

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

House Bill 4680

BY DELEGATES ROHRBACH, KESSINGER, HANNA,
HORNBUCKLE, SKAFF, WALKER, HILL, PUSHKIN,
ROBINSON, MILLER AND CAPUTO

[Introduced February 04, 2020; Referred to the
Committee on Prevention and Treatment of
Substance Abuse then Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §31-18-20e, relating to the creation of a West Virginia Housing Development
 3 Fund loan program for recovery residences; defining specifically how funds are to be used;
 4 and requirements imposed on recovery residences.

Be it enacted by the Legislature of West Virginia:

ARTICLE 18. WEST VIRGINIA HOUSING DEVELOPMENT FUND.

§31-18-20e. Recovery residences loan program fund.

1 (a) The board of directors of the Housing Development Fund shall create and establish a
 2 special revolving fund of moneys made available by appropriation, grant, contribution, or loan, to
 3 be known as the “Recovery Residences Loan Program Fund” and to be governed, administered,
 4 and accounted for by the directors, officers, and managerial staff of the Housing Development
 5 Fund as a special-purpose account separate and distinct from any other moneys, fund, or funds
 6 owned and managed by the Housing Development Fund.

7 (b) The purpose of the recovery residences loan program fund is to provide a source from
 8 which the Housing Development Fund may finance recovery residences development costs and
 9 land development in this state by making loans or grants therefrom, such loans to be with or
 10 without interest and with such security for repayment as the Housing Development Fund
 11 considers reasonably necessary and practicable, or by expending moneys therefrom, for recovery
 12 residences development costs and land development in this state.

13 (c) The Housing Development Fund may invest and reinvest all moneys in the recovery
 14 residences loan program fund in any investments authorized under §31-18-6 of this code, pending
 15 the disbursement thereof in connection with the financing of development costs and land
 16 development in this state.

17 (d) Loans may not be made by the Housing Development Fund from recovery residences
 18 loan program fund except in accordance with a written loan agreement which shall include, but
 19 not be limited to, the following terms and conditions:

20 (1) The proceeds of all such loans shall be used only for recovery residences development
21 costs, repairs, maintenance, appliances, emergency needs, new construction, renovation of
22 dilapidated buildings, new building construction, or needs based loans. To be eligible for loans
23 under this section, established recovery houses shall have been in existence for longer than one
24 year and shall be certified to be in good standing by the West Virginia Alliance of Recovery
25 Residences;

26 (2) All such loans shall be repaid in full, with or without interest, as provided in the
27 agreement;

28 (3) All repayments shall be made concurrent with receipt by the borrower of the proceeds
29 of a construction loan or mortgage or at such other times as the Housing Development Fund
30 considers reasonably necessary or practicable; and

31 (4) Specification of the security for repayments upon such terms and conditions as the
32 Housing Development Fund determines reasonably necessary or practicable.

33 (e) Grants may not be made by the Housing Development Fund from recovery residences
34 loan program fund except in accordance with a written grant agreement which shall require that
35 the proceeds of all such grants shall be used only for recovery residences development costs as
36 set out in this section or land development and containing such other terms and provisions as the
37 Housing Development Fund may require to ensure that the public purposes of this article are
38 furthered by the grant.

39 (f) The Housing Development Fund may expend any income from the financing of
40 development costs and land development with moneys in the recovery residences loan program
41 fund, and from investment of such moneys, in payment, or reimbursement, of all expenses of the
42 Housing Development Fund which, as determined in accordance with procedures approved by
43 the board of directors of the Housing Development Fund, are fairly allocable to the financing of
44 recovery residences or land-development activities: *Provided*, That no funds from the recovery
45 residences loan program fund may be used to carry on propaganda, or otherwise attempt to

46 influence legislation.

NOTE: The purpose of this bill is to create a West Virginia Housing Development Fund loan program for recovery residences. The bill defines specifically how funds are to be used and requirements imposed on recovery residences.

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