WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1968

ENROLLED

HOUSE BILL No. 349

(By Mr. Ayers and Mr. Smith)

PASSED  February 8, 1968

In Effect

349

FILED IN THE OFFICE
ROBERT D. BAILEY
SECRETARY OF STATE
THIS DATE 2-16-68
AN ACT to amend and reenact section one-d, article one-a, chapter twenty-five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to disposition and use of student union fees; issuance, etc., of revenue bonds.

Be it enacted by the Legislature of West Virginia:

That section one-d, article one-a, chapter twenty-five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:
ARTICLE 1A. FEES AND OTHER MONEY COLLECTED AT STATE INSTITUTIONS.

§25-1A-1d. Disposition and use of student union fees; issuance, etc., of revenue bonds.

Wherever the term "student union building" is used in this section the same shall mean a student union building or a combination student union building and dining hall building; and wherever the term "building fund" is used in this section the same shall mean the respective special student union building funds created as provided in section one of this article for each state educational institution which has imposed student union fees pursuant to section one of this article, to be expended by the board of governors of West Virginia University for the benefit of West Virginia University and Potomac State College of West Virginia University, and by the West Virginia board of education for the benefit of the state educational institutions under its control.

The respective boards may make expenditures from such building funds at the various state educational institutions under their control to finance in whole or
in part, together with any federal, state or other grants
or contributions, any one or more of the following
purposes: (1) The construction and acquisition of new
student union buildings. (2) The acquisition, renova-
tion and improvement of existing buildings to be used
as student union buildings. (3) The construction of
additions, extensions and improvements to existing
student union buildings. (4) The acquisition of furnish-
ings and equipment for any existing student union
buildings or student union buildings to be constructed
or acquired, or the construction of any roads, utilities
or other properties, real or personal, or for any other
purposes necessary, appurtenant or incidental to the
construction, acquisition, financing and placing in oper-
ation of such student union buildings. (5) The pay-
ment of the cost of the operation and maintenance of
such student union buildings, subject however to any
covenants or agreements made with the holders of
revenue bonds heretofore or hereafter issued pursuant
to this section or pursuant to section one of this
article.
The respective boards, at their discretion, may use the moneys in such building funds to finance the costs of the above purposes on a cash basis, or may from time to time issue revenue bonds of the state as provided in this section to finance all or part of such purposes and pledge all or any part of the moneys in such building funds for the payment of the principal of and interest on such revenue bonds, and for reserves therefor. Any pledge of such building funds for such revenue bonds shall be a prior and superior charge on such special funds over the use of any of the moneys in such funds to pay for the cost of any of such purposes on a cash basis, or for the payment of the cost of operation and maintenance, or any part thereof, of such student union buildings, under such terms and conditions as shall be provided in the proceedings which authorized the issuance of such revenue bonds.

Such revenue bonds may be authorized and issued from time to time by the respective boards to finance in whole or in part the purposes at any state educational institution under their control provided for in this
section in an aggregate principal amount not exceeding
the amount which the respective boards shall determine
can be paid as to both principal and interest and reason-
able margins for a reserve therefor from the moneys in
such building funds.

The issuance of such revenue bonds shall be authorized
by a resolution adopted by the respective board, and
such revenue bonds shall bear such date or dates, mature
at such time or times not exceeding forty years from
their respective dates; bear interest at such rate or
rates not exceeding six percentum per annum; be in
such form either coupon of registered, 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 not
exceeding one hundred six percentum of the principal
amount thereof; and shall have such other terms and
provisions as such respective board shall determine.
Such revenue bonds shall be signed by the governor
and by the president of the respective board authorizing
the issuance thereof, 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 such respective board. Such revenue bonds shall be sold in such manner as the respective board may determine to be for the best interests of the state, such sale to be made at a price not lower than a price which will show a net return of not more than six percentum per annum to the purchaser upon the amount paid therefor computed to the stated maturity dates of such revenue bonds without regard to any right of prior redemption.

Such respective boards 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 revenue bonds as to the custody, safeguarding and disposition of the proceeds of such revenue bonds, the moneys in such building funds, sinking funds, reserve funds, or any other moneys or funds; as to the
rank and priority, if any, of different issues of revenue bonds issued by the same board for the same educational institution under the provisions of this section; as to the maintenance or revision of the amounts of such student union fees, and the terms and conditions, if any, under which any of such student union fees may be reduced; and as to any other matters or provisions which are deemed necessary and advisable by such respective board in the best interests of the state and to enhance the marketability of such revenue bonds.

Any revenues or income derived from the operation of such student union buildings may, in the discretion of the respective boards, be used to pay the cost of the operation and maintenance of such student union buildings, or for the debt service on any bonds issued pursuant to this section or pursuant to any other law.

After the issuance of any of such revenue bonds, the student union fees at the state educational institution for which such revenue bonds were issued shall not be
reduced as long as any of such revenue bonds are outstanding and unpaid except under such terms, provisions and conditions as shall be contained in the resolution, trust agreement or other proceedings under which such revenue bonds were issued.

Such revenue bonds shall be and constitute negotiable instruments under the law merchant and the negotiable instruments law of the 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 such revenue bonds shall not be deemed to be obligations or debts of the state, and the credit or taxing power of the state shall not be pledged therefor, but such revenue bonds shall be payable only from the student union fees pledged therefor as provided in this section.

The provisions of this section shall constitute an additional, alternative and complete authority for the exercise of the powers and the issuance of the bonds provided for in this section, but shall not prevent said respective boards from exercising similar or related powers or
issuing bonds therefor under any other law or laws, but such respective boards, in exercising the powers and issuing the bonds provided for in this section, shall only be required to comply with the provisions of this section and shall not be required to comply with or be subject to the provisions of any other law or laws.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

William Temple
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the House.

Takes effect from passage.

Jefferson Heaton
Clerk of the Senate

W. A. Blankenship
Clerk of the House of Delegates

Howard W. Carson
President of the Senate

W. L. Laws White
Speaker of the House of Delegates

The within _______ approved ______ this the ______ day of ______, 1968.

Herbert C. Smith
Governor
PRESENTED TO THE GOVERNOR

Date 2/13/68

Time 2:20 P.M.

RECEIVED

Feb 13 1968 PH '68

OFFICE OF SECRETARY OF STATE
STATE OF WEST VIRGINIA