

# **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]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding two new sections,  
2 designated §31D-8-870 and §31D-8-871, relating to creating the Protecting Shareholders  
3 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.

<u>§31D-8-870.</u>	<u>Part</u>	<u>definitions.</u>
1	<u>Under the Protecting Shareholders Act, the following terms have the following meaning:</u>	
2	<u>(1) "Diversity, equity, and inclusion" means any action, attempt, or effort to:</u>	
3	<u>(A) Influence hiring or employment practices with respect to race, color, sex, ethnicity, or</u>	
4	<u>national origin, other than through the use of color blind and sex neutral hiring processes in</u>	
5	<u>accordance with any applicable state and federal anti-discrimination laws;</u>	
6	<u>(B) Promote or provide special benefits to individuals on the basis of race, color, ethnicity,</u>	
7	<u>or national origin;</u>	
8	<u>(C) Promote policies or procedures designed or implemented in reference to race, color,</u>	
9	<u>ethnicity, or national origin, other than to ensure compliance with an applicable court order or state</u>	
10	<u>or federal law; or</u>	
11	<u>(D) Conduct trainings, programs, or activities designed or implemented in reference to</u>	
12	<u>race, color, ethnicity, or national origin, other than trainings, programs, or activities developed for</u>	
13	<u>the sole purpose of ensuring compliance with an applicable court order or state or federal law;</u>	
14	<u>(2) "Environmental, social, and governance" means a framework that measures the non-</u>	
15	<u>pecuniary behavior of a business. The environmental component considers greenhouse gas</u>	
16	<u>emissions. The social component incorporates diversity, equity, and inclusion into the decision-</u>	
17	<u>making process. The governance component examines staff, officer, board diversity, or a</u>	
18	<u>combination thereof using diversity, equity, and inclusion factors; and</u>	

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.