WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1937

ENROLLED

HOUSE BILL No. 944

(By Mr. Harrison)

PASSED February 25, 1937

In Effect from Passage
ENROLLED

House Bill No. 244

(By Mr. Hussion)

[Passed February 25, 1937; in effect from passage.]

AN ACT authorizing the city of Grafton, West Virginia, a municipal corporation, to acquire and hold lands and buildings for a hospital; to lease with an option to purchase same, and to borrow funds from the public works administration or other federal governmental agency authorized to make loans, or any bank or financial institution, or any individual or persons, for the purpose of constructing, equipping and maintaining a hospital; to issue such bonds, or other evidences of indebtedness as may be required by such federal governmental agency, bank or financial institution, individual or persons making such loan; to pledge a sufficient amount of revenue, within the constitutional limitation, to pay the principal and interest on said bonds within a period not to exceed thirty years; to pledge such real estate and buildings for the payment of such bonds and
interest, and to promulgate such ordinances as may be necessary for the construction, equipping and maintaining of such hospital.

Be it enacted by the Legislature of West Virginia:

Section 1. City of Grafton Authorized to Enter Into Contract, Etc., for Construction of Hospital. The city of Grafton is hereby authorized and empowered to acquire real estate and to convey real estate and to enter into a contract, or lease, or both, with the United States government, through the public works administration, or any federal governmental agency authorized to make or enter into such contract, or lease, or with any bank or financial institution, or with any individual or persons, for the erection, construction, equipment, leasing and renting of a hospital.

Sec. 2. City of Grafton Authorized to Enter Into Option to Purchase Such Hospital. Said city of Grafton is also authorized and empowered to enter into an option to purchase such hospital and real estate and to provide for the payment of a yearly rental for such by said city; and to contract with the United States government, through the public works administration, or any federal governmental agency, or any bank
or financial institution, or any individual or persons, to the end that said government, or any of its agencies, or agents thereunto duly authorized, or bank or financial institution, or individual or persons, may for and on behalf of the city of Grafton build, erect, construct, equip or furnish upon said property any such hospital; and to contract with said government, or any federal governmental agency, or bank or financial institution, or individual or persons, for the lease, or rental, of said building, or buildings, with the privilege and authority of renewing said lease from year to year, for any period of years, not exceeding thirty, with the right to purchase said building, or buildings, and real estate, on which the same is, or are, situated, and to apply toward the purchase price thereof any and all rentals paid to said government, or agency, or bank, or financial institution, or individual, or persons, under the provisions of this act; and the said city of Grafton shall pay to the said United States government, or any federal governmental agency, or bank or financial institution, or individual or persons, said yearly rental, or rentals, for the use and occupancy of said building, or buildings, if and when the same are constructed, which
said yearly rental, or rentals, in the aggregate, shall not exceed the total amount and the interest thereon expended by said government, or federal governmental agency, or bank or financial institution, or individual or persons, on said project, or projects, and the said yearly rentals shall be paid out of levies laid within the constitutional debt limitations; and to do any and all other things lawfully required by said United States government, or any federal governmental agency, or bank or financial institution, or individual or persons, which are necessary and proper to effectuate the purpose of this act.

Sec. 3. City of Grafton Shall Levy and Collect Taxes to Pay Rentals. The said city of Grafton shall levy and collect annually an amount sufficient to pay said rental, or rentals, for that particular year for the purposes aforesaid in the manner and form as is provided by law.

