

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Introduced

House Bill 4737

FISCAL
NOTE

By Delegate Gearheart

[Introduced January 15, 2024; Referred
to the Committee on Technology and Infrastructure
then Finance]

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 the
 4 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 tourism
 7 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 in
 11 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 forty 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 the

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

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

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

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

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

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

42 (h) The proceeds of the bonds of each issue shall be used solely for the payment of the
43 cost of the parkway project or parkway projects and by the Division of Highways for any

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

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

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

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

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

67 (m) Bonds may be issued under the provisions of this article without obtaining the consent
68 of any department, division, commission, board, bureau or agency of the state in accordance with
69 this article: *Provided*, That the Parkways Authority shall comply with ~~the provisions of section §5-1-~~

70 28 of this code. Effective on the passage of the amendment to this section, no additional bonds
71 may be issued under the provisions of this article without the approval of the Legislature and the
72 Governor. Six months following the payment of all outstanding bond indebtedness or
73 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.