WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1969

ENROLLED

HOUSE BILL No. 774

(By Mr. Spence, Mrs. Broaddus, and Mr. Seibert)

PASSED March 6, 1969

In Effect Ninety days from Passage

FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE
THIS DATE 3-17-69
ENROLLED

House Bill No. 774
(By Mr. Speaker, Mr. Boiarfsky, and Mr. Seibert)

[Passed March 6, 1969; in effect ninety days from passage]

AN ACT to amend and reenact section seven, article two-c, chapter thirteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact sections five and six, article fifteen, chapter thirty-one of said code, relating to the issuance of bonds under the industrial development bond act; relating to the West Virginia industrial development authority; providing for alternates to attend the meetings, vote and participate in the affairs of the authority; and relating to reorganizations and receivership proceedings involving responsible buyers and responsible tenants under the West Virginia industrial development authority act.
Be it enacted by the Legislature of West Virginia:

That section seven, article two-c, chapter thirteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that sections five and six, article fifteen, chapter thirty-one of said code be amended and reenacted, all to read as follows:

ARTICLE 2C. INDUSTRIAL DEVELOPMENT BOND ACT.


1 All bonds issued by a county court or by a municipality under the authority of this article shall be limited obligations of the county, or of the municipality, the principal and interest on which shall be payable out of the revenues derived from the leasing of the plant to finance which the bonds are issued or any other revenue derived from such industrial plant. The bonds and interest coupons issued under the authority of this article shall never constitute an indebtedness of the county, or of the municipality issuing the same, within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the county, or of the municipality issuing the same.
Neither shall such bond and/or interest thereon be a charge against the general credit or taxing powers of the county, or the municipality and such fact shall be plainly stated on the face of each such bond. Such bonds may be executed, issued and delivered at any time and from time to time, may be in such form and denomination; may be of such tenor, must be negotiable but may be registered as to the principal thereof or as to the principal and interest thereof, may be payable in such amounts and at such time or times; may be payable at such place or places, may bear interest at such rate or rates payable at such place or places and evidenced in such manner, and may contain such provisions therein not inconsistent herewith, all as shall be provided in the proceedings of the governing body whereunder the bonds shall be authorized to be issued. Said bonds may be sold by the governing body at public or private sale. The said bonds may also be issued and delivered to the owners of an industrial plant in exchange therefor and in payment of the purchase price thereof.

The bonds issued pursuant to this article by a county court shall be signed by the president and attested by
the clerk of the county court under the seal of the
court and the bonds issued by a municipality shall be
signed by the mayor or other chief officer thereof and
attested by the clerk, recorder, or other official cus-
todian of the records of said municipality and under
the seal of the municipality. The coupons attached
thereto shall bear the facsimile signature of the presi-
dent of the county court or the mayor or other chief
officer of the municipality. In case any of the officials
whose signatures appear on the bonds or coupons shall
cease to be such officers before the delivery of such bonds,
such signatures shall, nevertheless, be valid and suffi-
cient for all purposes to the same extent as if they had
remained in office until such delivery.
If the proceeds of such bonds by error of calculation
or otherwise, shall be less than the cost of the indus-
trial plant, additional bonds may in like manner be
issued to provide the amount of the deficiency, and unless
otherwise provided for in the trust agreement, mortgage,
or deed of trust, shall be deemed to be of the same issue,
and shall be entitled to payment from the same fund,
57 without preference or priority, and shall be of equal
58 priority as to any security.

ARTICLE 5. WEST VIRGINIA INDUSTRIAL DEVELOPMENT
AUTHORITY.

