WEST VIRGINIA CODE: §17-16A-25

§17-16A-25. Additional powers of parkways authority; issuance of special obligation bonds.

(a) In addition to all powers granted by the foregoing sections of this article, the parkways authority in connection with a proceeding prosecuted to completion under Title 11, United States Code, Secs. 401-403, as permitted by subdivision (17), section six of this article is hereby authorized to provide by resolution for the issuance of special obligation bonds of the state for the purpose of exchanging such special obligation bonds for all bonds then outstanding which shall have been issued under the provisions of this article. Special obligation bonds issued under the provisions of this section shall not be deemed to constitute a debt of the state or of any political subdivision thereof or a pledge of the faith and credit of the state or of any such political subdivision, but such bonds shall be payable solely from the funds herein provided therefor from pledged property and income therefrom as provided in subdivision (1) of this subsection. All such special obligation bonds shall contain on the face thereof a statement in accordance with the preceding sentence. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the parkways authority in respect of the same shall be governed by the provisions of this article insofar as the same may be applicable with the following express exceptions:

(1) The principal of and the interest on such special obligation bonds shall not be payable from tolls, rents, fees, charges or revenues of any parkway project but shall be payable solely from such other property purchased and pledged as security therefor as the parkways authority shall determine together with the income derived therefrom which other property may include direct obligations of, or obligations the principal of and the interest on which are guaranteed by, the United States government or participation certificates or other obligations issued by or by authority of the United States government; and

(2) Following the issuance of such special obligation bonds there shall be no obligation to fix, revise, charge and collect tolls for the use of any parkway project and any parkway project shall be transferred to the state department of highways and shall thereafter be maintained by the state department of highways free of tolls. At such time as the special obligation bonds are issued, then section eighteen of this article shall be of no further force and effect.

(b) Financial, legal, engineering and feasibility consultants may be employed to perform such services as the parkways authority shall deem necessary or desirable in connection with the Title 11 proceedings mentioned above and the issuance and exchange of the special obligation bonds.

(c) The entire powers herein granted by this section to the parkways authority may be exercised by the state department of highways in which event the special obligation bonds

WV Legislature

herein authorized shall be executed by manual or facsimile signature by the Governor and by the commissioner of the department of highways, and the official seal of the department of highways shall be affixed to or printed on each bond, and any coupons attached to such bonds shall bear the manual or facsimile signature of the commissioner of the state department of highways. In the event that the state department of highways shall elect to exercise the powers granted by this section, it shall file a statement to that effect in the office of the chairman of the parkways authority and in the office of the Secretary of State, and upon the issuance of the special obligation bonds herein provided for, the state department of highways shall succeed immediately to the principal functions of the parkways authority and the parkways authority shall then be abolished.

(d) The state department of highways is hereby empowered to acquire by purchase the parkways authority and all its rights-of-way, equipment, facilities and any and all other rights or interest the parkways authority has or had in any project, from any funds available to it, and to pay any expenses incident to such acquisition under the provisions of this article: Provided, That the contribution of the state department of highways in making such acquisition shall not exceed the sum of $20 million from all sources of public moneys of the State of West Virginia, excluding any funds reimbursed or reimbursable or otherwise provided or to be provided by the federal government. No funds derived from the sale of the $350 million bond issue authorized by the roads development amendment shall be included in the acquisition of the West Virginia Turnpike.

WV Legislature