WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1989

ENROLLED

SENATE BILL NO. 249
(Originating in Committee on Finance)

PASSED February 28, 1989
In Effect from Passage
ENROLLED

Senate Bill No. 249

[Passed February 28, 1989; in effect from passage.]

AN ACT to amend and reenact section nineteen, article one, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact section thirty, article fifteen, chapter eleven of said code, all relating to authorizing the governor to incur indebtedness to redeem previous liabilities for the ordinary expenses of the state; specifying maximum amount of indebtedness and setting the time of repayment; providing the manner of issuance of such indebtedness; authorizing the governor to enter into trust agreements and covenants and to contract for professional and technical services in connection with such issuance; specifying that evidences of such indebtedness shall be negotiable instruments; providing for exemption of principal and interest on such indebtedness from taxation by the state and its political subdivisions; specifying that such indebtedness shall not be an obligation of the state; creating special fund for receipt of proceeds of such issuance and providing the purpose for which such proceeds may be expended; creating a special fund for
for repayment of principal and interest on such indebtedness; pledging and dedicating certain portion of consumers sales tax for said repayment; and authorizing repayments from such fund to the occupational pneumoconiosis fund.

Be it enacted by the Legislature of West Virginia:

That section nineteen, article one, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that section thirty, article fifteen, chapter eleven of said code be amended and reenacted, all to read as follows:

CHAPTER 5. GENERAL POWERS AND AUTHORITY OF THE GOVERNOR, SECRETARY OF STATE AND ATTORNEY GENERAL; BOARD OF PUBLIC WORKS; MISCELLANEOUS AGENCIES, COMMISSIONS, OFFICES, PROGRAMS, ETC.

ARTICLE 1. THE GOVERNOR.

§5-1-19. Temporary loans.

1 The governor may raise, from time to time, by temporary loans, not having over eighteen months to run, nor bearing a greater interest than two cents per hundred dollars per day, so much as may be needed to supply the wants of the treasury: Provided, That the governor may, on or before the thirtieth day of June, one thousand nine hundred eighty-nine, issue notes, revenue bonds, certificates or other evidences of indebtedness of the state as provided in this section to redeem previous liabilities for the ordinary expenses of the state. Such notes, revenue bonds, certificates or other evidences of indebtedness may not exceed in the aggregate the principal sum of one hundred thirty-five million dollars and shall provide for repayment of principal and interest in full no later than the thirtieth day of June, one thousand nine hundred ninety-two.

The issuance of such notes, revenue bonds, certificates or other evidences of indebtedness shall be authorized by an executive order, and such notes, revenue bonds, certificates or other evidences of indebtedness shall be payable in such medium of
payment and at such place or places, within or without
the state, and may have such other terms and
conditions as the governor determines. Such notes,
revenue bonds, certificates or other evidences of
indebtedness shall be signed by the governor, under
the great seal of the state, and attested by the secre-
tary of state. The governor and secretary of state may
sign and attest such notes, revenue bonds, certificates
or other evidences of indebtedness by facsimile signa-
ture. Such notes, revenue bonds, certificates or other
evidences of indebtedness may be issued at such
interest rate or rates as the governor deems reason-
able and necessary to serve the best interests of the
state and to enhance their marketability. Such notes,
revenue bonds, certificates or other evidences of
indebtedness shall be sold in such manner and on such
terms and conditions as the governor may determine
to be in the best interests of the state. Any revenue
bonds issued hereunder shall be in registered form.

The governor may enter into trust agreements with
banks or trust companies, within or without the state,
and in such trust agreements or the executive order
authorizing the issuance of such notes, revenue bonds,
certificates or other evidences of indebtedness he may
enter into valid and legally binding covenants with the
holders of such notes, revenue bonds, certificates or
other evidences of indebtedness as to the custody,
safekeeping and disposition of the moneys within the
“Fiscal Responsibility Fund” hereinafter created and
as to any other matters or provisions which are
deemed necessary or advisable by the governor to
serve the best interests of the state and to enhance the
marketability of such notes, revenue bonds,
certificates or other evidences of indebtedness. The
governor may contract for the provision of such
professional and technical services as he may deem
necessary or advisable in connection with the issuance
of such notes, revenue bonds, certificates or other
evidences of indebtedness, including without limita-
tion accounting, actuarial, consulting, financial and
legal services. The fees and expenses of such
professionals and any and all other costs associated
with the issuance of such notes, revenue bonds, certificates or other evidences of indebtedness shall be payable from the proceeds of such issuance.

