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2005 APR 19 P 4:15

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**WEST VIRGINIA LEGISLATURE**

*Regular Session, 2005*

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**ENROLLED**

SENATE BILL NO. 417

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

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PASSED April 4, 2005

In Effect ninety days from Passage

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## **Senate Bill No. 417**

(BY SENATORS TOMBLIN, MR. PRESIDENT, AND SPROUSE,  
BY REQUEST OF THE EXECUTIVE)

[Passed April 4, 2005; in effect ninety days from passage.]

AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §7-12-9b, relating generally to joint development entities; providing that municipalities, county development authorities or municipal development authorities, or both, may organize and jointly own joint development entities for the purpose of developing and owning local economic development projects; describing the powers, duties and authority of joint development entities; and providing that joint development entities, as political subdivisions of the State of West Virginia, are exempt from all state and local taxation.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §7-12-9b, to read as follows:

**ARTICLE 12. COUNTY AND MUNICIPAL DEVELOPMENT AUTHORITIES.**

**§7-12-9b. Joint development entities.**

1 (a) The Legislature hereby finds and declares that the  
2 citizens of this state would benefit from coordinated  
3 economic development efforts and that to encourage  
4 cooperation and coordination, municipalities and county  
5 and municipal development authorities should be autho-  
6 rized to organize and jointly own all of the partnership,  
7 ownership and membership interests in a partnership,  
8 corporation or limited liability company for the sole  
9 purpose of undertaking jointly through their joint owner-  
10 ship of or membership in the partnership, corporation or  
11 limited liability company any project or projects that an  
12 authority established pursuant to this article would be  
13 permitted to undertake.

14 (b) Any combination of two or more municipalities,  
15 municipal development authorities or county development  
16 authorities may jointly form and hold all of the partner-  
17 ship, ownership or membership interests in a partnership,  
18 corporation or limited liability company, the sole purpose  
19 of which is to develop and own one or more joint economic  
20 development projects (for purposes of this section, a “joint  
21 development entity”). No person or entity other than a  
22 municipality, municipal development authority or county  
23 development authority may own any ownership or mem-  
24 bership interest in a joint development entity. Any  
25 existing partnership, corporation or limited liability  
26 company is a joint development entity on and after the  
27 effective date of this section if: (i) It was organized for the  
28 purposes described in this subsection prior to the effective  
29 date of this section; and (ii) the partnership, ownership or  
30 membership interests in it meet the requirements of this  
31 subsection on and after the effective date of this section.

32 (c) To the extent consistent with and not prohibited by or  
33 in conflict with the restrictions and limitations on, or the  
34 rights and attributes of, a joint development entity set  
35 forth in this section, the applicable general law governing  
36 partnerships, corporations or limited liability companies

37 govern the organization, existence, duration, powers,  
38 governance and dissolution of a joint development entity  
39 and the rights and responsibilities of the partners, owners  
40 or members of a joint development entity.

41 (d) A joint development entity is a public corporation  
42 and a political subdivision and instrumentality of its  
43 partners, owners or members and has the powers, rights  
44 and privileges of an authority set forth in sections seven,  
45 eight, nine, ten, eleven, twelve and fourteen of this article  
46 in addition to those granted to partnerships, corporations  
47 and limited liability companies under applicable general  
48 law.

49 (e) For West Virginia tax purposes, a joint development  
50 entity is a political subdivision of the State of West  
51 Virginia and is exempt from all state and local taxation  
52 and all real and personal property owned by a joint  
53 development entity, or which the joint development entity  
54 may acquire to be leased, sold or otherwise disposed of, is  
55 exempt from taxation by the state or any county, munic-  
56 ipality or other levying body as public property.

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

*Wanda White*  
.....  
Chairman Senate Committee

*Richard Berry*  
.....  
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

*Russell E. Holmes*  
.....  
Clerk of the Senate

*Bryan M. Seal*  
.....  
Clerk of the House of Delegates

*Carl Roy Tomblin*  
.....  
President of the Senate

*Robert Glass*  
.....  
Speaker House of Delegates

The within *is approved* this the *19th*  
Day of *April*, 2005.

*[Signature]*  
.....  
Governor

PRESENTED TO THE  
GOVERNOR

Date 4/13/05

Time 10:50am