

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Committee Substitute

for

Senate Bill 118

By Senator Tarr

[Reported January 20, 2026, from the Committee on
Energy, Industry and Mining]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article, designated §19-1D-1, §19-1D-2, §19-1D-3, and §19-1D-4, relating to the establishment of a Forest Carbon Registry under the administration of the Division of Forestry; providing registration of carbon projects affecting West Virginia forestlands; requiring the inclusion of geographic information system shapefiles for encumbered properties; assigning responsibility to purchasers and certain landowners to record such projects; establishing a deadline for recording; and imposing civil penalties for noncompliance.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1D. WEST VIRGINIA FOREST CARBON REGISTRY.

§19-1D-1. Purpose and definitions.

(a) The purpose of this article is to establish a Forest Carbon Registry to track properties in West Virginia that are encumbered by forest carbon offset agreements in forest carbon offset projects and to ensure transparency and accountability in the management of forest carbon resources.

(b) For the purposes of this article:

(1) "Forest carbon offset agreement" means a contractual arrangement in which a landowner agrees to maintain or enhance carbon sequestration on their property in exchange for compensation from a purchaser.

(2) "Forest carbon offset project" means an undertaking by a third-party forest carbon project developer to locate and solicit the sale of carbon offsets on the property of a landowner to an end purchaser of those credits.

(3) "Division" means the Division of Forestry created in §19-1A-1, et seq. of this code.

(4) "GIS shapefile" means a geospatial data file format that contains the boundaries and location of a property in a format compatible with geographic information systems.

(5) "Landowner" includes any individual or entity that owns forestland and engages in a carbon offset agreement or project.

(6) "Developer" means a forest carbon project developer as an entity that designs, implements, or manages forest carbon projects for the purpose of generating carbon credits that may be sold to offset certain carbon emissions.

(6) "Purchaser" means the entity or individual acquiring rights to carbon offsets under a carbon offset from developer or a landowner.

(7) "Registry" means the Forest Carbon Registry established under this article.

§19-1D-2. Establishment and administration of the Forest Carbon Registry.

(a) The Division of Forestry shall establish and administer a Forest Carbon Registry to record all forest carbon offset projects affecting forestlands within the state.

(b) The registry shall include:

(1) The legal description of any property encumbered by a carbon offset agreement in a carbon offset project with reference to the tax map and lot number of the subject land;

(2) A GIS shapefile delineating the boundaries of the encumbered properties;

(3) The names and contact information of the landowners and developers;

(4) The date of execution of each agreement or initiation of a project;

(5) The duration and forest management obligations of each carbon offset obligation; and

(6) Whether any agreement prohibits harvesting timber for the life of a project.

(c) The division may promulgate legislative rules pursuant to §29A-3-1 *et seq.* of this code to:

(1) Implement and maintain the registry, including specifications for the submission of GIS shapefiles; and

(2) Establish reasonable fees, not to exceed \$50 per forest carbon project, to cover administrative costs.

§19-1D-3. Responsibility and deadline for recording.

(a) The following parties shall record their forest carbon offset activities with the Forest Carbon registry and in the county courthouse of any county in which the land is sited:

3 (1) The developer who contracts with the landowner and end purchaser of carbon credits;

4 (2) Any landowner, including a carbon trading company, only when the landowner directly
5 initiates and sells carbon offsets through a carbon offset project on their own property.

6 (b) The developer or landowner required to report pursuant to subsection (a) of this section
7 shall submit the required information, including the GIS shapefile, to the registry within 120 days of
8 executing a carbon offset project or any alteration to a carbon offset project.

9 (c) By July 1, 2027, the developer, or landowner where there is no developer, is
10 responsible for filing a memorandum describing the land by reference to its tax map and lot
11 number and the duration of the agreement of any existing forest carbon offset agreement with the
12 county courthouse of any county in which the land is sited. The county clerk of the county in which
13 the land is sited shall file the memorandum of the agreement in such a manner as will ensure it is
14 readily apparent when performing a title search for the encumbered land.

15 (d) Where there is a carbon offset agreement between a landowner and a developer, the
16 landowner is not responsible or liable for the developer's failure to comply with this section.

§19-1D-4. Penalties for noncompliance.

1 (a) Any developer, or landowner where there is no developer, who fails to record with the
2 registry a carbon offset project or project alteration as required by §19-1D-3 of this article, is
3 subject to the following penalties:

4 (1) For the first offense, a civil penalty of \$1,000; and

5 (2) For a second and any subsequent offense, a civil penalty of \$2,000;

6 (b) The 60th day following the initial 120-day deadline during which the agreement or
7 project remains unrecorded constitutes a subsequent offense.

8 (c) Monetary penalties collected under subsection (a) of this section shall be deposited into
9 the division's operating fund to support the administration of the registry.

10 (d) The division may pursue enforcement actions through the appropriate courts to ensure
11 compliance with this article.

