

# **WEST VIRGINIA LEGISLATURE**

## **2026 REGULAR SESSION**

**Introduced**

### **Senate Bill 739**

By Senator Willis

[Introduced February 4, 2026; referred  
to the Committee on Banking and Insurance; and  
then to the Committee on the Judiciary]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding two new sections, designated §31D-8-870 and §31D-8-871, relating to creating the Protecting Shareholders Act; providing definitions; and establishing standards for a breach of fiduciary duty.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 8. DIRECTORS AND OFFICERS.**

## Part VII. Protecting Shareholders Act.

**§31D-8-870. Part definitions.**

Under the Protecting Shareholders Act, the following terms have the following meaning:

(1) "Diversity, equity, and inclusion" means any action, attempt, or effort to:

(A) Influence hiring or employment practices with respect to race, color, sex, ethnicity, or national origin, other than through the use of color blind and sex neutral hiring processes in accordance with any applicable state and federal anti-discrimination laws;

(B) Promote or provide special benefits to individuals on the basis of race, color, ethnicity,  
or national origin;

(C) Promote policies or procedures designed or implemented in reference to race, color, ethnicity, or national origin, other than to ensure compliance with an applicable court order or state or federal law; or

(D) Conduct trainings, programs, or activities designed or implemented in reference to race, color, ethnicity, or national origin, other than trainings, programs, or activities developed for the sole purpose of ensuring compliance with an applicable court order or state or federal law;

(2) "Environmental, social, and governance" means a framework that measures the non-pecuniary behavior of a business. The environmental component considers greenhouse gas emissions. The social component incorporates diversity, equity, and inclusion into the decision-making process. The governance component examines staff, officer, board diversity, or a combination thereof using diversity, equity, and inclusion factors; and

19           (3) "Pecuniary interest" means the interests of minimizing financial risk and maximizing  
20   financial return to shareholders.

**§31D-8-871. Protecting shareholders from environmental, social, and governance programs.**

1           When a director or officer of a corporation owes a fiduciary duty to the corporation or any  
2   shareholder, it shall be prima facie evidence of a breach of that fiduciary duty when the director or  
3   officer prioritizes any element of environmental, social, and governance interest over pecuniary  
4   interests.

NOTE: The purpose of this bill is to establish standards for a breach of fiduciary duty under the Protecting Investors 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.