ENROLLED

COMMITTEE SUBSTITUTE FOR

HOUSE BILL No. 847

ORGANIZING IN THE COMMITTEE ON THE JUDICIARY

(By Mr. ____________________________)

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 operations, business and affairs shall be lodged in a board of not less than five nor more than fifteen individuals who shall be known as members of the board and who
shall be appointed for terms of three years each by the
governing bodies of the participating governments.
Prior to making the initial appointments to the board,
the governing bodies of the participating governments
shall agree to make such initial appointments so that
approximately one third of the total number of the mem-
ers to be so appointed shall be appointed for a term of
one year, approximately one third of such total number
of the members shall be appointed for a term of two
years and approximately one third of such total num-
ber of the members shall be appointed for a term of
three years. As the term of each such initial appointee
expires, the successor to fill the vacancy created by such
expired term shall be appointed for a term of three years.
The number of members representing each participating
government shall be as agreed upon from time to time
by the governing bodies of the said participating govern-
ments. When a participating government is represented
by more than one member on the board of an authority,
such members shall be entitled to cast the votes of that
participating government in such manner as that participating government may direct in the order or ordinance appointing its members.

Each participating government shall have one vote for each five hundred dollars it has contributed to the authority in the form of moneys or property. When property is contributed, the contributing participating government and the authority shall agree in writing at the time the contribution is made as to the fair market value of such property, which valuation shall determine the number of votes to be allocated to the participating government on the basis thereof. For the fiscal year during which any authority is formed, the number of votes to which any participating government shall be entitled shall be determined as of the time of formation of the authority and shall govern until the end of that fiscal year, even though additional moneys or property are contributed during that fiscal year. Thereafter, the number of votes shall be determined at the end of each fiscal year and such determination shall govern for the
ensuing fiscal year, even though additional moneys or
property are contributed during that fiscal year. Subse-
quent to its formation, any authority may permit any
municipality or county within or without this state to
participate in the affairs of the authority, to appoint
members of the authority in the same manner, and to
have such vote or votes beginning as of the next ensuing
fiscal year, as prescribed by law with respect to the ori-
ginal participating municipalities or counties or any com-
bination thereof.

Any individual who is a resident of, or member of the
governing body, of, any participating government is
eligible to serve as a member of the board. The govern-
ing body of each participating government shall inform
the authority of its appointments or reappointments to
the board by delivering to the authority a certified copy
of the ordinance or order making the appointment or
reappointment. If any member of the board dies, resigns
or for any other reason ceases to be a member of the
board, the governing body of the participating govern-
ment which such member represented shall appoint an-
other individual to fill the unexpired portion of the
term of such member.

PART VI. DEVELOPMENT OF SYSTEM; FINANCING THEREOF.


1 The authority is hereby empowered and authorized to
provide by resolution, from time to time, for the issuance
of revenue bonds of the authority for the purpose of
paying all or any part of the cost of acquiring, con-
structing or improving a system or systems, or any part
thereof, or the facilities and equipment therefor, as the
case may be, or for any other purpose or project autho-
rized by the provisions of this article. The purposes for
which revenue bonds may be issued may include the pay-
ment of all costs and estimated costs incidental to or con-
ected with the accomplishment of such purpose or project
including, without limitation, engineering, inspection and
legal fees, the fees of fiscal agents and financial con-
sultants and other fees, bond and other reserve funds,
working capital, bond interest estimated to accrue during
the construction period and for a period not to exceed
two years thereafter, and expenses of all proceedings for
the authorization, issuance and sale of the bonds.

The bonds of each issue shall be dated and shall bear in-
terest at such rate or rates as are approved by the author-
ity, payable semiannually, and shall mature at such time
or times not exceeding forty years from their date or dates
as may be determined by the authority, and may be made
redeemable before maturity, at the option of the au-
thority, at such price or prices and under such terms
and conditions as may be fixed by the authority prior
to the issuance of the bonds. The authority shall deter-
mine the form of the bonds, including any interest
coupons to be attached thereto, and shall fix the denomi-
nation or denominations of the bonds and the place or
places of payment of the principal and interest, which
may be at any banking institution or trust company
within or without the state. The bonds shall be signed
by the president of the authority or shall bear his fac-
simile signature, and the official seal of the authority,
or a facsimile thereof, shall be impressed or imprinted
thereupon and attested by the secretary of the authority,
and any coupons attached to the bonds shall bear the facsimile signature of the president of the authority. All such signatures, countersignatures and seal may be printed, lithographed or mechanically reproduced, except that one of such signatures or countersignatures on the bonds shall be manually affixed, unless the resolution authorizing the issuance of such bonds shall otherwise provide. If any officer whose signature or countersignature or a facsimile of whose signature or countersignature appears on bonds or coupons ceases to be such officer before the delivery of the bonds, his signature shall be as effective as if he had remained in office until such delivery. The bonds may be issued in coupon or in registered form, or both, as each authority may determine and provision may be made for the registration of any coupon bonds as to principal alone, and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. Notwithstanding the form or tenor thereof, and in the absence of any express recital on the face thereof
that the bond is nonnegotiable, all such bonds shall be, and shall be treated as, negotiable instruments for all purposes except when registered in the name of a registered owner.

The authority may exchange its bonds, in whole or in part, for any system or systems, or any parts thereof, or facilities and equipment therefor, or may sell its bonds, in whole or in part, in such manner either at public or private sale and for such price as it may determine will best effect the purposes of this article and be for the best interest of the authority: Provided, That if the bonds be issued the minimum price for which they may be exchanged or at which they may be sold shall be such that the interest cost to the authority of the proceeds of the bonds shall not exceed the interest rate per annum thereon computed to maturity according to the standard table of bond values.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds with or without coupons, exchangeable for definitive bonds when such bonds shall have been
executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost.

The authority is hereby empowered and authorized to provide by resolution, from time to time, for the issuance, sale or exchange of revenue refunding bonds of such authority for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this article, including the payment of any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and the payment of all expenses incidental thereto. The authority is further empowered and authorized to provide by resolution, from time to time, for the issuance, sale or exchange of revenue bonds of such authority for the combined purpose of refunding any bonds then outstanding, as herein provided, and paying all or any part of the cost of any additional project or projects. All provisions of this article applicable to the issuance of revenue bonds are applicable to the issuance of refunding bonds and to the sale or exchange thereof.

1. It is hereby found, determined and declared that the creation of any authority and the carrying out of its purposes is in all respects for the benefit of the people of this State in general, and of the participating governments in particular, and is a public purpose; and that the authority will be performing an essential governmental function in the exercise of the powers conferred upon it by the provisions of this article. Accordingly, each authority and, without limitation, its revenues, properties, operations and activities shall be exempt from the payment of any taxes or fees to the State or any of its political subdivisions or to any officer or employee of the State or any of its political subdivisions, except the special assessment provided for in section six, article six, chapter twenty-four-a of this Code. Property, real and personal, owned by or leased and used exclusively by each authority shall be public property and therefore exempt from taxation in accordance with 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
of the proceeds of sale thereof, or the fair value thereof, and (3) the equitable distribution of all moneys on hand to the participating municipalities and counties in direct proportion to the contribution of moneys by them.

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

All eligible employees of any authority shall be deemed to be within the workmen’s compensation statute of this state and premiums on their compensation shall be paid by the authority as required by law.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House.

Takes effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 12th day of April, 1971.

Governor
PRESENTED TO THE GOVERNOR

Date 3/19/71
Time 11:00 a.m.