§31-15-5. West Virginia industrial development authority
created; composition of board of members; ap­
pointment and term of members; compensation
and expenses.
1 There is hereby created a body corporate and politic,
2 constituting a public corporation and government instru­
3 mentality by the name of the “West Virginia Industrial
4 Development Authority,” the board of members of which
5 shall be composed of the following: The commissioner
6 of commerce, who shall serve as chairman, the state tax
7 commissioner, the state banking commissioner and the
8 director of the department of natural resources, and their
9 respective successors in office, and five additional mem­
10 bers who shall be appointed by the governor, with the
11 advice and consent of the Senate, who shall represent the
12 general public and the public interest. The members of
13 the authority initially appointed by the governor shall
14 continue in office for terms of one to five years, respec­
15 tively, from the date of their appointment and until their
respective successors shall be duly appointed and qualified, the term of each appointed member to be designated by the governor at the time of his appointment; but their successors shall each be appointed for a term of five years, except that any person appointed to fill a vacancy shall serve only for the unexpired term, and any appointed member of the authority shall be eligible for reappointment. The commissioner of commerce, the state tax commissioner, the state banking commissioner or the director of the department of natural resources may, by written memorandum filed with the secretary of the authority, delegate, from time to time, to any deputy or other subordinate in his department or office the power to be present and participate, including voting on any question that may arise, as its representative or delegate at any meeting of the authority and its vote shall have the same validity as if the official had voted in person. Said members of the authority shall be entitled to no compensation for their services as members, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

1 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 article, including the following powers, in addition to others herein granted:

(a) To make determination and designation of critical economic areas.

(b) To cooperate with industrial development agencies in the efforts to promote the expansion of industrial and manufacturing activity in critical economic areas.

(c) To determine, upon proper application of industrial development agencies, whether the declared public purpose of this article has been accomplished or will be accomplished by the establishment by such industrial development agencies of an industrial development project in a critical economic area.

(d) To conduct examinations and investigations and to hear testimony and take proof, under oath or affirmation, at public or private hearings, on any matter ma-
(e) To issue subpoenas requiring the attendance of witnesses and the production of books and papers pertinent to any hearing before such authority, or before one or more members of the authority appointed by it to conduct such hearings.

(f) To apply to any court, having territorial jurisdiction of the offense, to have punished for contempt any witness who refuses to obey a subpoena, or who refuses to be sworn or affirmed or to testify, or who is guilty of any contempt after summons to appear.

(g) To authorize any member or members of such authority to conduct hearings and to administer oaths, take affidavits and issue subpoenas.

(h) To make, upon proper application of industrial development agencies, loans to such industrial development agencies of moneys held in the industrial development fund for industrial development projects in critical economic areas and to provide for the repayment and
redeposit of such allocations and loans in the manner hereinafter provided.

(i) To have existence for a term of fifty years.

(j) To sue and be sued, implead and be impleaded, complain and defend in all courts.

(k) To adopt, use and alter at will a corporate seal.

(l) To make bylaws for the management and regulation of its affairs.

(m) To appoint officers, agents, employees and servants.

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

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

(p) To take title by foreclosure to any industrial development project where such acquisition is necessary to protect any loan previously made therefor by the authority and to sell, transfer and convey any such industrial development project to any responsible buyer; in the
event such sale, transfer and conveyance cannot be
effected with reasonable promptness, the authority may,
in order to minimize financial losses and sustain employ-
ment, lease such industrial development project to a re-
sponsible tenant or tenants; the authority shall not lease
industrial development projects except under the condi-
tions and for the purposes cited in this section: Provided,
however, That the authority shall have no power at any
time to borrow money or in any manner to pledge the
credit or taxing power of the state or any of its muni-
cipalities or political subdivisions, nor shall any of its
obligations be deemed to be obligations of the state or
any of its political subdivisions.
(q) To participate in any reorganization proceeding
pending pursuant to Title II of the United States Bank-
ruptcy Act or in any receivership proceeding had in a
state or United States court for the purpose of reorgan-
ization or liquidation of a responsible buyer or respon-
sible tenant. It may file its claim against any such
responsible buyer or responsible tenant in any of the
foregoing proceedings, vote upon any question pending
therein which requires the approval of the creditors participating in any reorganization proceeding or receivership, exchange any evidence of said indebtedness for any property, security or evidence of indebtedness offered as a part of the reorganization of said responsible buyer or responsible tenant or of any other entity formed to acquire the assets thereof, and may compromise or reduce the amount of any indebtedness owing to it as a part of any such reorganization.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

William Tampan
Chairman Senate Committee

Phyllis J. Bulledge
Chairman House Committee

Originated in the House.

Takes effect ninety days from passage.

Owen E. Rycroft
Clerk of the Senate

C.A. Blankenship
Clerk of the House of Delegates

Mary Lou
President of the Senate

Ivo T. Boesby
Speaker House of Delegates

The within approved this the 14th day of March, 1969.

Robert B. Homer, Jr.
Governor