WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1957

ENROLLED
Committee Substitute for
HOUSE BILL No. 293

(By Mr. [Signature])

PASSED March 9, 1957

In Effect [Number of Days from Passage]
ENROLLED

COMMITTEE SUBSTITUTE FOR

House Bill No. 293

(Originating in the Committee on the Judiciary)

[Passed March 9, 1957; in effect ninety days from passage.]

AN ACT to amend chapter twenty-nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, to be designated article fourteen, relating to the promotion and expansion of industrial development in the state of West Virginia and the creation of a public corporation to be known as the West Virginia business development authority and defining its powers and duties.

Be it enacted by the Legislature of West Virginia:

That chapter twenty-nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, to be designated article fourteen, to read as follows:

Section 1. Short Title.—This act shall be known and may be cited as the "West Virginia Business Development Authority Act."

Sec. 2. Legislative Findings and Declaration of Policy.—It is hereby determined and declared as a matter of legislative findings:

(a) That there currently exists in certain areas of the state a critical condition of unemployment and that such condition may well exist, from time to time, in other areas of the state;

(b) That in some areas of the state such conditions are chronic and of long standing and that, without remedial measures, they may become so in other areas of the state;

(c) That economic insecurity due to unemployment is a serious menace to the health, safety, morals and general welfare of the people of the entire state;

(d) That the present and prospective health, safety, morals, right to gainful employment and general welfare of the people of the state requires as a public purpose the
promotion and development within the state of new and
expanded industrial and manufacturing enterprises;
(e) That there is a need to stimulate a larger flow of
private investment funds from banks, investment houses,
insurance companies and other financial institutions into
such community industrial building programs in the
state;
(f) That by increasing the number of community in-
dustrial building projects presenting attractive opportu-
nities for private investment in such areas, a larger por-
tion of the private capital available in this state for in-
vestment can be put to use in the general economic de-
velopment of the state.
Therefore, it is hereby declared to be the policy of the
state of West Virginia to promote the health, safety,
morals, right to gainful employment, business opportu-
nities and general welfare of the inhabitants thereof by
the effectuation of the purposes of this act as hereinafter
set forth in the next succeeding section hereof, and such
purposes are hereby declared to be public purposes for
which public money may be spent.
Sec. 3. Purposes.—The purpose of this act is to provide a public business development authority to promote, assist, encourage and, in conjunction with banking corporations or institutions, trust companies, savings banks, building and loan associations, insurance companies, or related corporations, partnerships, foundations, or other institutions to develop and advance the business prosperity and economic welfare of the state of West Virginia; to encourage and assist in the location of new business and industry in this state, and to rehabilitate existing business and industry; to create new employment; to stimulate and assist in the expansion of all kinds of business activity which will tend to promote the business development and maintain the economic stability of this state, provide maximum opportunities for employment, encourage thrift and improve the standard of living of the citizens of this state; to cooperate and act in conjunction with other organizations, public or private, the objects of which are the promotion and advancement of industrial, commercial or agricultural developments in this state.

Sec. 4. Definitions.—The following terms, whenever
used or referred to in this act, shall have the following meanings, except in those instances where the context clearly indicates otherwise:

(a) The term "authority" shall mean the public corporation created by this act.

(b) The term "board" shall mean the governing body of the authority.

(c) The term "county" shall mean any county of this state.

(d) The term "federal agency" shall mean and include the United States of America, the president of the United States of America, and any department of, or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America.

(e) The term "government" shall mean the state and federal governments, or any political subdivision, agency or instrumentality, corporate or otherwise, of either of them.

(f) The term "industrial development agency" shall mean any incorporated organization, foundation, association or agency, regardless of the particular name, which
shall have as its primary function the promotion, en-
couragement and development of industrial and manu-
facturing enterprises in the state of West Virginia.

(g) The term “industrial development fund” shall mean
the account created by section eight of this act.

