

SB 1003

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STATE OF WEST VIRGINIA

WEST VIRGINIA LEGISLATURE
FIRST EXTRAORDINARY
REGULAR SESSION, 1997



ENROLLED

SENATE BILL NO. 1003

(By Senators TOMBLIN, MR. PRESIDENT, AND BUCKLEW,
By REQUEST OF THE EXECUTIVE)



PASSED APRIL 20, 1997

In Effect FROY Passage

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SENATE

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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.

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

20 (b) The state board of investments shall upon request of
21 the state building commission transfer moneys as a loan to
22 the state building commission in an amount not to exceed
23 in the aggregate one hundred thirty-seven million dollars
24 for the purposes of financing construction of regional jails,
25 correctional facilities or building extensions or improve-
26 ments to regional jails and correctional facilities. Prior to
27 the expenditure of any loan proceeds, the regional jail and
28 correctional facility authority shall certify a list of
29 projects to the state building commission and the joint
30 committee on government and finance that shall be
31 funded from loan proceeds. This certified list cannot
32 thereafter be altered or amended other than by legislative
33 enactment. The state building commission shall borrow
34 money as needed by the regional jail and correctional
35 facility authority. The investment management board
36 shall transfer loan proceeds to the authority for expendi-
37 ture. The money borrowed shall bear interest during the
38 term of the loan at a fixed rate not to exceed the interest
39 rate on treasury notes, bills or bonds of the same term as

40 the term of the loan the week of closing on the loan as
41 reported by the treasury of the United States.

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

54 (d) Loans made under this section for the projects
55 specified in subsection (b) of this section and in subsection
56 (d), section eight, article six, chapter five of this code,
57 shall be repaid in annual payments of not less than twelve
58 million dollars per year by appropriation of the Legisla-
59 ture to the board. The amount transferred for loans under
60 subsection (a) or (b) of this section shall not exceed that
61 amount which the board determines is reasonable given
62 the cash flow needs of the consolidated fund. The board
63 shall make transfers for loans first for the project speci-
64 fied in subsection (d), section eight, article six, chapter
65 five of this code, second for the projects specified in
66 subsection (b) of this section and third for projects speci-
67 fied in subsection (b), section eight, article six, chapter
68 five of this code, which are in imminent danger of default
69 in payment. The board shall take the steps necessary to
70 increase the liquidity of the consolidated fund over a
71 period of the next five years to allow for the loans pro-
72 vided in this section without increasing the risk of loss in
73 the consolidated fund.

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

Ray A. Schenover
.....
Chairman Senate Committee

Mick Tomassa
.....
Chairman House Committee

Originated in the Senate.

In effect from passage.

Darrell B. Price
.....
Clerk of the Senate

Bryony M. Boy
.....
Clerk of the House of Delegates

Carl Ray Tomblin
.....
President of the Senate

R. F. K.
.....
Speaker House of Delegates

The within *is approved* this the *16th*
day of *May*, 1997.

Jeff D. Branson
.....
Governor

PRESENTED TO THE

GOVERNOR

Date

4/30/97

Time

3:21 pm