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HOUSE BILL NO. 2664

Offered January 15, 2025

A BILL to amend and reenact § 15.2-4904 of the Code of Virginia, relating to City of Lexington Industrial Development Authority; appointments.

Patron—Austin

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-4904 of the Code of Virginia is amended and reenacted as follows:

§ 15.2-4904. Directors; qualifications; terms; vacancies; compensation and expenses; quorum; records; certification and distribution of report concerning bond issuance.

A. The authority shall be governed by a board of directors in which all powers of the authority shall be vested and which board shall be composed of seven directors, appointed by the governing body of the locality. The seven directors shall be appointed initially for terms of one, two, three, and four years; two being appointed for one-year terms; two being appointed for two-year terms; two being appointed for three-year terms, and one being appointed for a four-year term. Subsequent appointments shall be for terms of four years, except appointments to fill vacancies, which shall be for the unexpired terms. All terms of office shall be deemed to commence upon the date of the initial appointment to the authority, and thereafter, in accordance with the provisions of the immediately preceding sentence. If at the end of any term of office of any director a successor thereto has not been appointed, then the director whose term of office has expired shall continue to hold office until his successor is appointed and qualified.

Notwithstanding the provisions of this subsection, the board of supervisors of Wise County may appoint eight members to serve on the board of the authority, with terms staggered as agreed upon by the board of supervisors; the board of supervisors of Henrico County may appoint 10 members to serve on the board of the authority, two from each magisterial district, with terms staggered as agreed upon by the board of supervisors; the board of supervisors of Roanoke County may appoint 10 members to serve on the board of the authority, two from each magisterial district, with terms staggered as agreed upon by the board of supervisors; the board of supervisors of Mathews County may appoint from five to seven members to serve on the board of the authority; the town council of the Town of Louisa may appoint from five to seven members to serve on the board of the authority, with terms staggered as agreed upon by the town council; the board of supervisors of King William County may appoint nine members to serve on the board of the authority, with terms staggered as agreed upon by the board of supervisors; the town council of the Town of Saint Paul may appoint 10 members to serve on the board of the authority, with terms staggered as agreed upon by the town council; however, the town council of the Town of Saint Paul may at its option return to a seven-member board by removing the last three members appointed; the board of supervisors of Russell County may appoint nine members, which shall consist of two members from the governing body of a town that has used its borrowing capacity to borrow \$2 million or more for industrial development and such other members as the board of supervisors shall agree upon, with terms staggered as agreed upon by the board of supervisors, and the town council of the Town of South Boston shall appoint two at-large members; Page County may appoint nine members, with one member from each incorporated town, one member from each magisterial district, and one member at-large, with terms staggered as agreed upon by the board of supervisors; Halifax County shall appoint five at-large members to serve on the board of the authority jointly created by the Town of South Boston and Halifax County pursuant to § 15.2-4916, with terms staggered as agreed upon by the governing bodies of the Town of South Boston and Halifax County in the concurrent resolutions creating such authority; the board of supervisors of Goochland County may appoint five members to serve on the board of the authority; the board of supervisors of Powhatan County may appoint five members to serve on the board of the authority; the town council of the Town of Coeburn may appoint five members to serve on the board of the authority, with terms staggered as agreed upon by the town council; the town council of the Town of Kenbridge may appoint five members to serve on the board of the authority, with terms staggered as agreed upon by the town council; the town council of the Town of Victoria may appoint five members to serve on the board of the authority, with terms staggered as agreed upon by the town council; the city council of Suffolk may appoint eight members to serve on the board of the authority, with one member from each of the boroughs and one at-large member, with terms staggered as agreed upon by the city council; the City of Lexington may appoint from five to seven members to serve on the board of the authority, with terms staggered as agreed upon by the city council; and the City of Chesapeake may appoint nine members, with terms staggered as agreed upon by the city council; however, in the City of Chesapeake, after July 1, 2017, no member shall serve more than two consecutive terms. Any person who has served more

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59 than one and one-half terms as a member of the Chesapeake Economic Development Authority as of July 1,
60 2017, shall not be eligible for reappointment for another consecutive term. A member of the Chesapeake
61 Economic Development Authority shall serve at the pleasure of the city council of the City of Chesapeake.
62 No Chesapeake Economic Development Authority member shall work for the Authority within one year after
63 serving as a member. The city council of the City of Norfolk may appoint 11 members, with terms staggered
64 as agreed upon by the city council, and the board of supervisors of Louisa County may appoint directors to
65 serve on the board of the authority for terms coincident with members of the board of supervisors.

