

1 **H. B. 4269**

2
3 (By Delegates Gearheart, Frazier, Hall,
4 Moore, Sumner, O'Neal, Ellington,
5 L. Phillips, and Savilla)

6 [Introduced January 23, 2012; referred to the
7 Committee on Roads and Transportation then Finance.]

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10 A BILL to amend and reenact §17-16A-10 and §17-16A-18 of the Code
11 of West Virginia, 1931, as amended, all relating to
12 eliminating tolls on the West Virginia Turnpike before
13 February 1, 2020, providing that no new bonds may be issued;
14 providing an exception; and providing that the West Virginia
15 Department of Highways accept ownership of the turnpike when
16 the bonds secured by toll revenues have been paid.

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

18 That §17-16A-10 and §17-16A-18 of the Code of West Virginia,
19 1931, as amended, be amended and reenacted, all to read as follows:

20 **ARTICLE 16A. WEST VIRGINIA PARKWAYS, ECONOMIC DEVELOPMENT AND**

21 **TOURISM AUTHORITY.**

22 **§17-16A-10. Parkway revenue bonds generally.**

23 (a) The Parkways Authority is authorized to provide by
24 resolution for the issuance of parkway revenue bonds of the state

1 for the purpose of paying all or any part of the cost of one or
2 more parkway projects: *Provided*, That this section shall not be
3 construed as authorizing the issuance of parkway revenue bonds for
4 the purpose of paying the cost of the West Virginia Turnpike, which
5 parkway revenue bonds may be issued only as authorized under
6 section eleven of this article. The principal of and the interest
7 on bonds shall be payable solely from the funds provided for
8 payment.

9 (b) The bonds of each issue shall be dated, shall bear
10 interest at a rate as may be determined by the Parkways Authority
11 in its sole discretion, shall mature at a time not exceeding forty
12 years from their date or of issue as may be determined by the
13 Parkways Authority, and may be made redeemable before maturity, at
14 the option of the Parkways Authority at a price and under the terms
15 and conditions as may be fixed by the Parkways Authority prior to
16 the issuance of the bonds.

17 © The Parkways Authority shall determine the form of the
18 bonds, including any interest coupons to be attached thereto, and
19 shall fix the denomination of the bonds and the place of payment of
20 principal and interest, which may be at any bank or trust company
21 within or without the state.

22 (d) The bonds shall be executed by manual or facsimile
23 signature by the chair of the Parkways Authority, and the official
24 seal of the Parkways Authority shall be affixed to or printed on

1 each bond, and attested, manually or by facsimile signature, by the
2 secretary and treasurer of the Parkways Authority. Any coupons
3 attached to any bond shall bear the manual or facsimile signature
4 of the chair of the Parkways Authority.

5 (e) In case any officer whose signature or a facsimile of
6 whose signature appears on any bonds or coupons shall cease to be
7 an officer before the delivery of the bonds, the signature or
8 facsimile shall nevertheless be valid and sufficient for all
9 purposes the same as if he or she had remained in office until
10 delivery. In case the seal of the Parkways Authority has been
11 changed after a facsimile has been imprinted on the bonds, then the
12 facsimile seal will continue to be sufficient for all purposes.

13 (f) All bonds issued under the provisions of this article
14 shall have all the qualities and incidents of negotiable
15 instruments under the negotiable instruments law of the state. The
16 bonds may be issued in coupon or in registered form, or both, as
17 the Parkways Authority may determine, and provision may be made for
18 the registration of any coupon bonds as to principal alone and also
19 as to both principal and interest, and for the recorders into
20 coupon bonds of any bonds registered as to both principal and
21 interest.

22 (g) The Parkways Authority may sell the bonds at a public or
23 private sale at a price it determines to be in the best interests
24 of the state.

1 (h) The proceeds of the bonds of each issue shall be used
2 solely for the payment of the cost of the parkway project or
3 parkway projects for which the bonds were issued, and shall be
4 disbursed in a manner consistent with the resolution authorizing
5 the issuance of the bonds or in the trust agreement securing the
6 bonds.

