

SB 518

FILED

2015 APR -2 P 12: 37

WEST VIRGINIA LEGISLATURE
EIGHTY-SECOND LEGISLATURE
REGULAR SESSION, 2015

OFFICE WEST VIRGINIA
SECRETARY OF STATE



ENROLLED

Senate Bill No. 518

(BY SENATORS BLAIR, CARMICHAEL, SNYDER,
TRUMP AND UNGER)

[PASSED MARCH 14, 2015; IN EFFECT NINETY DAYS FROM PASSAGE.]

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(BY SENATORS BLAIR, CARMICHAEL, SNYDER,
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[Passed March 14, 2015; in effect ninety days from passage.]

AN ACT to amend and reenact §7-12-7 of the Code of West Virginia, 1931, as amended, relating generally to granting county and municipal economic development authorities the authority to invest funds received from the sale, lease or other disposition of real or personal property owned by such authority in a manner determined by the authority's board of directors to be in the best interest of the authority under an investment policy adopted and maintained by the board that is consistent with the standards of the Uniform Prudent Investor Act; requiring that for short-term investments the board of directors shall consult with the State Treasurer prior to investing funds; and requiring that for long-term investments, the board shall consult with the Investment Management Board and compare the rate of return on investment for the previous three years and compare the expense loads for the past three years, and if the comparison for the Investment Management Board is more favorable, the board must invest the funds with the Investment Management Board.

Be it enacted by the Legislature of West Virginia:

That §7-12-7 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 12. COUNTY AND MUNICIPAL DEVELOPMENT AUTHORITIES.

§7-12-7. Powers generally.

1 (a) The development authority is hereby given power and
2 authority as follows: (1) To make and adopt all necessary
3 bylaws and rules for its organization and operations not
4 inconsistent with laws; (2) to elect its own officers, to appoint
5 committees and to employ and fix compensation for
6 personnel necessary for its operation; (3) to enter into
7 contracts with any person, agency, governmental department,
8 firm or corporation, including both public and private
9 corporations, and generally to do any and all things necessary
10 or convenient for the purpose of promoting, developing and
11 advancing the business prosperity and economic welfare of
12 the county in which it is intended to operate, its citizens and
13 industrial complex, including, without limiting any of the
14 foregoing, the construction of any building or structure for
15 lease to the federal government or any of its agencies or
16 departments, and in connection therewith to prepare and
17 submit bids and negotiate with the federal government or
18 such agencies or departments in accordance with plans and
19 specifications and in the manner and on the terms and
20 conditions and subject to any requirements, regulations, rules
21 and laws of the United States of America for the construction
22 of said buildings or structures and the leasing thereof to the
23 federal government or such agencies or departments; (4) to
24 amend or supplement any contracts or leases or to enter into
25 new, additional or further contracts or leases upon such terms
26 and conditions, for such consideration and for such term of
27 duration, with or without option of renewal, as may be agreed
28 upon by the authority and such person, agency, governmental

29 department, firm or corporation; (5) unless otherwise
30 provided for in, and subject to the provisions of, such
31 contracts, or leases, to operate, repair, manage and maintain
32 such buildings and structures and provide adequate insurance
33 of all types and in connection with the primary use thereof
34 and incidental thereto to provide such services, such as barber
35 shops, newsstands, drugstores and restaurants, and to
36 effectuate such incidental purposes, grant leases, permits,
37 concessions or other authorizations to any person or persons,
38 upon such terms and conditions, for such consideration and
39 for such term of duration as may be agreed upon by the
40 authority and such person, agency, governmental department,
41 firm or corporation; (6) to delegate any authority given to it
42 by law to any of its officers, committees, agents or
43 employees; (7) to apply for, receive and use grants-in-aid,
44 donations and contributions from any source or sources and
45 to accept and use bequests, devises, gifts and donations from
46 any person, firm or corporation; (8) to acquire real property
47 by gift, purchase or construction, or in any other lawful
48 manner, and hold title thereto in its own name and to sell,
49 lease or otherwise dispose of all or part of such real property
50 which it may own, either by contract or at public auction,
51 upon the approval by the board of directors of the
52 development authority: *Provided*, That the funds received by
53 the authority as a result of selling, leasing or otherwise
54 disposing of all or part of such real property owned by the
55 authority may be invested by the authority in a manner
56 determined by the authority's board of directors to be in the
57 best interest of the authority under an investment policy
58 adopted and maintained by the board that is consistent with
59 the standards of the Uniform Prudent Investor Act set forth in
60 article six-c, chapter forty-four of this code: *Provided*,
61 *however*, That for short-term investments the board of
62 directors shall consult with the State Treasurer prior to
63 investing funds; for long-term investments, the board shall
64 consult with the Investment Management Board and compare

