



Reshoring Institute

WEST VIRGINIA

State Economic Survey and Incentive Comparison

CONTACT INFORMATION

Contact Name: Michael Graney

Contact Phone Number: 304.558.2234

Contact Email Address:
Michael.R.Graney@wv.gov

US State Name: West Virginia

State Abbreviation: WV

State Economic Development Web
Address: <https://westvirginia.gov/>

State Economic Development Email
Address:
<https://westvirginia.gov/connect-with-us/>

State Economic Development Phone
Number: 304.558.2234

Additional Relevant Links for Relocating
Companies:

<https://westvirginia.gov/advantage-west-virginia/>

<https://westvirginia.gov/thriving-industries/>

<https://westvirginia.gov/incentives-and-programs/>

<https://westvirginia.gov/available-sites/>

INCOME AND OUTPUT

This section highlights the state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

Gross Domestic Product, in millions: **\$87.39 billion (2021)**

Gross Domestic Product % Growth: **1.7% (Q3-Q4 2021)**

Per Capita Personal Income (*GDP/Population) This is often used as a standard of living measurement: **\$47,817 (2021)**

Per Capita Personal Income % Change: **1-year change: +6.5% 3-year change: +12.8%**

WORKFORCE

This section gives manufacturers an idea of the industry's environment in the state, including the makeup of the available workforce, the labor requirements, and recent trends.

Total Population: **1,781,000**

Total Civilian Labor Force: **790,000**

Total Number of Persons Employed: **762,000**

Total Number of Persons Unemployed: **28,000**

Unemployment Rate %: **3.6**

Manufacturing Employment: **46,800**

Professional and Business Services Employment: **71,800**

State Right-to-Work Law Y/N: **Yes**

Large Factory Openings during Previous year:

[Nucor Corporation](#)

[Green Power Motor Company](#)

[Omnis Building Technologies](#)

[CS Global Group / ADO Industries](#)

[Klöckner Pentaplast](#)

Large Factory Closures during Previous year:

[Mylan Pharmaceuticals](#)

EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

% High School Diploma or More: **88%**

% Bachelor's Degree or Higher: **21%**

Enrollment in Higher Education Institutions: **70,200**

Science and Engineering Graduate Students: **900**

[Source1](#)

List of High school, College, or University Manufacturing Partnership Programs

These are partnerships with manufacturers to help train future employees in certain skills:

The West Virginia Community and Technical College systems is partnered with over 700 businesses to provide comprehensive employment and skills training.

More information can be found here: [Workforce Development](#)

List of Additional Manufacturing Training Programs:

[West Virginia Invests Grant Program](#)

List of Future Planned Manufacturing Training Programs *If known please include expected implementation date:*

COST OF DOING BUSINESS

This section highlights the costs associated with doing business in the state including taxes, wages, insurance, and energy expenses.

State Corporate Income Tax %: **6.5%**

State Individual Income Tax %: **3%, 4%, 4.5%, 6% and 6.5%**

State Level Sales Tax %: **6%**

State Use Tax: **6%**

Unemployment Insurance Tax % (estimate): **2.7%**

Additional Relevant Taxes: **N/A**

Workers' Compensation Employer Insurance Costs per \$100 of Payroll: **\$1.01**

Average Industrial Electric Rate: **\$6.12 per KWh**

Average Price of Natural Gas Delivered to Industrial Consumers: \$3.76 per thousand cubic feet

Average Hourly Earnings of Production Workers in Manufacturing: **\$39.25**

Minimum Wage (current): **\$8.75 per hour**

Pending Legislation Regarding Minimum Wage: **No.**

If you answered YES to the above question, What is the proposed minimum wage?: **N/A**

If you answered YES to the above question, What is the legislative bill number?: **N/A**

ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of the state in terms of business innovation through awards, venture capital, and intellectual property attainment.

Total Small Business Innovation Research (SBIR) Awards

Found at: https://www.sbir.gov/reports/statesummary?program_tid%5B%5D=105791&year%5B%5D=2021

Total: 4

Total Small Business Technology Transfer (STTR) Awards

Found at: https://www.sbir.gov/reports/statesummary?program_tid%5B%5D=105792&year%5B%5D=2021

Total: 5

Venture Capital Deals: \$30 million (2021)

% of State with Internet Accessibility: **99.4% mobile broadband** **64.6% fixed wireless** **78.3% wired broadband**

Newly Registered Businesses: **12,831 (April 1, 2021 to March 31, 2022)**

Newly Registered Patents: **134 (2020)**

FOREIGN DIRECT INVESTMENT

This section provides insight into the amount of current investment overseas and the potential state market for manufacturers to reshore.

