

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1968



ENROLLED

HOUSE BILL No. 349

(By Mr. Amick and Mr. Siefert)



PASSED May 8, 1968

In Effect June Passage



FILED IN THE OFFICE
ROBERT D. BAILEY
SECRETARY OF STATE
THIS DATE 2-16-68

349

ENROLLED

House Bill No. 349

(By MR. AUVIL and MR. SEIBERT)

[Passed February 8, 1968; in effect from passage.]

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.

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

16 The respective boards may make expenditures from
17 such building funds at the various state educational
18 institutions under their control to finance in whole or

19 in part, together with any federal, state or other grants
20 or contributions, any one or more of the following
21 purposes: (1) The construction and acquisition of new
22 student union buildings. (2) The acquisition, renova-
23 tion and improvement of existing buildings to be used
24 as student union buildings. (3) The construction of
25 additions, extensions and improvements to existing
26 student union buildings. (4) The acquisition of furnish-
27 ings and equipment for any existing student union
28 buildings or student union buildings to be constructed
29 or acquired, or the construction of any roads, utilities
30 or other properties, real or personal, or for any other
31 purposes necessary, appurtenant or incidental to the
32 construction, acquisition, financing and placing in oper-
33 ation of such student union buildings. (5) The pay-
34 ment of the cost of the operation and maintenance of
35 such student union buildings, subject however to any
36 covenants or agreements made with the holders of
37 revenue bonds heretofore or hereafter issued pursuant
38 to this section or pursuant to section one of this
39 article.

40 The respective boards, at their discretion, may use
41 the moneys in such building funds to finance the costs
42 of the above purposes on a cash basis, or may from time
43 to time issue revenue bonds of the state as provided
44 in this section to finance all or part of such purposes
45 and pledge all or any part of the moneys in such building
46 funds for the payment of the principal of and interest
47 on such revenue bonds, and for reserves therefor. Any
48 pledge of such building funds for such revenue bonds
49 shall be a prior and superior charge on such special
50 funds over the use of any of the moneys in such funds
51 to pay for the cost of any of such purposes on a cash
52 basis, or for the payment of the cost of operation and
53 maintenance, or any part thereof, of such student union
54 buildings, under such terms and conditions as shall be
55 provided in the proceedings which authorized the issu-
56 ance of such revenue bonds.

57 Such revenue bonds may be authorized and issued
58 from time to time by the respective boards to finance
59 in whole or in part the purposes at any state educational
60 institution under their control provided for in this

61 section in an aggregate principal amount not exceeding
62 the amount which the respective boards shall determine
63 can be paid as to both principal and interest and reason-
64 able margins for a reserve therefor from the moneys in
65 such building funds.

66 The issuance of such revenue bonds shall be authorized
67 by a resolution adopted by the respective board, and
68 such revenue bonds shall bear such date or dates, mature
69 at such time or times not exceeding forty years from
70 their respective dates; bear interest at such rate or
71 rates not exceeding six percentum per annum; be in
72 such form either coupon or registered, with such
73 exchangeability and interchangeability privileges; be
74 payable in such medium of payment and at such place
75 or places, within or without the state; be subject to
76 such terms of prior redemption at such prices not
77 exceeding one hundred six percentum of the principal
78 amount thereof; and shall have such other terms and
79 provisions as such respective board shall determine.
80 Such revenue bonds shall be signed by the governor
81 and by the president of the respective board authorizing

82 the issuance thereof, under the great seal of the state,
83 attested by the secretary of state, and the coupons
84 attached thereto shall bear the facsimile signature of
85 the president of such respective board. Such revenue
86 bonds shall be sold in such manner as the respective
87 board may determine to be for the best interests of
88 the state, such sale to be made at a price not lower
89 than a price which will show a net return of not more
90 than six percentum per annum to the purchaser upon
91 the amount paid therefor computed to the stated
92 maturity dates of such revenue bonds without regard to
93 any right of prior redemption.

94 Such respective boards may enter into trust agree-
95 ments with banks or trust companies, within or without
96 the state, and in such trust agreements or the resolutions
97 authorizing the issuance of such bonds may enter into
98 valid and legally binding covenants with the holders
99 of such revenue bonds as to the custody, safeguarding
100 and disposition of the proceeds of such revenue bonds,
101 the moneys in such building funds, sinking funds,
102 reserve funds, or any other moneys or funds; as to the

103 rank and priority, if any, of different issues of revenue
104 bonds issued by the same board for the same educational
105 institution under the provisions of this section; as to
106 the maintenance or revision of the amounts of such
107 student union fees, and the terms and conditions, if
108 any, under which any of such student union fees may
109 be reduced; and as to any other matters or provisions
110 which are deemed necessary and advisable by such
111 respective board in the best interests of the state
112 and to enhance the marketability of such revenue
113 bonds.

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

121 After the issuance of any of such revenue bonds, the
122 student union fees at the state educational institution
123 for which such revenue bonds were issued shall not be

124 reduced as long as any of such revenue bonds are out-
125 standing and unpaid except under such terms, provi-
126 sions and conditions as shall be contained in the reso-
127 lution, trust agreement or other proceedings under which
128 such revenue bonds were issued.

129 Such revenue bonds shall be and constitute negotiable
130 instruments under the law merchant and the negotiable
131 instruments law of the state, shall, together with the
132 interest thereon, be exempt from all taxation by the
133 state of West Virginia, or by any county, school district,
134 municipality or political subdivision thereof; and such
135 revenue bonds shall not be deemed to be obligations or
136 debts of the state, and the credit or taxing power of the
137 state shall not be pledged therefor, but such revenue
138 bonds shall be payable only from the student union
139 fees pledged therefor as provided in this section.

140 The provisions of this section shall constitute an addi-
141 tional, alternative and complete authority for the exer-
142 cise of the powers and the issuance of the bonds provided
143 for in this section, but shall not prevent said respective
144 boards from exercising similar or related powers or

145 issuing bonds therefor under any other law or laws,
146 but such respective boards, in exercising the powers
147 and issuing the bonds provided for in this section, shall
148 only be required to comply with the provisions of this
149 section and shall not be required to comply with or be
150 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 Tompa
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the House.

Takes effect from passage.

Howard Meyer
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Howard W. Carson
President of the Senate

H. Laban White
Speaker of the House of Delegates

The within approved this the 14
day of February, 1968.

Wright C. Smith
Governor



PRESENTED TO THE
GOVERNOR

Date 2/13/68

Time 2:20 P.M.

RECEIVED

FEB 16 1 03 PM '68

OFFICE OF
SECRETARY OF STATE
STATE OF WEST VIRGINIA