

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Introduced

House Bill 2503

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J. JEFFRIES, ELLINGTON, CRISS, HOUSEHOLDER, HAYNES,
AND KIMES

[Introduced February 15, 2021; Referred to the
Committee on Technology and Infrastructure then the
Judiciary]

1 A BILL to amend and reenact §17-16A-10 of the Code of West Virginia, 1931, as amended,
 2 relating to requiring the approval of the Legislature and the Governor before additional
 3 bonds may be issued by the Parkways Authority; and requiring tolls to be removed six
 4 months following removal of encumbrances for the bonds.

Be it enacted by the Legislature of West Virginia:

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

§17-16A-10. Parkway revenue bonds, generally.

1 (a) The Parkways Authority is authorized to provide by resolution for the issuance of
 2 parkway revenue bonds of the state for the purpose of paying all or any part of the cost of one or
 3 more parkway projects. The principal of and the interest on bonds shall be payable solely from
 4 the funds provided for payment, except that:

5 (1) None of the proceeds of the issuance of parkway revenue bonds under this section
 6 ~~shall~~ may be used to pay all or any part of the cost of any economic development project or
 7 tourism project;

8 (2) Nothing in this section ~~shall~~ may be construed as prohibiting the Parkways Authority
 9 from issuing additional parkway revenue bonds to the extent permitted by applicable federal law
 10 for the purpose of constructing, maintaining, and operating any highway constructed, in whole or
 11 in part, with money obtained from the Appalachian Regional Commission; and

12 (3) The authorization to issue bonds under this section is in addition to the authorization
 13 and power to issue bonds under any other section of this code.

14 (b) The bonds of each issue shall be dated, shall bear interest at a rate as may be
 15 determined by the Parkways Authority in its sole discretion, shall mature at a time not exceeding
 16 40 years from their date of issue as may be determined by the Parkways Authority, and may be
 17 made redeemable before maturity, at the option of the Parkways Authority at a price and under

18 the terms and conditions as may be fixed by the Parkways Authority prior to the issuance of the
19 bonds.

20 (c) The Parkways Authority shall determine the form of the bonds, including any interest
21 coupons to be attached thereto, and shall fix the denomination of the bonds and the place of
22 payment of principal and interest, which may be at any bank or trust company or securities
23 depository within or without the state.

24 (d) The bonds shall be executed by manual or facsimile signature by the chair of the
25 Parkways Authority, and the official seal of the Parkways Authority shall be affixed to or printed
26 on each bond, and attested, manually or by facsimile signature, by the Secretary and Treasurer
27 of the Parkways Authority. Any coupons attached to any bond shall bear the manual or facsimile
28 signature of the chair of the Parkways Authority.

29 (e) ~~In case~~ If any officer whose signature or a facsimile of whose signature appears on
30 any bonds or coupons shall cease to be an officer before the delivery of the bonds, the signature
31 or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had
32 remained in office until delivery. In case the seal of the Parkways Authority has been changed
33 after a facsimile has been imprinted on the bonds, then the facsimile seal will continue to be
34 sufficient for all purposes.

35 (f) All bonds issued under the provisions of this article shall have all the qualities and
36 incidents of negotiable instruments under the negotiable instruments law of the state. The bonds
37 may be issued in coupon or in registered form, or both, as the Parkways Authority may determine,
38 and provision may be made for the registration of any coupon bonds as to principal alone and
39 also as to both principal and interest, and for the recording into coupon bonds of any bonds
40 registered as to both principal and interest.

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

43 (h) The proceeds of the bonds of each issue shall be used solely for the payment of the

44 cost of the parkway project or parkway projects and by the Division of Highways for any
45 acquisition, construction, reconstruction, maintenance, improvement or repair of public highways
46 and bridges as provided for in this article for which the bonds were issued, and shall be disbursed
47 in a manner consistent with the resolution authorizing the issuance of the bonds or in the trust
48 agreement securing the bonds.

49 (i) If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be
50 less than the cost, then additional bonds may in like manner be issued to provide the amount of
51 the deficit. Unless otherwise provided in the resolution authorizing the issuance of the bonds or
52 in the trust agreement securing the bonds, the additional bonds shall be ~~deemed~~ considered to
53 be of the same issue and shall be entitled to payment from the same fund without preference or
54 priority of the bonds first issued.

55 (j) If the proceeds of the bonds of any issue exceed the cost of the parkway project or
56 parkway projects for which the bonds were issued, then the surplus shall be deposited to the
57 credit of the sinking fund for the bonds.

58 (k) Prior to the preparation of definitive bonds, the Parkways Authority may, under like
59 restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for
60 definitive bonds when the bonds have been executed and are available for delivery. The
61 Parkways Authority may also provide for the replacement of any bonds that become mutilated or
62 are destroyed or lost.

63 (l) All or any portion of the proceeds of any parkway revenue bonds issued pursuant to
64 this section may be credited to the special revenue account within the State Road Fund created
65 in section eleven of this article. Moneys in such fund shall be used by the Division of Highways
66 for any acquisition, construction, reconstruction, maintenance, improvement or repair of public
67 highways and bridges in this state.

68 (m) Bonds may be issued under the provisions of this article without obtaining the consent
69 of any department, division, commission, board, bureau, or agency of the state in accordance

70 with this article: *Provided*, That the Parkways Authority shall comply with ~~the provisions of §5-1-~~
71 28 of this code. Effective on the passage of the amendment to this section, no additional bonds
72 may be issued under the provisions of this article without the approval of the Legislature and the
73 Governor. Six months following the payment of all outstanding bond indebtedness or
74 encumbrances, the tolls shall be removed.

NOTE: The purpose of this bill is to require the approval of the Legislature and the Governor before additional bonds may be issued by the Parkways Authority; and requiring tolls to be removed six months following removal of encumbrances for the bonds.

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