

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1971



ENROLLED

COMMITTEE SUBSTITUTE FOR.

HOUSE BILL No. 847

ORIGINATING IN THE COMMITTEE ON THE JUDICIARY

(By Mr. _____)



PASSED MARCH 13. 1971

In Effect FROM Passage



847

FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE

THIS DATE 4-2-71

ENROLLED
COMMITTEE SUBSTITUTE
FOR
House Bill No. 847

(Originating in the Committee on the Judiciary)

[Passed March 13, 1971; in effect from passage.]

AN ACT to amend and reenact sections five, fourteen and twenty, article twenty-seven, chapter eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to further amend said article by adding thereto two new sections, designated sections twenty-six and twenty-seven, relating to urban mass transportation authorities; authorizing participating governments to contribute moneys or property to such authorities; relating to the number of votes participating governments shall have in the affairs of such authorities; authorizing other counties and municipalities within and without this state to join such authorities; relating to the revenue bonds to

be issued by such authorities; providing an exemption from taxation; relating to dissolution of such authorities and the disposition of their assets after payment of debts; and relating to workmen's compensation for employees of such authorities.

Be it enacted by the Legislature of West Virginia:

That sections five, fourteen and twenty, article twenty-seven, chapter eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that said article be further amended by adding thereto two new sections, designated sections twenty-six and twenty-seven, all to read as follows:

**ARTICLE 27. INTERGOVERNMENTAL RELATIONS—URBAN
MASS TRANSPORTATION SYSTEMS.**

**PART II. ORGANIZATION AND FUNCTION OF
AUTHORITIES AND BOARDS.**

**§8-27-5. Management of authority vested in board; eligibility,
appointment, number and term of members; vote
of members; vacancies.**

1 The management and control of any authority, its
2 operations, business and affairs shall be lodged in a board
3 of not less than five nor more than fifteen individuals
4 who shall be known as members of the board and who

5 shall be appointed for terms of three years each by the
6 governing bodies of the participating governments.
7 Prior to making the initial appointments to the board,
8 the governing bodies of the participating governments
9 shall agree to make such initial appointments so that
10 approximately one third of the total number of the mem-
11 bers to be so appointed shall be appointed for a term of
12 one year, approximately one third of such total number
13 of the members shall be appointed for a term of two
14 years and approximately one third of such total num-
15 ber of the members shall be appointed for a term of
16 three years. As the term of each such initial appointee
17 expires, the successor to fill the vacancy created by such
18 expired term shall be appointed for a term of three years.
19 The number of members representing each participating
20 government shall be as agreed upon from time to time
21 by the governing bodies of the said participating govern-
22 ments. When a participating government is represented
23 by more than one member on the board of an authority,
24 such members shall be entitled to cast the votes of that

25 participating government in such manner as that partici-
26 pating government may direct in the order or ordinance
27 appointing its members.

28 Each participating government shall have one vote for
29 each five hundred dollars it has contributed to the au-
30 thority in the form of moneys or property. When prop-
31 erty is contributed, the contributing participating gov-
32 ernment and the authority shall agree in writing at the
33 time the contribution is made as to the fair market value
34 of such property, which valuation shall determine the
35 number of votes to be allocated to the participating
36 government on the basis thereof. For the fiscal year
37 during which any authority is formed, the number of
38 votes to which any participating government shall be
39 entitled shall be determined as of the time of formation
40 of the authority and shall govern until the end of that
41 fiscal year, even though additional moneys or property
42 are contributed during that fiscal year. Thereafter, the
43 number of votes shall be determined at the end of each
44 fiscal year and such determination shall govern for the

45 ensuing fiscal year, even though additional moneys or
46 property are contributed during that fiscal year. Subse-
47 quent to its formation, any authority may permit any
48 municipality or county within or without this state to
49 participate in the affairs of the authority, to appoint
50 members of the authority in the same manner, and to
51 have such vote or votes beginning as of the next ensuing
52 fiscal year, as prescribed by law with respect to the ori-
53 ginal participating municipalities or counties or any com-
54 bination thereof.