Foreign Direct Announcements: **51**

Foreign Direct Employment: **29,100**

Foreign Direct Investment: **\$3.5 billion**

TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of the state and what a company can expect in terms of the logistics of shipping their product.

Number of major 2 or 4-Lane Highways running through state: **17**

Number of major railways going through state: **14**

Number of major ports connected to state: **5**

Number of airports throughout state: **14**

Number of International airports throughout state: **1**

Number of distribution centers: **120**

Number of foreign trade zones: **2** (FTZ 229 and FTZ 240)

INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

[Business Incentives](#)

[Additional Incentives](#)

Pending Legislation

Proposed Incentives Currently Pending Approval (Y/N): **N**

If you answered YES above, please describe the pending incentives including the bill number if applicable:

Cash Incentives

Does the state provide any CASH incentives? (Y/N): **Yes**

If you answered YES above, please provide details of this incentive including the contact information and website if applicable:

[Ascend West Virginia](#)

State Tax Credits

Does the state provide any Tax Credit incentives? (Y/N): **Y**

If you answered YES above, please describe the available tax credits:

<u>Freeport Amendment</u>	The Freeport Amendment is available to warehousing businesses that serve West Virginia exporters of manufacturing products and importers for external commodities. website
<u>High-Technology Business Valuation Act</u>	The High-Technology Valuation Act is available to West Virginia businesses that are doing high-tech related production and marketing activities. website
<u>Lodging Exemptions</u>	Lodging Exemptions provide exemptions from the state Consumers Sales and Service Tax of 6% and exemption from the Local Hotel/Motel Tax (tax rate varies per region). website
<u>Manufacturing Sales Tax Exemption</u>	The Manufacturing Sales Tax Exemption allows materials and equipment purchased for direct use in manufacturing to be exempt from the 6 percent state sales and use tax. website
<u>Sales Tax Exemption for Certain E-Commerce Businesses</u>	The Sales Tax Exemption for Certain E-Commerce Businesses exempts some computer-related sales of tangible personal property and services from the consumer sales and services tax. website
<u>Tax Exempt Industrial Development Bonds</u>	The Industrial Revenue Bonds provides for customized financing through federal tax-exempt industrial revenue bonds. website
<u>Tax Exemption for Wind Energy Generation</u>	The Tax Exemption for Wind Energy Generation provides a preferential rate of taxation on energy generating capacity for wind turbine systems. website

State Tax Exemptions

Does the state provide any Tax Exemptions? (Y/N): **Yes**

If you answered YES above, please describe the available tax exemptions:

<u>Coal Loading Facilities Credit</u>	The Coal Loading Facilities Credit provides a tax credit to firms that build or construct a new or expanded coal loading facility or revitalize an existing coal loading facility. website
<u>Commercial Patent Incentives Tax Act</u>	The Commercial Patent Incentives Tax Credit can offset up to 100 percent of the business franchise tax, corporation net income tax, or in the case of individual taxpayers, the personal income tax. website
<u>Construction Trades Apprenticeship Training Tax Credit</u>	A credit for any taxpayer against certain taxes for wages paid to apprentices in the construction trades who are registered with the United States Department of Labor, Office of Apprenticeship, West Virginia State Office, by the taxpayer in the tax year that an apprentice and taxpayer participate in a qualified apprenticeship training program. website
<u>Corporate Headquarters Credit</u>	The Corporate Headquarters Credit is available to companies that relocate their corporate headquarters to West Virginia and create at least 15 new West Virginia jobs website

