

COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 362

(By Senators Snyder, Plymale, Unger, Stollings,
Kirkendoll, Helmick, Jenkins, Laird, Barnes,
Beach, Edgell and D. Facemire)

[Originating in the Committee on Natural Resources;
reported February 2, 2012.]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §29-22-18e; to amend and reenact §31-15-16a of said code; and to amend said code by adding thereto a new section, designated §31-15-16b, all relating to authorizing the issuance of \$52.5 million in bonds for capital improvements for Cacapon Resort State Park and Beech Fork State Park beginning in fiscal year 2013; providing that the debt service on the bonds is payable from an additional \$3 million allocation to the State Park Improvement

Fund from the State Excess Lottery Revenue Fund; and providing that the Economic Development Authority may issue the bonds.

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 §29-22-18e; that §31-15-16a of said code be amended and reenacted; and that said code be amended by adding thereto a new section, designated §31-15-16b, all to read as follows:

CHAPTER 29. MISCELLANEOUS BOARDS AND OFFICERS.

ARTICLE 22. STATE LOTTERY ACT.

§29-22-18e. Increase in allocation to State Park Improvement

Fund from State Excess Lottery Revenue Fund to permit the issuance of bonds for improvements to Cacapon Resort State Park and Beech Fork State Park.

1 Notwithstanding any provision of subsection (d), section
2 eighteen-a of this article to the contrary, \$5 million shall be
3 deposited into the State Park Improvement Fund from the
4 State Excess Lottery Revenue Fund for the fiscal year
5 beginning July 1, 2012, only. For the fiscal year beginning
6 July 1, 2013, and subsequent fiscal years, the commission

7 shall deposit \$8 million into the State Park Improvement
8 Fund, of which \$3 million is dedicated to pay the debt service
9 for bonds for improvements to Cacapon Resort State Park
10 and Beech Fork State Park authorized by section sixteen-b,
11 article fifteen, chapter thirty-one of this code.

CHAPTER 31. CORPORATIONS.

ARTICLE 15. WEST VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY.

§31-15-16a. Bonds for capital improvements at institutions of higher education, state parks, the State Capitol Complex, other state facilities or tourism sites; limitations; authority to issue revenue bonds; use of funds to pay for projects.

1 (a) (1) The Economic Development Authority shall, in
2 accordance with the provisions of this article, issue revenue
3 bonds from time to time, to pay for a portion of the cost of
4 constructing, equipping, improving or maintaining capital
5 improvement projects under this section or to refund the
6 bonds, at the discretion of the authority. The principal
7 amount of the bonds issued under this section shall not
8 exceed, in the aggregate, an amount that, in the opinion of
9 the authority, is necessary to provide sufficient funds for

10 achievement of the purposes of this section and is within the
11 limits of moneys pledged for the repayment of the principal,
12 interest and redemption premium, if any, on any revenue
13 bonds or refunding bonds authorized by this section. Any
14 revenue bonds issued on or after the effective date of this
15 section which are secured by lottery proceeds shall mature
16 at a time or times not exceeding thirty years from their
17 respective dates. The principal of, and the interest and
18 redemption premium, if any, on the bonds shall be payable
19 solely from the Education, Arts, Sciences and Tourism Debt
20 Service Fund established in section eleven-a, article six,
21 chapter five of this code and continued by this section.

22 (2) All amounts deposited in the fund shall be pledged to
23 the repayment of the principal, interest and redemption
24 premium, if any, on any revenue bonds or refunding revenue
25 bonds authorized by this section. The authority may further
26 provide in the trust agreement for priorities on the revenues
27 paid into the Education, Arts, Sciences and Tourism Debt
28 Service Fund as may be necessary for the protection of the
29 prior rights of the holders of bonds issued at different times
30 under the provisions of this section or section eleven-a,
31 article six, chapter five of this code. The bonds issued

32 pursuant to this section shall be separate from all other
33 bonds which may be or have been issued from time to time
34 under the provisions of section eleven-a, article six, chapter
35 five of this code. The Education, Arts, Sciences and Tourism
36 Debt Service Fund shall be pledged solely for the repayment
37 of bonds issued pursuant to this section and section eleven-a,
38 article six, chapter five of this code. On or prior to May 1 of
39 each year, commencing May 1, 2010, the authority shall
40 certify to the state lottery director the principal and interest
41 and coverage ratio requirements for the following fiscal year
42 on any revenue bonds or refunding revenue bonds issued
43 pursuant to this section, and for which moneys deposited in
44 the Education, Arts, Sciences and Tourism Debt Service
45 Fund have been pledged, or will be pledged, for repayment
46 pursuant to this section.

