

H. B. 2559

(By Delegates Gearheart, Householder, Sumner, Moore,
Staggers, Ellington, Shott, Storch, Phillips, L.
and Raines)

[Introduced February 20, 2013; referred to the Committee on Roads and Transportation then Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §17-16A-4, §17-16A-10 and §17-16A-18 of the Code of West Virginia, 1931, as amended, all relating to requiring all debt obligations of the West Virginia parkways authority to be satisfied by February 1, 2020; eliminating tolls on the West Virginia Turnpike by February 1, 2020; providing that certain materials, equipment, assets and employees of the parkways authority be transferred to the Division of Highways; providing for employees of the parkways authority whose positions are eliminated as result of the transfer; requiring certain moneys be used for former highways of the West Virginia Turnpike; providing that all obligations and responsibilities of the parkways authority for the West Virginia Turnpike cease on January 1, 2035; prohibiting new bonds from being issued; providing an exception; and requiring the Division of Highways to accept ownership of the West Virginia Turnpike when the bonds secured by toll revenues have been paid.

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

2 That §17-16A-4, §17-16A-10 and §17-16A-18 of the Code of West
3 Virginia, 1931, as amended, be amended and reenacted, all to read
4 as follows:

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

7 **§17-16A-4. Transfer of powers, duties, functions, assets and**
8 **liabilities of turnpike commission to parkways**
9 **authority.**

10 (a) The duties, powers and functions of the West Virginia
11 turnpike commission are hereby transferred to the parkways
12 authority.

13 (b) All obligations, indebtedness and other liabilities of,
14 and all rights, assets and other property owned by or used in the
15 administration of, the West Virginia Turnpike Commission as of June
16 1, 1989, and all personnel of said Turnpike Commission as of said
17 date are hereby assumed by and transferred to the parkways
18 authority, which is hereby constituted the successor in interest to
19 said commission in all respects.

20 (c) All books, papers, maps, charts, plans, literature and
21 other records in the possession of the West Virginia Turnpike
22 Commission as of June 1, 1989, shall be delivered or turned over to
23 the parkways authority.

1 (d) The unexpended balance of appropriations or other funds
2 available for use of the West Virginia Turnpike Commission as of
3 June 1, 1989, is hereby transferred to the parkways authority for
4 the use of the parkways authority.

5 (e) On or before February 1, 2020, all debt obligations held
6 by the parkways authority shall be satisfied.

7 (f) On February 1, 2020, all maintenance material and
8 equipment assets not specifically dedicated to the maintenance of
9 travel plazas shall be transferred to the West Virginia Division of
10 Highways.

11 (g) All the parkways authority employees dedicated to highway
12 maintenance and upkeep shall be transferred to employment by the
13 West Virginia Division of Highways.

14 (h) All employees of the parkways authority dedicated to toll
15 collection and toll collection operations shall be given the
16 opportunity to transfer to available employment within other
17 departments and agencies of the State of West Virginia and shall
18 have the first claim upon any job for which they are qualified.

19 (i) All monetary assets, including cash and securities, of the
20 parkways authority, in excess of \$5 million shall be transferred to
21 the Division of Highways and be specifically dedicated to
22 maintenance on the portions of Interstates 64 and 77 commonly
23 referred to as the West Virginia Turnpike with expenditures from
24 these funds, not to exceed \$10 million per year, until those funds

1 are exhausted.

2 (j) Fifty percent of all toll revenue from the date of
3 satisfaction of all bonded indebtedness until tolls are removed on
4 February 1, 2020, shall be transferred to the Division of Highways
5 and dedicated to the maintenance of the portions of Interstates 64
6 and 77 commonly referred to as the West Virginia Turnpike after
7 January 1, 2035.

8 (k) The parkways authority shall transfer all remaining assets
9 relating to the West Virginia Turnpike to the Division of Highways
10 on January 1, 2035. All excess revenue produced by these assets
11 shall be dedicated to maintenance of the portions of Interstates 64
12 and 77 commonly referred to as the West Virginia Turnpike in
13 perpetuity.

14 (l) All obligations and responsibilities of the parkways
15 authority for any part or portion of the West Virginia Turnpike
16 shall cease on January 1, 2035.