<u>Economic Opportunity Tax Credit for Jobs Creation</u>	The Economic Opportunity Tax Credit for Jobs Creation provides a tax credit that rewards job creation paying above a minimum salary.	<u>website</u>
<u>Economic Opportunity Tax Credit for Small Businesses</u>	The Economic Opportunity Tax Credit for Small Businesses provides a tax credit for small businesses that create jobs.	<u>website</u>
<u>Economic Opportunity Tax Credits</u>	The Economic Opportunity Credit is available to qualified companies that create at least 20 new jobs within specified time limits (10 jobs in the case of qualified small business) as a result of their business expansion project.	<u>website</u>
<u>Energy Intensive Industrial Consumers Revitalization Tax Credit</u>	The Energy Intensive Industrial Consumers Revitalization Tax Credit provides a tax credit to coal producers that supply coal to a West Virginia electric utility that provides a special rate to one or more energy intensive industrial consumers of electric power.	<u>website</u>
<u>Environmental Agricultural Equipment Tax Credit</u>	A credit against the Corporation Net Income Tax and Personal Income Tax in an amount equaling twenty-five percent of all expenditures for the purchase and installation of agricultural equipment and structures for agricultural operations within the state which serve to protect the environment.	<u>website</u>
<u>High-Tech Manufacturing Credit</u>	The High-Tech Manufacturing Credit is available to West Virginia manufacturers in high-tech related industries.	<u>website</u>
<u>Historic Rehabilitated Buildings Investment Credit</u>	The Rehabilitation Investment Tax Credit Program provides for a federal income tax credit and a West Virginia state income tax credit for the rehabilitation of historic, income producing properties.	<u>website</u>
<u>Industrial Expansion and Revitalization Credit for Electric Power Producers</u>	The Industrial Expansion and Revitalization Credit for Electric Power Producers provides a tax credit to electric power generation companies that invest in industrial expansion and industrial revitalization.	<u>website</u>
<u>Manufacturing Inventory/Property Tax Adjustment Credit</u>	The Manufacturing Inventory Credit is a tax credit that offsets the business franchise tax and corporate net income tax	<u>website</u>
<u>Manufacturing Investment Credit</u>	The Manufacturing Investment Credit is allowed against up to 60 percent of corporate net income tax and business franchise tax based on qualified investment in eligible manufacturing property, with no new job creation required.	<u>website</u>
<u>Neighborhood Investment Program</u>	The Neighborhood Investment Program allows 501(c)3 designated charitable organizations to apply for tax credit vouchers.	<u>website</u>
<u>Tourism Development Act</u>	The Tourism Development Act provides consumer sales and service tax credits for tourism destination development projects.	<u>website</u>

State Grants

Does the state provide any Grant incentives? (Y/N): **Yes**

If you answered YES above, please describe the available grants:

Cooperative Advertising Program

The West Virginia Tourism Office cooperative advertising program provides partners with the opportunity to leverage state resources and brand identity to advertising individual destinations, attractions and events. [website](#)

Governor's Guaranteed Work Force Program

The Governor's Guaranteed Work Force Program is to fund eligible worker training activities undertaken by West Virginia companies. [website](#)

Let's Train

Let's Train WV provides employers with access to a new pool of candidates with untapped potential to become highly skilled, dedicated employees. [website](#)

Local Economic Development Grant

Local Economic Development Grants provide matched funds to economic development organizations and community authorities to enhance their capacity to provide economic development activities. [website](#)

The Tourism Matching Advertising Partnership Program

The Tourism Matching Advertising Partnership Program provides reimbursable matching funds for direct advertising. [website](#)

West Virginia Infrastructure and Jobs Development Council

The West Virginia Infrastructure and Jobs Development Council can be used for financial assistance to public utilities, county development authorities and private companies for infrastructure improvements to support economic development projects. [website](#)

State Loans

Does the state provide any Low-Interest Financing incentives? (Y/N): **Yes**

If you answered YES above, please describe the available financing opportunities:

Loan Insurance Program

The Loan Insurance Program offers loan insurance for businesses. There are currently two Loan Insurance programs, the Commercial Loan Insurance Program and the Broadband Infrastructure Loan Insurance Program. [website](#)

WVCAP Loan Guaranty Program

This program provides guarantees up to 20% of loan amount for working capital loans for providing lenders with greater confidence and willingness to make small business loans. [website](#)

Direct Loan Program

The Direct Loan Program is for applicants seeking a loan from the WVEDA in the minimum amount of \$50,000 and a maximum amount of \$10,000,000. [website](#)

Indirect Loans

The West Virginia Economic Development Authority provides a loan insurance program through participating commercial banks to assist firms that cannot obtain conventional bank financing. [website](#)

WVCAP Subordinated Debt Fund

This program supplies funds to purchase equipment, facility expansion and permanent working capital. [website](#)

Training Programs

Does the state provide any Specialized Training Program incentives? (Y/N): Yes

If you answered YES above, please describe the available training programs:

[Governor's Guaranteed Work Force Program](#)

[Let's Train WV](#)

[Workforce Innovation and Opportunity Act](#)

[West Virginia CTC Workforce Development](#)

Zoning

Does the state provide any Special Zoning incentives? (Y/N): Yes

If you answered YES above, please describe the available special zoning opportunities:

[West Virginia Opportunity Zones](#)

State Marketing and Promotions

Does the state provide any Marketing and Promotional incentives? (Y/N): Yes

If you answered YES above, please describe the available special marketing or promotional opportunities:

[Cooperative Advertising Program](#)

The West Virginia Tourism Office cooperative advertising program provides partners with the opportunity to leverage state resources and brand identity to advertising individual destinations, attractions and events.

