

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1971

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ENROLLED

SENATE BILL NO. 344

(By Mr. CARRIGAN)

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PASSED MARCH 12, 1971

In Effect NINETY DAYS FROM Passage



FILED IN THE OFFICE  
JOHN D. ROCKEFELLER, IV  
SECRETARY OF STATE  
THIS DATE 4-2-71

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AN ACT to amend article fifteen, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section seven-a; and to amend and reenact sections four, six, seven, eight, nine and thirteen of said article fifteen, chapter thirty-one of said code, all relating to additional powers given to the West Virginia industrial development authority authorizing the granting of loans to industrial development agencies for industrial subdivision project improvements; defining industrial subdivision project, industrial subdivision project improvements and cost of industrial subdivision project improve-

ments; such loans not to be in excess of fifty percent of the cost or estimated cost of such improvements; prescribing the conditions to be met by loan applicants and the requirements to be made by the authority on account of such loans; prescribing the security and protection for such loans on behalf of the authority; permitting the deferment of principal and interest on industrial subdivision project improvement loans for a period not in excess of five years; limiting in any single fiscal year the aggregate amount which can be loaned to all applicants for industrial subdivision project improvements; providing that, when an agency of the federal government has made a loan or participated in a loan for, or has constructed industrial subdivision project improvements, the state will not alter or limit the powers of the authority in a manner inconsistent with the performance of any agreements between the authority and such agency; permitting loans to industrial development agencies for industrial development projects not in excess of fifty percent of the cost or estimated cost of such project in instances where federal agencies may not participate in such loans because

of relocation restrictions; providing for the assignment by industrial development agencies of deeds of trust, notes and other security to the authority on loans to such agencies for industrial development projects; and elimination of the term "bond" as security on loans for industrial development projects and the substitution, in lieu thereof, the term "negotiable promissory note".

*Be it enacted by the Legislature of West Virginia:*

That article fifteen, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section seven-a; and that sections four, six, seven, eight, nine and thirteen of said article fifteen, chapter thirty-one of said code be amended and reenacted, all to read as follows:

**ARTICLE 15. WEST VIRGINIA INDUSTRIAL DEVELOPMENT  
AUTHORITY.**

**§31-15-4. Definitions.**

- 1 The following terms, whenever used or referred to in
- 2 this article, shall have the following meanings:
- 3 (a) The term "authority" shall mean the public cor-
- 4 poration created by this article.

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

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

9 (d) The term "critical economic area" shall mean the  
10 area encompassing any municipality or group of municipi-  
11 palities, county, group of counties or region of the state  
12 reasonably defined by the authority wherein critical con-  
13 ditions of unemployment, economic depression, wide-  
14 spread reliance on public assistance and unemployment  
15 compensation are found to exist by the authority. Prior  
16 to determination and designation of any area of the  
17 state as a critical economic area, the authority shall  
18 conduct such investigations of the area and of the rec-  
19 ords and statistical indices of the department of employ-  
20 ment security, department of labor, department of natur-  
21 al resources, department of welfare and other applicable  
22 state agencies, as well as the declarations and statistics  
23 of any federal agencies as shall be necessary to establish  
24 the existence of the above conditions in such area. No  
25 area of the state shall be designated a critical economic

26 area without such investigations and findings having  
27 been first made and certified to the permanent records  
28 of the authority.

29 (e) The term “federal agency” shall mean and include  
30 the United States of America, the president of the United  
31 States of America, and any department of, or corpora-  
32 tion, agency or instrumentality heretofore or hereafter  
33 created, designated or established by, the United States  
34 of America.

35 (f) The term “government” shall mean the state and  
36 federal governments, or any political subdivision, agency  
37 or instrumentality, corporate or otherwise, of either of  
38 them.

39 (g) The term “industrial development agency” shall  
40 mean any incorporated organization, foundation, associa-  
41 tion or agency, regardless of the particular name, and  
42 to whose members or shareholders no profit shall inure,  
43 which shall have as its primary function the promotion,  
44 encouragement and development of industrial, manu-  
45 facturing and tourist facility enterprises in a critical  
46 economic area.

47 (h) The term "industrial development fund" shall mean  
48 the account created by section nine of this article.