65 the rate of return on investment for the previous three years
66 and compare the expense loads for the past three years; if the
67 comparison for the Investment Management Board is more
68 favorable, the board must invest the funds with the
69 Investment Management Board; (9) to purchase or otherwise
70 acquire, own, hold, sell, lease and dispose of all or part of any
71 personal property which it may own, either by contract or at
72 public auction: *Provided further*, That the funds received by
73 the authority as a result of selling, leasing or otherwise
74 disposing of all or part of such personal property owned by
75 the authority may be invested by the authority in a manner
76 determined by the authority's board of directors to be in the
77 best interest of the authority under an investment policy
78 adopted and maintained by the board that is consistent with
79 the standards of the Uniform Prudent Investor Act set forth in
80 article six-c, chapter forty-four of this code: *And provided*
81 *further*, That for short-term investments the board of
82 directors shall consult with the State Treasurer prior to
83 investing funds; for long-term investments, the board shall
84 consult with the Investment Management Board and compare
85 the rate of return on investment for the previous three years
86 and compare the expense loads for the past three years; if the
87 comparison for the Investment Management Board is more
88 favorable, the board must invest the funds with the
89 Investment Management Board; (10) pursuant to a
90 determination by the board that there exists a continuing need
91 for programs to alleviate and prevent unemployment within
92 the county in which the authority is intended to operate or aid
93 in the rehabilitation of areas in said county which are
94 underdeveloped, decaying or otherwise economically
95 depressed and that moneys or funds of the authority are
96 necessary therefor, to borrow money and execute and deliver
97 the authority's negotiable notes, mortgage bonds, other
98 bonds, debentures and other evidences of indebtedness
99 therefor, on such terms as the authority shall determine and
100 give such security therefor as shall be requisite, including

101 giving a mortgage or deed of trust on its real or personal
102 property and facilities in connection with the issuance of
103 mortgage bonds; (11) to raise funds by the issuance and sale
104 of revenue bonds in the manner provided by the applicable
105 provisions of article sixteen, chapter eight of this code, it
106 being hereby expressly provided that a development authority
107 created under this article is a governing body within the
108 definition of that term as used in article sixteen, chapter eight
109 of this code; and (12) to expend its funds in the execution of
110 the powers and authority herein given, which expenditures,
111 by the means authorized herein, are hereby determined and
112 declared as a matter of legislative finding to be for a public
113 purpose and use, in the public interest, and for the general
114 welfare of the people of West Virginia, to alleviate and
115 prevent economic deterioration and to relieve the existing
116 critical condition of unemployment existing within the state.

117 (b) The amendment of this section enacted in the year
118 1998 is intended to clarify the intent of the Legislature as to
119 the manner in which an authority may sell, lease or otherwise
120 dispose of real and personal property owned by an authority
121 and shall be retroactive to the date of the prior enactment of
122 this section.

123 (c) Notwithstanding any provision of this code to the
124 contrary, any development authority participating in the
125 Appalachian Region Interstate Compact pursuant to chapter
126 seven-a of this code may agree to a revenue and economic
127 growth-sharing arrangement with respect to tax revenues and
128 other income and revenues generated by any facility owned
129 by an authority. Any development authority or member
130 locality may be located in any jurisdiction participating in the
131 Appalachian Region Interstate Compact or a similar
132 agreement for interstate cooperation for economic and
133 workforce development authorized by law. The obligations
134 of the parties to any such agreement shall not be debt within

135 the meaning of section eight, article X of the Constitution of
136 West Virginia. Any such agreement shall be approved by a
137 majority vote of the governing bodies of the member
138 localities reaching such an agreement but does not require
139 any other approval.

140 (d) "Member localities" means the counties,
141 municipalities or combination thereof which are members of
142 an authority.

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

Mark R. Peterson
.....
Chairman Senate Committee

John B. Mc
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Mark A. Barne
.....
Clerk of the Senate

Stephen J. Harrison
.....
Clerk of the House of Delegates

Phillip Pal
.....
President of the Senate

Andy M
.....
Speaker of the House of Delegates

The within *is approved* this the *2nd*
Day of *April*, 2015.

Earl Ray Tomblin
.....
Governor

PRESENTED TO THE GOVERNOR

MAR 27 2015

Time 3:25 pm