

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 4550

**FISCAL
NOTE**

BY DELEGATE IRELAND

[Introduced February 16, 2016;

Referred to the Committee on Energy then Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §37-4-9, relating to requiring proceeds of partition of any interest in real
 3 property that includes oil and gas but not surface that are due to a person whose name or
 4 location are unknown and are unclaimed for five years be paid to the Oil and Gas
 5 Reclamation Fund rather than paid or delivered to the Treasurer as abandoned and
 6 unclaimed property.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §37-4-9, to read as follows:

ARTICLE 4. PARTITION.

§37-4-9. Disposition of funds due to unknown or unlocatable interest owners.

1 All proceeds or dividends arising out the provisions of this article regarding any interest in
 2 real property (that includes oil and gas but not surface, other than rights to use the surface for the
 3 exploration for or production of the minerals) that are due to a person whose name or location is
 4 unknown and who does not make a claim for those funds for five years after the date of the order
 5 of the court authorizing the distribution of the funds shall be paid to the Oil and Gas Reclamation
 6 Fund established pursuant to section twenty-nine, article six, chapter twenty-two of this code
 7 notwithstanding the requirements of article eight, chapter thirty-six of this code. The funds shall
 8 be paid on or before November 1 of each year for the funds that became payable in the twelve
 9 months next preceding July 1 of that year. The Department of Environmental Protection may
 10 propose rules for legislative approval in accordance with article three, chapter twenty-nine-a of
 11 this code to carry out the provisions of this section.

NOTE: The purpose of this bill is to pay funds that are due in partition suits of oil and gas interests to persons whose names or locations are unknown, and who do not claim the funds for five years, to the Oil and Gas Reclamation Fund that is used to plug the thousands of abandoned oil and gas wells that no longer have responsible operators to plug them rather than have the funds escheat to the state.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.