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ENROLLED

COMMITTEE SUBSTITUTE FOR

House Bill No. 2600

(By Delegate(s) Hartman, McCuskey, Campbell, Miley, Nelson, E., Sponaugle, Skaff and Lynch)

Passed April 13, 2013

In effect ninety days from passage.

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FOR

H. B. 2600

(BY DELEGATE(S) HARTMAN, MCCUSKEY, CAMPBELL, MILEY, NELSON, E., SPONAUGLE, SKAFF AND LYNCH)

[Passed April 13, 2013; in effect ninety days from passage.]

AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §7-25-1, §7-25-2, §7-25-3, §7-25-4, §7-25-5, §7-25-6, §7-25-7, §7-25-8, §7-25-9, §7-25-10, §7-25-11, §7-25-12, §7-25-13, §7-25-14, §7-25-15, §7-25-16, §7-25-17, §7-25-18, §7-25-19, §7-25-20, §7-25-21, §7-25-22, §7-25-23, §7-25-24, §7-25-25 and §7-26-26; and to amend and reenact §30-29-1 of said code, all relating to the creation of resort area districts; providing short title for article; providing legislative findings for resort area districts; defining terms; authorizing county commissions to create resort area districts; providing for petition process for creation or expansion of resort area districts; providing notice requirements for creation or expansion of resort area districts; providing that resort area districts are public corporations; setting forth powers of resort area districts; authorizing resort area

districts to undertake capital projects; authorizing resort area districts to levy assessments upon real property; authorizing resort area districts to borrow money and incur indebtedness; authorizing resort area districts to issue assessment bonds and resort service fee bonds; authorizing resort area districts to impose penalties for unpaid assessments; authorizing resort area districts to levy resort service fee on purchases of certain goods and services; authorizing resort area districts to provide public services; authorizing resort area districts to provide for public safety and appoint resort area rangers; providing for official name of resort area districts; providing for creation of resort area boards; setting forth powers and certain procedures for resort area boards; providing for election of resort area board members; providing election procedures for resort area boards; requiring certain resort area board members to give bond; providing notice requirements for resort area boards election; providing procedures and notice requirements for resort service fee implementation administration; providing procedures for implementing and providing services within resort area districts; requiring adoption of budget annually; providing resort area district board ability to condition budgeted expenditures, projects and undertakings on the receipt and availability of additional funds provided by resort operator or other sources; providing procedures for implementation of assessments; providing notice requirements for assessments; providing procedures for construction of capital projects; providing procedures for revision of assessments; exempting public property from assessments; providing terms for assessment bonds and resort service fee bonds; exempting assessment bonds and resort service fee bonds from state taxation; providing that indebtedness of resort area district to be paid solely from resort service fee and assessments; providing procedure for payment of assessments to sheriff; authorizing sheriff to collect delinquent assessments; providing for lien against property subject to assessment and notice thereof; providing for appointment of resort area rangers; authorizing resort area rangers to exercise authority of law-enforcement officers; requiring annual audit of resort area

districts; requiring notice of change of ownership of properties within district; reasonable notice by district in absence of receiving notice of change in ownership; providing for liberal construction of article; providing that resort area rangers are considered law-enforcement officers; and making resort area rangers subject to same training and requirements as other law-enforcement officers.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new article, designated §7-25-1, §7-25-2, §7-25-3, §7-25-4, §7-25-5, §7-25-6, §7-25-7, §7-25-8, §7-25-9, §7-25-10, §7-25-11, §7-25-12, §7-25-13, §7-25-14, §7-25-15, §7-25-16, §7-25-17, §7-25-18, §7-25-19, §7-25-20, §7-25-21, §7-25-22, §7-25-23, §7-25-24, §7-25-25 and §7-25-26; and that §30-29-1 of said code be amended and reenacted, all to read as follows:

CHAPTER 7. COUNTY COMMISSIONS AND OFFICERS.

ARTICLE 25. RESORT AREA DISTRICTS.

§7-25-1. Short Title.

- This article shall be known and cited as the "Resort Area
- 2 District Act".

§7-25-2. Findings.

- 1 The Legislature finds that:
- 2 (a) West Virginia's resorts and other recreational areas have
- 3 an important role in the economy of the local areas surrounding
- 4 their locations.
- 5 (b) West Virginia's resorts and other recreational areas are
- 6 often located in unincorporated areas and, as a consequence,
- 7 such areas have less funding available to provide infrastructure
- 8 and essential services within such areas.

- 9 (c) West Virginia's resorts and other recreational areas 10 derive the major portion of their economic well-being from 11 businesses catering to the recreational and personal needs of 12 persons traveling to or through the area.
- 13 (d) Better infrastructure and provision of essential services 14 to West Virginia's resorts and other recreational areas are likely 15 to increase visits to such areas, which will result in greater 16 economic development and job creation in such areas.
- 17 (e) The State and the public will benefit from granting West
 18 Virginia's resorts and recreational areas the ability to have a
 19 governing body to provide for the infrastructure and essential
 20 services within common areas; which common areas are separate
 21 from the profit-making operations of the resorts or recreational
 22 areas.
- 23 (f) This article is necessary for the public health, safety and 24 welfare and economic development of West Virginia's resorts 25 and other recreational areas.

§7-25-3. Definitions.

- 1 For purposes of this article:
- 2 (a) "Assessment" means the fee, including interest, paid by
 3 an owner of real property located within a resort area district to
 4 pay for the cost of a project or projects constructed upon or
 5 benefitting or protecting such property and administrative
 6 expenses thereto, which fee is in addition to all taxes and other
 7 fees levied on the property.
- 8 (b) "Assessment bonds" means special obligation bonds or 9 notes issued by a resort area district which are payable from the 10 proceeds of assessments.
- 11 (c) "Board" means a resort area board created pursuant to 12 this article.

- 13 (d) "Code" means the Code of West Virginia, 1931, as 14 amended by the Legislature.
- 15 (e) "Cost" means the cost of any or all of the following:
- 16 (1) Providing services within a resort area district;
- 17 (2) Construction, reconstruction, renovation and acquisition
- 18 of all lands, structures, real or personal property, rights,
- 19 rights-of-way, franchises, easements and interests acquired or to
- 20 be acquired by a resort area district;
- 21 (3) All machinery and equipment, including machinery and
- 22 equipment needed to provide, expand or enhance services to a
- 23 resort area district:
- 24 (4) Financing charges and interest prior to and during
- 25 construction and, if deemed advisable by a resort area district,
- 26 for a limited period after completion of construction;
- 27 (5) Interest and reserves for principal and interest, including
- 28 costs of bond insurance and any other type of financial
- 29 guarantee;
- 30 (6) Costs of issuance in connection with the issuance of
- 31 assessment bonds or resort service fee bonds;
- 32 (7) The design of extensions, enlargements, additions and
- 33 improvements to the facilities of a resort area district;
- 34 (8) Architectural, engineering, financial and legal services;
- 35 (9) Plans, specifications, studies, surveys and estimates of
- 36 costs and revenues;
- 37 (10) Administrative expenses necessary or incident to any
- 38 project or service; and

- 39 (11) Other expenses as may be necessary or incident to the 40 provision of services or the construction, acquisition and 41 financing of a project.
- 42 (f) "Governing body" means the county commission of a 43 county.
- 44 (g) "Governmental agency" means the state government or 45 any agency, department, division or unit thereof; counties; 46 municipalities; any watershed enhancement districts, soil 47 conservation districts, sanitary districts, public service districts, 48 drainage districts, school districts, urban renewal authorities or 49 regional governmental authorities established pursuant to this 50 code.
- 51 (h) "Landowner" or "owner of real property" means the 52 person or persons holding an interest in the record fee title to one 53 or more parcels of real property, including residential, improved 54 real property and unimproved, developable real property, or of 55 units within a multiunit property, including condominiums and townhouses, within a resort area district or a proposed resort area 56 57 district: Provided. That the holder or holders of a deed of trust 58 shall not be considered a landowner or owner of real property.
- 59 (I) "Parcel" shall mean:
- 60 (1) A lot or parcel of real property as set forth on a plat 61 covering such real property, or, in the event no plat exists, as set 62 forth on the tax maps of a county; or
- 63 (2) A unit within a multiunit property.
- 64 (j) "Person" means an individual, firm, partnership, 65 corporation, limited liability company, voluntary association or 66 any other type of entity.
- 67 (k) "Project" means the design, construction, reconstruction, 68 establishment, acquisition, improvement, renovation, extension,

