

H. B. 2964

(By Delegates Gearheart, Sumner, Frazier,
Savilla, Ellington, Hall, Moore and O'Neal)

[Introduced February 1, 2011; referred to the
Committee on Roads and Transportation then Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §17-16A-10 and §17-16A-18 of the Code
of West Virginia, 1931, as amended, all relating to
eliminating tolls on the West Virginia Turnpike before
February 1, 2020; no new bonds may be issued; and providing an
exception.

Be it enacted by the Legislature of West Virginia:

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

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

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

(a) The Parkways Authority is authorized to provide by
resolution for the issuance of parkway revenue bonds of the state
for the purpose of paying all or any part of the cost of one or
more parkway projects: *Provided*, That this section shall not be
construed as authorizing the issuance of parkway revenue bonds for
the purpose of paying the cost of the West Virginia Turnpike, which
parkway revenue bonds may be issued only as authorized under
section eleven of this article. The principal of and the interest
on bonds shall be payable solely from the funds provided for

1 payment.

2 (b) The bonds of each issue shall be dated, shall bear
3 interest at a rate as may be determined by the Parkways Authority
4 in its sole discretion, shall mature at a time not exceeding forty
5 years from their date or of issue as may be determined by the
6 Parkways Authority, and may be made redeemable before maturity, at
7 the option of the Parkways Authority at a price and under the terms
8 and conditions as may be fixed by the Parkways Authority prior to
9 the issuance of the bonds.

10 (c) The Parkways Authority shall determine the form of the
11 bonds, including any interest coupons to be attached thereto, and
12 shall fix the denomination of the bonds and the place of payment of
13 principal and interest, which may be at any bank or trust company
14 within or without the state.

15 (d) The bonds shall be executed by manual or facsimile
16 signature by the chair of the Parkways Authority, and the official
17 seal of the Parkways Authority shall be affixed to or printed on
18 each bond, and attested, manually or by facsimile signature, by the
19 secretary and treasurer of the Parkways Authority. Any coupons
20 attached to any bond shall bear the manual or facsimile signature
21 of the chair of the Parkways Authority.

22 (e) In case any officer whose signature or a facsimile of
23 whose signature appears on any bonds or coupons shall cease to be
24 an officer before the delivery of the bonds, the signature or
25 facsimile shall nevertheless be valid and sufficient for all
26 purposes the same as if he had remained in office until delivery.
27 In case the seal of the Parkways Authority has been changed after

1 a facsimile has been imprinted on the bonds, then the facsimile
2 seal will continue to be sufficient for all purposes.

3 (f) All bonds issued under the provisions of this article
4 shall have all the qualities and incidents of negotiable
5 instruments under the negotiable instruments law of the state. The
6 bonds may be issued in coupon or in registered form, or both, as
7 the Parkways Authority may determine, and provision may be made for
8 the registration of any coupon bonds as to principal alone and also
9 as to both principal and interest, and for the recorders into
10 coupon bonds of any bonds registered as to both principal and
11 interest.

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

15 (h) The proceeds of the bonds of each issue shall be used
16 solely for the payment of the cost of the parkway project or
17 parkway projects for which the bonds were issued, and shall be
18 disbursed in a manner consistent with the resolution authorizing
19 the issuance of the bonds or in the trust agreement securing the
20 bonds.

21 (i) If the proceeds of the bonds of any issue, by error of
22 estimates or otherwise, shall be less than the cost, then
23 additional bonds may in like manner be issued to provide the amount
24 of the deficit. Unless otherwise provided in the resolution
25 authorizing the issuance of the bonds or in the trust agreement
26 securing the bonds, the additional bonds shall be deemed to be of
27 the same issue and shall be entitled to payment from the same fund

1 without preference or priority of the bonds first issued. Except as
2 provided in this subsection, no additional bonds may be issued on
3 any parkways project, or on any expansion or material alteration to
4 any existing parkways project.

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

9 (k) Prior to the preparation of definitive bonds, the Parkways
10 Authority may, under like restrictions, issue interim receipts or
11 temporary bonds, with or without coupons, exchangeable for
12 definitive bonds when the bonds have been executed and are
13 available for delivery. The Parkways Authority may also provide
14 for the replacement of any bonds that become mutilated or are
15 destroyed or lost.

16 (l) Bonds may be issued under the provisions of this article
17 without obtaining the consent of any department, division,
18 commission, board, bureau or agency of the state in accordance with
19 this article: *Provided*, That the Parkways Authority shall comply
20 with the provisions of section twenty-eight, article one, chapter
21 five of this code.

22 **§17-16A-18. Cessation of tolls.**

23 (a) Except as provided ~~herein~~ in this section, when all bonds
24 issued under the provisions of this article in connection with any
25 parkway project or projects and the interest ~~thereon shall~~ on those
26 bonds have been paid or a sufficient amount for the payment of ~~all~~
27 ~~such~~ those bonds and the interest ~~thereon~~ on them to ~~the~~ their

1 maturity thereof shall have has been set aside in trust for the
 2 benefit of the bondholders, ~~such~~ the project or projects, if then
 3 in good condition and repair to the satisfaction of the
 4 Commissioner of the state Division of Highways, shall be
 5 transferred to the state Division of Highways and shall thereafter
 6 be maintained by the state Division of Highways free of tolls.

7 (b) ~~No later than February 1, 1990~~ Before February 1, 2020,
 8 the Parkways Authority, or its successors, shall discontinue,
 9 remove and not relocate all toll collection facilities on the West
 10 Virginia Turnpike as ~~the same~~ it existed on June 1, 1989, except
 11 for ~~the three main toll barriers and collection facilities and,~~
 12 ~~provided solely that the provisions of section eighteen-a are~~
 13 ~~complied with~~ of this article it applies to the toll collection
 14 facilities at the intersection of U.S. Route 19 (Corridor "L") and
 15 ~~said~~ the turnpike, unless the bonds issued in connection with that
 16 project and the interest on those bonds have been paid, in which
 17 case, tolls shall be discontinued and the associated toll
 18 facilities shall be removed.

NOTE: The purpose of this bill is to eliminate tolls on the West Virginia Turnpike by February 1, 2020. The bill provides that no new bonds may be issued. The bill also provides an exception.

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