49 (i) The term "industrial development project" shall  
50 mean any site, structure, facility or undertaking com-  
51 prising or being connected with or being a part of an  
52 industrial, manufacturing or tourist facility enterprise  
53 established or to be established by an industrial develop-  
54 ment agency in a critical economic area.

55 (j) The term "industrial subdivision project" shall  
56 mean any tract of land located within a critical economic  
57 area, together with utilities, services and access roads,  
58 the clear, unencumbered and marketable legal title to  
59 which tract of land is held by an industrial develop-  
60 ment agency for sale or lease for an industrial develop-  
61 ment project.

62 (k) The terms "industrial subdivision project improve-  
63 ments" and "improvements to industrial subdivision proj-  
64 ects" shall embrace any or all of the following: Site prep-  
65 aration and grading, installation of utilities and sewage  
66 disposal facilities upon, and preparation of access roads  
67 to, an industrial subdivision project.

68 (l) The term "municipality" shall mean any city or  
69 town of the state.

70 (m) The term "responsible buyer" shall mean any per-  
71 son, partnership, firm, company or corporation organized  
72 for profit deemed by the authority, after proper investi-  
73 gation, to be financially responsible to assume all obliga-  
74 tions prescribed by the authority in the acquisition of  
75 an industrial development project from an industrial  
76 development agency, and in the operation of an industrial  
77 or manufacturing enterprise therein or thereon.

78 (n) The term "responsible tenant" shall mean any  
79 person, partnership, firm, company or corporation or-  
80 ganized for profit deemed by the authority, after proper  
81 investigation, to be financially responsible to assume all  
82 rental and all other obligations prescribed by the authority  
83 in the leasing of an industrial development project and  
84 in the operation of an industrial or manufacturing enter-  
85 prise therein or thereon.

86 (o) The words "cost of establishing an industrial de-  
87 velopment project" shall embrace any or all of the fol-  
88 lowing: The cost of construction, the cost of all lands,

89 property rights, easements, and in cases of demonstrated  
90 need, machinery and equipment, if said demonstrated  
91 need shall have been shown to the satisfaction of the  
92 authority, which are deemed necessary for such con-  
93 struction, financing charges, interest prior to and during  
94 construction, cost of engineering and legal expense, plans,  
95 specifications, surveys, estimates of costs and other ex-  
96 penses necessary or incident to determining the feasi-  
97 bility or practicability of any industrial development  
98 project, together with such other expenses as may be  
99 necessary or incidental to the financing and the con-  
100 struction of the industrial development project and the  
101 placing of the same in operation.

102 (p) The words "cost of industrial subdivision project  
103 improvements" shall embrace any or all of the following:  
104 Construction cost of site preparation and grading, con-  
105 struction cost of utilities, sewage disposal facilities and  
106 access roads; cost of acquiring easements and property  
107 rights in other lands, in connection therewith, financing  
108 charges, interest prior to and during the construction  
109 of such improvements, cost of engineering and legal

110 services, preparation of plans, specifications, surveys and  
111 estimates of costs, together with such other expenses as  
112 may be reasonably necessary or incidental to the financing  
113 and the construction of improvements to industrial sub-  
114 division projects.

**§31-15-6. Powers of authority generally.**

1 The authority, as a public corporation and governmental  
2 instrumentality exercising public powers of the state,  
3 is hereby granted and shall have and may exercise all  
4 powers necessary or appropriate to carry out and ef-  
5 fectuate the purposes of this article, including the follow-  
6 ing powers, in addition to others herein granted:

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

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

12 (c) To determine, upon proper application of industrial  
13 development agencies, whether the declared public pur-  
14 pose of this article has been accomplished or will be  
15 accomplished by the establishment by such industrial

16 development agencies of an industrial development project  
17 in a critical economic area.

18 (d) To conduct examinations and investigations and  
19 to hear testimony and take proof, under oath or affirma-  
20 tion, at public or private hearings, on any matter ma-  
21 terial for its information and necessary to the determina-  
22 tion and designation of critical economic areas and the  
23 establishment of industrial development projects therein.

24 (e) To issue subpoenas requiring the attendance of  
25 witnesses and the production of books and papers pertin-  
26 ent to any hearing before such authority, or before one  
27 or more members of the authority appointed by it to  
28 conduct such hearings.

