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STATE OF WEST VIRGINIA

**WEST VIRGINIA LEGISLATURE**  
REGULAR SESSION, 1970



**ENROLLED**

HOUSE BILL No. 733

(By Mr. Seibert)



PASSED February 12, 1970

In Effect from Passage



FILED IN THE OFFICE  
JOHN D. ROCKEFELLER, IV  
SECRETARY OF STATE  
THIS DATE 2-18-70

733

**ENROLLED**  
**House Bill No. 733**

(By MR. SEIBERT)

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[Passed February 12, 1970; in effect from passage.]

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AN ACT to amend and reenact sections nine and fourteen, article three, chapter seven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the maximum rate of interest on and the net interest cost of revenue bonds issued by county courts.

*Be it enacted by the Legislature of West Virginia:*

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

**ARTICLE 3. COUNTY PROPERTY.**

**§7-3-9. Form and payment of bonds; use of proceeds of bonds.**

1 Any county court issuing revenue bonds under the pro-

2 . visions of this article shall thereafter, so long as any such  
3 bonds remain outstanding, operate and maintain said  
4 courthouse, hospital, other public buildings, or jail, to pro-  
5 vide revenues sufficient to pay all operating costs, pro-  
6 vide a sinking fund for, and to retire such bonds and  
7 pay the interest thereon as the same may become due.  
8 The amounts, as and when so set apart by said county  
9 court, shall be remitted to the state sinking fund com-  
10 mission at least thirty days previous to the time interest  
11 or principal payments become due, to be retained and  
12 paid out by said commission consistent with the pro-  
13 visions of this article and with the order pursuant to  
14 which such bonds have been issued. The state sinking  
15 fund commission is hereby authorized to act as fiscal  
16 agent for the administration of such sinking fund under  
17 any order passed pursuant to the provisions of this  
18 article, and shall invest all sinking funds, as provided by  
19 general law. Revenue bonds issued under the provisions of  
20 this article are hereby declared to be and to have all  
21 the qualities of negotiable instruments. Such bonds  
22 shall bear interest at not more than seven percent per

23 annum, payable semiannually, and shall mature at any  
24 time fixed by the county court, in not more than thirty  
25 years from their date. Such bonds shall be sold at a price  
26 not lower than a price which, when computed upon stan-  
27 dard tables of bond values, will show a net return of not  
28 more than eight percent per annum to the purchaser upon  
29 the amount paid therefor. Such bonds may be made re-  
30 deemable at the option of the county court at such price  
31 and under terms and conditions as said court may fix, by  
32 its order, prior to the issuance of such bonds. Revenue  
33 bonds issued hereunder shall be payable at the office of the  
34 state treasurer, or some bank in the city of New York.

35 In case any of the officers whose signatures appear on  
36 such bonds or coupons shall cease to be such officers be-  
37 fore the delivery of such bonds, such signatures shall,  
38 nevertheless, be valid and sufficient for all purposes the  
39 same as if they had remained in office until such delivery.  
40 The county court shall by order entered prior to the issu-  
41 ance of said bonds, fix the denominations, times and places  
42 of payment of such bonds, the principal and interest of  
43 which shall be payable in lawful money of the United

44 States of America. The proceeds of such bonds shall be  
45 used solely for the payment of the cost of land, buildings,  
46 furniture and equipment thereon, and shall be checked  
47 out by the county court under such restrictions as are con-  
48 tained in the order providing for the issuance of said bonds.  
49 If the proceeds of such bonds issued for any courthouse,  
50 hospital, other public buildings, or jail, shall exceed the  
51 cost thereof, the surplus shall be paid into the fund herein  
52 provided for the payment of principal and interest upon  
53 such bonds. Such fund may be used for the purchase or re-  
54 demption of any of the outstanding bonds payable from  
55 such fund at the market price, but at not exceeding the  
56 price at which any of such bonds shall in the same  
57 year be redeemable, as fixed by the court in its said  
58 order, and all bonds redeemed or purchased shall forth-  
59 with be canceled, and shall not again be issued.  
60 Prior to the preparation of definitive bonds, the county  
61 court may, under like restrictions, issue temporary bonds,  
62 or interim certificates, with or without coupons, ex-  
63 changeable for definitive bonds upon the issuance of the  
64 latter. Such bonds may be issued without any other

65 proceedings or the happening of any other conditions or  
66 things than those proceedings, conditions and things  
67 which are specified and required by this article.

