

SB 573 S

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OFFICE WEST VIRGINIA  
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE  
*REGULAR SESSION, 2004*

**ENROLLED**

SENATE BILL NO. 573

(By Senators POWE AND McCABE)

PASSED MARCH 13, 2004

In Effect 90 DAYS FROM Passage

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**Senate Bill No. 573**

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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  
2 legislative finding: (a) That unemployment exists in many  
3 areas of the state and may well come about, from time to  
4 time, in other areas of the state; (b) that in some areas of  
5 the state, unemployment is a serious problem and has been

6 for so long a period of time that, without remedial mea-  
7 sures, it may become so in other areas of the state; (c) that  
8 economic insecurity due to unemployment is a serious  
9 menace to the health, safety, morals and general welfare of  
10 the people of the entire state; (d) that widespread industry  
11 unemployment produces indigency which falls with  
12 crushing force upon all unemployed workers and ulti-  
13 mately upon the state in the form of welfare and unem-  
14 ployment compensation; (e) that the absence of employ-  
15 ment and business opportunities for youth is a serious  
16 threat to the strength and permanence of their faith in our  
17 American political and economic institutions and the  
18 philosophy of freedom on which those institutions are  
19 based; (f) that lack of employment and business opportuni-  
20 ties has resulted in thousands of workers and their families  
21 leaving the state to find such opportunities elsewhere and  
22 that this exodus has adversely affected the tax base of  
23 counties and municipalities resulting in an impairment of  
24 their financial ability to support education and other local  
25 government services; (g) that security against unemploy-  
26 ment and the spread of indigency and economic stagnation  
27 can best be provided by the promotion, attraction, stimu-  
28 lation, rehabilitation and revitalization of commerce,  
29 tourism, industry and manufacturing; (h) that the present  
30 and future health, safety, morals, right to gainful employ-  
31 ment and general welfare of the people of the state require  
32 as a public purpose the promotion and development of new  
33 and expanded coal and other energy production, indus-  
34 trial, commercial, tourist and manufacturing enterprises  
35 within this state; (i) that the means and measures being  
36 authorized for the financing of projects, including the  
37 insuring of loans or other debt issued for working capital  
38 or the refinancing of existing debt of an enterprise, are, as  
39 a matter of public policy, for the public purposes of the  
40 several counties, municipalities and the state; (j) that the  
41 device under which private community industrial develop-  
42 ment organizations in the state acquire or build industrial  
43 buildings or sites and equip the same with funds raised

44 through popular subscription, loans or otherwise for lease  
45 and sale to new or expanding industries has proven  
46 effective in creating new employment and business  
47 opportunities locally, is in accord with the American  
48 tradition of community initiative and enterprise and  
49 requires and deserves encouragement and support from  
50 the state as a means toward alleviation of unemployment  
51 and economic distress; (k) that community industrial  
52 development corporations in the state have invested  
53 substantial funds in successful coal production, industrial  
54 projects and are experiencing difficulty in undertaking  
55 additional projects by reason of the partial inadequacy of  
56 their own funds potentially available from local subscrip-  
57 tion sources and by reason of limitations of local financial  
58 institutions in providing additional and sufficiently sizable  
59 first deed of trust or mortgage loans or letters of credit and  
60 other forms of credit enhancement; (l) that minority  
61 business ownership, especially among African-Americans  
62 in the area of Charleston, West Virginia, is proportionately  
63 less than minority business ownership nationwide and  
64 statewide, the unemployment rate for African-Americans  
65 recently has been about twice the unemployment rate for  
66 caucasians and significantly higher in some counties with  
67 a greater concentration of African-Americans and an  
68 urgent need exists to encourage African-Americans and  
69 minority business ownership and higher employment; (m)  
70 that an urgent need exists to stimulate a larger flow of  
71 private investment funds from banks, investment houses,  
72 insurance companies and other financial institutions into  
73 projects; (n) that by increasing the number of projects  
74 presenting attractive opportunities for private investment,  
75 a larger portion of the private capital available in this  
76 state for investment can be put to use for the general  
77 economic development of the state; (o) that the availability  
78 of financial assistance through the creation of an insur-  
79 ance fund will promote the economic development of the  
80 state; and that it is in the public interest, in order to  
81 address the needs aforesaid, that a state instrumentality be

82 created as a public body corporate with full powers to  
83 accept grants, gifts and appropriations, to generate  
84 revenues, to borrow money and issue its bonds, notes,  
85 commercial paper, other debt instruments and security  
86 interests to the end that funds obtained thereby may be  
87 used to furnish money and credit to approved industrial  
88 development agencies or enterprises or to promote the  
89 establishment of new projects or to retain existing pro-  
90 jects.