69 enlargement, equipping, maintenance, repair (including 70 replacements) and start-up operation of public buildings, 71 culverts, streets, bridges (including approaches, causeways, 72 viaducts, underpasses and connecting roadways), motor vehicle 73 parking facilities (including parking lots, buildings, ramps, 74 curb-line parking, meters and other facilities deemed necessary, 75 appropriate, useful, convenient or incidental to the regulation, 76 control and parking of motor vehicles), public transportation, 77 public recreation centers, public recreation parks, bicycle paths 78 and trails, hiking paths and trails, landscaping, swimming pools, 79 tennis courts, golf courses, skating rinks, equine facilities, motor 80 vehicle competition and recreational facilities, flood protection 81 or relief projects, or the grading, regrading, paving, repaving, 82 surfacing, resurfacing, curbing, recurbing, widening, lighting or 83 otherwise improving any street, avenue, road, highway, alley or 84 way, or the building or renewing of sidewalks and flood 85 protection; and the term shall mean and include any project as a 86 whole, and all integral parts thereof, including all necessary, 87 appropriate, useful, convenient or incidental appurtenances and 88 equipment in connection with any one or more of the above: 89 Provided, That a project shall not include a facility or service 90 that benefits only the resort operator, or which the resort operator 91 charges a fee or obtains revenue, or that constitutes part of any 92 facility or service provided by the resort operator, such as a ski 93 lift or ski slope.

- (l) "Purchase price" means the measure subject to the resort service fee authorized to be imposed by this article and has the same meaning as sales price. For purposes of this article, the purchase price of a good or service shall not include the taxes levied under articles fifteen or fifteen-a of chapter eleven of this code or any other provision of law.
- (m) "Ranger" means a resort area ranger.
- 101 (n) "Resort area" means an area that:

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- 102 (1) Is an unincorporated area with a contiguous geographic 103 boundary within one county that has been defined by the process 104 set forth in this article:
- 105 (2) Has a permanent population of less than two thousand 106 people, according to the most recent federal census;
- 107 (3) Derives the major portion of its economic well-being 108 from businesses catering to the recreational and personal needs 109 of persons traveling to or through the area;
- 110 (4) Is a destination location containing each of the following:
- 111 (I) Residential, improved real property;
- 112 (ii) One or more resort operators;
- (iii) Commercial business properties such as retail stores, restaurants and hotels or other lodging accommodations; and
- (iv) Unimproved real property which remains developable;
- 116 (5) Does not include real property primarily used for 117 manufacturing, milling, converting, producing, processing or 118 fabricating materials, generating electricity or the extraction or 119 processing of minerals.
- 120 (o) "Resort area district" or "district" means a resort area 121 district created pursuant to this article.
- 122 (p) "Resort operator" means any person owning and 123 operating the primary outdoor recreational facilities in a resort 124 area and offering outdoor recreational services such as skiing, 125 golf or boating to the general public.
- 126 (q) "Resort service fee" means the fee imposed on the 127 purchase price of goods and services sold within a resort area 128 district by any of the following establishments:

- 129 (1) Hotels, motels, campgrounds, lodges and other lodging 130 or camping facilities;
- 131 (2) Restaurants, fast-food stores, and other food service 132 establishments selling prepared foods;
- 133 (3) Taverns, bars, nightclubs, lounges and other public 134 establishments that serve beer, wine, liquor or other alcoholic 135 beverages by the drink;
- 136 (4) Retail establishments:
- 137 (5) Entertainment facilities, including, but not limited to, theaters, amphitheaters, halls and stadiums; and
- 139 (6) Recreational facilities and activities, including, but not 140 limited to, ski resorts, golf courses, water sports, rafting, 141 canoeing, kayaking, rock climbing and zip lines.
- (r) "Resort service fee bonds" means special obligation bonds or notes issued by a resort area district which are payable from the proceeds of resort service fees.
- 145 (s) "Service" includes, but is not limited to, snow removal; 146 operation and maintenance of public transportation; 147 maintenance, upgrade and beautification of public common 148 areas; maintenance and repair of roads and sidewalks; providing 149 for the collection and disposal of garbage and other refuse 150 matter; recycling; operation, upgrade and maintenance of any projects or improvements; and any other public service 151 152 authorized by this article, including fire protection and public 153 safety. For purposes of this article, a common area shall not 154 include any facility that benefits only the resort operator, or for 155 which the resort operator charges a fee or obtains revenue, or 156 which constitutes part of any facility or service provided by the 157 resort operator, such as a ski lift or ski slope.
- 158 (t) "Sheriff" means the sheriff of the county in which a resort 159 area district is located.

§7-25-4. Power and authority of county commissions to create and establish resort area districts.

- 1 (a) Every county is hereby empowered and authorized, in addition to any other rights, powers and authority conferred upon it elsewhere in this code, to create, modify, reject or expand resort area districts within that county in the manner hereinafter set forth and to assist in the provision of services and development, construction, acquisition, extension or improvement of a project or projects located within a resort area district.
- 9 (b) Unless agreed to by each affected municipality, the 10 power and authority hereby conferred on a county shall not 11 extend into territory within the boundaries of any municipality: 12 *Provided*, That notwithstanding any provision in this code to the 13 contrary, the power and authority hereby conferred on counties 14 may extend within the territory of a public service district
- 15 created under section two, article thirteen-a, chapter sixteen of
- 16 this code.

§7-25-5. Petition for creation or expansion of resort area district; petition requirements.

- 1 (a) The owners of at least sixty-one percent of the real 2 property, determined by acreage, located within the boundaries 3 of the resort area described in the petition, by metes and bounds 4 or otherwise in a manner sufficient to describe the area, may 5 petition a governing body to create or expand a resort area 6 district.
- 7 (b) The petition for the creation or expansion of a resort area8 district shall include, where applicable, the following:
- 9 (1) The proposed name and proposed boundaries of such 10 district and a list of the names and addresses of all owners of real 11 property within the proposed district;

- 12 (2) A description of proposed projects and services to be 13 provided within the district;
- (3) A map showing the proposed resort area to be includedin the resort area district;
- 16 (4) A list of estimated project and service costs;
- 17 (5) A feasibility or consultant study concerning the 18 formation of the proposed district and the funds to be generated 19 by the implementation of a resort service fee and indicating that 20 the proposed resort service fee will provide sufficient revenue 21 for proposed services and projects;
- 22 (6) The proposed rate or rates, not to exceed five percent of 23 the purchase price, of the resort service fee and the proposed 24 classes of goods and services to which each rate shall apply;
- 25 (7) The proposed effective date of the resort service fee;
- 26 (8) A certification from the State Tax Commissioner of the 27 amount of consumers sales and service taxes collected from 28 businesses located in the proposed district during the most recent 29 twelve calendar month period for which such data is available 30 that precedes the calendar quarter during which the petition will 31 be submitted to the governing body;
- 32 (9) A development schedule; and
- 33 (10) A statement of the benefits that can be expected from the creation of the district.
- 35 (c) Within sixty days of the submission of a petition for the 36 creation of a resort area district, the governing body shall by 37 order determine the completeness of the petition. If the 38 governing body determines that the petition is complete, it shall 39 set a date for the public meeting required under section six of 40 this article and shall cause the petition to be filed with the clerk

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- 41 of the governing body and be made available for inspection by
- 42 interested persons before the meeting. If the governing body
- 43 determines that such petition is not complete, the petition shall
- be returned to the petitioners with a statement of additional
- 45 information required for such petition to be complete.

§7-25-6. Notice to property owners before creation or expansion of resort area district; form of notice; affidavit of publication.

