ENROLLED

House Bill No. 3

(By Mr. Speaker, Mr. White)

[Passed September 14, 1968; in effect from passage.]

AN ACT to amend chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article eighteen, relating to the creation and establishment of the West Virginia housing development fund, its purposes, board of directors, organization, staff, powers, duties, and tax exemption.

Be it enacted by the Legislature of West Virginia:

That chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article eighteen, to read as follows:
ARTICLE 13. WEST VIRGINIA HOUSING DEVELOPMENT FUND.

§31-18-1. Short title.

1 This article shall be known and may be cited as the
2 "West Virginia Housing Development Fund Act."

§31-18-2. Legislative findings and purpose.

1 (a) The Legislature hereby finds and declares that
2 as a result of public actions involving highways, public
3 facilities, flood control projects, and urban renewal ac-
4 tivities, and as a result of the spread of slum conditions
5 and blight to formerly sound urban and rural neighbor-
6 hoods, there exists in the state of West Virginia a serious
7 shortage of sanitary, decent and safe residential housing
8 available at low prices or rentals to persons and families
9 of low and moderate income. This shortage is severe in
10 certain urban areas of the state, especially critical in the
11 rural areas of West Virginia, and is inimical to the
12 health, welfare and prosperity of all residents of the
13 state and to the sound growth of West Virginia com-
14 munities.

15 (b) The Legislature hereby finds and declares further
16 that private enterprise and investment have not been able
to produce, without assistance, the needed construction of
sanitary, decent and safe residential housing at low prices
or rentals which persons and families of low and moderate
income can afford, or to achieve the urgently needed
rehabilitation of much of the present low and moderate
income housing stock. It is imperative that the supply
of residential housing for persons and families displaced
by public actions or natural disaster be increased; and
that private enterprise and investment be encouraged
both to sponsor land development for residential hous-
ing for such persons and families and to sponsor,
built and rehabilitate residential housing for such
persons and families, to help prevent the recurrence
of slum conditions and blight and assist in their per-
manent elimination throughout West Virginia.

(c) The Legislature hereby finds and declares fur-
ther that its intention by enacting this legislation is
to provide for the creation and establishment of the
West Virginia housing development fund, the corporate
purpose of which is to provide temporary financing
for development costs, land development and resi-
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38 dential housing construction to public and private spon-
39 sors of land development for residential housing or
40 residential housing, new or rehabilitated, for sale or
41 rental to persons and families of low and moderate
42 income; further to provide technical, consultative and
43 project assistance services to public and private spon-
44 sors of such land development or residential housing;
45 and finally to assist in coordinating federal, state, reg-
46 ional and local public and private efforts and resources
47 to otherwise increase the supply of such residential
48 housing.

49 (d) The Legislature hereby finds and declares fur-
50 ther that in accomplishing this purpose, the West Vir-
51 ginia housing development fund, created and established
52 by this article, is acting in all respects for the benefit
53 of the people of the state of West Virginia to serve a
54 public purpose in improving and otherwise promoting
55 their health, welfare and prosperity, and that the West
56 Virginia housing development fund, so created and es-
57 tablished, is empowered, hereby, to act on behalf of the
58 state of West Virginia and its people in serving this
59 public purpose for the benefit of the general public.

As used in this article, unless the context otherwise requires:

(1) "Development costs" means the costs approved by the housing development fund as appropriate expenditures which may be incurred by sponsors of land development for residential housing or residential housing, within this state, prior to commitment and initial advance of the proceeds of a federally insured construction loan, federally insured mortgage or federal mortgage or other public assistance programs, and for which temporary loans from the operating loan fund, if created, may be made by the housing development fund subject to the provisions of section nineteen of this article, including but not limited to:

(a) Payments for options to purchase properties on the proposed residential housing site, deposits on contracts of purchase, or, with prior approval of the corporation, payments for the purchase of such properties;

(b) Legal and organizational expenses, including payments of attorneys' fees, project manager and clerical staff salaries, office rent and other incidental expenses;
(c) Payment of fees for preliminary feasibility studies, advances for planning, engineering and architectural work;

(d) Expenses for tenant surveys and market analyses;

and

(e) Necessary application and other fees;

(2) "Federally insured construction loan" means a construction loan for land development for residential housing which is either secured by a federally insured mortgage or a federal mortgage, or which is insured by the United States or an instrumentality thereof, or a commitment by the United States or an instrumentality thereof to insure such a loan;