**§31-15-3. Purposes of article.**

1 The purposes of this article shall be to provide for the  
2 formation of a public economic development authority to  
3 promote, assist, encourage and, in conjunction with such  
4 banking corporations or institutions, trust companies,  
5 savings banks, building and loan associations, insurance  
6 companies or related corporations, partnerships, founda-  
7 tions, nonprofit organizations or other institutions, to  
8 develop and advance the business prosperity and economic  
9 welfare of the state of West Virginia; to encourage and  
10 assist in the location of new business and industry; to  
11 stimulate and assist in the expansion of all kinds of  
12 business activity which will tend to promote the business  
13 development and maintain the economic stability of this  
14 state, provide maximum opportunities for employment,  
15 encourage thrift and improve the standard of living of the  
16 citizens of this state; to cooperate and act in conjunction  
17 with other organizations, public or private, the objects of  
18 which are the promotion and advancement of industrial,  
19 commercial, tourist or manufacturing developments in this  
20 state; to borrow moneys and to issue its bonds, notes,  
21 commercial paper, other debt instruments and security  
22 interests as well as creating an insurance fund for credit  
23 enhancement purposes; to furnish money and credit or  
24 credit enhancement to approved industrial development  
25 agencies or enterprises in this state or for the promotion of  
26 new projects or to retain existing projects or to financially  
27 assist projects by insuring bonds, notes, loans and other

28 instruments, including, but not limited to, the insuring of  
29 financing of working capital or the refinancing of existing  
30 debt of an enterprise, thereby establishing a source of  
31 credit and credit enhancement not otherwise available; to  
32 review state procurement policies and practices to assure  
33 that they meet federal and state requirements and that  
34 they effectively encourage meaningful participation of  
35 African-Americans and other minority persons in the  
36 process of competing for and awarding of state contracts  
37 for goods and services; to encourage the state to continue  
38 to support and expand small business incubator programs,  
39 including the program at institutions of higher education  
40 in the state; to encourage new and minority small business  
41 development; to undertake initiatives to encourage  
42 minority business ownership similar to those efforts used  
43 to encourage greater rates of business ownership among  
44 women; to assist community and economic development  
45 corporations to provide effective technical and business  
46 advisory services to minority-owned and -operated  
47 enterprises; to encourage industry, banks and other private  
48 businesses to hire African-Americans and other minority  
49 persons; to encourage governmental agencies and bodies  
50 and businesses to be more aggressive in establishing  
51 diversity-conscious practices as employers and for their  
52 operations; to enlist traditional and nontraditional lending  
53 institutions to be more creative and favorable to lending in  
54 minority communities and to minority persons, especially  
55 for business enterprises; to encourage small business  
56 start-up and expansion and provide funding to assist  
57 minority vendors to meet bid bonding requirements; and  
58 to encourage workforce investment boards to be account-  
59 able for educating poor and minority persons for jobs  
60 better than low-paying service jobs. These purposes are  
61 hereby declared to be public purposes for which public  
62 money may be spent and are purposes which will promote  
63 the health, safety, morals, right to gainful employment,  
64 business opportunities and general welfare of the inhabit-  
65 ants of the state.

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

*[Handwritten Signature]*  
.....  
Chairman Senate Committee

*[Handwritten Signature]*  
.....  
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

*[Handwritten Signature]*  
.....  
Clerk of the Senate

*[Handwritten Signature]*  
.....  
Clerk of the House of Delegates

*[Handwritten Signature]*  
.....  
President of the Senate

*[Handwritten Signature]*  
.....  
Speaker House of Delegates

The within is approved this the 31<sup>st</sup>  
Day of March, 2004.

*[Handwritten Signature]*  
.....  
Governor

PRESENTED TO THE  
GOVERNOR

DATE 3.3.04

TIME 10.45 AM