29 (f) To apply to any court, having territorial juris-  
30 diction of the offense, to have punished for contempt any  
31 witness who refuses to obey a subpoena, or who refuses  
32 to be sworn or affirmed or to testify, or who is guilty  
33 of any contempt after summons to appear.

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

37 (h) To make, upon proper application of industrial  
38 development agencies, loans to such industrial develop-  
39 ment agencies of moneys held in the industrial develop-  
40 ment fund for industrial development projects and in-  
41 dustrial subdivision project improvements, in critical  
42 economic areas, and to provide for the repayment and  
43 redeposit of such allocations and loans in the manner  
44 hereinafter provided.

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

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

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

49 (l) To make bylaws for the management and regula-  
50 tion of its affairs.

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

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

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

58 (p) To take title by foreclosure to any industrial de-  
59 velopment project or any industrial subdivision project  
60 where such acquisition is necessary to protect any loan  
61 previously made by the authority on account of such  
62 industrial development project or improvements to such  
63 industrial subdivision project and to sell, transfer and  
64 convey any such industrial development project or in-  
65 dustrial subdivision project to any responsible buyer;  
66 in the event such sale, transfer and conveyance cannot  
67 be effected with reasonable promptness, the authority  
68 may, in order to minimize financial losses and sustain  
69 employment, lease such industrial development project  
70 or industrial subdivision project to a responsible tenant  
71 or tenants; the authority shall not lease industrial de-  
72 velopment projects or industrial subdivision projects ex-  
73 cept under the conditions and for the purposes cited  
74 in this section: *Provided*, That the authority shall have  
75 no power at any time to borrow money or in any manner  
76 to pledge the credit or taxing power of the state or any  
77 of its municipalities or political subdivisions, nor shall  
78 any of its obligations be deemed to be obligations of  
79 the state or any of its political subdivisions.

80 (q) To participate in any reorganization proceeding  
81 pending pursuant to Title II of the United States Bank-  
82 ruptcy Act or in any receivership proceeding had in a  
83 state or United States court for the purpose of reorganiza-  
84 tion or liquidation of a responsible buyer or responsible  
85 tenant. It may file its claim against any such responsible  
86 buyer or responsible tenant in any of the foregoing pro-  
87 ceedings, vote upon any question pending therein which  
88 requires the approval of the creditors participating in  
89 any reorganization proceeding or receivership, exchange  
90 any evidence of said indebtedness for any property, secur-  
91 ity or evidence of indebtedness offered as a part of the  
92 reorganization of said responsible buyer or responsible  
93 tenant or of any other entity formed to acquire the assets  
94 thereof, and may compromise or reduce the amount of  
95 any indebtedness owing to it as a part of any such  
96 reorganization.

**§31-15-7. Loans to industrial development agencies for in-  
dustrial development projects.**

1 When it has been determined by the authority upon  
2 application of an industrial development agency and upon

3 hearing thereon in the manner hereinafter provided that  
4 the establishment of a particular industrial development  
5 project (of such industrial development agency) in a  
6 critical economic area has accomplished or will accom-  
7 plish the public purposes of this article, the authority  
8 may contract to loan such industrial development agency  
9 an amount not in excess of thirty percent (or, in the  
10 event that agencies of the federal government may not  
11 participate in such loan because of relocation restrictions,  
12 an amount not in excess of fifty percent) of the cost, or  
13 estimated cost, of such industrial development project,  
14 as established or to be established, subject, however, to  
15 the following conditions:

16 (A) Industrial development projects to be established.

17 1. The authority shall have first determined that the  
18 industrial development agency holds funds in an amount  
19 equal to, or property of a value equal to, not less than  
20 twenty percent of the estimated cost of establishing the  
21 industrial development project, which funds or property  
22 are available for and shall be applied to the establishment  
23 of such project; and

24 2. The authority shall have also determined that the  
25 industrial development agency has obtained from other  
26 independent and responsible sources, such as banks and  
27 insurance companies or otherwise, a firm commitment  
28 for all other funds, over and above the loan of the au-  
29 thority and such funds or property as the industrial de-  
30 velopment agency may hold, necessary for payment of  
31 all the estimated cost of establishing the industrial de-  
32 velopment project, and that the sum of all these funds  
33 is adequate to insure completion and operation of the  
34 industrial development project.

