WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1951

ENROLLED

HOUSE BILL No. 211

(By Mr. Wyssmg)

PASSED February 16, 1951

In Effect from Passage
AN ACT to amend and reenact article three, chapter seven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding four sections, to be designated sections fourteen, fifteen, sixteen and seventeen, authorizing counties to procure and operate county public hospital facilities on a self-sustaining basis, and to issue revenue bonds in connection therewith payable exclusively from revenues from such operation.

Be it enacted by the Legislature of West Virginia:

That article three, chapter seven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding four sections, to be designated sections fourteen, fifteen, sixteen and seventeen, to read as follows:

Article 3. County Property

Section 14. Authority to Acquire and Operate Hospitals; Financing.—The county court of any county is
hereby authorized and empowered to acquire by purchase or construction and to thereafter own, equip, furnish, operate, improve and extend a county public hospital with all appurtenances, including the necessary real estate as a site therefor. Any such county public hospital may include a nurses home and nurses training school.

For the purpose of paying all or any part of the cost not otherwise provided of acquiring, completing, equipping, furnishing, improving or extending such hospital, such county court is hereby authorized and empowered by order duly entered of record to issue and sell the negotiable revenue bonds of such county, which shall be payable solely and only from all or such part of the net revenues from the operation of such county public hospital as may be provided by said order; and each such revenue bond so issued shall contain a recital that payment or redemption of the bond and payment of the interest thereon is secured by the revenues pledged therefor, and that such bond does not constitute an indebtedness of such county or the county court thereof within the meaning of any constitutional or statutory limitation or
provision. Such revenue bonds may bear such date or dates, may mature at such time or times not exceeding thirty-four years from their respective dates, may bear interest at such rate or rates not exceeding five per cent per annum, may be of such denomination or denominations, may be in such form, may carry such registration privileges, may be made subject to such terms of redemption with or without premium, and may contain such other terms and covenants not inconsistent with this act as may be provided in such order. Such revenue bonds shall be exempt from taxation by the state of West Virginia and the other taxing bodies of the state. In determining the amount of revenue bonds to be issued, there may be included any expenses in connection with and incidental to the issuance and sale of bonds and for the preparation of plans, specifications, surveys and estimates, interest during the estimated construction period and for six months thereafter, and a reasonable amount for working capital and prepaid insurance. Such bonds may be sold in such manner, at such times and upon such terms as may be determined by the county court to be
for the best interests of the county: Provided, That no
bonds may be sold upon terms which will result in a net
interest cost of more than six per cent per annum com-
puted to maturity of the bonds according to standard
tables of bond values. There may be included in any
such order authorizing the issuance of revenue bonds
such covenants, stipulations and conditions as may be
deemed necessary with respect to the expenditure of the
bond proceeds, the operation and maintenance of the
county public hospital and the custody and application
of the revenues from such operation. The holder of any
bond or bonds may, by mandamus or other appropriate
proceedings, require and compel performance of any
duties imposed by law in connection with the hospital
or any covenant, stipulation or condition that may have
been expressed in such bond order.

Sec. 15. Board of Hospital Trustees.—The administra-
tion and management of any county public hospital
acquired, equipped, furnished, improved or extended
under section fourteen of this article shall be vested in
a board of hospital trustees, consisting of not less than
five members appointed by the county court. Prior to the
issuance of any bonds under the provisions of section four-
teen of this article, the county court shall appoint two of
such trustees for a term of two years, two trustees for a
term of four years, and one trustee for a term of six years
from the first day of the month during which appointed.
Upon the expiration of such initial appointments, the term
of each new appointee shall be six years, except that any
person appointed to fill a vacancy occurring prior to the
expiration of the term for which his predecessor was ap-
pointed shall be appointed only for the remainder of such
term. Any trustee shall be eligible for reappointment
upon the expiration of his term. The trustees shall receive
no compensation for their services, but shall be reim-
bursed for any expenses incurred in the performance of
their duties. Any trustee may be removed by the county
court for incompetency, neglect of duty or malfeasance in
office after an opportunity to be heard at a public hearing
before the county court. At the first meeting of the board
of trustees, and annually thereafter, it shall organize by
designating one of its members as chairman and by ap-
pointing a secretary who may, but need not, be a trustee.

The sheriff of the county shall be ex officio treasurer of the board.

Such board of trustees shall provide for the employment and shall fix the compensation and remove at pleasure all professional, technical and other employees, skilled or unskilled, as it may deem necessary for the operation and maintenance of the hospital; and disbursement of funds in such operation and maintenance shall be made only upon order and approval of such board.

The board of trustees shall make all rules and regulations governing its meetings and the operation of the hospital.

Section 16. Operation with Bonds Outstanding.—So long as any revenue bonds remain outstanding under the provisions of section fourteen of this article, the hospital and all appurtenances shall be operated and maintained on a revenue producing and self-sustaining basis; and the board of trustees shall charge, collect and account for revenues therefrom which will be sufficient to pay the interest on such bonds as the same becomes due, to create and maintain a sinking fund to pay and retire the prin-
Principal at or before maturity, and to pay the costs of operating and maintaining the hospital. The order authorizing such bonds shall definitely fix and determine the amount of the revenues which shall be necessary and set apart in a special fund to pay such interest and to pay and retire such principal; and all or such portion of the balance of such revenues as may be necessary shall be set apart in a special fund to pay the costs of operation and maintenance of the hospital.

Sec. 17. Construction.—The provisions of sections fourteen, fifteen, and sixteen of this article shall be construed as conferring separate and additional powers as herein set forth and shall be deemed full authority for the acquisition, improvement, extension, maintenance and operation of the hospital, and for the issuance and sale of the bonds by this act authorized: Provided, That all pertinent functions, powers and duties of the state department of health shall remain in effect.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

G. R. Weeters  
Chairman Senate Committee

James W. Loop  
Chairman House Committee

Originated in the House of Delegates

Takes effect upon passage.

Homer R. Clegg  
Clerk of the Senate

J. P. Skinner  
Clerk of the House of Delegates

W. H. Blankenship  
President of the Senate

W. E. Hamill  
Speaker House of Delegates

The within ______ approved ______ this the ______ day of ______, 1951.

Chuy L. Tattersall  
Governor

D. Pitt O'Brien,  
Secretary of State

of West Virginia  FEB 27 1951