# WEST VIRGINIA CODE: §7-20-13

**§7-20-13. Bonds issued to finance infrastructure project.**

(a) The county commission, in its discretion, may use the moneys in such special infrastructure fund to finance the costs of the special infrastructure projects on a cash basis. The county commission periodically may issue special infrastructure revenue bonds of the county as provided in this section to finance all or part of such special infrastructure projects and pledge all or any part of the moneys in such special infrastructure fund for the payment of the principal of and interest on such special infrastructure revenue bonds and for reserves therefor. Any pledge of the special infrastructure fund for special infrastructure revenue bonds shall be a prior and superior charge on the special infrastructure fund over the use of any of the moneys in the fund to pay for the cost of any of such purposes on a cash basis.

(b) Such special infrastructure revenue bonds periodically may be authorized and issued by the county commission to finance, in whole or in part, the special infrastructure projects in an aggregate principal amount not exceeding the amount which the county commission determines can be paid as to both principal and interest and reasonable margins for a reserve therefor from the moneys in such special infrastructure fund.

(c) The issuance of special infrastructure revenue bonds shall be authorized by an order of the county commission and such special infrastructure revenue bonds shall bear such date or dates; mature at such time or times not exceeding forty years from their respective dates; be in such denomination; be in registered form, with such exchangeability and interchangeability privileges; be payable in such medium of payment and at such place or places, within or without the state; be subject to such terms of prior redemption at such prices; and shall have such other terms and provisions as determined by the county commission. Such special infrastructure revenue bonds shall be signed by the president of the county commission under the seal of the county commission, attested by the clerk of the county commission. Special infrastructure revenue bonds shall be sold in such manner as the county commission determines is for the best interests of the county.

(d) The county commission may enter into trust agreements with banks or trust companies, within or without the state, and in such trust agreements or the resolutions authorizing the issuance of such bonds may enter into valid and legally binding covenants with the holders of such special infrastructure revenue bonds as to the custody, safeguarding and disposition of the proceeds of such special infrastructure revenue bonds, the moneys in such special infrastructure fund, sinking funds, reserve funds or any other moneys or funds; as to the rank and priority, if any, of different issues of special infrastructure revenue bonds by the county commission under the provisions of this section; as to the maintenance or revision of the amounts of such fees; as to the extent to which swap agreements, as defined in section two-h, article two-g, chapter thirteen of this code, shall be used in connection with such special infrastructure revenue bonds, including such provisions as payment, term, security, default and remedy provisions as the county commission shall consider necessary or desirable, if any, under which such fees may be reduced; and as to any other matters or provisions which are considered necessary and advisable by the county commission in the best interests of the county and to enhance the marketability of such special infrastructure revenue bonds.

(e) After the issuance of any of the special infrastructure revenue bonds, the service fee pledged to the payment thereof may not be reduced as long as any of the special infrastructure revenue bonds are outstanding and unpaid except under such terms, provisions and conditions as shall be contained in the order, trust agreement or other proceedings under which the special infrastructure revenue bonds were issued.

(f) The special infrastructure revenue bonds shall be and constitute negotiable instruments under the Uniform Commercial Code of this state; shall, together with the interest thereon, be exempt from all taxation by the State of West Virginia, or by any county, school district, municipality or political subdivision thereof; and the special infrastructure revenue bonds may not be considered to be obligations or debts of the state or of the county issuing the bonds and the credit or taxing power of the state or of the county issuing the bonds may not be pledged therefor, but the special infrastructure revenue bonds shall be payable only from the revenue pledged therefor as provided in this section.

(g) A holder of the special infrastructure revenue bonds shall have a lien against the special infrastructure fund for payment of the special infrastructure revenue bond and the interest thereon and may bring suit to enforce the lien.

(h) A county commission may issue and secure additional bonds payable out of the special infrastructure fund which bonds may rank on a parity with, or be subordinate or superior to, other bonds issued by the county commission and payable from the special infrastructure fund.

(i) For purposes of this article:

(1) "Special infrastructure revenue bonds" means bonds, debentures, notes, certificates of participation, certificates of beneficial interest, certificates of ownership or other evidences of indebtedness or ownership that are issued by a county commission, the proceeds of which are used directly or indirectly to finance or refinance special infrastructure projects within the county and financing costs and that are secured by or payable from the special service fees;

(2) "Special infrastructure project" means "capital improvements" as that term is defined in section eleven of this article; and

(3) "Special infrastructure fund" means that fund established and held by the sheriff of the county or a trustee for bondholders, as the case may be, into which the special fees imposed pursuant to section twelve of this article are deposited.