(3) "Federally insured mortgage" means a mortgage loan for land development for residential housing or residential housing insured or guaranteed by the United States or an instrumentality thereof, or a commitment by the United States or an instrumentality thereof to insure such a mortgage;

(4) "Federal mortgage" means a mortgage loan for land development for residential housing or residential
housing made by the United States or an instrumentality thereof, or a commitment by the United States or an instrumentality thereof to make such a mortgage loan;

(5) "Housing development fund" means the West Virginia housing development fund created and established by section four of this article;

(6) "Land development" means the process of acquiring land for residential housing construction, and of making, installing, or constructing nonresidential housing improvements, including water lines and water supply installations, sewer lines and sewage disposal installations, steam, gas, and electric lines and installations, roads, streets, curbs, gutters, sidewalks, whether on or off the site, which the housing development fund deems necessary or desirable to prepare such land for residential housing construction within this state;

(7) "Operating loan fund" means the operating loan fund which may be created and established by the housing development fund in accordance with section nineteen of this article;
(8) "Persons and families of low and moderate income" means persons and families, irrespective of race, creed, national origin or sex, deemed by the housing development fund to be eligible or potentially eligible to occupy residential housing constructed and financed, wholly or in part, with federally insured construction loans, federally insured mortgages, federal mortgages or with other public or private assistance;

(9) "Residential housing" means a specific work or improvement within this state undertaken primarily to provide dwelling accommodations, including the acquisition, construction or rehabilitation of land, buildings and improvements thereto, for residential housing, and such other nonhousing facilities as may be incidental or appurtenant thereto.

§31-18-4. Creation and establishment of housing development fund; directors.

(a) There is hereby created and established as a governmental instrumentality of the state of West Virginia, a public body corporate to be known as the West Virginia housing development fund.
(b) The housing development fund is created and established to serve a public corporate purpose and to act for the public benefit and as a governmental instrumentality of the state of West Virginia, to act on behalf of the state and its people in improving and otherwise promoting their health, welfare and prosperity.

(c) The housing development fund shall be governed by a board of directors, consisting of eleven members, four of whom shall be the attorney general, the secretary of state, the state treasurer and the commissioner of commerce, as public directors, and seven of whom shall be chosen from the general public residing in the state, as private directors. No more than four of the private directors shall be from the same political party.

(d) Upon organization of the housing development fund, the governor shall appoint, by and with the advice of the Senate, the seven private directors to take office and to exercise all powers thereof immediately, with two each appointed for terms of two years and three years, and with three each appointed for terms of four years, respectively, as the governor shall designate; at
the expiration of said terms and for all succeeding terms,
the governor shall appoint a successor to the office of pri-
ivate director for a term of four years in each case.
(e) In case of any vacancy in the office of a private
director, such vacancy shall be filled by appointment by
the governor for the unexpired term.
(f) The governor may remove any private director
whom he may appoint in case of incompetency, neglect
of duty, gross immorality, or malfeasance in office; and
he may declare his office vacant and may appoint a per-
son for such vacancy as provided in other cases of va-
cancy.
(g) The chairman of the board of directors shall be
designated by the governor from among the private
directors appointed. The vice chairman of the board
shall be the commissioner of commerce.
(h) Six members of the board of directors shall con-
stitute a quorum. No vacancy in the membership of
the board shall impair the right of a quorum to exercise
all the rights and perform all the duties of the board of
directors.
(i) No action shall be taken by the board of directors except upon the affirmative vote of at least six of the directors.

(j) The directors, including the chairman, vice chairman and treasurer of the board of directors, and the secretary of the board of directors, shall receive no compensation for their services but shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties under this article.

§31-18-5. Management and control of housing development fund; officers.

1. (a) The management and control of the housing development fund shall be vested solely in the board of directors in accordance with the provisions of this article.

(b) The chairman shall be the chief executive officer of the housing development fund, and, in his absence, the vice chairman shall act as chief executive officer.

(c) The board of directors may appoint a chief administrative officer and may fix his title, duties and compensation.
(d) The board of directors of the housing development fund shall annually elect from its membership a treasurer, and shall annually elect a secretary, who need not be a member of the board, to keep a record of the proceedings of the housing development fund.

