# WEST VIRGINIA CODE: §16-29A-7

**§16-29A-7. Bonds and notes.**

(a) The authority periodically may issue its negotiable bonds and notes in a principal amount which, in the opinion of the authority, shall be necessary to provide sufficient funds for the making of hospital loans, including temporary loans during the construction of hospital facilities, for the payment of interest on bonds and notes of the authority during construction of hospital facilities for which the hospital loan was made and for a reasonable time thereafter and for the establishment of reserves to secure those bonds and notes.

(b) The authority periodically may issue renewal notes, may issue bonds to pay notes and, if it considers refunding expedient, to refund or to refund in advance bonds or notes issued by the authority by the issuance of new bonds pursuant to the requirements of section thirteen of this article.

(c) The authority may, upon concurrent resolution passed by the Legislature, authorize the issuance of negotiable bonds and notes in a principal amount which are necessary to provide sufficient funds for the construction, reconstruction, renovation and maintenance of one or more skilled nursing facilities that will only serve the skilled nursing needs of West Virginia veterans who have performed active duty in an active component of the Armed Forces or performed active service in a reserve component of the Armed Forces. These bonds issued by the authority may not exceed $10 million. The revenues pledged for the repayment of principal and interest of these bonds shall include the net profit of the veterans instant lottery scratch-off game authorized by section nine-a, article twenty-two, chapter twenty-nine of this code excluding all architectural fees and associated project costs transferred pursuant to that section.

(d) Except as may otherwise be expressly provided by the authority, every issue of its notes or bonds shall be special obligations of the authority, payable solely from the property, revenues or other sources of or available to the authority pledges therefor.

(e) The bonds and the notes shall be authorized by resolution of the authority, shall bear the date and shall mature at time or times, in the case of any such note or any renewals thereof, not exceeding seven years from the date of issue of the original note and in the case of any bond not exceeding fifty years from the date of issue, as the resolution may provide. The bonds and notes shall bear interest at rate or rates, be in a denomination, be in a form, either coupon or registered, carry registration privileges, be payable in the medium of payment and at place or places and be subject to the terms of redemption as the authority may authorize. The bonds and notes of the authority may be sold by the authority, at public or private sale, at or not less than the price the authority determines. The bonds and notes are executed by the chairman and vice chairman of the board, both of whom may use facsimile signatures. The official seal of the authority or a facsimile thereof shall be affixed to or printed on each bond and note and attested, manually or by facsimile signature, by the

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secretary-treasurer of the board, and any coupons attached to any bond or note shall bear the signature or facsimile signature of the chairman of the board. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds, notes or coupons ceases to be an officer before delivery of the bonds or notes, the signature or facsimile is nevertheless sufficient for all purposes the same as if he or she had remained in office until the delivery; and, in case the seal of the authority has been changed after a facsimile has been imprinted on the bonds or notes, the facsimile seal will continue to be sufficient for all purposes.

(f) A resolution authorizing bonds or notes or an issue of bonds or notes under this article may contain provisions, which are a part of the contract with the holders of the bonds or notes, as to any or all of the following:

(1) Pledging and creating a lien on all or any part of the fees and charges made or received or to be received by the authority, all or any part of the moneys received in payment of hospital loans and interest on hospital loans and all or any part of other moneys received or to be received, to secure the payment of the bonds or notes or of any issue of bonds or notes, subject to those agreements with bondholders or noteholders which then exist;

(2) Pledging and creating a lien on all or any part of the assets of the authority, including notes, deeds of trust and obligations securing the assets, to secure the payment of the bonds or notes or of any issue of bonds or notes, subject to those agreements with bondholders or note holders which then exist;

(3) Pledging and creating a lien on any loan, grant or contribution to be received from the federal, state or local government or other source;

(4) The use and disposition of the income from hospital loans owned by the authority and payment of the principal of and interest on hospital loans owned by the authority;

(5) The setting aside of reserves or sinking funds and the regulation and disposition thereof;

(6) Limitations on the purpose to which the proceeds of sale of bonds or notes may be applied and pledging the proceeds to secure the payment of the bonds or notes or of any issue of the bonds or notes;

(7) Limitations on the issuance of additional bonds or notes and the terms upon which additional bonds or notes may be issued and secured;

(8) The procedure by which the terms of a contract with the bondholders or noteholders may be amended or abrogated, the amount of bonds or notes the holders of which must consent thereto and the manner in which the consent may be given; and

(9) Vesting in a trustee or trustees the property, rights, powers, remedies and duties which the authority considers necessary or convenient.

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