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HOUSE BILL NO. 1646

Offered January 14, 2009

Prefiled December 12, 2008

A BILL to amend and reenact § 9-7, as amended, of Chapter 657 of the Acts of Assembly of 1982, which provided a charter for the City of Danville, relating to bonds.

Patrons—Marshall, D.W. and Merricks

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:

1. That § 9-7, as amended, of Chapter 657 of the Acts of Assembly of 1982 is amended and reenacted as follows:

§ 9-7. When bond election not required.

A. The council may, without submitting the question of their issuance to the qualified voters of the city, in the name and for the use and benefit of the city, issue, negotiate and sell bonds in any amount or amounts not exceeding ~~three~~ six million dollars in any one fiscal year for any capital expenditure other than for capital expenditures relating to the city's water, sewer, gas and/or electric systems.

B. The council may, without submitting the question of their issuance to the qualified voters of the city, in the name and for the use and benefit of the city, issue, negotiate and sell bonds in any amount or amounts necessary to pay any sum or compensation which the city may be required to pay by the order of any court heretofore or hereafter made in annexation proceedings pursuant to the general laws of the Commonwealth of Virginia, to pay or fund or refund any indebtedness or bonds or other obligations assumed by the city in any such annexation, or the payment of other costs and expenditures in connection with any such annexation.

C. The council may, without submitting the question of their issuance to the qualified voters of the city, in the name and for the use and benefit of the city, issue, negotiate and sell notes in anticipation of the collection of revenue as provided for in this chapter.

D. The council may, without submitting the question of their issuance to the qualified voters of the city, in the name and for the use and benefit of the city, issue, negotiate and sell bonds, to the payment of which the council shall pledge the full faith and credit of the city and/or the revenues derived from any specified undertakings, in any amount or amounts not exceeding ~~five~~ ten million dollars in any one fiscal year for capital expenditures relating to the city's water, sewer, gas and/or electric systems or other specific undertaking or undertakings from which the city may derive a revenue.

E. Notwithstanding anything in this section to the contrary, the council may, without submitting the question of their issuance to the qualified voters of the city, in the name and for the use and benefit of the city, issue, negotiate and sell bonds, *or issue notes*, to the payment of which the council shall pledge the full faith and credit of the city and/or the revenues derived from any specified undertakings, in any amount or amounts not exceeding ~~fifteen~~ twenty-five million dollars in any one fiscal year for capital expenditures relating to the city's water treatment, wastewater treatment, stormwater treatment, solid waste disposal, ~~and/or~~ recycling facilities *and any extraordinary maintenance improvements or expansions of transmission and distribution infrastructure for the electric or gas systems.*

F. For purposes of determining the amount of bonds that may be issued pursuant to this section, refunding bonds shall not be included. For the purposes of this section, the terms "bonds" and "notes" shall not include contractual obligations of the city other than bonds and notes. Anything in this charter to the contrary notwithstanding, authorized bonds and notes which could have been issued without an election on the last day of the fiscal year in which they were authorized may be issued in the subsequent fiscal year without affecting the annual limitations imposed by this section for such subsequent year.

INTRODUCED

HB1646