Sec. 4. City of Grafton Authorized to Acquire Real Estate for Hospital Purposes. The city of Grafton is likewise authorized and empowered to acquire real estate for, construct, equip, furnish and maintain a hospital, and to borrow funds from the United States government, through the public works
administration or other federal governmental agency authorized to make loans, or any bank or financial institution authorized by law to make loans, or any individual or persons, for the purpose of building, constructing, furnishing and equipping said hospital, and for the purpose of acquiring real estate therefor, and shall have the right to acquire by purchase, condemnation, gift or otherwise, real estate on which to build the same, within the discretion of the commission of the city of Grafton. Said city is authorized and empowered to issue bonds for the purpose of paying the cost of such real estate, building, furnishing and equipment, and to pledge a sufficient amount of revenue within the constitutional limitations and within the limitations as provided by general law, to pay the principal of said bonds and the interest thereon, within a period not to exceed thirty years. Said city of Grafton is further authorized and empowered to do and perform any and all acts and make all contracts necessary to effectuate the general purpose of this act, including the acquisition, by original grant, gift, condemnation, or other lawful means of real estate, and of all necessary permits, easements and other rights in real estate, and title to and possession thereof, or to
make such purchase and acquisition with the money borrowed, as provided in this act.

Said city shall have authority, and is empowered to make such contracts, agreements and covenants between it and the United States government, the public works administration, or other federal governmental agency, or bank or financial institution, or individual or persons, for the loan of such funds to said city of Grafton, and securing payment thereof as it may be able to effectuate, subject only to this limitation, that the bonds issued, or given as security thereof, shall be payable out of the levies now provided for by general law and by this act, to be levied by said city of Grafton in and for said city, to acquire needed real estate, to construct, equip, furnish and maintain such hospital, and to make and enter into such contracts, and to do and perform such acts as may be necessary for the construction, equipment, operation and maintenance of the same, subject to such burdens, restrictions and encumbrances as it may be necessary to incur and bear, in securing such bonds and such real estate, construction, equipment and maintenance.

Bonds issued hereunder shall be exempt from taxation by
Sec. 5. Statutory Lien Upon Real Estate Acquired. There shall be and there is hereby created a statutory mortgage lien upon the said real estate, buildings and property so acquired, constructed or built from the proceeds of bonds authorized to be issued under this act, which shall exist in favor of the holder of said bonds, and each of them, and to and in favor of the holder of the interest coupons attached to said bonds, and such hospital, and the real estate so acquired and used for and in connection therewith shall remain subject to such statutory mortgage lien until payment in full of the principal and interest of said bonds. Any holder of bonds issued under the provisions of this act, or the holder of any coupons representing interest accrued thereon, may, either at law or in equity, enforce the statutory mortgage lien hereby created and conferred, and may, by proper suit, compel the performance of the duties of the officials of the said city set forth in this act. If there be default in the payment of the principal or interest upon any of said bonds, any court having jurisdiction in any proper action may appoint a re-
Sec. 6. Bonds; Retirement; Payment of Operating Costs.

The said city, after issuing bonds under the provisions of this act, shall thereafter, so long as any such bonds remain outstanding, operate and maintain said hospital, so as to provide revenues sufficient to pay all operating costs, provide a sinking fund for and to retire the bonds and pay the interest thereon as the same may become due. The amounts, as and when so set apart by said city, shall be remitted to the state sinking fund commission at least thirty days previous to the time interest or principal payments become due, to be retained and paid out by said commission consistent with the provisions of this act and with the order pursuant to which such bonds have been issued. The state sinking fund commission is hereby authorized to act as fiscal agent
for the administration of such sinking fund under any order
passed pursuant to the provisions of this act, and shall in-
vest all sinking funds, as provided by general law. Bonds
issued under the provisions of this act are hereby declared
to be and to have all the qualities of negotiable instruments.
Such bonds shall bear interest at not more than six per cent
per annum, payable semi-annually, and shall mature at any
time fixed by the city of Grafton, in not more than thirty
years from their date, and may be made redeemable at the
option of the said city, at such price and under such terms
and conditions as said city may fix, by its order, prior to
the issuance of such bonds. Bonds issued hereunder shall
be payable at the office of the state treasurer, or some bank
in the city of New York.
In case any of the officers whose signatures appear on the
bonds or coupons shall cease to be such officers before the
delivery of such bonds, such signatures shall, nevertheless,
be valid and sufficient for all purposes, the same as if they
had remained in office until such delivery. The commis-
sion of the city of Grafton shall, by order entered prior to
the issuance of said bonds, fix the denominations, times and
places of payment of such bonds, the principal and interest
of which shall be payable in lawful money of the United
States of America. The proceeds of such bonds shall be used
solely for the payment of the cost of land, buildings, furni-
ture and equipment thereon, and shall be checked out by the
said city under such restrictions as are contained in the or-
der providing for the issuance of said bonds. If the pro-
cceeds of bonds issued for any hospital shall exceed the cost
thereof, the surplus shall be paid into the fund herein pro-
vided for the payment of principal and interest upon such
bonds. Such fund may be used for the purchase or redemp-
tion of any of the outstanding bonds payable from such fund
at the market price, but at not exceeding the price at which
any of such bonds shall in the same year be redeemable, as
fixed by the city of Grafton in its said order, and all bonds
redeemed or purchased shall forthwith be cancelled, and
shall not again be issued.

