rules adopted by the comptroller.

§11-13NN-4. Legislative rules.

The department may propose rules for legislative approval pursuant to §29A-3-1 *et seq.* of this code explaining and implementing this article.

NOTE: The purpose of this bill is to create West Virginia Job Training and Placement Act.

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