55 Any individual who is a resident of, or member of the
56 governing body, of, any participating government is
57 eligible to serve as a member of the board. The govern-
58 ing body of each participating government shall inform
59 the authority of its appointments or reappointments to
60 the board by delivering to the authority a certified copy
61 of the ordinance or order making the appointment or
62 reappointment. If any member of the board dies, resigns
63 or for any other reason ceases to be a member of the
64 board, the governing body of the participating govern-

65 ment which such member represented shall appoint an-
66 other individual to fill the unexpired portion of the
67 term of such member.

PART VI. DEVELOPMENT OF SYSTEM; FINANCING THEREOF.

§8-27-14. Bonds generally.

1 The authority is hereby empowered and authorized to
2 provide by resolution, from time to time, for the issuance
3 of revenue bonds of the authority for the purpose of
4 paying all or any part of the cost of acquiring, con-
5 structing or improving a system or systems, or any part
6 thereof, or the facilities and equipment therefor, as the
7 case may be, or for any other purpose or project autho-
8 rized by the provisions of this article. The purposes for
9 which revenue bonds may be issued may include the pay-
10 ment of all costs and estimated costs incidental to or con-
11 nected with the accomplishment of such purpose or project
12 including, without limitation, engineering, inspection and
13 legal fees, the fees of fiscal agents and financial con-
14 sultants and other fees, bond and other reserve funds,
15 working capital, bond interest estimated to accrue during
16 the construction period and for a period not to exceed

17 two years thereafter, and expenses of all proceedings for
18 the authorization, issuance and sale of the bonds.

19 The bonds of each issue shall be dated and shall bear in-
20 terest at such rate or rates as are approved by the author-
21 ity, payable semiannually, and shall mature at such time
22 or times not exceeding forty years from their date or dates
23 as may be determined by the authority, and may be made
24 redeemable before maturity, at the option of the au-
25 thority, at such price or prices and under such terms
26 and conditions as may be fixed by the authority prior
27 to the issuance of the bonds. The authority shall deter-
28 mine the form of the bonds, including any interest
29 coupons to be attached thereto, and shall fix the denomi-
30 nation or denominations of the bonds and the place or
31 places of payment of the principal and interest, which
32 may be at any banking institution or trust company
33 within or without the state. The bonds shall be signed
34 by the president of the authority or shall bear his fac-
35 simile signature, and the official seal of the authority,
36 or a facsimile thereof, shall be impressed or imprinted
37 thereupon and attested by the secretary of the authority,

38 and any coupons attached to the bonds shall bear the
39 facsimile signature of the president of the authority.
40 All such signatures, countersignatures and seal may be
41 printed, lithographed or mechanically reproduced, except
42 that one of such signatures or countersignatures on the
43 bonds shall be manually affixed, unless the resolution au-
44 thorizing the issuance of such bonds shall otherwise pro-
45 vide. If any officer whose signature or countersignature
46 or a facsimile of whose signature or countersignature
47 appears on bonds or coupons ceases to be such officer be-
48 fore the delivery of the bonds, his signature shall be as
49 effective as if he had remained in office until such de-
50 livery. The bonds may be issued in coupon or in regis-
51 tered form, or both, as each authority may determine
52 and provision may be made for the registration of any
53 coupon bonds as to principal alone, and also as to both
54 principal and interest, for the reconversion into coupon
55 bonds of any bonds registered as to both principal and
56 interest, and for the interchange of registered and coupon
57 bonds. Notwithstanding the form or tenor thereof, and
58 in the absence of any express recital on the face thereof

59 that the bond is nonnegotiable, all such bonds shall be,
60 and shall be treated as, negotiable instruments for all
61 purposes except when registered in the name of a regis-
62 tered owner.

63 The authority may exchange its bonds, in whole or in
64 part, for any system or systems, or any parts thereof,
65 or facilities and equipment therefor, or may sell its bonds,
66 in whole or in part, in such manner either at public or
67 private sale and for such price as it may determine will
68 best effect the purposes of this article and be for the best
69 interest of the authority: *Provided*, That if the bonds
70 be issued the minimum price for which they may be ex-
71 changed or at which they may be sold shall be such that
72 the interest cost to the authority of the proceeds of the
73 bonds shall not exceed the interest rate per annum there-
74 on computed to maturity according to the standard table
75 of bond values.