35 (B) Industrial development projects established with  
36 initial authority loan participation.

37 1. The authority shall have first determined that the  
38 industrial development agency has expended funds in  
39 an amount equal to, or has applied property of a value  
40 equal to, not less than twenty percent of the cost of  
41 establishing the industrial development project; and

42 2. The authority shall have also determined that the  
43 industrial development agency obtained from other inde-  
44 pendent and responsible sources, such as banks and in-

45 surance companies or otherwise, other funds necessary  
46 for payment of all the cost of establishing the industrial  
47 development project, and that the industrial develop-  
48 ment agency participation and these funds, has been  
49 adequate to insure completion and operation of the in-  
50 dustrial development project: *Provided*, That the pro-  
51 ceeds of any loan made by the authority to the industrial  
52 development agency pursuant to this subsection (B) shall  
53 be used only for the establishment of additional indus-  
54 trial development projects in furtherance of the public  
55 purposes of this article.

56 Any such loan of the authority shall be for such period  
57 of time and shall bear interest at such rate as shall be  
58 determined by the authority and shall be secured by  
59 the negotiable promissory note of the industrial develop-  
60 ment agency and by deed of trust on the industrial de-  
61 velopment project for which such loan was made, or by  
62 assignment of any deed of trust and negotiable promissory  
63 note and other security taken by the industrial develop-  
64 ment agency on the industrial development project,  
65 such deed of trust and note, assignment of deed of trust,

66 and note and other security to be second and subordinate  
67 only to the deed of trust securing the first lien obliga-  
68 tion issued to secure the commitment of funds from  
69 the aforesaid independent and responsible sources and  
70 used in the financing of the industrial development  
71 project.

72 Moneys so loaned by the authority to industrial de-  
73 velopment agencies shall be withdrawn from the indus-  
74 trial development fund and paid over to the industrial  
75 development agency in such manner as shall be provided  
76 and prescribed by the rules and regulations of the au-  
77 thority.

78 All payments of interest on said loans and the principal  
79 thereof shall be deposited by the authority in the indus-  
80 trial development fund.

81 Loans by the authority to an industrial development  
82 agency for an industrial development project shall be  
83 made only in the manner and to the extent as in this  
84 section provided, except, however, in those instances  
85 wherein an agency of the federal government participates  
86 in the financing of an industrial development project by

87 loan, grant, or otherwise, or in those instances where  
88 any bank, insurance company, lending agency, or com-  
89 bination thereof, participates in any industrial develop-  
90 ment project in an amount equal to sixty percent of the  
91 cost of the project. Where any bank, insurance company,  
92 lending agency, or combination thereof, participates in  
93 an amount equal to sixty percent of the cost of the indus-  
94 trial development project, the authority may adjust the  
95 required ratios of financial participation by the local in-  
96 dustrial development agency to an amount not less than  
97 ten percent of the estimated cost of establishing the in-  
98 dustrial development project. When any federal agency  
99 participates, the authority may adjust the required ratios  
100 of financial participation by the industrial development  
101 agency, the source of independent funds and the authority  
102 in such manner as to insure the maximum benefit avail-  
103 able to the industrial development agency, the authority,  
104 or both, by the participation of the federal agency. When  
105 ratios are adjusted in the manner set forth above, no  
106 such adjustment shall be made which shall cause the  
107 authority to grant a loan to the industrial development

108 agency in excess of thirty percent (or in the event that  
109 agencies of the federal government may not participate  
110 in such loan because of relocation restrictions, an amount  
111 not in excess of fifty percent) of the cost, or estimated  
112 cost of the industrial development project.

113 Where any federal agency participating in the financing  
114 of an industrial development project is not permitted to  
115 take as security for such participation a deed of trust or  
116 assignment of deed of trust and other security the lien  
117 of which is junior to the deed of trust or assignment of  
118 deed of trust and other security of the authority, the  
119 authority shall, in such instances, be authorized to take  
120 as security for its loan to the industrial development  
121 agency a deed of trust or assignment of deed of trust  
122 and other security junior in lien to that of the federal  
123 agency.

