ENROLLED

SENATE BILL NO. 114

(By Mr. Carver in original form)

PASSED February 4, 1970

In Effect Passage
AN ACT to amend and reenact section six, article twenty-four, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to increasing the interest rate limitation on student union revenue bond issues to eight percent.

Be it enacted by the Legislature of West Virginia:

That section six, article twenty-four, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:
ARTICLE 24. FEES AND OTHER MONEY COLLECTED AT STATE INSTITUTIONS OF HIGHER EDUCATION.

§18-24-6. Disposition and use of student union fees; issuance of revenue bonds.

1 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 West Virginia board of regents for the benefit of the state educational institutions under their control.

2 The West Virginia board of regents may make expenditures from such building funds at the various state educational institutions under its 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 stu-
dent union buildings. (2) The acquisition, renovation 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 furnishings 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 operation of such student union buildings. (5) The payment 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 West Virginia board of regents, at its 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 unions buildings, under such
terms and conditions as shall be provided in the proceed-
ings which authorized the issuance of such revenue bonds.
Such revenue bonds may be authorized and issued from
time to time by the West Virginia board of regents to
finance in whole or in part the purposes at any state edu-
cational institution under its control provided for in this
section in an aggregate principal amount not exceeding
the amount which the board shall determine can be paid
as to both principal and interest and reasonable 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 West Virginia board of regents, 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 eight per centum per annum; be in such form either coupon or 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 five per centum of the principal amount thereof; and shall have such other terms and provisions as the board shall determine. Such revenue bonds shall be signed by the governor and by the president of the West Virginia board of regents, under the great seal of the state, attested by the secretary of the state, and the coupons attached thereto shall bear the facsimile signature of the president of the West Virginia board of regents. Such revenue bonds shall be sold in such manner as the
The West Virginia board of regents 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 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 the 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 board, 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 Uniform Commercial Code 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 the West Virginia board of regents from exercising similar or related powers or issuing bonds therefor under any other law or laws, but the board, in exercising the power 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 T. Tennison
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the Senate.

To take effect from passage.

Johnnie Shepperd
Clerk of the Senate

C. Blankenship
Clerk of the House of Delegates

Jane S. Buford
President of the Senate

Lee J. Burdick
Speaker House of Delegates

The within approved this the 9th day of February, 1970.

Archa Shane J.
Governor
PRESENTED TO THE
GOVERNOR

Date 2/6/70
Time 1:35 p.m.