

2021 West Virginia Legislative Session Summary

The first regular session of the 85th Legislature is now in the books, as both the House and Senate adjourned at midnight Saturday, April 10, 2021. A total of 2,039 bills introduced, with 281 being sent to the Governor, 78 of which have already been signed into law.

COVID-related legislation Obviously, was at the top of the agenda. Capitol building access was limited due to capacity restrictions, social distancing and other CDC recommended protocols. Several legislative initiatives were advanced to encourage remote workers, and much needed broadband expansion through House Bill 2002, as well as Senate Bill 277-Creating COVID-19 Jobs Protection Act, the Governor's bill for COVID-19 liability reform. This legislation provides a liability shield for employers in West Virginia for claims that may arise due to the COVID-19 pandemic.

Once again education was a hot topic at the Capitol. <u>House Bill 2012</u> goes into effect June 1 and expands West Virginia's charter school program. <u>House Bill 2013</u> creates the Hope Scholarship Program which will provide vouchers for private schools or homeschooling. <u>House Bill 2001</u> the Jumpstart Savings Program championed by Treasurer Riley Moore allows individuals, families and employers to contribute tax-free dollars to invest in the costs of pursuing a trade or an occupation. This bill allows for monies to be spent for tools, equipment, supplies, tuition for a certificate, trade school or open a new business.

Several years of work have gone into the passage of <u>Senate Bill 272</u>, the West Virginia Employment Law Worker Classification Act. The purpose of this bill is to simplify the criteria used to define independent contractors and to impose objective standards on the differentiation of independent contractors from employees.

After many years of legislative attempts to create an Intermediate Court of Appeals, West Virginia will join more than 40 states to have an intermediate appellate court with the passage of <u>Senate Bill 275</u>. The court will consist of three judges expected to take over cases involving administrative appeals, workers' compensation, and family court.

A Governor's bill, <u>House Bill 2025</u>, was adopted by both the House and Senate. This bill modernizes the state's laws in relation to the sale of alcohol. Multiple changes were made in relation to licenses for restaurants for events and outdoor dining, farmers markets and wedding venues. It allows for the sale and serving of alcohol by a 16-year old employee who is adult supervised; allows for delivery of food and alcohol to be delivered by a restaurant and also allows for the delivery of wine, liquor and beer from a retailer to a 21-year old or older customer with a valid ID.

A big tort reform win, especially for the trucking industry, and one that has been worked on for several years, is <u>Senate Bill 439</u>, which allows use or nonuse of safety belt as admissible evidence in civil actions.

Without a doubt, the most talked about bill of the 2021 Legislative Session was the Governor's personal income tax reduction plan. As many of you have seen in our alerts and/or by the media, the Governor's plan was to reduce and eventually remove the state personal income tax. He proposed dozens of tax increases for various products and services to replace the lost income tax revenue. Increased taxes on beverages, cigarettes, smokeless tobacco, vape, wine, beer, liquor, lottery tickets, coal severance, gas/oil severance, professional services (accounting, legal, advertising, suit settlements, insurance commissions, etc.) and a significant increase in the sales tax across the board. The House plan, HB 3300, took a different approach by using a flat budget and setting aside increased revenue from natural growth in the economy to gradually and incrementally phase out the personal income tax with no tax increases. The Senate plan was similar to the Governor's plan. Ultimately after some goading by the Governor, the House soundly defeated the Senate version by a vote of 0-100.

The personal income tax discussion is expected to continue with the possibility of a special legislative session later this year.

Overall, we had a very successful legislative session by advancing bills that are favorable to our industries. But just as important, maybe even more so, we were able to defeat a great number of bills that if adopted would be major setbacks.

Industry Update

<u>HB 2221 - Insurance Innovation Regulatory Sandbox</u> passed, which authorizes the Insurance Commission to issue "safe harbor" protections to insurers who beta test new & innovative insurance products and processes. Law will be optional – not mandatory – for insurers. Provisions of law will be available for all lines of insurance.

Weekly Capitol Conversations

Due to the pandemic situation, we were not able to meet in person for the Insurance Day at the Capitol. We were excited to host six legislative Capitol Conversation sessions. If you missed the sessions, don't fret, because IIAWV has your back! We are still going to give you the opportunity to earn the remaining two hours of continuing education hours.

Opportunity #1:

Register and plan to attend the Big "I" Virtual Legislative Conference, **which begins tomorrow!** Big "I" members will have the opportunity to discuss leading industry issues such as small business tax fairness, future pandemic response, and more in virtual meetings with members of Congress during the Big "I" Virtual Legislative Conference.

Register NOW and earn 1 hour of CE for IIAWV WV licensed agents: <u>https://iiaba.growthzoneapp.com/ap/Events/Register/GrZzeVYr</u>

Opportunity #2:

Join us for our Capitol Conversations After Session Summary – Wrap Up on **Thursday, April 22nd at 4 p.m.** with Delegate Steve Westfall and Delegate John Hott.

Please register and plan to attend After Session Summary – Wrap Up by registering online today:

https://zoom.us/meeting/register/tJwkfumgqDgsHdZPPgsdMs3FellHj0Dg QdD0



If you have any questions during the session or would like to express your opinion on issues, please contact Daniel Hall at <u>daniel@omegawv.com</u> or you can call the office at 304.342.2440 and leave him a message. You may also contact Traci Nelson at <u>traci@omegawv.com</u> or at 304.342.2440.

Mark Your Calendar & Plan to Attend



> Women in Insurance Luncheon - Plan to unwind on Friday, June 4th at The Retreat WV. Join us for a unique event geared towards encouraging empowerment, community, and work-life balance.

> Young Insurance Professionals Summer Retreat - August 26th & 27th at Chief Logan State Park and Hatfield and McCoy Trails. Event for All natives and Independent Agents alike.

Company Representatives

> <u>2021 Annual Convention</u> - Join us on October 11-13 at The Greenbrier Resort in White Sulphur Springs, WV. We are here to prepare you for tomorrow...today! Let IIAWV help you steer towards a bright tomorrow.

THANK YOU TO OUR PARTNERS