**§31-15-7a. Loans to industrial development agencies for industrial subdivision project improvements.**

1 When it has been determined by the authority upon  
2 application of an industrial development agency and  
3 upon hearing thereon in the manner hereinafter provided

4 that the improvement by such industrial development  
5 agency of a particular industrial subdivision project,  
6 owned by such industrial development agency, which  
7 industrial subdivision project shall be located in a critical  
8 economic area, will accomplish the public purposes of  
9 this article, the authority may contract to loan such in-  
10 dustrial development agency an amount not in excess of  
11 fifty percent of the cost, or estimated cost, of such indus-  
12 trial subdivision project improvements, subject, however,  
13 to the following conditions:

14 1. The authority shall have determined that the indus-  
15 trial development agency has obtained from other inde-  
16 pendent and responsible sources, such as banks and  
17 insurance companies or otherwise, a firm commitment for  
18 all other funds, over and above the loan of the authority,  
19 necessary for payment of all the estimated cost of the  
20 industrial subdivision project improvements, and that  
21 the sum of all these funds is adequate to insure comple-  
22 tion of the improvements to the industrial subdivision  
23 project; and

24 2. The authority shall have also determined that the

25 industrial development agency has clear, unencumbered  
26 and marketable legal title to the industrial subdivision  
27 project to be improved; and

28 3. The industrial development agency shall covenant  
29 in writing to and with the authority that as long as any  
30 loan made by the authority to the industrial development  
31 agency for the improvement of any industrial subdivision  
32 project shall remain unpaid, such industrial subdivision  
33 project, or any portion thereof, shall not be sold, leased  
34 or otherwise encumbered except for the purpose of  
35 establishing an industrial development project or projects  
36 on such land by the industrial development agency.

37 Any such loan of the authority shall be for such period  
38 of time and shall bear interest at such rate as shall be  
39 determined by the authority and shall be secured by the  
40 negotiable, promissory note of the industrial develop-  
41 ment agency and by deed of trust on the industrial sub-  
42 division project for which such loan was made, such  
43 deed of trust to be second and subordinate only to the  
44 deed of trust securing the first lien obligation issued  
45 to secure the commitment of funds from the aforesaid

46 independent and responsible sources and used in the  
47 financing of the industrial subdivision project improve-  
48 ments.

49 In its discretion the authority may, in a proper case,  
50 defer the payment of principal and interest, or principal  
51 only, or interest only, upon any loan made by the au-  
52 thority to an industrial development agency for the im-  
53 provement of any industrial subdivision project, such  
54 deferment to be for such period as may be determined by  
55 the authority, not to exceed five years from the date of  
56 the deed of trust securing the authority for the loan, and,  
57 in the event that such industrial subdivision project, or  
58 any portion thereof, is sold or leased by the industrial  
59 development agency prior to the expiration of said five-  
60 year period, all deferred installments of the principal  
61 of the loan accrued on the date of such sale or lease, or  
62 the proportionate part of such deferred principal which  
63 the sold or leased portion of the industrial subdivision  
64 project shall bear to the total acreage thereof, together  
65 with all unpaid interest accrued thereon on the date of  
66 such sale or lease shall, at the option of the authority,

67 be and become immediately due and payable or, become  
68 subject to re-negotiation by either increasing or decreas-  
69 ing the number of and the amount of each installment  
70 of principal and interest, without, however, effecting any  
71 change in the amount of principal of the original loan or  
72 the rate of interest as originally fixed by the authority  
73 in said deed of trust and note.

74 The authority may not lend in any single fiscal year,  
75 upon the aggregate of all of the applications made for  
76 loans for improvements to industrial subdivision projects,  
77 a total sum in excess of two hundred fifty thousand  
78 dollars.

79 Moneys so loaned by the authority to industrial de-  
80 velopment agencies shall be withdrawn from the indus-  
81 trial development fund and paid over to the industrial  
82 development agency in such manner as shall be provided  
83 and prescribed by the rules and regulations of the au-  
84 thority.

85 All payments of interest on said loans and the principal  
86 thereof shall be deposited by the authority in the indus-  
87 trial development fund.

