WEST VIRGINIA LEGISLATURE
First Extraordinary
REGULAR SESSION, 1997

ENROLLED

SENATE BILL NO. 1003

(By Senators Toms, the President, and Burdette, by request of the Executive)

PASSED APRIL 20, 1997
In Effect EIGHTH PASSAGE
ENROLLED

Senate Bill No. 1003

(By Senators Tomblin, Mr. President, and Buckalew,
By Request of the Executive)

[Passed April 20, 1997; in effect from passage.]

AN ACT to amend and reenact section nineteen, article six, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to increasing the amount of borrowing authorized from the consolidated fund by the state building commission for construction of regional jails and correctional facilities; clarifying procedures for the loans; and setting priorities for use of the loan proceeds.

Be it enacted by the Legislature of West Virginia:

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

ARTICLE 6. WEST VIRGINIA STATE INVESTMENT MANAGEMENT BOARD.
§12-6-19. Authorization for loans by the board.

(a) The board, upon request of the state building commission, shall transfer moneys as a loan to the state building commission in an amount not to exceed in the aggregate twenty-one million dollars for the purposes of financing or refinancing the projects specified in subsections (b) and (d), section eight, article six, chapter five of this code. The money borrowed shall bear interest during the term of the loan at a fixed rate not to exceed the interest rate on treasury notes, bills or bonds of the same term as the term of the loan the week of closing on the loan as reported by the treasury of the United States. Loans made under this subsection shall be repaid in regular monthly or semiannual payments, or as funds are made available by the budget office of department of administration, and shall be paid in full not later than twenty-five years from the date the loans are made with terms and conditions mutually agreed upon by the state building commission and the investment management board.

(b) The state board of investments shall upon request of the state building commission transfer moneys as a loan to the state building commission in an amount not to exceed in the aggregate one hundred thirty-seven million dollars for the purposes of financing construction of regional jails, correctional facilities or building extensions or improvements to regional jails and correctional facilities. Prior to the expenditure of any loan proceeds, the regional jail and correctional facility authority shall certify a list of projects to the state building commission and the joint committee on government and finance that shall be funded from loan proceeds. This certified list cannot thereafter be altered or amended other than by legislative enactment. The state building commission shall borrow money as needed by the regional jail and correctional facility authority. The investment management board shall transfer loan proceeds to the authority for expenditure. The money borrowed shall bear interest during the term of the loan at a fixed rate not to exceed the interest rate on treasury notes, bills or bonds of the same term as
the term of the loan the week of closing on the loan as
reported by the treasury of the United States.

(c) The regional jail and correctional facility authority
shall expend the loan proceeds received under the provi-
sions of subsection (b) of this section to proceed with the
projects included in the letter submitted to the joint
committee on government and finance dated the fifteenth
day of January, one thousand nine hundred ninety-seven:
Provided, That the letter shall not be construed to priori-
tize any project or projects which are included in the
letter: Provided, however, That the authority may also
expend loan proceeds for any expansion to any existing
regional jail or any expansion to a regional jail under
construction upon the effective date of this section.

(d) Loans made under this section for the projects
specified in subsection (b) of this section and in subsection
(d), section eight, article six, chapter five of this code,
shall be repaid in annual payments of not less than twelve
million dollars per year by appropriation of the Legisla-
ture to the board. The amount transferred for loans under
subsection (a) or (b) of this section shall not exceed that
amount which the board determines is reasonable given
the cash flow needs of the consolidated fund. The board
shall make transfers for loans first for the project speci-
fied in subsection (d), section eight, article six, chapter
five of this code, second for the projects specified in
subsection (b) of this section and third for projects speci-
fied in subsection (b), section eight, article six, chapter
five of this code, which are in imminent danger of default
in payment. The board shall take the steps necessary to
increase the liquidity of the consolidated fund over a
period of the next five years to allow for the loans pro-
vided in this section without increasing the risk of loss in
the consolidated fund.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the 

day of 


Governor

1997.