WEST VIRGINIA CODE: §18B-19-6

§18B-19-6. Capital project financing.

(a) The commission and governing boards, jointly or singly, may issue revenue bonds for capital project financing in accordance with section eight, article ten of this chapter.

(b) A governing board may seek funding for and initiate construction or renovation work for major projects only if contained in a campus development plan approved by the council or confirmed by the Commission: Provided, That this subsection (b) shall not apply to the governing boards of the exempted schools.

(c) A governing board may fund capital improvements on a cash basis, through bonding or through notes or another financing method that is approved by the commission and by the council, if appropriate. Provided, That the exempted schools shall not be required to get the approval of the commission.

(1) If the cost of an improvement project for any institution under the jurisdiction of the council, exceeds $1 million, the governing board first shall obtain the approval of the council, as appropriate. If the cost of an improvement project at an institution under the jurisdiction of the commission, other than the exempted schools, exceeds $3 million, the governing board shall first obtain the approval of the commission.

(2) Prior to approving bonding or any alternative financing method for any institution other than the exempted schools, the commission, and council if appropriate, shall evaluate the following issues:

(A) The institution’s debt capacity and ability to meet the debt service payments for the full term of the financing;

(B) The institution’s capacity to generate revenue sufficient to complete the project;

(C) The institution’s ability to fund ongoing operations and maintenance;

(D) The impact of the financing arrangement on students; and

(E) Any other factor considered appropriate.

(d) A governing board shall notify the Joint Committee on Government and Finance at least thirty days before beginning construction or renovation work on any capital project in excess of $1 million.

(e) The commission may pledge all or part of the fees of any or all state institutions of higher education as part of a system bond issue.

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(f) Any fee or revenue source pledged prior to the effective date of this section for payment of any outstanding debt remains in effect until the debt is fully repaid or refunded.

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