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

18 (a) The parkways authority is authorized to provide by
19 resolution for the issuance of parkway revenue bonds of the state
20 for the purpose of paying all or any part of the cost of one or
21 more parkway projects: *Provided*, That this section shall not be
22 construed as authorizing the issuance of parkway revenue bonds for
23 the purpose of paying the cost of the West Virginia Turnpike, which
24 parkway revenue bonds may be issued only as authorized under

1 section eleven of this article. The principal of and the interest
2 on bonds shall be payable solely from the funds provided for
3 payment.

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

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

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

24 (e) In case any officer whose signature or a facsimile of

1 whose signature appears on any bonds or coupons shall cease to be
2 an officer before the delivery of the bonds, the signature or
3 facsimile shall nevertheless be valid and sufficient for all
4 purposes the same as if he or she had remained in office until
5 delivery. In case the seal of the parkways authority has been
6 changed after a facsimile has been imprinted on the bonds, then the
7 facsimile seal will continue to be sufficient for all purposes.

8 (f) All bonds issued under the provisions of this article
9 shall have all the qualities and incidents of negotiable
10 instruments under the negotiable instruments law of the state. The
11 bonds may be issued in coupon or in registered form, or both, as
12 the parkways authority may determine, and provision may be made for
13 the registration of any coupon bonds as to principal alone and also
14 as to both principal and interest, and for the recorders into
15 coupon bonds of any bonds registered as to both principal and
16 interest.

17 (g) The parkways authority may sell the bonds at a public or
18 private sale at a price it determines to be in the best interests
19 of the state.

20 (h) The proceeds of the bonds of each issue shall be used
21 solely for the payment of the cost of the parkway project or
22 parkway projects for which the bonds were issued, and shall be
23 disbursed in a manner consistent with the resolution authorizing
24 the issuance of the bonds or in the trust agreement securing the

1 bonds.

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

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

21 (k) Prior to the preparation of definitive bonds, the parkways
22 authority may, under like restrictions, issue interim receipts or
23 temporary bonds, with or without coupons, exchangeable for
24 definitive bonds when the bonds have been executed and are

1 available for delivery. The parkways authority may also provide
 2 for the replacement of any bonds that become mutilated or are
 3 destroyed or lost.

4 (1) Bonds may be issued under the provisions of this article
 5 without obtaining the consent of any department, division,
 6 commission, board, bureau or agency of the state in accordance with
 7 this article: *Provided*, That the parkways authority shall comply
 8 with the provisions of section twenty-eight, article one, chapter
 9 five of this code.

10 **~~§17-16A-18.~~ Cessation of tolls.**

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

23 (b) ~~No later than February 1, 1990~~ On or before February 1,
 24 2020, the parkways authority, or its successors, shall discontinue,

1 remove and not relocate all toll collection facilities on the West
2 Virginia Turnpike as ~~the same~~ it existed on June 1, 1989, ~~except~~
3 ~~for the three main toll barriers and collection facilities and,~~
4 ~~provided solely that the provisions of section eighteen-a are~~
5 ~~complied with,~~ including the toll collection facilities at the
6 intersection of U.S. Route 19 (Corridor "L") and ~~said~~ the turnpike:
7 Provided, That the bonds secured by West Virginia Turnpike toll
8 revenues have been paid as scheduled.

9 (c) The highway now known and designated as the West Virginia
10 Turnpike shall continue to be maintained to the standards
11 promulgated by the West Virginia Division of Highways, and shall
12 by February 1, 2020, be turned over to the Division of Highways,
13 together with all assets, consisting of both real estate and
14 personal property and equipment, used by the parkways authority for
15 maintenance of the West Virginia Turnpike. The Division of
16 Highways shall accept ownership of the highway at that time.

NOTE: The purpose of this bill is to requires all debt obligations of the West Virginia parkways authority to be satisfied by February 1, 2020. The bill eliminates tolls on the West Virginia Turnpike by February 1, 2020. The bill provides that certain materials, equipment, assets and employees of the parkways authority be transferred to the Division of Highways. The bill provides for employees of the parkways authority whose positions are eliminated as result of the transfer. The bill requires certain moneys be used for former highways of the West Virginia Turnpike. The bill provides that all obligations and responsibilities of the parkways authority for the West Virginia Turnpike ceases on January 1, 2035. The bill prohibits new bonds from being issued. The bill provides an exception. The bill requires the Division of Highways

to accept ownership of the West Virginia 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.