7 (I) If the proceeds of the bonds of any issue, by error of
8 estimates or otherwise, shall be less than the cost, then
9 additional bonds may in like manner be issued to provide the amount
10 of the deficit. Unless otherwise provided in the resolution
11 authorizing the issuance of the bonds or in the trust agreement
12 securing the bonds, the additional bonds shall be deemed to be of
13 the same issue and shall be entitled to payment from the same fund
14 without preference or priority of the bonds first issued. Except
15 as provided in this subsection, additional bonds may not be issued
16 on any parkways project related to the West Virginia Turnpike or
17 which would use West Virginia Turnpike toll revenues as a funding
18 stream for the bonded indebtedness or on any expansion or material
19 alteration to any existing parkways project which would use West
20 Virginia Turnpike toll revenues as a funding stream for the bonded
21 indebtedness.

22 (j) If the proceeds of the bonds of any issue exceed the cost
23 of the parkway project or parkway projects for which the bonds were
24 issued, then the surplus shall be deposited to the credit of the

1 sinking fund for the bonds.

2 (k) Prior to the preparation of definitive bonds, the Parkways
3 Authority may, under like restrictions, issue interim receipts or
4 temporary bonds, with or without coupons, exchangeable for
5 definitive bonds when the bonds have been executed and are
6 available for delivery. The Parkways Authority may also provide
7 for the replacement of any bonds that become mutilated or are
8 destroyed or lost.

9 (l) Bonds may be issued under the provisions of this article
10 without obtaining the consent of any department, division,
11 commission, board, bureau or agency of the state in accordance with
12 this article: *Provided*, That the Parkways Authority shall comply
13 with the provisions of section twenty-eight, article one, chapter
14 five of this code.

15 **§17-16A-18. Cessation of tolls.**

16 (a) Except as provided ~~herein~~ in this section, when all bonds
17 issued under the provisions of this article in connection with any
18 parkway project or projects and the interest ~~thereon shall~~ on those
19 bonds secured by West Virginia Turnpike toll revenues have been
20 paid or a sufficient amount for the payment of ~~all such~~ those bonds
21 and the interest ~~thereon~~ on them to ~~the~~ their maturity ~~thereof~~
22 ~~shall have~~ has been set aside in trust for the benefit of the
23 bondholders, ~~such~~ the project or projects, if then in good
24 condition and repair to the satisfaction of the Commissioner of the

1 State Division of Highways, shall be transferred to the State
2 Division of Highways and shall thereafter be maintained by the
3 State Division of Highways free of tolls.

4 (b) ~~No later than February 1, 1990~~ Before February 1, 2020,
5 the Parkways Authority, or its successors, shall discontinue,
6 remove and not relocate all toll collection facilities on the West
7 Virginia Turnpike as ~~the same~~ it existed on June 1, 1989, ~~except~~
8 ~~for the three main toll barriers and collection facilities and,~~
9 ~~provided solely that the provisions of section eighteen-a are~~
10 ~~complied with~~ including the toll collection facilities at the
11 intersection of U.S. Route 19 (Corridor "L") and ~~said~~ the turnpike,
12 provided that the bonds secured by West Virginia Turnpike toll
13 revenues have been paid as scheduled.

14 The highway now known and designated as the West Virginia
15 Turnpike shall continue to be maintained to the standards
16 promulgated by the West Virginia Department of Highways, and shall
17 at that time, be turned over to the West Virginia Department of
18 Highways, along with all assets, consisting of both real estate and
19 personal property and equipment, used by the Parkways Authority for
20 maintenance of the West Virginia Turnpike. The West Virginia
21 Department of Highways must accept ownership of the highway at
22 that time.

NOTE: The purpose of this bill is to eliminate tolls on the West Virginia Turnpike by February 1, 2020. The bill provides that new bonds may not be issued. The bill also provides an exception, if the bonds are less than the actual cost. And, it provides that the West Virginia Department of Highways accept ownership of the turnpike when the bonds secured by toll revenues have been paid.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.