**§7-3-14. Authority to acquire and operate hospitals, clinics,  
long-term care facilities and other related facilities;  
financing.**

1 The county court of any county is hereby authorized  
2 and empowered to acquire by purchase or construction  
3 and to thereafter own, equip, furnish, operate, lease,  
4 improve and extend a public hospital, clinic, long-term  
5 care facility and other related facilities, with all appurte-  
6 nances, including the necessary real estate as a site there-  
7 for. Any such county public hospital acquired pursuant  
8 hereto may include a nurses home and nurses training  
9 school. The county court is further authorized and em-  
10 powered, upon acquiring a hospital, clinic, long-term  
11 care facility or other related facility, to lease to others  
12 any or all such facilities for such rentals and upon such  
13 terms and conditions as the county court may deem  
14 advisable. For the purpose of paying all or any part of the  
15 costs, not otherwise provided, of acquiring, completing,  
16 equipping, furnishing, improving or extending such hos-

17 pital, clinic, long-term care facility or other related  
18 facility, the county court is hereby authorized and em-  
19 powered by order duly entered of record, to issue  
20 and sell the negotiable revenue bonds of such county,  
21 which shall be payable solely and only from all or such  
22 part of the net revenues from the operation of such  
23 county public hospital, clinic, long-term care facility  
24 or other related facility as may be provided by said  
25 order; and each such revenue bond so issued shall con-  
26 tain a recital that payment or redemption of the bond  
27 and payment of the interest thereon is secured by the  
28 revenues pledged therefor, and that such bond does not  
29 constitute an indebtedness of such county or the county  
30 court thereof within the meaning of any constitutional  
31 or statutory limitation or provision. Such revenue bonds  
32 may bear such date or dates, may mature at such time  
33 or times not exceeding thirty-four years from their  
34 respective dates, may bear interest at such rate or rates not  
35 exceeding seven percent per annum, may be of such de-  
36 nomination or denominations, may be in such form, may  
37 carry such registration privileges, may be made subject to

38 such terms of redemption with or without premium, and  
39 may contain such other terms and covenants not inconsis-  
40 tent with this article as may be provided in such order.  
41 Such revenue bonds shall be exempt from taxation by the  
42 state of West Virginia and the other taxing bodies of  
43 the state. In determining the amount of revenue bonds  
44 to be issued, there may be included any expenses in  
45 connection with and incidental to the issuance and sale  
46 of bonds and for the preparation of plans, specifications,  
47 surveys and estimates, interest during the estimated  
48 construction period and for six months thereafter, and  
49 a reasonable amount for working capital and prepaid  
50 insurance. Such bonds may be sold in such manner, at  
51 such times and upon such terms as may be determined  
52 by the county court to be for the best interests of the  
53 county: *Provided*, That no bonds may be sold upon terms  
54 which will result in the net interest cost of more than  
55 eight percent per annum computed to maturity of the  
56 bonds according to standard tables of bond values.. There  
57 may be included in any such order authorizing the issu-  
58 ance of revenue bonds such covenants, stipulations and

59 conditions as may be deemed necessary with respect to  
60 the expenditure of the bond proceeds, the operation and  
61 maintenance of the county public hospital, clinic, long-  
62 term care facility or other related facility, and the custody  
63 and application of the revenues from such operation. The  
64 holder of any bond or bonds may, by mandamus or other  
65 appropriate proceedings, require and compel performance  
66 of any duties imposed by law in connection with the hos-  
67 pital, clinic, long-term care facility or other related facil-  
68 ity, or any covenant, stipulation or condition that may  
69 have been expressed in such bond order.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

William Tomper

Chairman Senate Committee

Clayton C. Davidson

Chairman House Committee

Originated in the House.

Takes effect from passage.

J. Thomas Myers

Clerk of the Senate

C. A. Blankenship

Clerk of the House of Delegates

Lloyd G. Jackson

President of the Senate

Sam F. Bacurish

Speaker House of Delegates

The within approved this the 17th  
day of February, 1970.

Arch. A. Shaver, Jr.

Governor



PRESENTED TO THE  
GOVERNOR

Date 2/16/70

Time 2:40 p.m.