

WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1974

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ENROLLED

HOUSE BILL No. 1024

(By Mr. *Walter J. M. Sommerich*)

— ● —

PASSED *March 8* 1974

In Effect *from* Passage



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THIS DATE 3-25-74

ENROLLED

H. B. 1024

(By MISS PRESTERA and MR. SOMMERVILLE)

[Passed March 8, 1974; in effect from passage.]

AN ACT to amend and reenact sections two and three, article one, chapter thirteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to bond issues by local units of government; and expanding the purposes for which bonds may be issued by local units of government.

Be it enacted by the Legislature of West Virginia:

That sections two and three, article one, chapter thirteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 1. BOND ISSUES FOR ORIGINAL INDEBTEDNESS.

§13-1-2. Purposes for which bonds may be issued.

1 Debt may be incurred and bonds issued under this article for
2 the purpose of acquiring, constructing and erecting, enlarging,
3 extending, reconstructing or improving any building, work,
4 utility or undertaking, or for furnishing, equipping and ac-
5 quiring or procuring the necessary apparatus for any building,
6 work, improvement or department, or for establishing and
7 maintaining a library or museum for the public use, or
8 a building or structure for educational purposes, or acquiring
9 a recreation park for the public use, or for acquiring, con-
10 structing, furnishing, equipping and maintaining civic arenas,
11 auditoriums, exhibition halls and theaters, or for other similar
12 corporate purpose, for which the political division is authorized
13 to levy taxes or expend public money. But no bonds shall
14 be issued for the purpose of providing funds for the current
15 expenses of any body or political division. Interest accruing
16 during the construction period, that is to say, the time when
17 an improvement is under construction and six months there-

18 after, shall be deemed a part of the cost of the improvement,
19 and shall not be deemed current expenses. All engineering
20 and inspection costs, including a proper proportion of the
21 compensation, salaries and expenses of the engineering staff
22 of the political division properly chargeable to any work or
23 improvements, as determined by the governing body, or the
24 estimated amount of such costs, shall be deemed part of the
25 cost of an improvement. All costs and estimated costs of the
26 issuance of bonds shall be deemed a part of the cost of the
27 work or improvement, or of the property, or of the carrying
28 out of the purposes for which such bonds are to be issued.
29 The power to acquire or construct any building, work or
30 improvement as herein provided shall be deemed to include
31 the power to acquire the necessary lands, sites and rights-of-
32 way therefor.

33 Bonds may also be issued by any municipality having a
34 population of fifty thousand or more or by any county for the
35 purpose of acquiring land and constructing a building or
36 buildings for use and occupancy as a college. The proposal
37 for such a bond issue shall contain a provision that there shall
38 be created a commission or committee for the purpose of
39 operating the building or buildings and for renting the same
40 for an amount sufficient to pay the interest and sinking fund
41 on the bonds proposed to be issued, and shall contain a
42 further provision that in the event a sufficient amount is not
43 realized from rent or rents for the purpose of meeting the
44 debt service, then the city or county shall lay a levy for such
45 purpose in an amount sufficient within the constitutional and
46 statutory limitation to pay the interest and principal on such
47 bonds as the same become due and payable . The proposal may
48 also contain a provision that when the bonds and the interest
49 thereon shall have been paid, then the title to the land and the
50 building or buildings situated thereon may be transferred to
51 the college to which the same have been rented.

**§13-1-3. Amount and purpose of indebtedness for which bonds
may be issued.**

1 No political division authorized by this article to issue
2 bonds, except county boards of education, shall by any bond
3 issue, become indebted to an amount, including all other in-
4 debtedness, exceeding two and one-half percent of the value

5 of the taxable property therein, as shown by last assessment
6 thereof, for state and county purposes, next prior to the is-
7 suing of such bonds: *Provided*, That any county for the erection
8 and equipment of a courthouse and/or jail for such county,
9 with funds borrowed from the government of the United States
10 or any governmental agency, federal or state, and any muni-
11 cipal corporation of three hundred inhabitants or more, for the
12 purpose of grading, paving, sewerage, and otherwise improving
13 or reimproving its streets and alleys, or for establishing and
14 maintaining a library or museum for the public use, or a
15 building or structure for educational purposes, or acquiring a
16 recreation park for the public use, or for acquiring, con-
17 structing, furnishing, equipping and maintaining civic arenas,
18 auditoriums, exhibition halls and theatres, may become in-
19 debted and issue bonds in an additional sum not exceeding two
20 and one-half percent of the value of the taxable property
21 therein, ascertained as aforesaid: *Provided, however*, That no
22 county board of education authorized by this article to issue
23 bonds, shall, by any bond issue, become indebted, in any man-
24 ner, or for any purpose, to an amount, including all other in-
25 debtedness, in the aggregate, exceeding five percent on the
26 value of the taxable property therein, in the county school dis-
27 trict to be ascertained by the last assessment for state and
28 county taxes, previous to the incurring of such indebtedness,
29 in the manner provided by the "School Bond Amendment," as
30 ratified.

31 The term "sewerage" as used herein shall be treated in a
32 comprehensive sense, so as to include all mains, laterals, con-
33 nections, traps, incinerating and disposal plants, and other
34 necessary and convenient accessories to a modern sanitary and
35 efficient sewerage system and shall include storm sewers.

36 The county court of any county is hereby authorized and
37 empowered to negotiate and sell to the government of the
38 United States or to any governmental agency, federal or state,
39 at private sale, at not less than par any bonds issued for the
40 purpose of erecting and equipping a courthouse or other public
41 buildings for such county, under and by virtue of article one,
42 chapter thirteen of the code of West Virginia, without first
43 offering them for sale at public auction, or to any other person
44 or agency.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

H. Daniel Darby
Chairman Senate Committee

Clarence C. Chestnut Jr.
Chairman House Committee

Originated in the House.

Takes effect from passage.

Harold W. Carson
Clerk of the Senate

J. A. Blankenship
Clerk of the House of Delegates

H. T. Brotherton, Jr.
President of the Senate

Lewis F. W. Thomas
Speaker House of Delegates

The within approved this the 21st
March, 1974.
day of _____

Arch A. Moore, Jr.
Governor



SENTED TO THE
GOVERNOR

3/21/74
10:30 a.m.