

1 COMMITTEE SUBSTITUTE

2 FOR

3 **Senate Bill No. 362**

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

6 _____
7 [Originating in the Committee on Natural Resources;
8 reported February 2, 2012.]
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13 A BILL to amend the Code of West Virginia, 1931, as amended, by
14 adding thereto a new section, designated §29-22-18e; to amend
15 and reenact §31-15-16a of said code; and to amend said code by
16 adding thereto a new section, designated §31-15-16b, all
17 relating to authorizing the issuance of \$52.5 million in bonds
18 for capital improvements for Cacapon Resort State Park and
19 Beech Fork State Park beginning in fiscal year 2013; providing
20 that the debt service on the bonds is payable from an
21 additional \$3 million allocation to the State Park Improvement
22 Fund from the State Excess Lottery Revenue Fund; and providing
23 that the Economic Development Authority may issue the bonds.

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

25 That the Code of West Virginia, 1931, as amended, be amended
26 by adding thereto a new section, designated §29-22-18e; that
27 §31-15-16a of said code be amended and reenacted; and that said
28 code be amended by adding thereto a new section, designated

1 §31-15-16b, all to read as follows:

2 **CHAPTER 29. MISCELLANEOUS BOARDS AND OFFICERS.**

3 **ARTICLE 22. STATE LOTTERY ACT.**

4 **§29-22-18e. Increase in allocation to State Park Improvement Fund**
5 **from State Excess Lottery Revenue Fund to permit**
6 **the issuance of bonds for improvements to Cacapon**
7 **Resort State Park and Beech Fork State Park.**

8 Notwithstanding any provision of subsection (d), section
9 eighteen-a of this article to the contrary, \$5 million shall be
10 deposited into the State Park Improvement Fund from the State
11 Excess Lottery Revenue Fund for the fiscal year beginning July 1,
12 2012, only. For the fiscal year beginning July 1, 2013, and
13 subsequent fiscal years, the commission shall deposit \$8 million
14 into the State Park Improvement Fund, of which \$3 million is
15 dedicated to pay the debt service for bonds for improvements to
16 Cacapon Resort State Park and Beech Fork State Park authorized by
17 section sixteen-b, article fifteen, chapter thirty-one of this
18 code.

19 **CHAPTER 31. CORPORATIONS.**

20 **ARTICLE 15. WEST VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY.**

21 **§31-15-16a. Bonds for capital improvements at institutions of**
22 **higher education, state parks, the State Capitol**
23 **Complex, other state facilities or tourism sites;**
24 **limitations; authority to issue revenue bonds; use**
25 **of funds to pay for projects.**

26 (a) (1) The Economic Development Authority shall, in
27 accordance with the provisions of this article, issue revenue bonds
28 from time to time, to pay for a portion of the cost of

1 constructing, equipping, improving or maintaining capital
2 improvement projects under this section or to refund the bonds, at
3 the discretion of the authority. The principal amount of the bonds
4 issued under this section shall not exceed, in the aggregate, an
5 amount that, in the opinion of the authority, is necessary to
6 provide sufficient funds for achievement of the purposes of this
7 section and is within the limits of moneys pledged for the
8 repayment of the principal, interest and redemption premium, if
9 any, on any revenue bonds or refunding bonds authorized by this
10 section. Any revenue bonds issued on or after the effective date
11 of this section which are secured by lottery proceeds shall mature
12 at a time or times not exceeding thirty years from their respective
13 dates. The principal of, and the interest and redemption premium,
14 if any, on the bonds shall be payable solely from the Education,
15 Arts, Sciences and Tourism Debt Service Fund established in section
16 eleven-a, article six, chapter five of this code and continued by
17 this section.

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

1 under the provisions of section eleven-a, article six, chapter five
2 of this code. The Education, Arts, Sciences and Tourism Debt
3 Service Fund shall be pledged solely for the repayment of bonds
4 issued pursuant to this section and section eleven-a, article six,
5 chapter five of this code. On or prior to May 1 of each year,
6 commencing May 1, 2010, the authority shall certify to the state
7 lottery director the principal and interest and coverage ratio
8 requirements for the following fiscal year on any revenue bonds or
9 refunding revenue bonds issued pursuant to this section, and for
10 which moneys deposited in the Education, Arts, Sciences and Tourism
11 Debt Service Fund have been pledged, or will be pledged, for
12 repayment pursuant to this section.

13 (3) After the authority has issued bonds authorized by this
14 section, and after the requirements of all funds have been
15 satisfied, including coverage and reserve funds established in
16 connection with the bonds issued pursuant to this section, any
17 balance remaining in the Education, Arts, Sciences and Tourism Debt
18 Service Fund may be used for the redemption of any of the
19 outstanding bonds issued under this section which, by their terms,
20 are then redeemable or for the purchase of the outstanding bonds at
21 the market price, but not to exceed the price, if any, at which
22 redeemable, and all bonds redeemed or purchased shall be
23 immediately canceled and shall not again be issued.

24 (b) The authority shall expend sixty percent of the bond
25 proceeds, net of issuance costs, reserve funds and refunding costs,
26 for certified capital improvement projects at state institutions of
27 higher education. The Higher Education Policy Commission shall
28 submit a proposed list of capital improvement projects to the

1 Governor on or before January 1, 2010. Thereafter, the Governor
2 shall certify to the authority on or before February 1, 2010, a
3 list of those capital improvement projects at state institutions of
4 higher education that will receive funds from the proceeds of bonds
5 issued pursuant to this section.

6 At any time prior to the issuance of bonds under this section,
7 the Governor may certify to the authority a revised list of capital
8 improvement projects at state institutions of higher education that
9 will receive funds from the proceeds of bonds issued pursuant to
10 this section. The Governor shall consult with the Higher Education
11 Policy Commission prior to certifying a revised list of capital
12 improvement projects to the authority.

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

16 (1) A committee comprised of the Secretary of the Department
17 of Administration, the Director of the Division of Natural
18 Resources, the Director of the West Virginia Development Office and
19 a representative of the Capitol Building Commission, other than the
20 Secretary of the Department of Administration, who shall be
21 selected by the capitol building commission, shall submit a
22 proposed list of capital improvement projects to the Governor on or
23 before January 1, 2010. Thereafter, the Governor shall certify to
24 the authority on or before February 1, 2010, a list of those
25 capital improvement projects at state parks, the State Capitol
26 Complex, other state facilities or tourism sites that will receive
27 funds from the proceeds of bonds issued pursuant to this section.

28 (2) At any time prior to the issuance of bonds under this

1 section, the Governor may certify to the authority a revised list
2 of capital improvement projects at state parks, the State Capitol
3 Complex, other state facilities or tourism sites that will receive
4 funds from the proceeds of bonds issued pursuant to this section.
5 The Governor shall consult with the committee established by this
6 subsection prior to certifying a revised list of capital
7 improvement projects to the authority.

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

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

17 (a) Notwithstanding any other provision of this code to the
18 contrary, the Economic Development Authority may issue, in
19 accordance with section sixteen-a, article fifteen of this chapter,
20 lottery revenue bonds in the amount of \$52.5 million. The debt
21 service of the bonds shall be payable from the State Park
22 Improvement Fund, established in subsection (d), section
23 eighteen-a, article twenty-two, chapter twenty-nine of this code
24 and such other sources as may be legally pledged for such purposes.

25 (b) The proceeds of the bonds shall be used solely to pay
26 costs of issuance, fund a debt service reserve account, capitalize
27 interest, pay for security instruments necessary to market the
28 bonds and to make grants for capital improvements to the Cacapon

1 Resort State Park and Beech Fork 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.)