(e) The treasurer of the housing development fund shall be custodian of all funds of the housing development fund, and shall be bonded in such amount as the other members of the board of directors may designate.

§31-18-6. Corporate powers.

The housing development fund is hereby granted, has and may exercise all powers necessary or appropriate to carry out and effectuate its corporate purpose, including but not limited to the following:

(1) To make or participate in the making of federally insured construction loans to sponsors of land development for residential housing for occupancy by persons and families of low and moderate income or residential housing for occupancy by persons or families of low and moderate income who are eligible or potentially eligible
for federally insured mortgages or federal mortgages.

Such loans shall be made only upon determination by
the housing development fund that construction loans
are not otherwise available, wholly or in part, from pri-

tate lenders upon reasonably equivalent terms and con-
ditions;

(2) To make temporary loans, with or without inter-

est, but with such security for repayment as the housing
development fund deems reasonably necessary and prac-
ticable, from the operating loan fund, if created, estab-

lished, organized and operated in accordance with the

promises of section nineteen of this article, to defray
development costs to sponsors of land development for
residential housing for occupancy by persons and fam-

ilies of low and moderate income or residential housing
construction for occupancy by persons and families of
low and moderate income which is eligible or potentially
eligible for federally insured construction loans, federally
insured mortgages or federal mortgages;

(3) To accept appropriations, gifts, grants, bequests,
and devises, and to utilize or dispose of the same to carry
out its corporate purpose;
(4) To make and execute contracts, releases, compromises, compositions and other instruments necessary or convenient for the exercise of its powers, or to carry out its corporate purpose;

(5) To collect reasonable fees and charges in connection with making and servicing its loans, notes, bonds, obligations, commitments and other evidences of indebtedness, and in connection with providing technical, consultative and project assistant services. Such fees and charges shall be limited to the amounts required to pay the costs of the housing development fund, including operating and administrative expenses, and reasonable allowances for losses which may be incurred;

(6) To invest any funds not required for immediate disbursement in obligations of the state of West Virginia or of the United States government, the principal and interest of which are guaranteed by the state of West Virginia, or the United States government or any instrumentality thereof;

(7) To sue and be sued;

(8) To have a seal and alter the same at will;
(9) To make, and from time to time, amend and re-
peal bylaws, rules and regulations not inconsistent with
the provisions of this article;

(10) To appoint such officers, employees and consult-
ants as it deems advisable and to fix their compensation
and prescribe their duties;

(11) To acquire, hold and dispose of personal prop-
erty for its corporate purposes;

(12) To enter into agreements or other transactions
with any federal or state agency, any person and any
domestic or foreign partnership, corporation, association
or organization;

(13) To acquire real property, or an interest therein,
in its own name, by purchase or foreclosure, where such
acquisition is necessary or appropriate to protect any loan
in which the housing development fund has an interest
and to sell, transfer and convey any such property to a
buyer and, in the event such sale, transfer or conveyance
cannot be effected with reasonable promptness or at a
price, to lease such property to a tenant;

(14) To sell, at public or private sale, any mortgage or
75 other negotiable instrument or obligation securing a con-
76 struction, land development, mortgage or temporary loan;
77 (15) To procure insurance against any loss in con-
78 nection with its property in such amounts, and from
79 such insurers, as may be necessary or desirable;
80 (16) To consent, whenever it deems it necessary or
81 desirable in the fulfillment of its corporate purpose,
82 to the modification of the rate of interest, time of
83 payment or any installment of principal or interest,
84 or any other terms, of any mortgage loan, mortgage
85 loan commitment, construction loan, temporary loan,
86 contract or agreement of any kind to which the housing
87 development fund is a party;
88 (17) To make and publish rules and regulations
89 respecting its federally insured construction lending
90 and temporary lending to defray development costs
91 and any such other rules and regulations as are neces-
92 sary to effectuate its corporate purpose;
93 (18) To borrow money to carry out and effectuate
94 its corporate purpose and to issue its negotiable bonds
95 or notes as evidence of any such borrowing in such
principal amounts and upon such terms as shall be necessary to provide sufficient funds for achieving its corporate purpose, except that no negotiable bonds or notes shall be issued to mature more than ten years from date of issuance, and except that the amount borrowed and evidenced by the issuance of its negotiable bonds shall not exceed the amount reasonably estimated at the time of the issuance of such negotiable bonds to be required for the purpose of making federally insured construction loans for a period of two years;