Such notes, revenue bonds, certificates or other evidences of indebtedness shall be and constitute negotiable instruments under the Uniform Commercial Code of this state; shall, together with the interest thereon, be exempt from all taxation by the state of West Virginia, or by any county, school district, municipality or political subdivision thereof; and such notes, revenue bonds, certificates or other evidences of indebtedness shall not be deemed to be general obligations or debts of the state within the meaning of the constitution of the state of West Virginia, and the credit or the taxing power of the state shall not be pledged therefor, but such notes, revenue bonds, certificates or other evidences of indebtedness shall be payable only from the revenue pledged therefor as provided in this section.

The proceeds of any indebtedness issued hereunder shall be paid into a special fund hereby created in the state treasury named “The Fund for Redemption of Previous Liabilities”. The governor may make disbursements from this fund to pay the reasonable fees, expenses and costs associated with the issuance of the indebtedness authorized by this section, and such other disbursements as he deems necessary to redeem previous liabilities for the ordinary expenses of the state.

There is hereby created in the state treasury a special fund named the “Fiscal Responsibility Fund” into which shall be paid on and after the first day of July, one thousand nine hundred eighty-nine, the amounts as and when specified in section thirty, article fifteen, chapter eleven of this code. All moneys deposited in said fund are pledged to the repayment of principal and interest on any notes, revenue bonds, certificates or other evidences of indebtedness issued pursuant to this section. A lien on the fund shall exist in favor of the holders of any notes, revenue bonds, certificates or other evidences of indebtedness issued
under this section to the extent of such indebtedness. Any moneys not needed for repayment of principal and interest on and costs associated with the notes, revenue bonds, certificates or other evidences of indebtedness authorized by this section may be used to repay principal and interest on moneys previously transferred from the occupational pneumoconiosis fund pursuant to section eight-a, article four-b, chapter twenty-three of this code. Repayment to the occupational pneumoconiosis fund, if any, shall be made into the special account created in the state treasury by said section eight-a. Any amounts remaining in the “Fiscal Responsibility Fund” after provisions for repayment of indebtedness issued pursuant to this section and not otherwise used for repayment of moneys previously transferred from the occupational pneumoconiosis fund shall be transferred to the general revenue fund of this state on or before the first day of August, one thousand nine hundred ninety-two.

CHAPTER 11. TAXATION.

ARTICLE 15. CONSUMERS SALES TAX.

§11-15-30. Proceeds of tax; dedication of certain revenues

1 The proceeds of the tax imposed by this article shall be deposited in the general revenue fund of the state: Provided, That beginning the first day of July, one thousand nine hundred eighty-nine, and continuing each month thereafter through the last day of July, one thousand nine hundred ninety-two, the first five million dollars of proceeds of this tax for each month shall be paid into the “Fiscal Responsibility Fund” created by section nineteen, article one, chapter five of this code and used for the purposes specified therein: Provided, however, That for the fiscal year one thousand nine hundred eighty-nine, one million dollars of the proceeds of the tax imposed by this article shall be dedicated to the cancer center at West Virginia University and eight million dollars of the proceeds of the tax imposed by this article shall be dedicated to the “Higher Education Salary Fund”
which is hereby created in the state treasury. All moneys credited to the higher education salary fund shall be expended by the board of regents for further implementation of the fee schedules established in articles twenty-two and twenty-six-b, chapter eighteen of this code.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originated in the Senate.

In effect from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker House of Delegates

The within is approved this the day of 1889.

[Signature]
Governor
PRESENTED TO THE
GOVERNOR
Date 3/02
Time 11:01