WEST VIRGINIA LEGISLATURE
Regular Session, 2004

ENROLLED

SENATE BILL NO. 573

(By Senators Poe and McCabe)

PASSED March 13, 2004

In Effect 90 Days from Passage
AN ACT to amend and reenact §31-15-2 and §31-15-3 of the code of West Virginia, 1931, as amended, all relating to providing a procedure for the economic development authority to address employment and economic development problems of minority populations of this state.

Be it enacted by the Legislature of West Virginia:

That §31-15-2 and §31-15-3 of the code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 15. WEST VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY.

§31-15-2. Legislative findings.

1 It is hereby determined and declared as a matter of legislative finding: (a) That unemployment exists in many areas of the state and may well come about, from time to time, in other areas of the state; (b) that in some areas of the state, unemployment is a serious problem and has been
for so long a period of time that, without remedial measures, it may become so in other areas of the state; (c) that economic insecurity due to unemployment is a serious menace to the health, safety, morals and general welfare of the people of the entire state; (d) that widespread industry unemployment produces indigency which falls with crushing force upon all unemployed workers and ultimately upon the state in the form of welfare and unemployment compensation; (e) that the absence of employment and business opportunities for youth is a serious threat to the strength and permanence of their faith in our American political and economic institutions and the philosophy of freedom on which those institutions are based; (f) that lack of employment and business opportunities has resulted in thousands of workers and their families leaving the state to find such opportunities elsewhere and that this exodus has adversely affected the tax base of counties and municipalities resulting in an impairment of their financial ability to support education and other local government services; (g) that security against unemployment and the spread of indigency and economic stagnation can best be provided by the promotion, attraction, stimulation, rehabilitation and revitalization of commerce, tourism, industry and manufacturing; (h) that the present and future health, safety, morals, right to gainful employment and general welfare of the people of the state require as a public purpose the promotion and development of new and expanded coal and other energy production, industrial, commercial, tourist and manufacturing enterprises within this state; (i) that the means and measures being authorized for the financing of projects, including the insuring of loans or other debt issued for working capital or the refinancing of existing debt of an enterprise, are, as a matter of public policy, for the public purposes of the several counties, municipalities and the state; (j) that the device under which private community industrial development organizations in the state acquire or build industrial buildings or sites and equip the same with funds raised
through popular subscription, loans or otherwise for lease
and sale to new or expanding industries has proven
effective in creating new employment and business
opportunities locally, is in accord with the American
tradition of community initiative and enterprise and
requires and deserves encouragement and support from
the state as a means toward alleviation of unemployment
and economic distress; (k) that community industrial
development corporations in the state have invested
substantial funds in successful coal production, industrial
projects and are experiencing difficulty in undertaking
additional projects by reason of the partial inadequacy of
their own funds potentially available from local subscrip-
tion sources and by reason of limitations of local financial
institutions in providing additional and sufficiently sizable
first deed of trust or mortgage loans or letters of credit and
other forms of credit enhancement; (l) that minority
business ownership, especially among African-Americans
in the area of Charleston, West Virginia, is proportionately
less than minority business ownership nationwide and
statewide, the unemployment rate for African-Americans
recently has been about twice the unemployment rate for
caucasians and significantly higher in some counties with
a greater concentration of African-Americans and an
urgent need exists to encourage African-Americans and
minority business ownership and higher employment; (m)
that an urgent need exists to stimulate a larger flow of
private investment funds from banks, investment houses,
insurance companies and other financial institutions into
projects; (n) that by increasing the number of projects
presenting attractive opportunities for private investment,
a larger portion of the private capital available in this
state for investment can be put to use for the general
economic development of the state; (o) that the availability
of financial assistance through the creation of an insur-
ance fund will promote the economic development of the
state; and that it is in the public interest, in order to
address the needs aforesaid, that a state instrumentality be
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created as a public body corporate with full powers to accept grants, gifts and appropriations, to generate revenues, to borrow money and issue its bonds, notes, commercial paper, other debt instruments and security interests to the end that funds obtained thereby may be used to furnish money and credit to approved industrial development agencies or enterprises or to promote the establishment of new projects or to retain existing projects.


The purposes of this article shall be to provide for the formation of a public economic development authority to promote, assist, encourage and, in conjunction with such banking corporations or institutions, trust companies, savings banks, building and loan associations, insurance companies or related corporations, partnerships, foundations, nonprofit organizations or other institutions, to develop and advance the business prosperity and economic welfare of the state of West Virginia; to encourage and assist in the location of new business and industry; to stimulate and assist in the expansion of all kinds of business activity which will tend to promote the business development and maintain the economic stability of this state, provide maximum opportunities for employment, encourage thrift and improve the standard of living of the citizens of this state; to cooperate and act in conjunction with other organizations, public or private, the objects of which are the promotion and advancement of industrial, commercial, tourist or manufacturing developments in this state; to borrow moneys and to issue its bonds, notes, commercial paper, other debt instruments and security interests as well as creating an insurance fund for credit enhancement purposes; to furnish money and credit or credit enhancement to approved industrial development agencies or enterprises in this state or for the promotion of new projects or to retain existing projects or to financially assist projects by insuring bonds, notes, loans and other
instruments, including, but not limited to, the insuring of
financing of working capital or the refinancing of existing
debt of an enterprise, thereby establishing a source of
credit and credit enhancement not otherwise available; to
review state procurement policies and practices to assure
that they meet federal and state requirements and that
they effectively encourage meaningful participation of
African-Americans and other minority persons in the
process of competing for and awarding of state contracts
for goods and services; to encourage the state to continue
to support and expand small business incubator programs,
including the program at institutions of higher education
in the state; to encourage new and minority small business
development; to undertake initiatives to encourage
minority business ownership similar to those efforts used
to encourage greater rates of business ownership among
women; to assist community and economic development
corporations to provide effective technical and business
advisory services to minority-owned and -operated
enterprises; to encourage industry, banks and other private
businesses to hire African-Americans and other minority
persons; to encourage governmental agencies and bodies
and businesses to be more aggressive in establishing
diversity-conscious practices as employers and for their
operations; to enlist traditional and nontraditional lending
institutions to be more creative and favorable to lending in
minority communities and to minority persons, especially
for business enterprises; to encourage small business
start-up and expansion and provide funding to assist
minority vendors to meet bid bonding requirements; and
to encourage workforce investment boards to be account-
able for educating poor and minority persons for jobs
better than low-paying service jobs. These purposes are
hereby declared to be public purposes for which public
money may be spent and are purposes which will promote
the health, safety, morals, right to gainful employment,
business opportunities and general welfare of the inhabit-
ants of the state.
The 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 ninety days 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 31st Day of March, 2004.

Governor