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OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1989

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ENROLLED

HOUSE BILL No. 2761

(By Mr. Speaker, Mr. Charles + Del. R. Bent
[By Request of the Executive])

— ● —

Passed April 8, 1989

In Effect from Passage

ENROLLED

H. B. 2761

(By MR. SPEAKER, MR. CHAMBERS, AND DELEGATE R. BURK)
[By Request of the Executive]

[Passed April 8, 1989; in effect from passage.]

AN ACT to amend and reenact sections five and twenty-four, article five-c, chapter twenty of the code of West Virginia, one thousand nine hundred thirty-one, as amended, all relating to the West Virginia water development authority by adding thereto provisions authorizing the refinancing of certain existing debt of local governmental agencies and increasing the limit on borrowing by the water development authority from one hundred million dollars to two hundred million dollars.

Be it enacted by the Legislature of West Virginia:

That sections five and twenty-four, article five-c, chapter twenty of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

**ARTICLE 5C. WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY.**

**§20-5C-5. Authority may construct, finance, maintain,
etc., water development projects; loans to
governmental agencies shall be subject to
terms of loan agreements.**

- 1 To accomplish the public policies and purposes and to
- 2 meet the responsibility of the state as set forth in this
- 3 article, the West Virginia water development authority
- 4 may initiate, acquire, construct, maintain, repair and

5 operate water development projects or cause the same
6 to be operated pursuant to a lease, sublease or agree-
7 ment with any person or governmental agency; may
8 make loans and grants to governmental agencies for the
9 acquisition or construction of water development
10 projects by such governmental agencies, which loans
11 may include amounts to refinance debt issued for
12 existing water development projects of the governmen-
13 tal agency when such refinancing is in conjunction with
14 a loan for a new water development project: *Provided,*
15 That the amount of the refinancing may not exceed fifty
16 percent of the loan to the governmental agency; and may
17 issue water development revenue bonds of this state,
18 payable solely from revenues, to pay the cost of, or
19 finance, in whole or in part, by loans to governmental
20 agencies, such projects. A water development project
21 shall not be undertaken unless it has been determined
22 by the authority to be consistent with any applicable
23 comprehensive plan of water management approved by
24 the director of the department of natural resources or
25 in the process of preparation by such director and to be
26 consistent with the standards set by the state water
27 resources board, for the waters of the state affected
28 thereby. Any resolution of the authority providing for
29 acquiring or constructing such projects or for making
30 a loan or grant for such projects shall include a finding
31 by the authority that such determinations have been
32 made. A loan agreement shall be entered into between
33 the authority and each governmental agency to which
34 a loan is made for the acquisition or construction of a
35 water development project, which loan agreement shall
36 include without limitation the following provisions:

37 (1) The cost of such project, the amount of the loan,
38 the terms of repayment of such loan and the security
39 therefor, which may include, in addition to the pledge
40 of all revenues from such project after a reasonable
41 allowance for operation and maintenance expenses, a
42 deed of trust or other appropriate security instrument
43 creating a lien on such project;

44 (2) The specific purposes for which the proceeds of the
45 loan shall be expended including the refinancing of

46 existing water development project debt as provided
47 above, the procedures as to the disbursement of loan
48 proceeds and the duties and obligations imposed upon
49 the governmental agency in regard to the construction
50 or acquisition of the project;

51 (3) The agreement of the governmental agency to
52 impose, collect, and, if required to repay the obligations
53 of such governmental agency under the loan agreement,
54 increase, service charges from persons using said
55 project, which service charges shall be pledged for the
56 repayment of such loan together with all interest, fees
57 and charges thereon and all other financial obligations
58 of such governmental agency under the loan agreement;
59 and

60 (4) The agreement of the governmental agency to
61 comply with all applicable laws, rules and regulations
62 issued by the authority or other state, federal and local
63 bodies in regard to the construction, operation, mainte-
64 nance and use of the project.

§20-5C-24. Authorized limit on borrowing.

1 The aggregate principal amount of bonds and notes
2 issued by the authority shall not exceed two hundred
3 million dollars outstanding at any one time: *Provided*,
4 That in computing the total amount of bonds and notes
5 which may at any one time be outstanding, the principal
6 amount of any outstanding bonds or notes refunded or
7 to be refunded either by application of the proceeds of
8 the sale of any refunding bonds or notes of the authority
9 or by exchange for any such refunding bonds or notes,
10 shall be excluded.

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

Frederick A. Perna
Chairman Senate Committee

J. L. Latta
Chairman House Committee

Originating in the House.

Takes effect from passage.

James E. Martin
Clerk of the Senate

Donald V. Kopp
Clerk of the House of Delegates

Sam R. Tucker
President of the Senate

Bob O'Connell
Speaker of the House of Delegates

The within *is approved* this the *2th*
day of *April*, 1989.
Yaston Caperton
Governor

PRESENTED TO THE

GOVERNOR

Date 4/20/89

Time 10:34