(19) To issue renewal notes, to issue bonds to pay notes and, whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured except that no such renewal notes or refunding bonds shall be issued to mature more than ten years from date of issuance;

(20) To apply the proceeds from the sale of renewal notes or refunding bonds to the purchase, redemption, or payment of the notes or bonds to be refunded;
(21) To provide technical services to assist in the planning, processing, design, construction or rehabilitation of residential housing for occupancy by persons and families of low and moderate income or land development for residential housing for occupancy by persons and families of low and moderate income;

(22) To provide consultative project assistance services for residential housing for occupancy by persons and families of low and moderate income and for land development for residential housing for occupancy by persons and families of low and moderate income, and for the residents thereof with respect to management, training and social services; and

(23) To promote research and development in scientific methods of constructing low cost residential housing of high durability.

§31-18-7. Notes or bonds as general obligations of housing development fund.

Except as may otherwise be provided by the housing development fund, every issue of its notes or bonds shall be general obligations of the housing development
4 fund payable out of any revenues or moneys of the
5 housing development fund, subject only to any agree-
6 ments with the holders of particular notes or bonds
7 pledging any particular receipts or revenues.

§31-18-8. Notes and bonds as negotiable instruments.
1 The notes and bonds shall be and hereby are made
2 negotiable instruments under the provisions of article
3 eight, chapter forty-six of this code, subject only to the
4 provisions of the notes or bonds for registration.

1 The borrowing of money and the notes and bonds
2 evidencing any such borrowing shall be authorized by
3 resolution approved by the board of directors of the
4 housing development fund, shall bear such date or dates,
5 and shall mature at such time or times, in the case of
6 any such note or any renewal thereof, not exceeding
7 ten years from the date of issue of such original note,
8 and, in the case of any such bond, not exceeding ten
9 years from the date of issue, as such resolution or reso-
10 lutions may provide. The notes and bonds shall bear
11 interest at such rate or rates, be in such denominations,
be in such form, either coupon or registered, carry such
registration privileges, be executed in such manner, be
payable in such medium of payment, at such place or
places, and be subject to such terms or conditions of
redemption as such resolution or resolutions may pro-
vide.

§31-18-10. Sale of notes or bonds.

Any such notes or bonds may be sold by the housing
development fund at public or private sale, in accord-
ance with the following procedure. The housing de-
development fund shall first advertise the notes or bonds
for sale, on sealed bids, which advertisement shall be
published as a Class II legal advertisement in compliance
with the provisions of article three, chapter fifty-nine
of this code, and the publication area for such publication
shall be the county in which the corporation's principal
office is established. The first publication shall be made
at least fourteen days before the date fixed for the re-
ception of bids. Such advertisement shall also be pub-
lished as a Class II legal advertisement in a financial
paper published either in the city of New York or the
city of Chicago. The housing development fund may reject all bids. If any of the notes or bonds be not sold pursuant to such advertisement, they may, within sixty days after the day advertised for the reception of bids, be sold by the housing development fund at private sale, but no private sale shall be made at an interest cost to the housing development fund in excess of six percentum per annum.


Any resolution or resolutions authorizing any notes or bonds, or any issue thereof, may contain provisions, which shall be a part of the contract with the holders thereof, as to:

(1) Pledging all or part of the mortgage or deed of trust payments, charges and other fees made or received by the housing development fund and other moneys received or to be received to secure the payment of the notes or bonds or of any issue thereof, subject to such agreements with bondholders or note-holders as may then exist;

(2) Pledging all or any part of the assets of the housing development fund to secure the payment of the notes
or bonds or any issue of notes or bonds, subject to such agreements with noteholders as may then exist;

(3) The setting aside of reserves or sinking funds and the regulation and disposition thereof;

(4) Limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and pledging such proceeds to secure the payments of the notes or bonds or of any issue thereof;

(5) Limitations on the issuance of additional notes or bonds; the terms upon which additional notes or bonds may be issued and secured; the refunding of outstanding or other notes or bonds;

(6) The procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(7) Limitations on the amount of moneys to be expended by the housing development fund for operating, administrative or other expenses of the housing development fund;
Vesting in a trustee or trustees such property, rights, powers and duties of any trustee appointed by the bondholders pursuant to section sixteen of this article, and limiting or abrogating the right of the bondholders to appoint a trustee under section sixteen of this article or limiting the rights, powers and duties of such trustee; and

Any other matters, of like or different character, which in any way affect the security or protection of the notes or bonds.