88 Where any federal agency participating in the financing  
89 of improvements to industrial subdivision projects is not  
90 permitted to take as security for such participation a deed  
91 of trust the lien of which is junior to the deed of trust  
92 of the authority, the authority shall, in such instances,  
93 be authorized to take as security for its loan to the in-  
94 dustrial development agency a deed of trust junior in  
95 lien to that of the federal agency.

**§31-15-8. Loan application requirements; hearings upon ap-  
plications.**

1 Prior to the loaning of any funds to an industrial  
2 development agency for an industrial development proj-  
3 ect or for industrial subdivision project improvements,  
4 in a critical economic area, the authority shall receive  
5 from such industrial development agency a loan applica-  
6 tion in form adopted by the authority.

7 1. If the loan application is for an industrial develop-  
8 ment project the form shall contain, without being limit-  
9 ed to, the following provisions:

10 (a) A general description of the industrial develop-  
11 ment project and a general description of the industrial

12 or manufacturing enterprise for which the industrial  
13 development project has been or is to be established.

14 (b) A legal description of all real estate necessary for  
15 the industrial development project.

16 (c) Such plans and other documents as may be re-  
17 quired to show the type, structure and general character  
18 of the industrial development project.

19 (d) A general description of the type, classes and  
20 number of employees employed or to be employed in  
21 the operation of the industrial development project.

22 (e) Cost or estimates of cost of establishing the in-  
23 dustrial development project.

24 (f) A general description and statement of value of  
25 any property, real or personal, of the industrial develop-  
26 ment agency applied or to be applied to the establishment  
27 of the industrial project.

28 (g) A statement of cash funds previously applied, or  
29 then held by the industrial development agency which  
30 are available for and are to be applied, to the estab-  
31 lishment of the industrial development project.

32 (h) Evidence of the arrangement made by the in-

33 dustrial development agency for the financing of all cost  
34 of the industrial development project over and above  
35 the participation of the industrial agency.

36 (i) A general description of the responsible tenant to  
37 which the industrial development agency has leased or  
38 will lease the industrial development project or of the  
39 responsible buyer to which the industrial development  
40 agency has sold or will sell the project.

41 (j) A general description of the form of lease or sales  
42 agreement entered into or to be entered into by and  
43 between the industrial development agency and its re-  
44 sponsible tenant or responsible buyer.

45 (k) Evidence that the establishment of the industrial  
46 development project will not cause the removal of an  
47 industrial or manufacturing plant or facility from one  
48 area of the state to another area of the state.

49 2. If the loan application is for industrial subdivision  
50 project improvements the form shall contain, without  
51 being limited to, the following provisions:

52 (a) A general description of the industrial subdivision  
53 project and a general description of its adaptability to

54 industrial or manufacturing purposes, including the kinds  
55 or types of industrial development project which may  
56 be established thereon upon completion of the improve-  
57 ments for which the loan is requested.

58 (b) A legal description of the industrial subdivision  
59 project.

60 (c) Such plans and other documents as may be re-  
61 quired to show the type, structure and general character  
62 of the proposed improvements to the industrial sub-  
63 division project.

64 (d) Cost or estimates of cost of the proposed improve-  
65 ments to the industrial subdivision project.

66 (e) Evidence of the arrangement made by the indus-  
67 trial development agency for the financing of all cost of  
68 the industrial subdivision project improvements over and  
69 above the participation by the authority.

70 (f) Evidence that the establishment of an industrial  
71 development project upon the industrial subdivision proj-  
72 ect to be improved will not cause the removal of an  
73 industrial or manufacturing plant or facility from one  
74 area of the state to another area of the state.

75 The board of the authority shall hold such hearings  
76 and examinations as to each loan application received  
77 as shall be necessary to determine whether the public  
78 purposes of this article will be accomplished by the  
79 granting of loans within such applications requested.

80 When the board shall have determined said facts  
81 favorable as to any application, it is authorized and em-  
82 powered, having due regard to the promotion of the  
83 public purposes herein declared, to grant a loan to an  
84 industrial development agency in the manner and to the  
85 extent as in this article provided.

**§31-15-9. Industrial development fund.**

1 There is hereby created a special account in the treasury  
2 of the state to be known as the industrial development  
3 fund to which shall be accredited any appropriation made  
4 by the Legislature to the authority, as well as such other  
5 deposits as in this section provided.

