

APPROVED AND SIGNED BY THE GOVERNOR

Date 4-28-81

Time \_\_\_\_\_

No: 140

**WEST VIRGINIA LEGISLATURE**  
**REGULAR SESSION, 1981**



**ENROLLED**

SENATE BILL NO. 140

(By Mr. Palumbo)



PASSED April 11, 1981

In Effect from Passage



**ENROLLED**  
**Senate Bill No. 140**

(By MR. PALUMBO)

[Passed April 11, 1981; in effect from passage.]

AN ACT to amend and reenact section ten, article eighteen, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to revenue bonds issued by urban renewal authorities and the interest rates on such bonds.

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

That section ten, article eighteen, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

**ARTICLE 18. SLUM CLEARANCE.**

**§16-18-10. Bonds.**

1 (a) An authority shall have power to issue bonds from  
2 time to time in its discretion for any of its corporate  
3 purposes including the payment of principal and interest  
4 upon any advances for surveys and plans for redevelop-  
5 ment projects. An authority shall also have power to issue  
6 refunding bonds for the purpose of paying or retiring or  
7 in exchange for bonds previously issued by it. An author-  
8 ity may issue such types of bonds as it may determine,  
9 including (without limiting the generality of the fore-  
10 going) bonds on which the principal and interest are  
11 payable:

12 (1) Exclusively from the income, proceeds and rev-  
13 enues of the redevelopment project financed with the  
14 proceeds of such bonds; or

15 (2) Exclusively from the income, proceeds and rev-  
16 enues of any of its redevelopment projects whether or

17 not they are financed in whole or in part with the pro-  
18 ceeds of such bonds: *Provided*, That any such bonds may  
19 be additionally secured by a pledge of any loan, grant or  
20 contributions, or parts thereof, from the federal govern-  
21 ment or other sources, or a mortgage of any redevelop-  
22 ment project or projects of the authority.

23 (b) Neither the commissioners of an authority nor any  
24 person executing the bonds shall be liable personally on  
25 the bonds by reason of the issuance thereof. The bonds  
26 and other obligations of the authority (and such bonds  
27 and obligations shall so state on their face) shall not be a  
28 debt of the municipality, the county or the state and  
29 neither the municipality, the county nor the state shall  
30 be liable thereon, nor in any event shall such bonds or  
31 obligations be payable out of any funds or properties  
32 other than those of said authority acquired for the pur-  
33 poses of this article. The bonds shall not constitute an  
34 indebtedness within the meaning of any constitutional or  
35 statutory debt limitation or restriction. Bonds of an  
36 authority are declared to be issued for an essential public  
37 and governmental purpose and to be public instrumental-  
38 ities and, together with interest thereon and income  
39 therefrom, shall be exempt from all taxes. Such bonds  
40 need not be offered by the authority to the state sinking  
41 fund commission at any time and an authority shall not  
42 be required to turn over any surplus or sinking funds to  
43 the state sinking fund commission.

44 (c) Bonds of an authority shall be authorized by its  
45 resolution and may be issued in one or more series and  
46 shall bear such date or dates, be payable upon demand or  
47 mature at such time or times, bear interest at such rate or  
48 rates, not exceeding twelve per centum per annum, be in  
49 such denomination or denominations, be in such form  
50 either coupon or registered, carry such conversion or  
51 registration privileges, have such rank or priority, be ex-  
52 ecuted in such manner, be payable in such medium of  
53 payment, at such place or places, and be subject to such  
54 terms of redemption (with or without premium) as such  
55 resolution, its trust indenture or mortgage may provide.

56 (d) The bonds shall be sold at not less than par at  
57 public sale held after notice published as a Class I legal

58 advertisement in compliance with the provisions of article  
59 three, chapter fifty-nine of this code, and the publication  
60 area for such publication shall be the area of operation.  
61 Such publication shall be made at least ten days prior to  
62 such sale. The notice may be published in such other me-  
63 dium of publication as the authority may determine: *Pro-*  
64 *vided,* That such bonds may be sold to the federal govern-  
65 ment at private sale at not less than par, and, in the event  
66 less than all of the bonds authorized in connection with  
67 any project or projects are sold to the federal government,  
68 the balance of such bonds may be sold at private sale at  
69 not less than par at an interest cost to the authority of not  
70 to exceed the interest cost to the authority of the portion  
71 of the bonds sold to the federal government.

72 (e) In case any of the commissioners or officers of the  
73 authority whose signatures appear on any bonds or cou-  
74 pons shall cease to be such commissioners or officers be-  
75 fore the delivery of such bonds, such signatures shall,  
76 nevertheless, be valid and sufficient for all purposes, the  
77 same as if such commissioners or officers had remained  
78 in office until such delivery. Any provision of any law to  
79 the contrary notwithstanding, any bonds issued pursuant  
80 to this article shall be fully negotiable.

81 (f) In any suit, action or proceedings involving the  
82 validity or enforceability of any bond of an authority or  
83 the security therefor, any such bond reciting in substance  
84 that it has been issued by the authority to aid in financing  
85 a redevelopment project, as herein defined, shall be con-  
86 clusively deemed to have been issued for such purpose  
87 and such project shall be conclusively deemed to have  
88 been planned, located and carried out in accordance with  
89 the purposes and provisions of this article.

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

*R. P. Bacon*  
Chairman Senate Committee

*Joseph E. Whitlow*  
Chairman House Committee

Originated in the Senate.

To take effect from passage.

*Judd C. Willis*  
Clerk of the Senate

*C. A. Blackenship*  
Clerk of the House of Delegates

*Wm. H. Harrison*  
President of the Senate

*Walter H. Beardsley*  
Speaker House of Delegates

The within is approved this the 24

day of April, 1981.

*John D. Rockefeller*  
Governor



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