§31-18-12. Validity of any pledge, mortgage, deed of trust or security instrument.

It is the intention hereof that any pledge, mortgage, deed of trust or security instrument made by or for the benefit of the housing development fund shall be valid and binding between the parties from the time the pledge, mortgage, deed of trust or security instrument is made; and that the moneys or property so pledged, encumbered, mortgaged or entrusted shall immediately be subject to the lien of such pledge, mortgage, deed of trust or security instrument without any physical delivery thereof or further act. Nothing herein shall be construed to
11 prohibit the housing development fund from selling any property subject to any such pledge, mortgage, deed of trust or security instrument. Such property is not to be sold for less than its fair market value.

§31-18-13. Redemption of notes or bonds.

1 The housing development fund, subject to such agreements with noteholders or bondholders as may then exist, shall have power, out of any funds available therefor, to purchase notes or bonds of the housing development fund.

2 If the notes or bonds are then redeemable, the price of such purchase shall not exceed the redemption price then applicable plus accrued interest to the next interest payment date thereon. If the notes or bonds are not then redeemable, the price of such purchase shall not exceed the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to such date. Upon such purchase such notes or bonds shall be canceled.
§31-18-14. **Disclaimer of any liability of state of West Virginia.**

1. The state of West Virginia shall not be liable on notes, bonds or other evidences of indebtedness of the housing development fund and such notes, bonds or other evidences of indebtedness shall not be a debt of the state of West Virginia, and such notes, bonds or other evidences of indebtedness shall contain on the face thereof a statement to such effect.

§31-18-15. **Limitation of rights vested in housing development fund by state.**

1. The state of West Virginia does hereby pledge to and agree with the holders of any notes or bonds issued under this article, that the state will not limit or alter the rights hereby vested in the housing development fund to fulfill the terms of any agreements made with the holders thereof, or in any way impair the rights and remedies of such holders until such notes or bonds, together with the interest thereon, with interest on any unpaid installments of interests, and all costs and expenses for which the housing development fund is liable in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.
The housing development fund is hereby authorized to include this pledge and agreement of the state in any agreement with the holders of such notes and bonds.

§31-18-16. Default in payment of principal or interest.

(a) In the event the housing development fund shall default in the payment of principal or interest on any issue of notes or bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event the housing development fund shall fail or refuse to comply with the provisions of this article or shall default in any agreement made with the holders of any issue of notes or bonds, the holders of twenty-five percentum in aggregate principal amount of the notes or bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of the county court of any county in which the housing development fund operates and has an office and acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such notes or bonds for the purposes herein provided.
Any such trustee upon the written request of the holders of twenty-five percentum in principal amount of such notes or bonds then outstanding shall, in his or its own name, do any one or more of the following:

(1) By civil action or other proceeding, enforce all rights of the noteholders or bondholders, including the right to require the housing development fund to perform its duties under this article;

(2) Bring a civil action upon such notes or bonds;

(3) By civil action or other proceeding, require the housing development fund to account as if it were the trustee of an express trust for the holders of such notes or bonds;

(4) By civil action or other proceeding, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds;

(5) Declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five percentum of the principal amount of such notes or bonds then outstanding, annul such declaration and its consequences.
(c) In addition to the foregoing, such trustee shall have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.

(d) Before declaring the principal of any notes or bonds due and payable, the trustee shall first give thirty days' notice in writing to the housing development fund.

§31-18-17. Investment in notes and bonds.

The notes and bonds of the housing development fund are hereby made securities in which all insurance companies and associations, and other persons carrying on an insurance business, all banks, bankers, trust companies, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, and other persons, except administrators, guardians, executors, trustees and fiduciaries, who are now or who may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them.

1. The housing development fund shall not be required to pay any taxes and assessments to the state of West Virginia, or any county, municipality or other governmental subdivision of the state of West Virginia, upon any of its property or upon its obligations or other evidences of indebtedness pursuant to the provisions of this article, or upon any moneys, funds, revenues or other income held or received by the housing development fund and the notes and bonds of the housing development fund and the income therefrom shall at all times be exempt from taxation, as aforesaid, except for death and gift taxes, taxes on transfers, sales taxes, real property taxes and business and occupation taxes.