47 (3) After the authority has issued bonds authorized by
48 this section, and after the requirements of all funds have
49 been satisfied, including coverage and reserve funds estab-
50 lished in connection with the bonds issued pursuant to this
51 section, any balance remaining in the Education, Arts,
52 Sciences and Tourism Debt Service Fund may be used for the
53 redemption of any of the outstanding bonds issued under this

54 section which, by their terms, are then redeemable or for the
55 purchase of the outstanding bonds at the market price, but
56 not to exceed the price, if any, at which redeemable, and all
57 bonds redeemed or purchased shall be immediately canceled
58 and shall not again be issued.

59 (b) The authority shall expend sixty percent of the bond
60 proceeds, net of issuance costs, reserve funds and refunding
61 costs, for certified capital improvement projects at state
62 institutions of higher education. The Higher Education
63 Policy Commission shall submit a proposed list of capital
64 improvement projects to the Governor on or before January
65 1, 2010. Thereafter, the Governor shall certify to the author-
66 ity on or before February 1, 2010, a list of those capital
67 improvement projects at state institutions of higher educa-
68 tion that will receive funds from the proceeds of bonds issued
69 pursuant to this section.

70 At any time prior to the issuance of bonds under this
71 section, the Governor may certify to the authority a revised
72 list of capital improvement projects at state institutions of
73 higher education that will receive funds from the proceeds of
74 bonds issued pursuant to this section. The Governor shall
75 consult with the Higher Education Policy Commission prior

76 to certifying a revised list of capital improvement projects to
77 the authority.

78 (c) The authority shall expend the balance of the bond
79 proceeds for certified projects at state parks, the capitol
80 complex, other state facilities or tourism sites.

81 (1) A committee comprised of the Secretary of the
82 Department of Administration, the Director of the Division
83 of Natural Resources, the Director of the West Virginia
84 Development Office and a representative of the Capitol
85 Building Commission, other than the Secretary of the
86 Department of Administration, who shall be selected by the
87 capitol building commission, shall submit a proposed list of
88 capital improvement projects to the Governor on or before
89 January 1, 2010. Thereafter, the Governor shall certify to the
90 authority on or before February 1, 2010, a list of those
91 capital improvement projects at state parks, the State
92 Capitol Complex, other state facilities or tourism sites that
93 will receive funds from the proceeds of bonds issued pursu-
94 ant to this section.

95 (2) At any time prior to the issuance of bonds under this
96 section, the Governor may certify to the authority a revised
97 list of capital improvement projects at state parks, the State

98 Capitol Complex, other state facilities or tourism sites that
99 will receive funds from the proceeds of bonds issued pursu-
100 ant to this section. The Governor shall consult with the
101 committee established by this subsection prior to certifying
102 a revised list of capital improvement projects to the author-
103 ity.

104 (d) In addition to the amounts authorized by subsection
105 (a) of this section, the authority may issue, pursuant to
106 section sixteen-b, article fifteen of this chapter, bonds or
107 notes in the aggregate principal amount not to exceed \$52.5
108 million. This authorization is for the limited purpose of
109 providing grants for capital improvements for Cacapon
110 Resort State Park and Beech Fork State Park.

**§31-15-16b. Lottery revenue bonds for Cacapon Resort State Park
and Beech Fork State Park.**

1 (a) Notwithstanding any other provision of this code to
2 the contrary, the Economic Development Authority may
3 issue, in accordance with section sixteen-a, article fifteen of
4 this chapter, lottery revenue bonds in the amount of \$52.5
5 million. The debt service of the bonds shall be payable from
6 the State Park Improvement Fund, established in subsection
7 (d), section eighteen-a, article twenty-two, chapter twenty-

8 nine of this code and such other sources as may be legally
9 pledged for such purposes.

10 (b) The proceeds of the bonds shall be used solely to pay
11 costs of issuance, fund a debt service reserve account,
12 capitalize interest, pay for security instruments necessary to
13 market the bonds and to make grants for capital improve-
14 ments to the Cacapon Resort State Park and Beech Fork
15 State Park.

(NOTE: The purpose of this bill is to authorize the issuance of \$52.5 million in bonds for capital improvements for Cacapon Resort State Park and Beech Fork State Park. The bill provides that the debt service on the bonds is payable from an additional \$3 million allocation to the State Park Improvement Fund, and that the Economic Development Authority may issue the bonds.

§29-22-18e and §31-15-16b are new; therefore, strike-throughs and underscoring have been omitted.

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