WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1974

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ENROLLED

HOUSE BILL No. 1024

(By Mrs. Patricia E. Sweeney)

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PASSED March 8, 1974

In Effect Passage

C 641

SECRETARY OF STATE

THIS DATE 3-25-74
ENROLLED

H. B. 1024
(By Miss Prestera and Mr. Somerville)

[Passed March 8, 1974; in effect from passage.]

AN ACT to amend and reenact sections two and three, article one, chapter thirteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to bond issues by local units of government; and expanding the purposes for which bonds may be issued by local units of government.

Be it enacted by the Legislature of West Virginia:

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

ARTICLE 1. BOND ISSUES FOR ORIGINAL INDEBTEDNESS.

§13-1-2. Purposes for which bonds may be issued.

1 Debt may be incurred and bonds issued under this article for the purpose of acquiring, constructing and erecting, enlarging, extending, reconstructing or improving any building, work, utility or undertaking, or for furnishing, equipping and acquiring or procuring the necessary apparatus for any building, work, improvement or department, or for establishing and maintaining a library or museum for the public use, or a building or structure for educational purposes, or acquiring a recreation park for the public use, or for acquiring, constructing, furnishing, equipping and maintaining civic arenas, auditoriums, exhibition halls and theaters, or for other similar corporate purpose, for which the political division is authorized to levy taxes or expend public money. But no bonds shall be issued for the purpose of providing funds for the current expenses of any body or political division. Interest accruing during the construction period, that is to say, the time when an improvement is under construction and six months there-
18 after, shall be deemed a part of the cost of the improvement, 
19 and shall not be deemed current expenses. All engineering 
20 and inspection costs, including a proper proportion of the 
21 compensation, salaries and expenses of the engineering staff 
22 of the political division properly chargeable to any work or 
23 improvements, as determined by the governing body, or the 
24 estimated amount of such costs, shall be deemed part of the 
25 cost of an improvement. All costs and estimated costs of the 
26 issuance of bonds shall be deemed a part of the cost of the 
27 work or improvement, or of the property, or of the carrying 
28 out of the purposes for which such bonds are to be issued. 
29 The power to acquire or construct any building, work or 
30 improvement as herein provided shall be deemed to include 
31 the power to acquire the necessary lands, sites and rights-of- 
32 way therefor. 
33 Bonds may also be issued by any municipality having a 
34 population of fifty thousand or more or by any county for the 
35 purpose of acquiring land and constructing a building or 
36 buildings for use and occupancy as a college. The proposal 
37 for such a bond issue shall contain a provision that there shall 
38 be created a commission or committee for the purpose of 
39 operating the building or buildings and for renting the same 
40 for an amount sufficient to pay the interest and sinking fund 
41 on the bonds proposed to be issued, and shall contain a 
42 further provision that in the event a sufficient amount is not 
43 realized from rent or rents for the purpose of meeting the 
44 debt service, then the city or county shall lay a levy for such 
45 purpose in an amount sufficient within the constitutional and 
46 statutory limitation to pay the interest and principal on such 
47 bonds as the same become due and payable. The proposal may 
48 also contain a provision that when the bonds and the interest 
49 thereon shall have been paid, then the title to the land and the 
50 building or buildings situated thereon may be transferred to 
51 the college to which the same have been rented.

§13-1-3. Amount and purpose of indebtedness for which bonds 
may be issued.

1 No political division authorized by this article to issue 
2 bonds, except county boards of education, shall by any bond 
3 issue, become indebted to an amount, including all other in-
4 debtedness, exceeding two and one-half percent of the value
of the taxable property therein, as shown by last assessment thereof, for state and county purposes, next prior to the issuing of such bonds: Provided, That any county for the erection and equipment of a courthouse and/or jail for such county, with funds borrowed from the government of the United States or any governmental agency, federal or state, and any municipal corporation of three hundred inhabitants or more, for the purpose of grading, paving, sewering, and otherwise improving or reimboring its streets and alleys, or for establishing and maintaining a library or museum for the public use, or a building or structure for educational purposes, or acquiring a recreation park for the public use, or for acquiring, constructing, furnishing, equipping and maintaining civic arenas, auditoriums, exhibition halls and theatres, may become indebted and issue bonds in an additional sum not exceeding two and one-half percent of the value of the taxable property therein, ascertained as aforesaid: Provided, however, That no county board of education authorized by this article to issue bonds, shall, by any bond issue, become indebted, in any manner, or for any purpose, to an amount, including all other indebtedness, in the aggregate, exceeding five percent on the value of the taxable property therein, in the county school district to be ascertained by the last assessment for state and county taxes, previous to the incurring of such indebtedness, in the manner provided by the "School Bond Amendment," as ratified.

The term "sewering" as used herein shall be treated in a comprehensive sense, so as to include all mains, laterals, connections, traps, incinerating and disposal plants, and other necessary and convenient accessories to a modern sanitary and efficient sewerage system and shall include storm sewers.

The county court of any county is hereby authorized and empowered to negotiate and sell to the government of the United States or to any governmental agency, federal or state, at private sale, at not less than par any bonds issued for the purpose of erecting and equipping a courthouse or other public buildings for such county, under and by virtue of article one, chapter thirteen of the code of West Virginia, without first offering them for sale at public auction, or to any other person or agency.
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 21st day of March, 1974.

Governor
PRESENTED TO THE GOVERNOR

3/21/74
10:30 a.m.