

WEST VIRGINIA CODE: §18C-2-6

§18C-2-6. Acquisition of contingent interests in obligations from lending institutions; collection of delinquent obligations.

With funds available to the governing boards for purposes other than the payment of compensation to personnel and the lease or rental of offices or equipment, the governing boards may acquire from any bank or other lending institution of this state a contingent interest in student obligations. The total contingent interest of the governing boards on all such obligations shall not exceed at any one time a sum of twelve and one-half times the total funds which the governing boards can employ to acquire such contingent interests. When a governing board acquires any such contingent interest, it may require the payment to it of a portion of the interest payable upon any such obligation. In each such acquisition, the governing board shall provide that at such time as the obligation becomes delinquent, the bank or other lending institution shall notify the governing board forthwith and shall transfer forthwith to the governing board, by assignment or otherwise, an interest in such obligation equal to the contingent interest of the governing board therein. The bank or other lending institution and the governing board shall forthwith take such steps as may be necessary to recover the balance due upon any such obligation, and such recovery shall be apportioned between the governing board and the bank or other lending institution as their respective interests may appear.