- 1 (a) Before the adoption of an order creating a resort area 2 district, the governing body shall cause notice to be given to the 3 owners of real property located within the proposed resort area 4 district that such order will be considered for adoption at a public 5 meeting of the governing body at a date, time and place named in the notice and that all persons at that meeting, or any adjournment thereof, shall be given an opportunity to protest or 8 be heard concerning the adoption or rejection of the order. At or 9 after the meeting the governing body may amend, revise or 10 otherwise modify the information in the petition for formation or 11 expansion of a resort area district as it may deem appropriate 12 after taking into account any comments received at such 13 meeting.
 - (b) A resort area district may not be created by a governing body if, at the public meeting required by this section, written protest is filed by at least twenty-five percent of the owners of real property proposed to be included within the district. In the event of a such protest, the petition for the creation of the resort area district may not be resubmitted to the governing body for a period of at least one year from the date of the original submission.
- 22 (c) At least sixty days prior to the date of the meeting the notice required by this section shall, using reasonable efforts, be mailed to each owner of real property to be included in the 25 proposed resort area district as provided in subsection (g) of this

- 26 section, posted in multiple, conspicuous public locations within 27 such proposed district and published as a Class II legal 28 advertisement in compliance with the provisions of article three. 29 chapter fifty-nine of this code and the publication area for such 30 publication shall be the county in which the proposed resort area 31 district is located. The notice shall be in the form of, or 32 substantially in the form of, the following notice: 33 "NOTICE TO ALL PERSONS OWNING PROPERTY 34 LOCATED WITHIN (here describe the 35 boundaries of the proposed resort area district) IN THE 36 COUNTY OF (name of county): 37 A petition has been presented to the county commission of the County of (name of county) requesting 38 establishment of a resort area district and authorization of a 39 40 resort service fee under article twenty-five, chapter seven of the 41 code of West Virginia, 1931, as amended, to 42 (describe potential projects and/or services to be provided) in the 43 county of (name of county) as the county 44 commission may deem proper. A copy of the petition is available 45 in the office of the clerk of the county commission of the County of (name of county) for review by the public 46 47 during regular office hours. 48 The petition to create a resort area district will be considered 49 by the county commission at a public meeting to be held on the 50 day of at ... m. at 51 Any owner of real property 52 whose property may be affected by the creation of the 53 above-described resort area district, and any owner of real property whose property is not located within said resort area 54 55 district but wishes his or her property to be included, will be 56 given an opportunity, under oath, to protest or be heard at said meeting or any adjournment thereof:..... (name of clerk) 57 58
- 58 (d) An affidavit of publication of the notice made by 59 newspaper publisher, or a person authorized to do so on behalf

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- 60 of such publisher, and a copy of the notice shall be made part of 61 the minutes of the governing body and spread on its records of 62 the meeting described in the notice. The service of said notice 63 upon all persons owning any interest in any real property located 64 within the proposed resort area district shall conclusively be 65 deemed to have been given upon completion of mailing as 66 provided in subsection (g) of this section and such newspaper 67 publication.
 - (e) The petitioners shall bear the expense of publication of the notice, the meeting and the mailing of the proposed order, as requested by subsection (f) of this section.
- 71 (f) After the public meeting and before the governing body 72 may adopt an order creating a resort area district, the governing 73 body shall, using reasonable efforts, mail a true copy of the 74 proposed order creating the resort area district to the owners of 75 real property in the proposed district as provided in subsection 76 (g) of this section and shall post copies of such proposed order 77 in multiple, conspicuous public locations within such proposed 78 district. Unless waived in writing, any petitioning owner of real 79 property shall have thirty days from mailing of the proposed 80 order in which to withdraw his or her signature from the petition 81 in writing prior to the vote of the governing body on such order. 82 If any signatures on the petition are so withdrawn, the governing 83 body may adopt the proposed order only upon certification by 84 the petitioners that the petition otherwise continues to meet the 85 requirements of this article. If all petitioning owners of real 86 property waive the right to withdraw their signatures from the petition, then the governing body may immediately adopt the 88 order.
 - (g) For purposes of the mailing of each notice to owners of real property required by this section, reasonable efforts shall be made to mail such notice to all owners of real property proposed to be included within such resort area district using the real property tax records and land books of the county in which such

- 94 proposed district is located and any lists maintained by a resort
- 95 operator or homeowners association within such proposed
- 96 district. Such notice shall be also mailed to each president of a
- 97 homeowners association, if any, located within a proposed
- 98 district which has registered with a resort operator to receive
- 99 such information. Immaterial defects in the mailing of such
- 100 notices shall not affect the validity of such notices.

§7-25-7. Creation of resort area district; resort area district to be a public corporation.

- 1 (a) Each resort area district shall be created by adoption of
- 2 an order by the governing body.
- 3 (b) From and after the date of the adoption of the order
- 4 creating a resort area district, it shall thereafter be a public
- 5 corporation, but without any power to levy or collect ad valorem
- 6 taxes.

§7-25-8. Powers of resort area district.

- 1 Each resort area district may:
- 2 (a) Have and use a corporate seal, and alter the same;
- 3 (b) Sue and be sued, and be a party to suits, actions and
- 4 proceedings;
- 5 (c) Purchase insurance:
- 6 (d) Enter into agreements, contracts or other transactions
- 7 with any person or governmental agency necessary or incident
- 8 to the provision of services or the development, planning,
- 9 construction, acquisition or improvement of a project or for the
- 10 operation, maintenance or disposition of a project or for any
- 11 other services required by a project, or to carry out any purposes
- 12 of the district:

- (e) Establish a bank account or accounts in its name;
- (f) Design, plan, finance, develop, construct, acquire, extend,
 improve and complete a project or projects;
- 16 (g) Upon following the procedures set forth in this article, 17 assess the cost of all or any portion of a project on real property 18 located within the resort area district;
- 19 (h) Accept from any public or private source appropriations, 20 grants, gifts, bequests, devises, loans, contributions and any 21 other benefits available for use in furtherance of district 22 purposes, and to use or dispose of the same to carry out district 23 purposes;
- 24 (I) Expend funds to pay the costs of providing services 25 within the district and to acquire, or construct part of a project on 26 property located within or outside of a district, and for any work 27 undertaken thereon, as may be necessary or incident to the 28 completion of a project;
- (j) Enter into agreements with the county within which the
 resort area district is located to plan, develop, construct, acquire
 or improve a project jointly;
- 32 (k) Borrow money and incur indebtedness and other 33 obligations and evidence the same by certificates, notes or 34 debentures: Provided. That such indebtedness shall not exceed 35 the annual budget for the Resort area district without the 36 approval of the property owners at a meeting called for such 37 purpose, a majority of those voting shall constitute approval. 38 Voting may be in person, by mailed ballot, by proxy or by 39 electronic means:
- 40 (I) Raise funds by the issuance and sale of assessment bonds 41 and resort service fee bonds: *Provided*, That the source and sales 42 of bonds shall be approved at a meeting of the property owners 43 called for such purpose. A majority of those voting shall

- 44 constitute approval. Voting at such meeting may be done in
- 45 person, by mailed ballot, by proxy or by electronic means;
- 46 (m) Annually, on or before June 7, certify to the sheriff of
- 47 the county in which the property is located the assessments
- 48 granted against all property in the district for inclusion in the tax
- 49 ticket:
- 50 (n) Charge interest and levy fines and penalties on unpaid
- 51 assessments;
- 52 (o) Create and enforce liens for unpaid assessments;
- 53 (p) Adopt bylaws not inconsistent with law;
- 54 (q) Implement, administer and collect a resort service fee for
- 55 the purpose of providing funds for the provision of services and
- 56 to design, plan, finance, develop, construct, acquire, extend,
- 57 improve and complete a project or projects within a resort area
- 58 district:
- 59 (r) Acquire, own or hold, in its corporate name, real or
- 60 personal property, including easements and rights-of-way, by
- 61 purchase, lease, gift or otherwise, within or without a resort area
- 62 district for district purposes, as well as obtain options for the
- 63 acquisition of real property;
- 64 (s) Provide services necessary to protect the health and
- 65 welfare of residents in a resort area district and the value of
- 66 property therein and to enter into agreements with any
- 67 governmental agency, public or private agency, institution or
- 68 person for the furnishing of such services;
- 69 (t) Provide for fire protection service;
- 70 (u) Provide for the public safety, including the appointment
- 71 of resort area rangers;

- 72 (v) Provide for public recreation by means of parks, 73 including, but not limited to, playgrounds, golf courses, 74 swimming pools, skating rinks or recreation buildings:
- 75 (w) Provide for the opening, widening, extending, 76 straightening and surfacing in whole, or in part of, any street and snow removal or clearance for the same or other roads or streets:
- 78 (x) Provide for the construction and improvement of street 79 lights, bridges, culverts, curbs, gutters, drains and works 80 incidental to any street improvement; and
- (y) Do any and all other things necessary to carry out the purposes of this article and not in violation of the Constitution of this state as may be necessary or incident to the provision of services or the construction and completion of a project.