(h) The term “industrial development project” shall
mean any undertaking of a proposed industrial, com-
mercial or agricultural enterprise accepted by an ap-
proved industrial development agency or by the board
of this authority as feasible and beneficial to the economic
development of this state, and which will provide addi-
tional employment within this state.

(i) The term “municipality” shall mean any incor-
porated city or town of the state of West Virginia.

(j) The term “state” shall mean the state of West Vir-
ginia.

Sec. 5. The West Virginia Business Development
Authority.—There is hereby created and established a
public corporation and governmental instrumentality to
be known as the West Virginia business development
authority consisting of seven members, six of whom shall
be residents and qualified voters of this state to be ap-
pointed by the governor, by and with the advice and
consent of the Senate. Such six members shall be ap-
pointed one each from the congressional districts of the
state as the same are constituted at the time of the effec-
tive date of this article. The seventh member shall be the
governor. The members so appointed by the governor
shall be selected with special reference to their knowledge
of and interest in the resources and industrial develop-
ment of the state. Members shall receive no pay for their
services, but with respect to attendance at either regular
or special meetings of the board or other business of the
authority shall be entitled as reimbursement for expenses
of whatever nature incurred fifteen dollars per day for
each day or part thereof devoted to the business of the
authority and eight cents per mile for each mile traveled.
No member shall be an employee of the authority.
The terms of office of the original members of the
authority shall commence upon qualification after ap-
pointment and shall be arranged by the governor in such
manner that the term of one of such members shall ex-
pire on the fourteenth day of January of each year, beginning with January fourteenth, one thousand nine hundred and fifty-eight. Vacancies may be filled by the governor at any time, but only for the unexpired portion of any term and subject to confirmation by the Senate when it is next in session. Any member may succeed himself upon proper appointment.

Sec. 6. Powers of the Authority; General.—The authority, as a public corporation and governmental instrumentality exercising public powers of the state, is hereby granted and shall have and may exercise all powers necessary or appropriate to carry out and effectuate the purposes of this act, including the following powers, in addition to others herein granted:

(a) To plan and conduct programs and campaigns of information, advertising and publicity, which may include personal visitation and newspaper, magazine, outdoor, radio and television advertising within and without the state of West Virginia, to educate the people in general and particularly prospective investors of the industrial opportunities and business possibilities with respect to the
natural resources and other commercial advantages of the state of West Virginia, and to contract for space and time in advertising mediums of every kind and for exhibitions at expositions and festivals within and without West Virginia and encourage and coordinate the activities of other departments of the state government and private institutions to further the industrial progress of the state;

(b) To cooperate with industrial development agencies and private corporations in their efforts to promote the expansion of industrial and manufacturing activity;

(c) To determine, upon proper application of industrial development agencies, whether the declared public purpose of this act has been accomplished or will be accomplished by the establishment by such industrial development agencies of an industrial development project;

(d) To sue and be sued, implead and be impleaded, complain and defend in all courts;

(e) To adopt, use and alter at will a corporate seal;

(f) To make by-laws for the management and regulation of its affairs;

(g) To appoint officers, agents, employees and servants;
and to prescribe their duties and to fix their compensation, within the limitations provided by law;

(h) To make contracts of every name and nature and to execute all instruments necessary or convenient for the carrying on of its business;

(i) Without limitation of the foregoing, accept grants from and to enter into contracts or other transactions with any federal agency.

Sec. 7. Fund Created; Finances; Appropriation for State Expenses; Public and Private Contributions; Management and Handling of Moneys.—The authority shall create and establish an industrial development fund into which all moneys of the authority shall be paid. Any sums appropriated by the Legislature for administrative expenses, investigation, research and other governmental services and functions of the authority shall be entered and kept separately in such fund.

The authority is hereby authorized and directed to accept funds or contributions from private sources.

