WEST VIRGINIA CODE: §31-18E-12

§31-18E-12. Borrowing and issuance of bonds.

(a) Authority. -- (1) A land reuse agency may issue a bond for any of its corporate purposes.

(2) The principal and interest of a bond is payable from the land reuse agency's general revenue.

(3) The bond may be secured by any of the following:

(A) A pledge of revenue. This paragraph includes a grant or contribution from: (i) The federal government or a federal agency or instrumentality; or (ii) the state, a state agency or an instrumentality of the state; or

(B) A mortgage of property of the land reuse agency.

(b) Nature. -- The bond is a negotiable instrument under the provisions of article eight, chapter forty-six of this code.

(c) Tax exempt. -- A bond and the income from the bond is exempt from taxation by: (1) The state; and (2) a political subdivision.

(d) Procedure. -- (1) A bond must be authorized by resolution of the board and shall be a limited obligation of the land reuse agency.

(2) The principal and interest, costs of issuance and other costs incidental to the bond are payable solely from the income and revenue derived from the sale, lease or other disposition of the assets of the land reuse agency. The land reuse agency may secure the bond by a mortgage or other security device covering all or part of the project from which the pledged revenues may be derived.

(3) A refunding bond issued under this section:

(A) Is payable from: (i) A source described in this article; or (ii) the investment of the proceeds of the refunding bonds; and

(B) Is not an indebtedness or pledge of the general credit of a political subdivision within the meaning of a constitutional or statutory limitation of indebtedness and shall contain a recital to that effect.

(4) A bond must comply with the authorizing resolution as to:

(A) Form;

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(B) Denomination;

(C) Interest rate;

(D) Maturity; and

(E) Execution.

(5) A bond may be subject to redemption at the option of and in the manner determined by the board in the authorizing resolution.

(e) Powers of municipalities or counties. -- A municipality or county may elect to guarantee, insure or otherwise become primarily or secondarily obligated on the indebtedness of a land reuse agency, subject, however, to all other provisions of law of this state applicable to municipal or county indebtedness.

(f) Sale. -- (1) A bond shall be issued, sold and delivered in accordance with the terms and provisions of the authorizing resolution. The board, to effectuate its best interest, may determine the manner of sale, public or private, and the price of the bond.

(2) The resolution issuing a bond must be published in a newspaper of general circulation within the jurisdiction in which the land reuse agency is located.

(g) Liability. -- (1) Neither the members of a land reuse agency nor a person executing the bond shall be liable personally on the bonds by reason of the issuance of the bond.

(2) The bond or other obligation of a land reuse agency related to a bond shall not be a debt of a municipality, county or of the state. A statement to this effect shall appear on the face of the bond or obligation.

(3) On the bond or other obligation of a land reuse agency related to a bond, all of the following apply:

(A) The state has no liability. This paragraph applies to the revenue and property of the state; and

(B) A municipality or county has no liability. This paragraph applies to the revenue and property of a municipality or county.

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