66 A member of the board of directors of the authority may be removed from office by the local governing
67 body without limitation in the event that the board member is absent from any three consecutive meetings of
68 the authority or is absent from any four meetings of the authority within any 12-month period or upon
69 unanimous vote of the board of supervisors. In any such event, a successor shall be appointed by the
70 governing body for the unexpired portion of the term of the member who has been removed.

71 B. Each director shall, upon appointment or reappointment, before entering upon his duties take and
72 subscribe the oath prescribed by § 49-1.

73 C. No director shall be an officer or employee of the locality except (i) in a town with a population of less
74 than 3,500 where members of the town governing body may serve as directors provided they do not
75 constitute a majority of the board, (ii) in Buchanan County where a constitutional officer who has previously
76 served on the board of directors may serve as a director provided the governing body of such county
77 approves, (iii) in Essex County where the board of supervisors may appoint one employee of the locality to
78 the Economic Development Authority of the County of Essex, (iv) in Frederick County where the board of
79 supervisors may appoint one of its members to the Economic Development Authority of the County of
80 Frederick, Virginia, (v) in Mathews County where the board of supervisors may appoint one employee of the
81 locality to the Economic Development Authority of the County of Mathews, and (vi) in Craig County where
82 the board of supervisors may appoint one of its members to the Economic Development Authority of the
83 County of Craig. Every director shall, at the time of his appointment and thereafter, reside in a locality within
84 which the authority operates or in an adjoining locality. When a director ceases to be a resident of such
85 locality, the director's office shall be vacant and a new director may be appointed for the remainder of the
86 term.

87 D. The directors shall elect from their membership a chairman, a vice-chairman, and from their
88 membership or not, as they desire, a secretary and a treasurer, or a secretary-treasurer, who shall continue to
89 hold such office until their respective successors are elected. The directors shall receive no salary but may be
90 compensated such amount per regular, special, or committee meeting or per each official representation as
91 may be approved by the appointing authority, not to exceed \$200 per meeting or official representation, and
92 shall be reimbursed for necessary traveling and other expenses incurred in the performance of their duties.

93 E. Except as provided herein, four members of the board of directors shall constitute a quorum of the
94 board for the purposes of conducting its business and exercising its powers and for all other purposes, except
95 that no facilities owned by the authority shall be leased or disposed of in any manner without a majority vote
96 of the members of the board of directors. No vacancy in the membership of the board shall impair the right of
97 a quorum to exercise all the powers and perform all the duties of the board. In the case of the Economic
98 Development Authority of Goochland County, the Economic Development Authority of Powhatan County,
99 the Industrial Development Authority of the Town of Kenbridge, and the Industrial Development Authority
100 of the Town of Victoria, three members of the board of directors shall constitute a quorum of the board for
101 the purposes of conducting its business and exercising its powers and for all other purposes, except that no
102 facilities owned by the authority shall be leased or disposed of in any manner without a majority vote of the
103 members of the board of directors.

104 F. The board shall keep detailed minutes of its proceedings, which shall be open to public inspection at all
105 times. It shall keep suitable records of its financial transactions and, unless exempted by § 30-140, it shall
106 arrange to have the records audited annually. Copies of each such audit shall be furnished to the governing
107 body of the locality and shall be open to public inspection.

108 Two copies of the report concerning issuance of bonds required to be filed with the United States Internal
109 Revenue Service shall be certified as true and correct copies by the secretary or assistant secretary of the
110 authority. One copy shall be furnished to the governing body of the locality and the other copy mailed to the
111 Department of Small Business and Supplier Diversity.