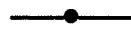


No. 249

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
2 temporary loans, not having over eighteen months to
3 run, nor bearing a greater interest than two cents per
4 hundred dollars per day, so much as may be needed to
5 supply the wants of the treasury: *Provided*, That the
6 governor may, on or before the thirtieth day of June,
7 one thousand nine hundred eighty-nine, issue notes,
8 revenue bonds, certificates or other evidences of
9 indebtedness of the state as provided in this section to
10 redeem previous liabilities for the ordinary expenses
11 of the state. Such notes, revenue bonds, certificates or
12 other evidences of indebtedness may not exceed in the
13 aggregate the principal sum of one hundred thirty-five
14 million dollars and shall provide for repayment of
15 principal and interest in full no later than the thirtieth
16 day of June, one thousand nine hundred ninety-two.

17 The issuance of such notes, revenue bonds,
18 certificates or other evidences of indebtedness shall be
19 authorized by an executive order, and such notes,
20 revenue bonds, certificates or other evidences of
21 indebtedness shall be payable in such medium of

22 payment and at such place or places, within or without
23 the state, and may have such other terms and
24 conditions as the governor determines. Such notes,
25 revenue bonds, certificates or other evidences of
26 indebtedness shall be signed by the governor, under
27 the great seal of the state, and attested by the secre-
28 tary of state. The governor and secretary of state may
29 sign and attest such notes, revenue bonds, certificates
30 or other evidences of indebtedness by facsimile signa-
31 ture. Such notes, revenue bonds, certificates or other
32 evidences of indebtedness may be issued at such
33 interest rate or rates as the governor deems reason-
34 able and necessary to serve the best interests of the
35 state and to enhance their marketability. Such notes,
36 revenue bonds, certificates or other evidences of
37 indebtedness shall be sold in such manner and on such
38 terms and conditions as the governor may determine
39 to be in the best interests of the state. Any revenue
40 bonds issued hereunder shall be in registered form.

41 The governor may enter into trust agreements with
42 banks or trust companies, within or without the state,
43 and in such trust agreements or the executive order
44 authorizing the issuance of such notes, revenue bonds,
45 certificates or other evidences of indebtedness he may
46 enter into valid and legally binding covenants with the
47 holders of such notes, revenue bonds, certificates or
48 other evidences of indebtedness as to the custody,
49 safekeeping and disposition of the moneys within the
50 "Fiscal Responsibility Fund" hereinafter created and
51 as to any other matters or provisions which are
52 deemed necessary or advisable by the governor to
53 serve the best interests of the state and to enhance the
54 marketability of such notes, revenue bonds,
55 certificates or other evidences of indebtedness. The
56 governor may contract for the provision of such
57 professional and technical services as he may deem
58 necessary or advisable in connection with the issuance
59 of such notes, revenue bonds, certificates or other
60 evidences of indebtedness, including without limita-
61 tion accounting, actuarial, consulting, financial and
62 legal services. The fees and expenses of such
63 professionals and any and all other costs associated

64 with the issuance of such notes, revenue bonds,
65 certificates or other evidences of indebtedness shall be
66 payable from the proceeds of such issuance.

67 Such notes, revenue bonds, certificates or other
68 evidences of indebtedness shall be and constitute
69 negotiable instruments under the Uniform Commer-
70 cial Code of this state; shall, together with the interest
71 thereon, be exempt from all taxation by the state of
72 West Virginia, or by any county, school district,
73 municipality or political subdivision thereof; and such
74 notes, revenue bonds, certificates or other evidences of
75 indebtedness shall not be deemed to be general
76 obligations or debts of the state within the meaning of
77 the constitution of the state of West Virginia, and the
78 credit or the taxing power of the state shall not be
79 pledged therefor, but such notes, revenue bonds,
80 certificates or other evidences of indebtedness shall be
81 payable only from the revenue pledged therefor as
82 provided in this section.

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

93 There is hereby created in the state treasury a
94 special fund named the "Fiscal Responsibility Fund"
95 into which shall be paid on and after the first day of
96 July, one thousand nine hundred eighty-nine, the
97 amounts as and when specified in section thirty,
98 article fifteen, chapter eleven of this code. All moneys
99 deposited in said fund are pledged to the repayment of
100 principal and interest on any notes, revenue bonds,
101 certificates or other evidences of indebtedness issued
102 pursuant to this section. A lien on the fund shall exist
103 in favor of the holders of any notes, revenue bonds,
104 certificates or other evidences of indebtedness issued

105 under this section to the extent of such indebtedness.
106 Any moneys not needed for repayment of principal
107 and interest on and costs associated with the notes,
108 revenue bonds, certificates or other evidences of
109 indebtedness authorized by this section may be used to
110 repay principal and interest on moneys previously
111 transferred from the occupational pneumoconiosis
112 fund pursuant to section eight-a, article four-b, chap-
113 ter twenty-three of this code. Repayment to the
114 occupational pneumoconiosis fund, if any, shall be
115 made into the special account created in the state
116 treasury by said section eight-a. Any amounts
117 remaining in the "Fiscal Responsibility Fund" after
118 provisions for repayment of indebtedness issued
119 pursuant to this section and not otherwise used for
120 repayment of moneys previously transferred from the
121 occupational pneumoconiosis fund shall be transferred
122 to the general revenue fund of this state on or before
123 the first day of August, one thousand nine hundred
124 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
2 be deposited in the general revenue fund of the state:
3 *Provided*, That beginning the first day of July, one
4 thousand nine hundred eighty-nine, and continuing
5 each month thereafter through the last day of July,
6 one thousand nine hundred ninety-two, the first five
7 million dollars of proceeds of this tax for each month
8 shall be paid into the "Fiscal Responsibility Fund"
9 created by section nineteen, article one, chapter five of
10 this code and used for the purposes specified therein:
11 *Provided, however*, That for the fiscal year one
12 thousand nine hundred eighty-nine, one million
13 dollars of the proceeds of the tax imposed by this
14 article shall be dedicated to the cancer center at West
15 Virginia University and eight million dollars of the
16 proceeds of the tax imposed by this article shall be
17 dedicated to the "Higher Education Salary Fund"

18 which is hereby created in the state treasury. All
19 moneys credited to the higher education salary fund
20 shall be expended by the board of regents for further
21 implementation of the fee schedules established in
22 articles twenty-two and twenty-six-b, chapter eighteen
23 of this code.

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

Frederick L. Parker
Chairman Senate Committee

J. L. Sath
Chairman House Committee

Originated in the Senate.

In effect from passage.

Jedd C. White
Clerk of the Senate

Donald L. Hogg
Clerk of the House of Delegates

Lansford
President of the Senate

W. H. ...
Speaker House of Delegates

The within *is* approved this the *8th* day of *March* 1889
Gaston Caperton
Governor

PRESENTED TO THE

GOVERNOR

Date 3/02

Time 11:01