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SENATE OF STATE
STATE OF WEST VIRGINIA

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1970

ENROLLED

SENATE BILL NO. 76

(By Mr. Carigan)

PASSED Feb. 12, 1970

In Effect Twenty days for Passage

76

FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE

2-18-70

ENROLLED
Senate Bill No. 76

(By MR. CARRIGAN)

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

AN ACT to amend and reenact section sixteen, article twenty-three, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to removing interest rate limitations on dormitory revenue bond issues.

Be it enacted by the Legislature of West Virginia:

That section sixteen, article twenty-three, 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 23. ADDITIONAL POWERS, DUTIES AND RESPONSIBILITIES OF GOVERNING BOARDS OF STATE INSTITUTIONS OF HIGHER EDUCATION.

§18-23-16. Cost of dormitories, homes and refectories to be paid from proceeds of revenue bonds.

1 The governing boards may pay the cost as defined in
2 sections thirteen to twenty-four, inclusive, of this article,
3 of any one or more of such dormitories, homes or re-
4 fectories out of the proceeds of revenue bonds of the
5 state. The governing boards are authorized to issue reve-
6 nue bonds of the state, by a resolution of the board which
7 shall recite an estimate by the board of such cost, the
8 principal and interest of which bonds shall be payable
9 solely from the special fund herein provided for such
10 payment. The board, after any such issue of bonds or
11 simultaneously therewith, may issue further issues of
12 bonds to pay the cost of any other one or more of such
13 dormitories, homes or refectories, in the manner and sub-
14 ject to all of the provisions herein contained as to the
15 bonds first mentioned in this section. All such bonds shall
16 have and are hereby declared to have all the qualities

17 of negotiable instruments under the Uniform Commercial
18 Code. Such bonds shall bear interest, payable semi-
19 annually, and shall mature in not more than thirty years
20 from their date or dates and may be made redeemable
21 at the option of the state, to be exercised by the governing
22 boards, at such price and under such terms and condi-
23 tions as they may fix prior to the issuance of such bonds.
24 They shall determine the form of such bonds, including
25 coupons to be attached thereto to evidence the right of
26 interest payments, which bonds shall be signed by the
27 governor and the president of the appropriate governing
28 board, under the great seal of the state, attested by the
29 secretary of the state, and the coupons attached thereto
30 shall bear the facsimile signature of the president of the
31 appropriate board. In case any of the officers whose signa-
32 tures appear on the bonds or coupons shall cease to be
33 such officers before the delivery of such bonds, such
34 signatures shall nevertheless be valid and sufficient for
35 all purposes the same as if they had remained in office
36 until such delivery. The governing boards shall fix the
37 denominations of such bonds, the principal and interest

38 of which shall be payable at the office of the treasurer of
39 the state of West Virginia, at the capitol of said state, or,
40 at the option of the holder, at some bank or trust company
41 in the city of New York to be named in the bonds, either
42 in lawful money or in gold coin of the United States of
43 America, of or equal to the then current standard of
44 weight and fineness, as may be determined by the govern-
45 ing boards. Such bonds shall be exempt from taxation
46 by the state of West Virginia or any county, school dis-
47 trict or municipality therein. The governing boards may
48 provide for the registration of such bonds in the name of
49 the owner as to principal alone and as to both principal
50 and interest under such terms and conditions as the
51 governing boards may determine, and shall sell such
52 bonds in such manner as they may determine to be for
53 the best interest of the state, taking into consideration
54 the financial responsibility of the purchaser and the terms
55 and conditions of the purchase and especially the avail-
56 ability of the proceeds of the bonds when required for
57 payment of the cost of the dormitories, homes or
58 refectories.

59 The proceeds of such bonds shall be used solely for
60 the payment of the cost of such dormitories, homes or
61 refectories, and shall be checked out by the president
62 of the appropriate governing board and the treasurer
63 thereof and under such further restrictions, if any, as
64 the board may provide. If the proceeds of such bonds,
65 by error or otherwise, shall be less than the cost of such
66 dormitories, homes or refectories, additional bonds may
67 in like manner be issued to provide the amount of such
68 deficit, and, unless otherwise provided in the trust agree-
69 ment hereinafter mentioned, shall be deemed to be of
70 the same issue and shall be entitled to payment from
71 the same fund, without preference or priority of the
72 bonds first issued for the same dormitory or dormitories,
73 home or homes, or refectory or refectories. If the pro-
74 ceeds of bonds issued for any such dormitories, homes
75 or refectories shall exceed the cost thereof, the surplus
76 shall be paid into the fund hereinafter provided for pay-
77 ment of the principal and interest of such bonds. Such
78 fund may be used for the purchase of any of the out-
79 standing bonds payable from such fund at the market

80 price, but not exceeding the price, if any, at which such
81 bonds shall in the same year be redeemable, and all
82 bonds redeemed or purchased shall forthwith be can-
83 celled and shall not again be issued.

84 Prior to the preparation of definitive bonds, the
85 governing boards may under like restrictions issue tem-
86 porary bonds with or without coupons, exchangeable
87 for definitive bonds upon the issuance of the latter. Such
88 revenue bonds may be issued without any other proceed-
89 ings or the happening of any other conditions and things
90 than those proceedings, conditions and things which are
91 specified and required by this article or by the con-
92 stitution of the state.

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

Millicaine Tompa

 Chairman Senate Committee

Clayton C. Davidson

 Chairman House Committee

Originated in the Senate.

To take effect 90 days from passage.

Howard Keyser

 Clerk of the Senate

C. A. Blankenship

 Clerk of the House of Delegates

Langston Jackson

 President of the Senate

Wm. F. Bainsky

 Speaker House of Delegates

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

Arch. A. Shaver, Jr.

 Governor



PRESENTED TO THE
GOVERNOR

Date 2/17/70

Time 2:15 p.m.