6 As often as may be necessary, the authority shall requi-  
7 sition from the industrial development fund such amounts  
8 as may be necessary to provide adequate funds for the  
9 payment of the administration of the purposes of this

10 article. And whenever the authority determines it to be  
11 necessary to purchase, at a foreclosure sale, any industrial  
12 development project or industrial subdivision project  
13 pursuant to section six (p) of this article, in order to  
14 protect any loan theretofore made by the authority,  
15 the authority may requisition from the industrial develop-  
16 ment fund such amount as may be necessary to pay  
17 the purchase price thereof, notwithstanding the fact that  
18 the purchase price, in the instance of the foreclosure sale  
19 of any industrial development project, may exceed thirty  
20 percent (or in the event that no agency of the federal  
21 government participated in the loan because of relocation  
22 restrictions, fifty percent) of the original cost of the in-  
23 dustrial development project, or in the instance of the  
24 foreclosure sale of any industrial subdivision project, the  
25 purchase price may exceed fifty percent of the original  
26 cost of the industrial subdivision project improvements.

27 The authority shall also requisition, from time to time,  
28 from the industrial development fund such amounts as  
29 shall be allocated and appropriated by the authority for  
30 loans to industrial development agencies for industrial

31 development projects and for industrial subdivision proj-  
32 ect improvements. When and as the amounts so allocated  
33 and appropriated by the authority as loans to industrial  
34 development agencies are repaid to the authority pursuant  
35 to the terms of the mortgages and other agreements made  
36 and entered into by the authority, the authority shall  
37 pay such amounts into the industrial development fund,  
38 it being the intent of this article that the industrial de-  
39 velopment fund shall operate as a revolving fund where-  
40 by all appropriations and payments made thereto may be  
41 applied and reapplied to the purposes of this article.

42 Whenever the authority shall determine that the bal-  
43 ance in the industrial development fund is in excess of  
44 the immediate requirements for loan purposes it may  
45 request that such excess funds be invested until needed  
46 for loan purposes, in which case such excess funds shall  
47 be invested in the manner provided for the investment  
48 of other temporary state funds. All interest earned on  
49 the money invested pursuant to this section shall be  
50 credited to the industrial development fund.

51 At any time that the authority shall determine that

52 funds held for the credit of the industrial development  
53 fund are in excess of the amount needed by the authority  
54 to carry out the purposes of this article, the authority  
55 shall take such action as shall be required to release  
56 such excess from the industrial development fund and  
57 transfer the same to the general fund of the state treasury.

**§31-15-13. Agreement with federal agencies not to alter or  
limit powers of authority.**

1 The state does hereby pledge to and agree with the  
2 United States and any other federal agency that in the  
3 event any federal agency shall construct or loan or con-  
4 tribute any funds for the construction, extension, im-  
5 provement or enlargement of any industrial development  
6 project, or any portion thereof, or construct improve-  
7 ments to any industrial subdivision project or loan or  
8 contribute any funds for the construction, extension or  
9 enlargement of improvements to any industrial subdivi-  
10 sion project, or any portion thereof, the state will not  
11 alter or limit the rights and powers of the authority in  
12 any manner which would be inconsistent with the due  
13 performance of any agreements between the authority

14 and any such federal agency, and the authority shall con-  
15 tinue to have and may exercise all powers herein granted,  
16 so long as the same shall be necessary or desirable for the  
17 carrying out of the purposes of this article.

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

*Russell G. Beall*

Chairman Senate Committee

*Phyllis Reel*  
Chairman House Committee

Originated in the Senate.

To take effect 90 days from passage.

*Howard Meyer*  
Clerk of the Senate

*W. A. Blankenship*  
Clerk of the House of Delegates

*Edgar Brent*  
President of the Senate

*Lewis N. McManus*  
Speaker House of Delegates

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

*Arch A. Starnes Jr.*  
Governor



PRESENTED TO THE  
GOVERNOR

Date 3/17/71

Time 11:50 A.m.

RECEIVED

APR 2 11 50 PM '71

OFFICE OF  
SECRETARY OF STATE  
STATE OF WEST VIRGINIA