Sec. 8. Governing Body.—The powers of the authority shall be exercised by a governing body consisting of the
members of the authority acting as a board. Within ninety days after this act shall become effective the board shall meet and organize. The governor and his successor in office shall be ex officio the chairman until the board is organized, and the board shall then elect a chairman, secretary and treasurer from among its members. At the first meeting in each year thereafter, a chairman, secretary and treasurer shall be elected from among the members of the board.

A majority of the members shall constitute a quorum of the board for the purpose of organizing the authority and conducting the business thereof, and all action may be taken by a vote of a majority of the members present, unless in any case the by-laws shall require a larger number.

The board shall have full authority to manage the properties and business of the authority, and to prescribe, amend and repeal by-laws, rules and regulations governing the manner in which the business of the authority may be conducted.

The by-laws shall provide for a chief executive officer
24 to be selected by the board, which shall also fix his com-
25 pensation, and who shall be known as the “Managing
26 Director” of the authority. He shall perform such duties
27 and assume such responsibilities as the board may pre-
28 scribe.

Sec. 9. *Moneys of the Authority.*—All moneys of the
2 authority shall be paid to the treasurer of the authority.
3 Said moneys shall be deposited in the first instance by
4 the treasurer in one or more banks or trust companies,
5 in one or more special accounts, and each of such special
6 accounts shall be continuously secured by a pledge of
7 direct obligations of the United States of America or of
8 the state, having an aggregate market value, exclusive
9 of accrued interest, at all times at least equal to the
10 balance on deposit in such account. Such securities shall
11 either be deposited with the treasurer or be held by a
12 trustee or agent satisfactory to the authority. All banks
13 and trust companies are authorized to give such security
14 for such deposits. The moneys in said accounts shall be
15 paid out on the warrant or other order of the treasurer of
16 the authority, or of such other person or persons as the
authority may authorize to execute such warrants or orders.

Sec. 10. No Member to be Interested in Contracts.—No member of the authority or officer or employee thereof shall either directly or indirectly be a party to or be in any manner interested in any contract or agreement with the authority for any matter, cause or thing whatsoever by reason whereof any liability or indebtedness shall in any way be created against such authority. If any contract or agreement shall be made in violation of the provisions of this section, the same shall be null and void, and no action shall be maintained thereon against such authority: Provided, however, That this section shall not apply to situations in which any member, officer or employee of the authority may also be a member of an industrial development agency participating in any loans granted pursuant to the provisions of this act.

Sec. 11. Division of Investigation and Research.—The board shall also establish from any funds at its disposal, including those arising from appropriations made available by the Legislature, a division of investigation and
research which shall perform such duties as the board may prescribe. The board is authorized to employ for this purpose chemists, physicists, geologists, engineers and scientists of all kinds deemed necessary, and fix the compensation of such employees. The assistance of the administrative employees and faculty of West Virginia university, as well as its laboratory and scientific equipment, and of the state colleges are hereby made available to the division of investigation and research, subject to the approval of the chief executive officer of any such institution of higher learning, and the board may pay such faculty members such sums, in addition to any salary received by them as faculty members as aforesaid, as the board shall deem proper.

Sec. 12. Examination and Audit of Authority Affairs.—The accounts and books of the authority, including its receipts, disbursements, contracts and other matters relating to its finances, operation and affairs shall be examined and audited yearly by the state tax commissioner and the legislative auditor.

Sec. 13. Separability.—The provisions of this act shall
be severable, and if any of the provisions thereof shall be held unconstitutional, such decisions shall not affect the validity of any of the remaining provisions of this act. It is hereby declared as the legislative intent that this act would have been adopted had such unconstitutional provisions not been included therein.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

L. H. McCourt
Chairman Senate Committee

Mitchell Cone
Chairman House Committee

Originated in the House of Delegates

Takes effect 90 days from passage.

Herman Wing
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Ralph J. Bevill
President of the Senate

W. F. Lee
Speaker, House of Delegates

The within...this the 15th day of March, 1957.

Governor

Filed in the Office of the Secretary of State of West Virginia.

D. Pitt O'Brien
SECRETARY OF STATE