[website](#)

Innovation Centers

Does the state have Innovation Centers or Additional Resource available for companies? (Y/N): Yes

If you answered YES above, please describe the available innovation centers or additional resources:

[West Virginia Hive Network](#)

[WVU Dental Innovation Center](#)

[UC Innovation Center](#)

REGIONAL INFORMATION

Many states have "regions" that specialize in certain industries such as automotive in Detroit or high tech in Silicon Valley. This section is to help you highlight these regions.

Please note that a "region" could be an area, county, city etc...

Region One

Name of Region (This can include nicknames such as Silicon Valley): **Advantage Valley**

Does this region have a designated web site? (Y/N): **Yes**

If you answered YES to the question above, what is the website: <https://advantagevalley.com/>

Geographic Location Information: **Charleston-Huntington WV MSA**

What industry or industries are prominent in this region?

- Advanced Manufacturing
- Automotive
- Chemical
- Energy
- Government
- Healthcare

What are some unique aspects of this region? *Could include information about transportation, education, weather etc...:* Low business costs, skilled workforce, advanced research, abundant resources.

Are there any special programs or incentives for companies wanting to move to this region? (Y/N): **Yes**

If you answer YES to the question above, please list the programs or incentives for this region if not already mentioned in the Incentives section:

Corporate Headquarters Credit

Companies relocating their corporate headquarters to WV from outside of WV are eligible for tax credits. If 15 new jobs are created, the credit could be up to 100% of many tax liabilities for up to 13 years.

Economic Opportunity Credit

Offsets up to 100% of taxes for up to 13 years. Minimum job requirement is 20.

Manufacturing Investment Credit

Allows up to 60% corporate net income tax and franchise tax credit, based on investment, with no new job creation required.

Manufacturing Sales Tax Exemption

Materials and equipment purchased for direct use in manufacturing are exempt from the 6% state sales and use tax.

Warehouse "Freeport" Tax Exemption

Goods in transit to an out-of-state destination are exempt from ad valorem property taxes when warehoused in West Virginia.

Does this region offer site selection assistance? (Y/N) *Please describe programs and resources:* **No**

If you answer YES to the question above, please list the contact information for the site selection assistance:

Is there any extraordinary information that you would like to add about this region? **No**

Region Two

Name of Region (This can include nicknames such as Silicon Valley): **West Virginia Hardwood Alliance Zone**

Does this region have a designated web site? (Y/N): **Yes**

If you answered YES to the question above, what is the website: <https://www.westvirginiahaz.com>

Geographic Location Information: **Barbour, Fayette, Grant, Greenbrier, Pocahontas, Hardy, Lewis, Preston, Randolph, Tucker, Upshur and Webster counties.**

What industry or industries are prominent in this region? **Hardwoods and related product harvesting and manufacturing.**

Region Three

Name of Region (This can include nicknames such as Silicon Valley): **Chemical Alliance Zone**

Does this region have a designated web site? (Y/N): **Yes**

If you answered YES to the question above, what is the website: <https://cazvv.com/>

Geographic Location Information: **West Virginia**

What industry or industries are prominent in this region?

- Chemical
- Natural Gas
- Chemical Related Industries

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees "Truth in Advertising" regulations including promotion or disclosure of products displaying "Made in USA" labeling. FTC requires products advertised as "Made in USA" be "all or virtually all" made in the U.S. "all or virtually all" means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Does the state have any specific requirements for labeling products "Made in USA"? (Y/N): **N**

If you answered YES to the question above, what are the requirements for labeling products "Made in USA":

Is there pending legislation regarding these requirements? (Y/N): **N**

If you answered YES to the question above, please describe the proposed legislation including the bill number:

Made In YOUR STATE Requirements

Does your state have any specific requirements for labeling products "Made in YOUR STATE"? (Y/N): **Y**

If you answered YES to the question above, what are the requirements for labeling products "Made in YOUR STATE":

Criteria for West Virginia Grown Food Products

Is there pending legislation regarding these requirements? (Y/N): **No**

If you answered YES to the question above, please describe the proposed legislation including the bill number: **N/A**

Is there an organization or entity that monitors state labeling? (Y/N): **Yes**

If you answered YES to the question above, please provide the name and contact information for the organization or entity: **West Virginia Department of Agriculture**

Contact the Business Development Division at 304-558-2210 or productlabeling@wvda.us.

Date of Submission: June 1, 2022

Thank you for your time. Please email your responses to ireed@reshoringinstitute.org and your responses will be recorded and available online for review at www.reshoringinstitute.org.