WEST VIRGINIA CODE: §5-6-8

§5-6-8. Commission empowered to issue state building revenue bonds after legislative authorization; form and requirements for bonds; procedure for issuance; temporary bonds; funds, grants and gifts.

(a) The commission is hereby empowered to raise the cost of a project, as defined in this article, by the issuance of state building revenue bonds of the state, the principal of and interest on which shall be payable solely from the special revenue fund provided in section five of this article for the payment. Subject to the proceedings pursuant to which any bonds outstanding were authorized and issued pursuant to this article, the commission shall pledge the moneys in the special revenue fund, except that part of the proceeds of sale of any bonds to be used to pay the cost of a project and for the payment of the principal of and interest on bonds issued pursuant to this article. The pledge shall apply equally and ratably to separate series of bonds or upon the priorities as the commission shall determine. The bonds shall be authorized by resolution of the commission. The resolution shall recite an estimate by the commission of the cost, and shall provide for the issuance of bonds in an amount sufficient, when sold as provided in this section, to produce the cost, less the amount of any funds, grant or grants, gift or gifts, contribution or contributions received, or in the opinion of the commission expected to be received, from the United States of America or from any other source. The acceptance by the commission of any and all funds, grants, gifts and contributions, whether in money or in land, labor or materials, is hereby expressly authorized. All bonds shall have and are hereby declared to have all the qualities of negotiable instruments. The bonds shall bear interest at not more than twelve percent per annum, payable semiannually, and shall mature in not more than forty years from their date or dates, and may be made redeemable at the option of the state, to be exercised by the commission, at the price and under the terms and conditions, all as the commission may fix prior to the issuance of the bonds. The commission shall determine the form of the bonds, including coupons, if any, to be attached to the bonds to evidence the right of interest payments. The bonds shall be signed by the chairman and secretary of the commission, under the great seal of the state, attested by the Secretary of State, and the coupons, if any, attached to the bonds shall bear the facsimile signature of the chairman of the commission. In case any of the officers whose signatures appear on the bonds or coupons issued as authorized by this section shall cease to be officers before the delivery of the bonds, the signatures are nevertheless valid and sufficient for all purposes the same as if they had remained in office until the delivery. The commission shall fix the denominations of the bonds, the principal and interest of which shall be payable at the Office of the Treasurer of the State of West Virginia, at the capitol of the state, or, at the option of the holder, at some bank or trust company within or without the State of West Virginia to be named in the bonds, in such medium as may be determined by the commission. The bonds and interest on the bonds are exempt from taxation by the State of West Virginia, or any county or municipality in the state. The commission may provide for the registration of the bonds in the name of the owners as to principal alone, and as to both principal and interest under the

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terms and conditions as the commission may determine, and shall sell the bonds in the manner as it may determine to be for the best interest of the state, taking into consideration the financial responsibility of the purchaser, and the terms and conditions of the purchase, and especially the availability of the proceeds of the bonds when required for payment of the cost of the project. The sale shall be made at a price not lower than a price which, computed upon standard tables of bond values, will show a net return of not more than thirteen percent per annum to the purchaser upon the amount paid for the bonds. The proceeds of the bonds shall be used solely for the payment of the cost of the project for which bonds were issued, and shall be deposited and checked out as provided by section five of this article, and under further restrictions, if any, as the commission may provide. If the proceeds of bonds issued for a project or a specific group of projects exceeds the cost of the project or projects, the surplus shall be paid into the fund provided for in section five of this article for payment of the principal and interest of the bonds. The fund may be used for the purchase of any of the outstanding bonds payable from the fund at the market price, but at not exceeding the price, if any, at which the bonds are in the same year redeemable, and all bonds redeemed or purchased shall be canceled immediately, and shall not again be issued. Prior to the preparation of definitive bonds, the commission may, under like restrictions, issue temporary bonds with or without coupons, exchangeable for definitive bonds upon the issuance of the latter. Notwithstanding the provisions of sections nine and ten, article six, chapter twelve of this code, revenue bonds issued under the authority granted in this section are eligible as investments for the workers' compensation fund, teachers retirement fund, division of public safety, death, disability and retirement fund, West Virginia Public Employees Retirement System and as security for the deposit of all public funds. The revenue bonds may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things which are specified and required by this article, or by the Constitution of the State. For all projects authorized under the provisions of this article, other than projects to be leased by the commission to the regional jail and correctional facilities authority or projects authorized pursuant to section eleven-a of this article, the aggregate amount of all issues of bonds outstanding at one time shall not exceed $62,500,000, including the renegotiation, reissuance or refinancing of any bonds, and no project in connection with which bonds are to be issued shall be initiated by the commission unless and until the Legislature, through enactment of general law, approves the purpose, the amount of bonds to be issued and the total cost for the project, construction or acquisition.

For projects which are to be leased by the commission to the regional jail and correctional facilities authority, legislative approval pursuant to the provisions of this section shall not be required if the projects have otherwise been approved by the Legislature in accordance with the provisions of subsection (m), section five, article twenty, chapter thirty-one of this code, and the limitations on the amount of revenue bonds which may be issued by the commission and the project costs shall be governed by the terms of any concurrent resolution adopted pursuant to that subsection.

(b) Notwithstanding anything in this article to the contrary, the commission is authorized to

issue bonds, or otherwise finance or refinance the following projects, including the costs of issuance and sale of the bonds or financing, all necessary financial and legal expenses and creation of debt service reserve funds, in an amount not to exceed $21 million:

(1) Any or all of the state office buildings and adjoining real property being lease-purchased in Beckley, Charleston, Clarksburg, Fairmont, Huntington and Parkersburg;

(2) A facility to be obtained or constructed by the commission and leased to the Division of Motor Vehicles; and

(3) Property and buildings needed for state spending units in an amount not to exceed $3 million.

(c) Notwithstanding any other provision of this section, the commission is authorized to issue bonds for the purposes set forth in section eleven-a of this article in the aggregate amount of $100 million, including the renegotiation, reissuance or refinancing of any bonds issued for that purpose. If the proceeds of bonds issued under this subsection exceeds the cost of the project or projects, the surplus shall be paid into the education, arts, sciences and tourism fund established in section eleven-a of this article.

(d) The commission shall acquire the property being lease-purchased in the city of Charleston, located at 601 Morris Street, through a loan from the consolidated fund. The loan shall be under the terms and conditions set forth in section nineteen, article six, chapter twelve of this code.

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