§7-25-9. Official name of resort area districts.

- 1 The official name of a resort area district created under the
- 2 provisions of this article may contain the name of the resort area
- 3 or county in which it is located.

§7-25-10. Resort area boards.

- 1 (a) The powers of each resort area district shall be vested in and exercised by a resort area board which shall be composed of seven members, the composition of which shall be as set forth in subsection (b) of this section. Board members need not be residents of the district or landowners, except where specifically required otherwise. For purposes of this section, "residential, improved real property" includes, but is not limited to, condominium units, townhouses and single-family residences.
- 9 (b) The composition of a resort area board shall be as 10 follows:
- 11 (1) Three board members shall be owners of or 12 representatives of owners of residential, improved real property 13 located within the resort area district;

- 14 (2) Two board members shall be representatives of the resort operator or operators located within the resort area district;
- 16 (3) One board member shall be an owner or a representative 17 of owners of commercial business property located within the 18 resort area district; and

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- (4) One board member shall be an owner or a representative of owners of unimproved, developable real property located within the resort area district.
- (c) For purposes of this section, if a parcel of real property is owned by one or more entities (such as a corporation, limited liability companies, or other entity), then the following are also eligible to serve on the board as an owner with respect to such parcel: (1) Any person having an ultimate beneficial interest in the parcel, whether directly or indirectly and regardless of the number of intermediate ownership entities; and (2) any person designated at the outset of the election as authorized, by an owning entity, to serve on the board as an owner for that particular parcel. Nothing in this provision, however, creates any additional voting rights to the owners of a single parcel of real property, and each parcel of real property shall be entitled to only one vote, regardless of the number of owners participating in ownership of the parcel. Furthermore, nothing in this provision authorizes the owners of real property of one type (such as the resort operator, owners of residential improved real estate, or owners of unimproved, developable real estate) to vote regarding a board position reserved to another ownership category.
- (d) The board members shall be elected for terms of four years each and thereafter until their respective successors have been elected and have been qualified, except, that of the board members elected at the initial election meeting, two shall serve for a term of two years, two shall serve for a term of three years and three shall serve for a term of four years. At the first meeting

- of the board, the board members shall determine by lot which of them shall serve the terms less than four years. Each succeeding term is four years. Board members may be reelected for any number of terms. In the event a board member who is required to own real property within the district to be eligible for such board position no longer owns real property within the district, such member may serve out the remainder of his or her term.
 - (e) Only owners of real property, including owners of commercial business property, located within the district shall be eligible to vote in elections for board members.
 - (f) Elections for board members shall be held in accordance with bylaws adopted by the board, but section eleven of this article shall govern the initial election of board members. Voting shall be in person, by mailed ballot, by proxy or by electronic means. The voting restrictions set forth in subsections (d) and (e) of section eleven of this article shall apply to all board elections and may not be altered.
 - (g) Before entering upon the performance of his or her duties, each member shall take and subscribe to the oath required by Section five, Article IV of the Constitution of this state.
 - (h) In the event that a board vacancy arises before the scheduled end of a board member's term, vacancies on the board shall be filled for the remainder of the unexpired term of the member whose office shall be vacant and such appointment, pursuant to the procedures set forth in subsection (q) of this section. Any board member may be removed by the board in case of incompetency, neglect of duty, gross immorality or malfeasance in office, upon a unanimous vote of the remaining six board members. A vote of four board members is sufficient to schedule and conduct an election to fill an unexpired board member's term. Any other action of the board taken while one or more board positions are vacant must be unanimously approved by a board which is comprised of at least six active serving board members.

- 81 (I) The board shall organize within thirty days following the 82 first election of board members and annually thereafter at its first meeting after January 1, of each year by selecting one of its 83 84 members to serve as chairman, one to serve as treasurer and one 85 to serve as secretary. The secretary, or his or her designee, shall 86 keep a record of all proceedings of the board which shall be 87 available for inspection as other public records and the 88 Treasurer, or his or her designee, shall maintain records of all 89 financial matters relating to the resort area district, which shall 90 also be made available for inspection as other public records. 91 The secretary and treasurer shall perform such other duties 92 pertaining to the affairs of the resort area district as shall be 93 prescribed by the board.
 - (j) The initial board shall adopt bylaws for the district; *Provided*, That the adoption of such bylaws and any subsequent amendments thereto shall require approval by six sevenths of the board.

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- (k) The members of the board, and the chairman, secretary and treasurer thereof, shall make available, at all reasonable times and upon reasonable notice, all of its books and records pertaining to the resort area district's operation, finances and affairs for inspection and audit. The board shall meet at least semiannually.
- (1) A majority of the members of the board constitutes a quorum and meetings shall be held at the call of the chairman. Board members may vote either in person, by telephone or by electronic means.
- (1) Staff, office facilities and costs of operation of the board may be provided by the county which created the resort area district or by contract and said costs of operations shall be funded from resort service fees collected within the district or any other source.

- (m) The chairman shall preside at all meetings of the board and shall vote as any other members of the board, but if he or she should be absent from any meeting the remaining members may select a temporary chairman, and if the member selected as chairman resigns as chairman or ceases for any reason to be a member of the board, the board shall select one of its members to serve as chairman until the next annual organizational meeting.
- (n) The board shall, by resolution, determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meeting may be called. The members of the board shall not be personally liable or responsible for any obligations of the resort area district or the board but are answerable only for willful misconduct in the performance of their duties.
 - (o) The members of the board shall serve without compensation but shall receive reimbursement for actual and necessary expenses incurred in connection with the performance of their duties.
 - (p) Every board member who handles public funds or property, and every other officer or employee of a resort area district of whom it shall be required, shall, unless otherwise provided by law, give bond, with good security, to be approved by the board, and in such penalty as such board, conditioned upon the faithful discharge of the duties of his or her office or employment and the faithful accounting for and paying over, as required by law, of any funds or property coming into his or her possession.
 - (q) Vacancies on the board shall be filled by a special election within 120 days of the vacancy, on a date specified by the board, which shall not be less than 45 days sooner than publication of notice of the election. The publication process for an election to fill a vacancy shall be the same as set forth in

- subsections (c), (d) and (e) of section 11 of this article, and only
- 147 those owners eligible to vote for the board member whose
- 148 departure from office caused the vacancy shall be eligible to vote
- 149 to replace the member. Without limiting the foregoing, and by
- 150 way of example, only owners of improved residential property
- 151 may vote to fill a vacancy created by the departure from office
- 152 of a board member elected by that class of owner.
- 153 Notwithstanding the provisions of this subsection, a vacancy in
- 154 the office of board as to a board member elected or appointed as
- 155 a resort operator representative, may be filled by direct
- 156 appointment of the resort operator, rather than by election, if
- 157 only one resort operator exists in the district.

§7-25-11. Election procedure for initial members of resort area board; subsequent elections; elections and procedures to fill board vacancies.

- 1 (a) Within ninety days of the adoption of the order creating
- 2 the resort area district, a public meeting shall be held at which
- 3 elections for the initial members of the board shall be held. Such
- 4 meeting shall be held at a location within the district not less
- 5 than twenty days after the publication of the notice required by
- 6 subsection (b) of this section.
- 7 (b) Prior to the meeting required by this section, the
- 8 petitioners for the creation of the resort area district shall, using
- 9 reasonable efforts, cause notice of the initial election meeting to 10 be given to all owners of real property, including owners of
- 10 be given to all owners of real property, including owners of 11 commercial business property, located within the district. Such
- commercial business property, located within the district. Such notice shall be mailed to each owner of real property included in
- 13 the resort area district as provided in subsection (h) of this
- 14 section, posted in multiple, conspicuous public locations within
- 15 such district and published at least thirty days prior to the date of
- 16 the meeting as a Class II legal advertisement in compliance with
- 17 the provisions of article three, chapter fifty-nine of this code and
- 18 the publication area for such publication shall be the resort area
- 19 district. The notice shall provide, at a minimum, the following
- 20 information:

- 21 (1) The purpose of the meeting;
- 22 (2) Descriptions of the board positions;
- 23 (3) A statement that only owners of real property, including
- 24 owners of commercial business property, located within the
- 25 district are eligible to vote in such election;
- 26 (4) The location of the meeting; and
- 27 (5) The date and time of the meeting.
- 28 (c) At the meeting required by this section, nominations shall
- 29 be made for each board position. Persons nominated for board
- 30 positions shall meet the criteria provided for each board position
- 31 as set forth in subsection (b), section ten of this article.
- 32 Nominations shall be made for each board position in the
- 33 following manner:
- 34 (1) Only owners of residential, improved real property
- 35 located within the resort area district may nominate persons for
- 36 the three board positions provided for owners of or
- 37 representatives of owners of residential, improved real property
- 38 located within the resort area district;
- 39 (2) Only representatives of the resort operator or resort
- 40 operators may nominate persons for the two board positions
- 41 provided for representatives of the resort operator or resort
- 42 operators located within the resort area district;
- 43 (3) Only owners of commercial business property located
- 44 within the resort area district may nominate persons for the
- 45 board position provided for an owner of or a representative of
- 46 owners of commercial business property located within the
- 47 resort area district; and
- 48 (4) Only owners of unimproved, developable real property
- 49 located within the resort area district may nominate persons for

- 50 the board position provided for an owner of or a representative
- 51 of owners of unimproved, developable real property located
- 52 within the resort area district.

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- 53 (d) Following board member nominations, a vote shall be
 54 taken by written ballot for board members to be elected, but
 55 owners of any class of property may grant proxies to any person
 56 to cast the owner's ballot as if the owner were present in person.
- 57 Voting shall occur in the following manner:
- (1) Only owners of residential, improved real property located within the resort area district may vote for the three board positions provided for owners of or representatives of owners of residential, improved real property located within the resort area district. Each owner is entitled to one vote per unit or parcel of residential, improved real property he or she owns;
 - (2) Only a representative of each resort operator may vote for the two board positions provided for representatives of the resort operator or resort operators located within the resort area district;
 - (3) Only owners of commercial business property located within the resort area district may vote for the board position provided for an owner of or a representative of owners of commercial business property located within the resort area district. Each owner is entitled to one vote per unit of commercial business property he or she owns; and
 - (4) Only owners of unimproved, developable real property located within the resort area may vote for the board position provided for an owner of or a representative of owners of unimproved, developable real property located within the resort area district. Each owner is entitled to one vote per parcel of unimproved, developable real property that he or she owns.
- 80 (e) For purposes of voting in the initial election and in all subsequent elections for board members:

- 82 (1) The owners of each parcel or unit of real property are 83 entitled one vote, irrespective of the number of owners of such 84 parcel or unity;
 - (2) Fractional voting shall not be permitted; and
- 86 (3) The vote pertaining to a parcel or unit shall be cast in 87 accordance with the direction of the person or persons holding 88 the majority interest in such parcel or unit, and in the event there 89 is no majority, such vote shall be forfeited.
- 90 (f) Each board member shall be elected by a majority of the votes cast for such board position.
- 92 (g) The petitioners for the creation of the resort area district 93 shall be responsible for the costs of the initial election and 94 meeting required by this section.
- 95 (h) For purposes of the mailing of notice to owners of real 96 property required by this section, reasonable efforts shall be 97 made to mail such notice to all owners of real property included 98 within such resort area district using the real property tax records 99 and land books of the county in which such district is located and 100 any lists maintained by a resort operator or homeowners 101 association within such district. Such notice shall be also mailed 102 to each president of a homeowners association, if any, located 103 within a district which has registered with a resort operator to 104 receive such information. Immaterial defects in the mailing of 105 such notices shall not affect the validity of such notices.
- §7-25-12. Resort area districts authorized to levy resort service fee; procedure for implementation and cessation of resort service fee; abstract and notice of implementing resolution; rate of resort service fee; permissible uses; limitations on imposition.
 - 1 (a) Resort area districts are hereby authorized to impose a
 - 2 resort service fee within such district by following the
 - 3 procedures set forth in this section.

- 4 (b) No resort service fee shall be implemented within a resort area district without approval by six sevenths of the board.
 6 If six sevenths of the board has approved the implementation of a resort service fee, the board shall adopt a resolution specifying the following:
- 9 (1) The rate or rates of the resort service fee and the classes 10 of goods and services to which each rate shall apply;
- 11 (2) The services and projects authorized to be funded from 12 the proceeds of the resort service fee; and
- 13 (3) The effective date of the resort service fee: *Provided*, 14 That the resort service fee shall not take effect less than ninety 15 days following the adoption of the resolution.
- 16 (c) A board may repeal the resolution authorizing 17 implementation of a resort service fee upon approval by six 18 sevenths of the board: *Provided*, That such resolution may not be 19 repealed if a district has outstanding resort service fee bonds and 20 the terms of such bonds restrict the repeal of such resolution.
- 21 (d) After the adoption of a resolution regarding 22 implementation of a resort service fee, an abstract of such 23 resolution, determined by the board to contain sufficient 24 information as to give notice of the contents of such resolution, 25 and notice that such resolution has been adopted shall be posted 26 in multiple, conspicuous public locations within such district and 27 published as a Class II legal advertisement in compliance with 28 the provisions of article three, chapter fifty-nine of this code and 29 the publication area for such publication shall be the resort area 30 district.
- 31 (e) The rate of a resort service fee shall not exceed five 32 percent of the purchase price of the goods or services upon 33 which the resort service fee is levied: *Provided*, That a district 34 may impose the resort service fee at a rate less than five percent.

- 35 (f) A resort area district may levy a resort service fee at
- 36 different rates upon different classes of goods and services.
- 37 (g) The proceeds generated by a resort service fee shall
- 38 solely be used for:
- 39 (1) Paying all or a portion of the costs of providing a service
- 40 or services within the district; or
- 41 (2) Paying all or a portion of the costs of a project or
- 42 projects, including payment of debt service on resort service fee
- 43 bonds;
- 44 (3) However, a minimum of twenty-five percent of all
- 45 service fees shall be placed in a reserve account and shall not be
- 46 used except in compliance with the bylaws.
- 47 (h) A resort service fee shall not be imposed upon goods and
- 48 services sold for resale.

§7-25-13. Resort service fee administration.

- 1 (a) Not less than thirty days prior to the date that the resort
- 2 service fee becomes effective, the board shall adopt an
- 3 administrative resolution governing the collection and reporting
- 4 of the resort service fee. This administrative resolution may be
- 5 amended at any time as may be necessary to effectively
- 6 administer the resort service fee.
- 7 (b) The administrative resolution shall specify:
- 8 (1) The time that the resort service fees collected by
- 9 businesses are to be remitted to the district;
- 10 (2) The office, officer or employee of the district responsible
- 11 for collecting and accounting for the resort service fee receipts;
- 12 (3) The office, officer or employee of the district responsible
- 13 for enforcing collection of resort service fees and the methods

- 14 and procedures to be used in enforcing the collection of resort
- 15 service fees due; and
- 16 (4) The penalties for failure to report resort service fees due,
- 17 failure to remit resort service fees due and violation of the
- 18 administrative resolution.
- 19 (c) The administrative resolution may include:
- 20 (1) Further clarification and specificity in the categories of
- 21 goods and services that are subject to the resort service fee
- 22 consistent with subdivision (q), section three of this article; and
- 23 (2) Other administrative details necessary for the efficient
- 24 and effective administration of the resort service fee.

§7-25-14. Implementation and provision of services within resort area district; adoption of annual budget.