(a) The board of directors of the housing development fund may create and establish a special revolving loan fund of moneys made available by contribution or loan, to be known as the operating loan fund and to be governed, administered and accounted for by the directors, officers and managerial staff of the housing de-
7 development fund as a public purpose trust account separate and distinct from any other moneys, fund or funds owned and managed by the housing development fund.

(b) The purpose for organizing and operating the operating loan fund shall be to provide a source from which the housing development fund may make temporary loans, with or without interest, but with such security for repayment as the housing development fund deems reasonably necessary and practicable; such loans to be used to defray development costs to sponsors of land development for residential housing construction for occupancy by persons and families of low and moderate income or residential housing construction for occupancy by persons and families of low and moderate income which is eligible or potentially eligible for federally insured construction loans, federally insured mortgages or federal mortgages or other public assistance programs.

(c) No temporary loans shall be made by the housing development fund from the operating loan fund except in accordance with a written loan agreement which shall include, but not be limited to, the following terms and conditions:
(1) The proceeds of all such loans shall be used only to defray the development costs of such proposed residential housing;

(2) All such loans shall be repaid in full, with or without interest as provided in the agreement;

(3) All repayments shall be made concurrent with receipt by the borrower of the proceeds of a construction loan or mortgage, as the case may be, or at such other times as the housing development fund deems reasonably necessary or practicable; and

(4) Specification of such security for repayments upon such terms and conditions as the housing development fund deems reasonably necessary or practicable to ensure all repayments.

(d) No funds from the operating loan fund shall be used to carry on propaganda, or otherwise attempt to influence legislation.


The housing development fund is hereby authorized to borrow up to thirty million dollars and to issue its negotiable bonds or notes as evidence of such borrow-
4 ing; and further to borrow such additional sums of
5 money as it deems reasonably necessary or appropriate
6 to effectuate its corporate purpose. Such additional bor-
7 rowing shall not be accompanied by the issuance of
8 negotiable bonds but may be accompanied by the issu-
9 ance of negotiable notes to evidence such additional in-
10 debtedness.

§31-18-21. Prohibition on funds inuring to the benefit of or
being distributable to directors, officers or pri-
1 vate persons.

1 No part of the funds of the housing development fund,
2 or of the operating loan fund, shall inure to the benefit
3 of or be distributable to its directors or officers or other
4 private persons except that the housing development
5 fund shall be authorized and empowered to pay reason-
6 able compensation, other than to the directors, including
7 the chairman, vice chairman and treasurer of the board
8 of directors and the secretary of the board of directors,
9 for services rendered and to make loans as previously
10 specified in furtherance of its corporate purpose: Pro-
11 vided, That no such loans shall be made to any director
12 or officer of the housing development fund.
§31-18-22. Termination or dissolution.
1 Upon termination or dissolution, all rights and properties of the housing development fund, including the operating loan fund, shall pass to and be vested in the state of West Virginia, subject to the rights of lienholders and other creditors.

§31-18-23. Services to the state of West Virginia and its political subdivisions.
1 (a) The housing development fund may provide technical, consultative and project assistance services to the state of West Virginia and any of its political subdivisions and is hereby authorized to enter into contracts with the state of West Virginia and any of its political subdivisions to provide such services.
2 (b) The state of West Virginia or any political subdivision thereof is hereby authorized to enter into contracts with the housing development fund for such services and to pay for such services as may be provided to it.

1 The housing development fund shall cause an annual audit to be made by a resident independent certified public accountant of its books, accounts, and records,
with respect to its receipts, disbursements, contracts, mortgages, leases, assignments, loans and all other matters relating to its financial operations, including those of the operating loan fund. The person performing such audit shall furnish copies of the audit report to the commissioner of finance and administration, where they shall be placed on file and made available for inspection by the general public. The person performing such audit shall also furnish copies of the audit report to the speaker of the House of Delegates, the president of the Senate and the majority and minority leaders of both houses.


If any provision of this article or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the article, and to this end the provisions of this article are severable.
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.

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 19th day of September, 1968.

Governor
PRESENTED TO THE GOVERNOR

Date 9/17/68
Time 4:50 P.M.