76 Prior to the preparation of definitive bonds, the author-
77 ity may, under like restrictions, issue interim receipts or
78 temporary bonds with or without coupons, exchangeable
79 for definitive bonds when such bonds shall have been

80 executed and are available for delivery. The authority
81 may also provide for the replacement of any bonds which
82 shall become mutilated or shall be destroyed or lost.

83 The authority is hereby empowered and authorized
84 to provide by resolution, from time to time, for the is-
85 suance, sale or exchange of revenue refunding bonds of
86 such authority for the purpose of refunding any bonds
87 then outstanding which shall have been issued under the
88 provisions of this article, including the payment of any
89 redemption premium thereon, and any interest accrued
90 or to accrue to the date of redemption of such bonds,
91 and the payment of all expenses incidental thereto. The
92 authority is further empowered and authorized to pro-
93 vide by resolution, from time to time, for the issuance,
94 sale or exchange of revenue bonds of such authority for
95 the combined purpose of refunding any bonds then out-
96 standing, as herein provided, and paying all or any part of
97 the cost of any additional project or projects. All provi-
98 sions of this article applicable to the issuance of revenue
99 bonds are applicable to the issuance of refunding bonds
100 and to the sale or exchange thereof.

§8-27-20. Exemption from taxation.

1 It is hereby found, determined and declared that the
2 creation of any authority and the carrying out of its
3 purposes is in all respects for the benefit of the people
4 of this State in general, and of the participating govern-
5 ments in particular, and is a public purpose; and that
6 the authority will be performing an essential govern-
7 mental function in the exercise of the powers conferred
8 upon it by the provisions of this article. Accordingly,
9 each authority and, without limitation, its revenues,
10 properties, operations and activities shall be exempt from
11 the payment of any taxes or fees to the State or any
12 of its political subdivisions or to any officer or employee
13 of the State or any of its political subdivisions, except
14 the special assessment provided for in section six, arti-
15 cle six, chapter twenty-four-a of this Code. Property,
16 real and personal, owned by or leased and used exclu-
17 sively by each authority shall be public property and
18 therefore exempt from taxation in accordance with
19 section nine, article three, chapter eleven of this Code.
20 The revenue bonds and other evidences of indebtedness

21 issued pursuant to the provisions of this article, and the
22 interest thereon, shall be exempt from taxation, except
23 inheritance and transfer taxes.

PART XI. DISSOLUTION OF AUTHORITY AND WORKMEN'S
COMPENSATION:

**§8-27-26. Dissolution of authority; disposition of assets after
payment of debts.**

1 In the event full and adequate provision is made for
2 the payment of all of the debts of an authority, the
3 participating municipalities or counties or any combina-
4 tion thereof which have contributed at least sixty per-
5 cent of the total value of all moneys and property (the
6 value of which property is determined as specified in
7 section five of this article) contributed to the authority
8 by the participating municipalities and counties may
9 by resolution provide for the dissolution of the authority
10 and for (1) the conveyance of the real and tangible
11 personal property contributed to it to those participating
12 municipalities and counties which contributed the same,
13 (2) equitable distribution among the contributing mu-
14 nicipalities and counties of any real and tangible personal
15 property purchased or condemned by the authority or

16 of the proceeds of sale thereof, or the fair value thereof,
17 and (3) the equitable distribution of all moneys on hand
18 to the participating municipalities and counties in direct
19 proportion to the contribution of moneys by them.

§8-27-27. Employees to be covered by workmen's compensation.

1 All eligible employees of any authority shall be deemed
2 to be within the workmen's compensation statute of this
3 state and premiums on their compensation shall be paid
4 by the authority as required by law.

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

Quinn T. Bevil
Chairman Senate Committee

Phyllis J. Rutledge
Chairman House Committee

Originated in the House.

Takes effect from passage.

Howard Meyer
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

C. Hans McEurt
President of the Senate

Lewis N. McManus
Speaker House of Delegates

The within approved this the 1st
day of April, 1971.

Arch A. Shaver Jr.
Governor

PRESENTED TO THE
GOVERNOR

Date 3/19/71

Time 11:00 a.m.

RECEIVED

APR 2 11 53 PM '71

OFFICE OF
SECRETARY OF STATE
STATE OF WEST VIRGINIA