WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1970

ENROLLED

SENATE BILL NO. 76

(By Mr. Carrigan)

PASSED

Feb. 12, 1970

In Effect

76

76
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.

The governing boards may pay the cost as defined in sections thirteen to twenty-four, inclusive, of this article, of any one or more of such dormitories, homes or refectories out of the proceeds of revenue bonds of the state. The governing boards are authorized to issue revenue bonds of the state, by a resolution of the board which shall recite an estimate by the board of such cost, the principal and interest of which bonds shall be payable solely from the special fund herein provided for such payment. The board, after any such issue of bonds or simultaneously therewith, may issue further issues of bonds to pay the cost of any other one or more of such dormitories, homes or refectories, in the manner and subject to all of the provisions herein contained as to the bonds first mentioned in this section. All such bonds shall have and are hereby declared to have all the qualities
of negotiable instruments under the Uniform Commercial Code. Such bonds shall bear interest, payable semi-annually, and shall mature in not more than thirty years from their date or dates and may be made redeemable at the option of the state, to be exercised by the governing boards, at such price and under such terms and conditions as they may fix prior to the issuance of such bonds. They shall determine the form of such bonds, including coupons to be attached thereto to evidence the right of interest payments, which bonds shall be signed by the governor and the president of the appropriate governing board, 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 appropriate board. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before the delivery of such bonds, such signatures shall nevertheless be valid and sufficient for all purposes the same as if they had remained in office until such delivery. The governing boards shall fix the denominations of such bonds, the principal and interest
of which shall be payable at the office of the treasurer of
the state of West Virginia, at the capitol of said state, or,
at the option of the holder, at some bank or trust company
in the city of New York to be named in the bonds, either
in lawful money or in gold coin of the United States of
America, of or equal to the then current standard of
weight and fineness, as may be determined by the govern-
ing boards. Such bonds shall be exempt from taxation
by the state of West Virginia or any county, school dis-
trict or municipality therein. The governing boards may
provide for the registration of such bonds in the name of
the owner as to principal alone and as to both principal
and interest under such terms and conditions as the
governing boards may determine, and shall sell such
bonds in such manner as they may determine to be for
the best interest of the state, taking into consideration
the financial responsibility of the purchaser and the terms
and conditions of the purchase and especially the avail-
ability of the proceeds of the bonds when required for
payment of the cost of the dormitories, homes or
refectories.
The proceeds of such bonds shall be used solely for the payment of the cost of such dormitories, homes or refectories, and shall be checked out by the president of the appropriate governing board and the treasurer thereof and under such further restrictions, if any, as the board may provide. If the proceeds of such bonds, by error or otherwise, shall be less than the cost of such dormitories, homes or refectories, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the trust agreement hereinafter mentioned, shall be deemed to be of the same issue and shall be entitled to payment from the same fund, without preference or priority of the bonds first issued for the same dormitory or dormitories, home or homes, or refectory or refectories. If the proceeds of bonds issued for any such dormitories, homes or refectories shall exceed the cost thereof, the surplus shall be paid into the fund hereinafter provided for payment of the principal and interest of such bonds. Such fund may be used for the purchase of any of the outstanding bonds payable from such fund at the market
price, but not exceeding the price, if any, at which such
bonds shall in the same year be redeemable, and all
bonds redeemed or purchased shall forthwith be can-
celled and shall not again be issued.

Prior to the preparation of definitive bonds, the
governing boards may under like restrictions issue tem-
porary bonds with or without coupons, exchangeable
for definitive bonds upon the issuance of the latter. Such
revenue bonds may be issued without any other proceed-
ings or the happening of any other conditions and things
than those proceedings, conditions and things which are
specified and required by this article or by the con-
stitution of the state.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect 90 days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

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

Governor
PRESENTED TO THE GOVERNOR

Date 2/17/70

Time 2:15 P.M.