- 1 (a) Upon the creation of a resort area district and
- 2 organization of its board, a resort area district may provide for
- 3 the provision of services by the adoption of a resolution.
- 4 (b) A resolution providing for the provision of services shall
- 5 set forth:
- 6 (1) The services to be offered;
- 7 (2) The sources of funding for such services; and
- 8 (3) All other information necessary for the administration of
- 9 providing such services.
- 10 (c) A resolution providing for the provision of services may
- 11 be amended from time to time, as deemed necessary by the
- 12 board.
- 13 (d) Services to be offered by a resort area district shall not be
- 14 inconsistent with those permitted under the bylaws of the district

- 15 or this article and shall not include a service for which the resort
- 16 operator charges a fee or obtains revenue, such as operation or
- 17 maintenance of a ski slope or ski lift.
- 18 (e) The board shall adopt an annual budget for the district
- 19 each year. Such budget shall require approval by six sevenths of
- 20 the board to be adopted. Funds of the resort area district may not
- 21 be expended on any service or project in excess of the amounts
- 22 specified in the budget, and no material expenditures may occur
- 23 on services or projects not authorized by the budget, except upon
- 24 approval of at least six sevenths of the board.
- 25 (f) In setting the budget or any amendment to it, and in 26 approving any anticipated obligation, undertaking and related
- 27 expenditure of any funds received from any resort service fee or
- expenditure of any funds received from any resort service ree of
- 28 from any assessment, the Board shall be empowered to condition
- 29 the an expenditure or undertaking, in whole or part, upon the
- 30 receipt of grants, loans or contribution of funds by or from other
- 31 sources or parties, including the resort operator, any commercial
- 32 interests, and any governmental entity, In the event that any
- 33 such conditions established by the Board are not met, the
- 34 expenditure and any related conditionally approved undertaking
- 35 shall not be required.
- §7-25-15. Authorization to implement assessments for projects; procedures for implementing assessments; by-laws to provide additional procedures for implementation of assessments; notice to property owners before implementation of assessments for projects; affidavit of publication.
 - 1 (a) An assessment for a project within a resort area district
 - shall be authorized by the adoption of a resolution by the board.
 - 3 A resolution authorizing an assessment shall only be adopted
 - 4 after following the procedures set forth in this section.
 - 5 (b) The bylaws of a district:

- 6 (1) Shall provide the procedures not addressed in this section
 7 for the implementation of an assessment to pay the costs of a
 8 project: *Provided*, That such procedures must be consistent with
 9 constitutional standards and all other laws and regulations of this
 10 state.
- 11 (2) May provide for the maximum amount of assessments 12 which may be levied against a parcel of real property within the 13 district.
- 14 (c) Fifty-one percent or more of the owners of real property
 15 to be benefitted by a project may petition the board to implement
 16 an assessment to pay the costs of such project. A board may on
 17 its own initiative propose an assessment to pay the costs of a
 18 project upon approval by six sevenths of the board.

- (d) Upon following the procedures provided in this section and a resort area district's bylaws for the implementation of an assessment to pay the costs of a project, the board may, after giving notice to all real property owners and holding a public meeting as required by this section, adopt a resolution authorizing such assessment to pay the costs of a project upon approval by six sevenths of the board.
- (e) Before the adoption of a resolution authorizing an assessment to pay the costs of a project, the board shall cause notice to be given to the owners of real property located within the resort area district that such resolution will be considered for adoption at a public meeting of the board at a date, time and place named in the notice and that all persons at that meeting, or any adjournment thereof, shall be given an opportunity to protest or be heard concerning the adoption or rejection of the resolution.
- (f) An assessment shall not be authorized by the board if at the public meeting required by this section written protest is filed by at least twenty-five percent of the owners of the real property

- 38 within the district to be benefitted by the proposed project and
- 39 subject to the assessment. In the event of such protest, the
- 40 proposed assessment in the same form may not be reconsidered
- 41 by a board for a period of at least one year from the date of the
- 42 public meeting.

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- 43 (g) At least thirty days prior to the date of the public 44 meeting, the notice required by this section shall, using 45 reasonable efforts, be mailed to the owners of real property to be 46 assessed for a proposed project as provided in subsection (k) of 47 this section, posted in multiple, conspicuous public locations 48 within such district and published as a Class II legal 49 advertisement in compliance with the provisions of article three, 50 chapter fifty-nine of this code. The publication area for such 51 publication shall be the resort area district.
 - (h) An affidavit of publication of the notice made by newspaper publisher, or a person authorized to do so on behalf of such publisher, and a copy of the notice shall be made part of the minutes of the board and spread on its records of the meeting described in the notice. The service of said notice upon all persons owning any interest in any real property located within the resort area district shall conclusively be deemed to have been given upon completion of mailing as provided in subsection (k) of this section and such newspaper publication.
 - (i) After the public meeting and before the board may adopt a resolution authorizing implementation of assessments, the board shall, using reasonable efforts, mail a true copy of the proposed resolution authorizing implementation of an assessment to the owners of real property in the resort area district as provided in subsection (k) of this section.
- (j) A board shall make available to the owners of real property within the district a list of all owners of real property within the district for the purposes of enabling such owners of real property to solicit support for a petition proposing or a protest against an assessment.

72 (k) For purposes of the mailing of each notice to owners of 73 real property required by this section, reasonable efforts shall be 74 made to mail such notice to all owners of real property required 75 to receive notice under this section using the real property tax records and land books of the county in which such district is 76 77 located and any lists maintained by a resort operator or 78 homeowners association within such district. Such notice shall 79 be also mailed to each president of a homeowners association, if 80 any, located within a district which has registered with a resort 81 operator to receive such information. Immaterial defects in the 82 mailing of such notices shall not affect the validity of such 83 notices.

§7-25-16. Provisions for construction of a project.

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- (a) Prior to beginning construction on a project, the board shall provide by resolution for the construction of the project and shall also provide in the same or subsequent resolutions for the supervision of such work by a professional engineer, governmental agency or any other person designated by the board. The board may provide for the construction of the project by one of the two following methods or any combination thereof:
- 8 (1) If there exists a governmental agency with the 9 experience, knowledge and authority to construct the project, the 10 board may elect to enter in a contract with such agency for the 11 construction of all, or a part of, the project or for any other 12 service necessary or incident to the construction of the project, 13 in which case such governmental agency shall be responsible for 14 entering into contracts, subject to the board's approval, with such 15 other persons as may be necessary or incident to the construction 16 of the project; or
- 17 (2) The board may elect to enter into one or more contracts
 18 with such contractors and other persons as may be necessary or
 19 incident to the construction of the project, in which case it shall
 20 solicit competitive bids. All contracts for work on any project,

- 21 the expense of which will exceed \$50,000, shall be awarded to
- 22 the lowest qualified responsible bidder who shall furnish a
- 23 sufficient performance and payment bond. The board may reject
- 24 any and all bids and if it rejects all bids, notices shall be
- 25 published as original required before any other bids may be
- 26 received. The board may let portions of the work necessary to
- 27 complete a project under different contracts.
- 28 (b) The resolution described in subsection (a) of this section
- 29 shall also provide for payment of the cost of the project.
- 30 (c) Prior to the construction of the project, the board shall
- 31 obtain such permits and licenses required by law for the
- 32 construction and operation of the project.
- 33 (d) No project shall be undertaken by a district that includes
- 34 a ski slope or ski lift.

§7-25-17. Notice to property owners of assessments; correcting and laying assessments; report on project completion.

- 1 (a) Prior to the issuance of assessment bonds or the levying
- 2 of any assessments, the board shall cause a report to be prepared
- describing each lot or parcel of land located within the resort
- 4 area district to be assessed for the project and setting forth the
- 5 total cost of the project based on the contract with the
- 6 governmental agency, the accepted bid or bids, or a cost estimate
- 7 certified by a professional engineer, and all other costs incurred
- 8 prior to the commencement of construction and the future
- 9 administrative costs, and the respective amounts chargeable
- 10 upon each lot or parcel of land and the proper amount to be
- 11 assessed against the respective lots or parcels of land with a
- 12 description of the lots and parcels of land as to ownership and
- 13 location. If two or more different kinds of projects are involved,
- 14 the report shall set forth the portion of the assessment
- 15 attributable to each respective project. The board shall thereupon

16 give notice as specified below to the owners of real property to 17 be assessed that on or after a date specified in the notice an 18 assessment will be deemed granted against the property. The 19 notice shall state that the owner of assessed property, or other 20 interested party, may on said date appear before the board to 21 move the revision or correction of the proposed assessment and 22 shall show the total cost of the project, whether the assessments 23 will pay for all, or a part of, the total cost of the project and the lots or parcels of property to be assessed and the respective 24 25 amounts to be assessed against such lots or parcels, with a 26 description of the respective lots and parcels of land as to 27 ownership and location. The notice shall be mailed, using 28 reasonable efforts, to the owners of real property to be assessed 29 for a proposed project as provided in subsection (c) of this 30 section, posted in multiple, conspicuous public locations within 31 such district and published as a Class II legal advertisement in 32 compliance with the provisions of article three, chapter fifty-nine 33 of this code, and the publication area for such publication is the 34 resort area district. On or after the date so advertised, the board 35 may revise, amend, correct and verify the report and proceed by 36 resolution to establish the assessments as corrected and verified 37 and shall certify the same to the governing body which created 38 the district.

