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STATE OF WEST VIRGINIA

WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1970

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ENROLLED

HOUSE BILL No. 628

(By Mr. Speke, Mr. Boersky,
and Mr. Wetton)

—●—

PASSED Feb. 3, 1970

In Effect from Passage



FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE
THIS DATE 2-10-70

628

ENROLLED

House Bill No. 628

(By MR. SPEAKER, MR. BOIARSKY, and MR. WATSON)

[Passed February 3, 1970; in effect from passage.]

AN ACT to amend and reenact sections three and five, article fourteen, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the capital stock and corporate powers of West Virginia business development corporations.

Be it enacted by the Legislature of West Virginia:

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

**ARTICLE 14. WEST VIRGINIA BUSINESS DEVELOPMENT
CORPORATIONS.**

§31-14-3. Authorized capital stock; description of shares; consideration for sale of shares.

1. The agreement of incorporation shall set forth the

2 total amount of authorized capital stock, the number of
3 shares in which it is divided, the par value of each of
4 such shares and the amount of capital stock with which
5 it will commence business and, if there be more than
6 one class of stock, the total number of shares of all
7 classes of stock which the corporation shall have author-
8 ity to issue, with a description of the different classes
9 and all other information with respect thereto required
10 by section six, article one of this chapter. No corpora-
11 tion organized hereunder shall sell its shares for any
12 consideration other than money.

§31-14-5. Corporate powers.

1 In furtherance of the purposes set out in section two
2 of this article, and to aid in providing an effective pro-
3 gram to alleviate conditions of substantial and persistent
4 unemployment, underemployment, and lack of stable
5 economic development, by taking effective steps in plan-
6 ning and financing economic redevelopment, utilizing
7 such facilities and resources as are provided by the
8 provisions of the federal "Area Redevelopment Act of
9 1961," as amended, the federal "Public Works and Eco-

10 nomic Development Act of 1965," as amended, the fed-
11 eral "Appalachian Regional Development Act of 1965,"
12 as amended, the federal "Housing Act of 1968," as
13 amended, the "West Virginia Housing Fund Develop-
14 ment Act of 1968," as amended, and the "West Virginia
15 Industrial Development Authority Act of 1961," as
16 amended, and in addition to the powers conferred on
17 business corporations by the provisions of this chapter,
18 such corporation shall, subject to the restrictions and
19 limitations herein contained, have the following
20 powers:

21 (a) To enter into contracts and incur liabilities for
22 any purposes of the corporation; except that the cor-
23 poration shall not incur any secondary liability by way
24 of guaranty or endorsement of the obligations of any
25 person, firm, corporation, joint-stock company, associa-
26 tion or trust, or in any other manner.

27 (b) To borrow money for any of the purposes of
28 the corporation, including, but without implied limita-
29 tion, the right to obtain loans under the provisions of
30 "Title V of the Small Business Investment Act of 1958,"

31 as amended, or from any other similar governmental
32 agency; to issue therefor its bonds, debentures, notes
33 or other evidences of indebtedness, whether secured or
34 unsecured, and to secure the same by mortgage, pledge,
35 deed of trust or other lien on its property, franchises,
36 rights and privileges of every kind and nature or any
37 part thereof or interest therein, without securing stock-
38 holder or member approval.

39 (c) To make loans to any person, firm, corporation,
40 joint-stock company, association or trust, and to estab-
41 lish and regulate the terms and conditions with respect
42 to any such loans and the charges for interest and
43 services connected therewith; however, no loans shall
44 be made hereunder unless the loan applied for is not
45 otherwise available through ordinary banking channels,
46 private lenders, or other governmental agencies, on rea-
47 sonable terms.

48 (d) To purchase, receive, hold, lease, or otherwise
49 acquire and to sell, convey, transfer, lease, or otherwise
50 dispose of real and personal property, together with such
51 rights and privileges as may be incidental and appurte-

52 nant thereto and the use thereof, including, but not re-
53 stricted to, any real or personal property acquired by
54 the corporation from time to time in the satisfaction
55 of debts or enforcement of obligations.

56 (e) To acquire, by gift or purchase, the good will,
57 business, rights, real and personal property, both tan-
58 gible and intangible, and other assets, or any part
59 thereof, or interest therein, from any persons, firms,
60 partnerships, corporations, joint-stock companies, asso-
61 ciations or trusts, and to assume, undertake or pay the
62 obligations, debts and liabilities of any such person, firm,
63 partnership, corporation, joint-stock company, associa-
64 tion or trust; to acquire improved or unimproved real
65 estate for the purpose of constructing industrial plants
66 or other business establishments thereon or for the pur-
67 pose of disposing of such real estate to others for the
68 construction of industrial plants or other business estab-
69 lishments; and to acquire, construct or reconstruct, alter,
70 repair, maintain, operate, sell, convey, transfer, lease
71 or otherwise dispose of industrial plants or business
72 establishments.

73 (f) To acquire, subscribe for, own, hold, sell, assign,
74 transfer, mortgage, pledge or otherwise dispose of the
75 stock, shares, bonds, debentures, notes or other securities
76 and evidences of interest in, or indebtedness of, any
77 person, firm, corporation, joint-stock company, associa-
78 tion or trust, and while the owner or holder thereof to
79 exercise all the rights, powers and privileges of owner-
80 ship, including the right to vote any such shares of
81 stock.

82 (g) To mortgage, pledge, or otherwise encumber any
83 property, right or thing of value, acquired pursuant to
84 the powers contained in subdivisions (d), (e), or (f),
85 as security for the payment of any part of the purchase
86 price thereof.

87 (h) To cooperate with and avail itself of the facili-
88 ties of the department of commerce and the office of
89 commissioner of commerce of this state, the West Vir-
90 ginia industrial development authority, the federal area
91 redevelopment administrator, and any similar federal
92 and state governmental agencies and officers; and to
93 cooperate with and assist, and otherwise encourage

94 organizations in the various communities of the state
95 in the promotion, assistance, and development of the
96 business prosperity and economic welfare of such com-
97 munities or of this state or any part thereof.

98 (i) To do all acts and things necessary or convenient
99 to carry out the powers expressly granted in this article.

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

William Tompore
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the House.

Takes effect from passage.

Howard Myers
Clerk of the Senate

A. Blankenship
Clerk of the House of Delegates

Ly. L. J. J.
President of the Senate

Sam F. Brantley
Speaker House of Delegates

The within approved this the 9th
day of February, 1970.

W. H. H. H. Jr.
Governor



PRESENTED TO THE
GOVERNOR

Date 2/6/70
Time 1:35 p.m.