AN ACT to amend and reenact sections one, two and three, article twelve-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to authorization to issue revenue bonds for certain capital improvements at Marshall college.

Be it enacted by the Legislature of West Virginia:

That sections one, two and three, article twelve-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Section 1. West Virginia Board of Education Authorized to Issue Revenue Bonds for Certain Capital Improvements.

The West Virginia board of education shall have authority, as provided in this article, to issue revenue bonds of the state, not to exceed one million three hundred fifty
thousand dollars in principal amount thereof, to finance
the cost of providing a health and physical education
building for Marshall college. The principal of and inter-
est on such bonds shall be payable solely from the special
non-revolving fund herein provided for such payment.
The costs of any such building or buildings shall include
the cost of acquisition of land, the construction and equip-
ment of any such building or buildings, and the provision
of roads, utilities and other services necessary, appur-
tenant or incidental to such building or buildings; and
shall also include all other charges or expenses necessary,
appurtenant or incidental to the construction, financing
and placing in operation of any such building or buildings.

Sec. 2. Special Marshall College Capital Improvements
Fund Created in State Treasury; Collections to Be Paid
Into Special Fund; Authority of West Virginia Board of
Education to Pledge Such Collections as Security for Reve-
nue Bonds.—There is hereby created in the state treasury
a special non-revolving Marshall college capital improve-
ments fund. On and after the first day of July, one thou-
sand nine hundred fifty-seven, there shall be paid into
such special fund all fees collected under the provisions
of section one, article one-a, chapter twenty-five of this
code, from students at Marshall college, except such fees
as are required by that section to be paid into other special
funds.

The board of education shall have authority to pledge
all or such part of the revenue paid into the special Mar-
shall college capital improvements fund as may be needed
to meet the requirements of the sinking fund established
in connection with any revenue bond issue authorized
by this article, including a reserve fund for the payment
of the principal of and interest on such revenue bond issue
when other moneys in the sinking fund are insufficient
therefor; and may provide in the resolution authorizing
any issue of such bonds, and in any trust agreement made
in connection therewith, for such priorities on the revenues
paid into the special fund as may be necessary for the
protection of the prior rights of the holders of bonds issued
at different times under the provisions of this article.

If any balance shall remain in the special Marshall
college capital improvements fund after the board has
issued the maximum of one million three hundred fifty thousand dollars worth of bonds authorized by this article, and after the requirements of all sinking funds and reserve funds established in connection with the issue of such bonds have been satisfied, such balance may and shall be used solely for the redemption of any of the outstanding bonds issued hereunder which by their terms are then redeemable, or for the purchase of bonds at the market price, but at not exceeding the price, if any, at which such bonds shall in the same year be redeemable; and all bonds redeemed or purchased shall forthwith be cancelled and shall not again be issued. Whenever all outstanding bonds issued hereunder shall have been paid, the special Marshall college capital improvements fund shall cease to exist and any balance then remaining in such fund shall be transferred to the general revenue fund of the state. Thereafter all fees formerly paid into such special fund shall be paid into the general revenue fund of the state.

Sec. 3. Issuance of Revenue Bonds.—The issuance of bonds under the provisions of this article shall be author-
ized by a resolution of the board of education, which shall
recite an estimate by the board of the cost of the proposed
building or buildings; and shall provide for the issuance
of bonds in an amount sufficient, when sold as hereinafter
provided, to provide moneys sufficient to pay such cost,
less the amount of any other funds available for the con-
struction of the building or buildings from any appropria-
tions, grant or gift therefor. Such resolution shall pre-
scribe the rights and duties of the bondholders and the
board, and for such purpose may prescribe the form of the
trust agreement hereinafter referred to. The bonds shall
be of such series, bear such date or dates, mature at such
time or times not exceeding thirty years from their respec-
tive dates, bear interest at such rate or rates not exceeding
five per cent per annum, payable semi-annually; be in
such denominations; be in such form, either coupon or
fully registered without coupons, carrying such registra-
tion exchangeability and interchangeability privileges; be
payable in such medium of payment and at such place or
places; be subject to such terms of redemption at such
prices not exceeding one hundred five per cent of the
principal amount thereof, and be entitled to such priorities on the revenues paid into the special state colleges capital improvements fund as may be provided in the resolution authorizing the issuance of the bonds or in any trust agreement made in connection therewith. The bonds shall be signed by the governor, and by the president of the board of education, under the great seal of the state, attested by the secretary of state, and the coupons attached thereto shall bear the facsimile signature of the president of the board. In case any of the officers whose signatures appear on the bonds or coupons 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 such officers had remained in office until such delivery.

Such bonds shall be sold in such manner as the board may determine to be for the best interests of the state, taking into consideration the financial responsibility of the purchaser, 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 such
building or buildings, such sale to be made at a price not lower than a price which, when computed upon standard tables of bond values, will show a net return of not more than six per cent per annum to the purchaser upon the amount paid therefor. The proceeds of such bonds shall be used solely for the payment of the cost of such building or buildings, and shall be deposited in the state treasury in a special fund and checked out as provided by law for the disbursement of other state funds. If the proceeds of such bonds, by error in calculation or otherwise, shall be less than the cost of such building or buildings, additional bonds may in like manner be issued to provide the amount of the deficiency, but in no case to exceed one million three hundred fifty thousand dollars as provided in section one of this article; and unless otherwise provided for in the resolution or trust agreement hereinafter mentioned, shall be deemed to be of the same issue, and shall be entitled to payment from the same fund, without preference or priority, as the bonds before issued for such building or buildings. If the proceeds of bonds issued for such building or buildings shall exceed
the cost thereof, the surplus shall be paid into the sinking fund to be established for payment of the principal and interest of such bonds as hereinafter provided. Prior to the preparation of definitive bonds, the board may, under like restrictions, issue temporary bonds with or without coupons, exchangeable for definitive bonds upon their issuance.

The bonds issued under the provisions of this article shall be and have all the qualities of negotiable instruments under the law merchant and under the negotiable instruments law of this state.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House of Delegates

Takes effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 11th day of February, 1958.

Governor

Filed in Office of the Secretary of State of West Virginia FEB 11 1958
HELEN HOLT
SECRETARY OF STATE