(b) Upon completion of a project, the board shall prepare a final report certifying the completion of the project and showing the total cost of the project and whether the cost is greater or less than the cost originally estimated. If the total cost of the project is greater or less than the cost shown in the report prepared prior to construction, the board may revise the assessment charged on each lot or parcel of property pursuant to subsection (a) of this section to reflect the total cost of the project as completed, and in doing so shall, in the case of an assessment increase only, follow the same procedure with regard to notice and providing each owner of assessed property the right to appear before the board to move for the revision or correction of such proposed reassessment as required for the original assessment. If the

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- 52 assessment is decreased, the board shall, by resolution and
- 53 written notice to the sheriff of the county in which the resort area
- 54 district is located, cause the next installment or installments or
- 55 assessments then due and payable by each affected property
- 56 owner to be reduced pro rata, and shall provide written notice to
- 57 such property owners of the amount of such decrease by the
- 58 deposit of such notice in the United States mail, postage prepaid.
- 59 (c) For purposes of the mailing of each notice to owners of
- 60 real property required by this section, reasonable efforts shall be
- 61 made to mail such notice to all owners of real property required
- 62 to receive notice under this section using the real property tax
- 63 records and land books of the county in which such district is
- 64 located and any lists maintained by a resort operator or
- 65 homeowners association within such district. Such notice shall
- 66 be also mailed to each president of a homeowners association, if
- 67 any, located within a district which has registered with a resort
- 68 operator to receive such information. Immaterial defects in the
- 69 mailing of such notices shall not affect the validity of such
- 70 notices.

§7-25-18. Exemption of public property from assessments.

- 1 No lots or parcels of land owned or controlled by the United
- 2 States, this state, any municipality, county, county board of
- 3 education, resort area district or other public body shall be
- 4 subject to any assessments under this article.

§7-25-19. Assessment bonds and resort service fee bonds; sinking fund for assessment bonds and resort service fee bonds; tax exemption.

- 1 (a) For constructing and acquiring any project authorized by
- 2 this article the board of any such district is hereby authorized to
- 3 borrow money, from time to time, and in evidence thereof issue
- 4 the bonds of such district, payable from the proceeds of the
- 5 assessments or resort service fees granted under this article. Such

bonds shall be issued in one or more series, may bear such date 7. or dates, may mature at such time or times not exceeding thirty years from their respective dates, shall be fully registered as to 9 principal and interest in the name of the bondholder with a 10 certificate of authentication, may bear interest at such rate or 11 rates not exceeding eighteen percent per annum, may be payable 12 at such times, may be executed in such manner, may be payable 13 at such place or places, may be subject to such terms of 14 redemption with or without premium, may be declared or 15 become due before maturity date thereof, may be authenticated 16 in any manner, and upon compliance of such conditions, may 17 contain such terms and covenants as provided in the resolution 18 or resolutions of the board. All such bonds shall be, and shall be 19 treated as, negotiable instruments for all purposes. Bonds 20 bearing the signatures of officers and offices on the dates of the 21 signing thereof shall be valid and binding for all purposes 22 notwithstanding that before the delivery thereof any or all such 23 persons whose signatures appear thereon shall have ceased to be 24 such officers. Notwithstanding the requirements or provisions of 25 any other law, any such bonds may be negotiated or sold in such 26 manner at such time or times and at such price or prices as is 27 found by the board to be most advantageous. Any resolution or 28 resolutions providing for the issuance of such bonds may contain 29 covenants and restrictions upon the issuance of additional bonds 30 thereafter as may be deemed necessary or advisable for the 31 assurance of the payment of the bonds thereby authorized.

(b) At or before the time of issuance of any bonds under this article, the board shall by resolution provide for the creation of a sinking fund and for payments into such fund from the assessments or resort service fees granted under this article in such amount as may be sufficient to pay the accruing interest and retire the bonds at or before the time each will respectively become due and to establish or maintain reserves therefor. All sums which are or should be, in accordance with such provisions, paid into such sinking fund shall be used solely for the payment of interest and for the retirement of such bonds at or

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- 42 prior to maturity as may be provided or required by such 43 resolution.
- 44 (c) The property, including leased property, of the resort area 45 district and bonds and any income or interest thereon issued by
- 46 the resort area district are exempt from taxation by the state of
- 47 West Virginia and other taxing bodies of the state.

§7-25-20. Indebtedness of resort area district.

- 1 No constitutional or statutory limitation with respect to the
- 2 nature or amount of or rate of interest on indebtedness which
- 3 may be incurred by municipalities, counties or other public or
- 4 governmental bodies shall apply to the indebtedness of a resort
- 5 area district. No indebtedness of any nature of a resort area
- 6 district shall constitute an indebtedness of any county creating
- 7 and establishing such district or a charge against any property of
- 8 said counties but shall be paid solely from the resort service fee
- 9 or assessments which the resort area district is authorized to
- 10 impose on the owners of the property within the district by this
- 11 article. No indebtedness or obligation incurred by a resort area
- 12 district shall give any right against any member of the governing
- 13 body or any member of the board of a resort area district.

§7-25-21. Payment of assessments to sheriff; report to resort area district; collection of delinquent assessments.

- 1 (a) The assessments authorized to be imposed pursuant to
- 2 this article will not be considered to be ad valorem taxes or the
- 3 equivalent of ad valorem taxes under any provision of this code:
- 4 Provided, That for the exclusive purposes of collection of the
- 5 assessments authorized to be imposed under this article and
- 6 enforcement of the assessment liens created by section
- 7 twenty-two of this article, the provisions of chapter eleven-a of
- 8 this code shall apply as if the assessments were taxes as that term
- 9 is defined in section one, article one of that chapter: *Provided*,
- 10 That any property subject to assessments may not be sold to
- 11 satisfy such lien.

- 12 (b) The sheriff shall promptly deposit all assessments upon 13 receipt thereof in a segregated account established by the sheriff 14 for such purpose and shall maintain a record of the assessments 15 so received. Each month, the sheriff shall pay all moneys 16 collected for the resort area district into the district treasury or. 17 if the sheriff consents, to a trustee for the benefit of bondholders 18 if assessment bonds are issued by the resort area district.
- 19 (c) Payments to the resort area district shall be made in the 20 time set forth in section fifteen, article one, chapter eleven-a of this code and the sheriff shall be entitled to take a commission 21 22 for collection of the assessments on behalf of the resort area 23 district, as provided in section seventeen of said article.

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- (d) For each tax year, the sheriff will prepare and deliver to 25 the board of each resort area district located in the county, a 26 statement setting forth the aggregate amount of assessments 27 received for such district and the name of any property owner who failed to pay the assessments due and payable for the period in question. The report shall be due on or before August 1, of the 30 following year.
- 31 (e) The sheriff is authorized to collect delinquent 32 assessments and enforce the liens created in section twenty-two 33 of this article as if those assessments were delinquent real 34 property taxes and the taxes are tax liens using the enforcement 35 tools provided in articles two and three, chapter eleven-a of this 36 code.

§7-25-22. Liens; recording notice of liens; priority; release of lien; notice to future property owners.