Prior to the preparation of definitive bonds, the said city
may, under like restrictions, issue temporary bonds, or in-
terim certificates, with or without coupons, exchangeable for
definitive bonds upon the issuance of the latter. Such bonds
may be issued without any other proceedings or the happen-
pening of any other conditions or things than those proceed-
ings, conditions and things which are specified and required
by this act.

Sec. 7. Limitations as to Debt. Nothing in this act con-
tained shall be so construed or interpreted as to authorize
or permit said city of Grafton to incur a debt for and on
behalf of said city, of any kind or nature contrary to the
provisions of the constitution of the state in relation to debt.

Sec. 8. Additional Powers Conferred to City. This act
shall be deemed to provide an additional and alternative
method for the doing of the things authorized hereby, and
shall be regarded as supplementary and additional to powers
conferred by other laws and by the charter of the city of
Grafton.

Sec. 9. Act to Be Liberally Constrained. This act, being
necessary for the health, welfare and requirements of the
public of the city of Grafton, it shall be liberally construed
to effectuate the purpose thereof.

Sec. 10. Authorized to Increase Levies. Notwithstanding
the provisions of general law, the city of Grafton, authorized
by this act to issue bonds, may become indebted for the purposes in this act authorized, to an amount, including all other indebtedness, up to but not exceeding five per cent of the value of the taxable property in such city, as shown by the last assessment thereof for state and county purposes next prior to the authorization of such bonds, subject to the levy limitations as provided in the constitution. For the purpose of effectuating the provisions and purposes of this act and for the purpose of obtaining revenue to pay said bonds and their interest, or for the purpose of redeeming said bonds in whole or in part, the city of Grafton may, and is authorized to increase the levies on each class of property, not to exceed fifty per cent of the rates authorized in section ten, article eight, chapter sixty-seven, acts of the Legislature, second extraordinary session, one thousand nine hundred thirty-three, not to exceed three years, and may submit to the voters of the city the question of authorizing such increase, not to exceed three years, at the same time and as a part of the scheme to issue said bonds and provide for the payment thereof. Such increase of levies shall not continue for more than three years without resubmission to the voters, but the question
of future levy increases for such purposes may be again sub-
mitted to the voters.

Upon the questions of issuance of such bonds, providing
for the payment thereof, the increase of said levies, at least
sixty per cent of the votes cast, shall be in favor thereof, as
provided by general law.

Sec. 11. Provisions of Act Severable. The provisions of
this act are separable and not matters of mutual essential in-
ducement, and it is the intention to confer the whole or any
part of the powers herein provided for, and if any of the sec-
tions, or provisions, or parts thereof, are for any reason
illegal, it is the intention that the remaining sections and pro-
visions, or parts thereof, shall remain in full force and effect,
and the provisions of this act shall be supplemental to pro-
visions of existing law.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the

Takes effect

passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within this the

day of, 1937.

Governor.

Filed in the office of the Secretary of State

of West Virginia.

Wm. S. O'Brien,
Secretary of State
I certify that the foregoing act, having been presented to the Governor for his approval, and not having been returned by him to the House of the Legislature in which it originated within the time prescribed by the constitution of the state, has become a law without his approval.

This the 12th day of March.

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[Signature]

SECRETARY OF STATE