

**WEST VIRGINIA  
SECRETARY OF STATE  
NATALIE E. TENNANT  
ADMINISTRATIVE LAW DIVISION**

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OFFICE WEST VIRGINIA  
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Form #6

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED  
BY THE WEST VIRGINIA LEGISLATURE**

AGENCY: WV Development Office TITLE NUMBER: 145

AMENDMENT TO AN EXISTING RULE: YES  NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 13

TITLE OF RULE BEING AMENDED: Use of Coalbed Methane Severance Tax Proceeds

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: \_\_\_\_\_

TITLE OF RULE BEING PROPOSED: \_\_\_\_\_

THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) HB4220

SECTION §64-10-1, PASSED ON March 6, 2012

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON THE  
FOLLOWING DATE: Effective from passage. March 22, 2012

  
Authorized Signature

TITLE 145  
PROPOSED LEGISLATIVE RULE  
WEST VIRGINIA DEVELOPMENT OFFICE

FILED

SERIES 13  
ESTABLISHMENT OF APPLICATION AND APPROVAL PROCESS BY WEST VIRGINIA  
DEVELOPMENT OFFICE FOR EXPENDITURE OF COALBED METHANE SEVERANCE  
TAX MONEY BY COUNTY ECONOMIC DEVELOPMENT AUTHORITIES

2012 MAR 22 PM 11:00  
OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

**§145-13-1. General.**

1.1. Scope and Purpose. -- This legislative rule establishes the procedures and guidelines applicable to a county economic development authority that seeks approval from the West Virginia Development Office to expend coalbed methane severance tax money received pursuant to W. Va. Code § 11-13A-20a.

1.2. Authority. -- W. Va. Code § 11-13A-20(a).

1.3. Filing Date. -- 03/22/2011

1.4. Effective Date. -- 03/22/2011

**§ 145-13-2. Application.**

2.1. This legislative rule applies to economic development authorities of counties receiving more than ten thousand dollars of coalbed methane severance tax money pursuant to W. Va. Code 11-13A-20a.

**§145-13-3. Definitions.**

3.1. "Chief Inspector Division" means the Chief Inspector Division of the West Virginia State Auditor's Office.

3.2. "Coalbed Methane Severance Tax Moneys" means a portion of annual collections of the coalbed methane severance tax, imposed by § 11-13a-3d of the West Virginia Code, to be distributed to County Economic Development Authorities in an amount in the aggregate not to exceed \$4 million, as determined by the West Virginia Tax Department pursuant to W. Va. Code § 11-13A-20a (f).

3.3. "County Economic Development Authority" means those development authorities defined in W. Va. Code § 7-12-1 which receive more than ten thousand dollars of Coalbed Methane Severance Tax Moneys in a fiscal year pursuant to W. Va. Code § 11-13A-20a.

3.4. "Development Office" means the West Virginia Development Office created in W. Va. Code § 5B-1-2, *et seq.*, which is an agency that is incorporated in and administered as part of the Department of Commerce, as provided in W. Va. Code § 5B-1-2.

3.5. "Director" means the Executive Director of the West Virginia Development Office or his or her designee.

3.6. "Project" means the expenditure of Coalbed Methane Severance Tax Moneys by a County Economic Development Authority for a permissible purpose and use as set forth in West Virginia Code § 11-13A-20a.

**§145-13-4. Approval from Development Office for Expenditure of Coalbed Methane Severance Tax Moneys Required.**

4.1 Prior to expending any Coalbed Methane Severance Tax Moneys, a County Economic Development Authority eligible to receive such funds must obtain written approval from the Development Office. The purpose of the expenditure; shall be limited to the permissible purposes and uses set forth in W. Va. Code § 11-13A-20a(h)(2).

**§145-13-5. Permissible Purposes and Uses.**

5.1. Upon the prior written approval of the Development Office and of its respective county commission, a County Economic Development Authority may use Coalbed Methane Severance Tax Moneys for a Project if the County Economic Development Authority finds that the cost of such project is reasonably anticipated to lead to further economic development of its respective county and consist of one of the following:

- 5.1.1. The cost of preparation of land sites for any public or private facility; or
- 5.1.2. The cost of design or construction of water, sewer and stormwater infrastructure.

**§ 145-13-6. Approval Requirements.**

6.1 A County Economic Development Authority shall provide the Development Office with an application provided by the Director and the following documentation:

- 6.1.1. Project map.
- 6.1.2. Preliminary engineer report containing estimated cost of Project.
- 6.1.3. Resolution by the county commission stating its approval of the Project.

6.2. All documentation submitted to the Development Office for the purpose of obtaining approval for a Project will be made available to the Chief Inspector Division upon request.