1 (a) With the exception of property exempt from assessment pursuant to section eighteen of this article, there shall be a lien 2 3 on all real property located within the resort area district for the 4 assessments imposed by section seventeen of this article, which lien shall attach to those parcels made subject to the assessment

on the date specified in the notice to property owners. A notice 7 of the liens of said assessments referring to the assessing 8 resolution and setting forth a list of the property assessed. 9 described respectively as to amounts of assessment, ownership 10 and location of the property, shall be certified, by the chairman 11 and secretary of the board, to the clerk of the county commission 12 of the county wherein the project is located. The county clerk 13 shall record the notice of such lien in the appropriate trust deed book or other appropriate county lien book and index the same 14 15 in the name of each owner of real property assessed. From the 16 date of an assessment, the trustee, for the benefit of bondholders 17 if assessment bonds are issued by the resort area district, and/or 18 the district shall have such lien and shall be entitled to enforce 19 the same in its, his, her or their name to the extent of the amount. 20 including principal and interest and any penalty due for any 21 failure to pay an installment when due, of such assessments and 22 against the property to which the assessment applies, as to any 23 assessment not paid as and when due. The trustee or the district. 24 as an alternative to the enforcement provision set forth in section 25 twenty-one of this article, are granted all legal remedies as are 26 necessary to collect the assessment. Such assessments shall be 27 and constitute liens for the benefit of the resort area district or 28 the trustee, for the benefit of bondholders if assessment bonds 29 are issued by the resort area district, upon the respective lots and 30 parcels of land assessed and shall have priority over all other 31 liens except to those for land taxes due the state, county and 32 municipality and except any liens for preexisting special 33 assessments provided under this code. If any assessment is 34 revised in accordance with this article, the lien created by this 35 section shall extend to the assessment so revised and shall have 36 the same priority as the priority of the lien created upon the 37 laying of the original assessment. Such assessments and interest 38 thereon shall be paid by the owners of the property assessed as 39 and when the installments are due. Following the payment in full 40 of any assessment bonds including any interest thereon, the 41 chairman and secretary of the board shall execute a release of all 42 liens and shall certify the same to county clerk for recondition.

43 (b) Following the grant of any assessment on property as 44 provided in this article, the seller of such property shall provide 45 reasonable disclosure to the buyer in the real estate contract that 46 an assessment has been granted on the property, the amount of 47 the assessment and the duration of the assessment.

§7-25-23. Resort Area Rangers.

- 1 (a) A board is hereby authorized to appoint bona fide 2 residents of this state to act as resort area rangers within its 3 respective resort area district upon any premises which are part 4 of said district, subject to the conditions and restrictions imposed 5 by this section.
- 6 (b) Before performing the duties of ranger, each appointed 7 person shall qualify for the position of ranger in the same 8 manner as is required of county officers by the taking and filing 9 of an oath of office as required by section three, article one, chapter six of this code and by posting an official bond as 10 11 required by section one, article two, chapter six of this code. To 12 facilitate the performance of the duties of a ranger, a ranger may 13 carry a firearm or other dangerous weapon while the ranger is on 14 duty.
- 15 (c) It is the duty of any person appointed and qualified as a 16 ranger hereunder to preserve law and order on any premises 17 which are part of a resort area district. For this purpose, the 18 ranger shall be considered to be a law-enforcement officer in 19 accordance with the provisions of section one, article 20 twenty-nine, chapter thirty of this code and, as to offenses 21 committed within those areas, have and may exercise all the 22 powers and authority and are subject to all the requirements and 23 responsibilities of a law-enforcement officer. The assignment of 24 rangers to the duties authorized by this section may not supersede in any way the authority or duty of other peace 25 officers to preserve law and order on those premises. 26

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- 27 (d) The salary of all rangers shall be paid by the board. The
 28 board shall furnish each ranger with an official uniform to be
 29 worn while on duty and shall furnish and require each ranger
 30 while on duty to wear a shield with an appropriate inscription
 31 and to carry credentials certifying the person's identity and
 32 authority as a ranger.
- 33 (e) The board at its pleasure may revoke the authority of any 34 ranger. The chairman of the board shall report the termination of 35 employment of a ranger by filing a notice to that effect in the 36 office of the clerk of the county in which the ranger's oath of 37 office was filed and in the case of a ranger licensed to carry a 38 firearm or other dangerous weapon, by notifying the clerk of the 39 circuit court of the county in which the license for the firearm or 40 other dangerous weapon was granted.

§7-25-24. Annual audit; books and records.

- 1 Each resort area district shall cause an audit of its books and
- 2 accounts to be made at least once each fiscal year by an
- 3 independent certified public accountants, and the cost thereof
- 4 may be defrayed as an administrative cost. All books and records
- 5 of the resort area district shall be available for inspection by any
- 6 property owner during reasonable business hours.

§7-25-25. Notice of transfer of change in ownership of property within resort area district.

- 1 After the resort area district has been formed and organized,
- 2 as a part of any bylaws, the district's board shall promulgate
- 3 rules and regulations as a part of its bylaws which require timely
- 4 notice to the District whenever ownership of property within the
- 5 District has changed, along with any change in address for any
- 6 notices required by this article. If a new property owner within
- 7 the District fails to notify the district board of change in the
- 8 property's ownership, any notice provided by the District to the
- 9 previous property owner's last known address shall be deemed
- 10 sufficient.

§7-25-26. Liberal construction.

- 1 This article being necessary for the public health, safety and
- 2 welfare and economic development, it shall be liberally
- 3 construed to effectuate the purpose hereof.

CHAPTER 30, PROFESSIONS AND OCCUPATIONS.

ARTICLE 29. LAW-ENFORCEMENT TRAINING AND CERTIFICATION.

§30-29-1. Definitions.

- 1 For the purposes of this article, unless a different meaning
- 2 clearly appears in the context:
- 3 (1) "Approved law-enforcement training academy" means
- 4 any training facility which is approved and authorized to conduct
- 5 law-enforcement training as provided in this article;
- 6 (2) "Chief executive" means the superintendent of the State
- 7 Police; the chief natural resources police officer of the Division
- 8 of Natural Resources; the sheriff of any West Virginia county;
- 9 any administrative deputy appointed by the chief natural
- 10 resources police officer of the Division of Natural Resources; or
- 11 the chief of any West Virginia municipal law-enforcement
- 12 agency;
- 13 (3) "County" means the fifty-five major political
- 14 subdivisions of the state:
- 15 (4) "Exempt rank" means any noncommissioned or
- 16 commissioned rank of sergeant or above;
- 17 (5) "Governor's committee on crime, delinquency and
- 18 correction" or "Governor's committee" means the Governor's
- 19 committee on crime, delinquency and correction established as
- 20 a state planning agency pursuant to section one, article nine,
- 21 chapter fifteen of this code:

- 22 (6) "Law-enforcement officer" means any duly authorized 23 member of a law-enforcement agency who is authorized to 24 maintain public peace and order, prevent and detect crime, make arrests and enforce the laws of the state or any county or 25 26 municipality thereof, other than parking ordinances, and includes 27 those persons employed as campus police officers at state 28 institutions of higher education in accordance with the 29 provisions of section five, article four, chapter eighteen-b of this 30 code, and persons employed by the Public Service Commission 31 as motor carrier inspectors and weight enforcement officers 32 charged with enforcing commercial motor vehicle safety and 33 weight restriction laws although those institutions and agencies 34 may not be considered law-enforcement agencies. The term also 35 includes those persons employed as rangers by the Hatfield-McCoy Regional Recreation Authority in accordance with the 36 37 provisions of section six, article fourteen, chapter twenty of this 38 code, or by resort area districts in accordance with the provisions 39 of section twenty-three, article twenty-five, chapter seven of this 40 code, although neither the authority nor any resort area district 41 may not be considered a law-enforcement agency: Provided, 42 That the subject rangers shall pay the tuition and costs of training. As used in this article, the term "law-enforcement 43 44 officer" does not apply to the chief executive of any West 45 Virginia law-enforcement agency or any watchman or special 46 natural resources police officer;
- 47 (7) "Law-enforcement official" means the duly appointed 48 chief administrator of a designated law-enforcement agency or 49 a duly authorized designee;
- 50 (8) "Municipality" means any incorporated town or city 51 whose boundaries lie within the geographic boundaries of the 52 state;
- 53 (9) "Subcommittee" or "law-enforcement professional 54 standards subcommittee" means the subcommittee of the 55 Governor's committee on crime, delinquency and correction 56 created by section two of this article; and

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57 (10) "West Virginia law-enforcement agency" means any duly authorized state, county or municipal organization 58 employing one or more persons whose responsibility is the 59 enforcement of laws of the state or any county or municipality 60 thereof: Provided, That neither the Hatfield-McCoy Regional 61 Recreation Authority, the Public Service Commission nor any 62 state institution of higher education nor any resort area district 63 64 is a law-enforcement agency.

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That Joint Committee on Enrolled Bills hereby certifies that the

foregoing bill is correctly enrolled.

Vanus Welle
Chairman, House Committee
Member Longirman, Segare Committee
Originating in the House.
In effect ninety days from passage.
Clerk of the House of Delegates Clerk of the Senate Speaker of the House of Delegates Speaker of the House of Delegates Pfestilient of the Senate
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PRESENTED TO THE GOVERNOR

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