

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1971



## ENROLLED

HOUSE BILL No. 1115

(By Mr. SPEAKER, MR. BOWEN AND  
MR. SEIBERT)



PASSED MARCH 13, 1971

In Effect NINETY DAYS FROM Passage



FILED IN THE OFFICE  
JOHN D. SOCKENFELDER, IV  
SALUTARY OF STATE  
THIS DATE 4-2-71

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**ENROLLED**

**House Bill No. 1115**

(By MR. SPEAKER, MR. BOIARSKY, and MR. SEIBERT)

[Passed March 13, 1971; in effect ninety days from passage.]

AN ACT to amend and reenact section four, article twenty-four, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the creation of a state system special capital improvements fund to be expended for all state institutions of higher education.

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

That section four, 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.**

**§18-24-4. Collection, disposition and use of additional registration fee; creation of a state system special capital improvements fund; revenue bonds.**

1     In addition to all other fees imposed by the West Vir-  
2     ginia board of regents, there is hereby imposed and

3 the board of regents is hereby directed to provide for  
4 the collection of an additional registration fee from  
5 all students in the amounts hereinafter provided.

6 For full-time students at each state institution of  
7 higher education, the additional registration fee shall  
8 be fifty dollars per semester. The board of regents  
9 shall have authority to increase such additional regis-  
10 tration fee at any institution of higher education for  
11 students who are nonresidents of this state. For all  
12 part-time students and for all summer school students,  
13 the board of regents shall impose and collect such fee  
14 in proportion to, but not exceeding, that paid by full-  
15 time students.

16 The fee imposed by this section shall be in addition  
17 to the maximum fees allowed to be collected under  
18 the provisions of section one of this article and shall  
19 not be limited thereby. Refunds of such fee may be  
20 made in the same manner as any other fee collected  
21 at state institutions of higher education.

22 There is hereby created in the state treasury a special  
23 capital improvements fund into which shall be paid

24 on and after the first day of July, one thousand nine  
25 hundred sixty-three, all proceeds of the additional regis-  
26 tration fees collected from students at West Virginia  
27 University and at Potomac State College. Subject to  
28 any lien created by a pledge of the moneys in said  
29 special capital improvements fund for the payment of  
30 the principal of and interest on any revenue bonds  
31 issued pursuant to this section prior to the first day  
32 of July, one thousand nine hundred seventy-one, to  
33 finance capital improvements at West Virginia Univer-  
34 sity and at Potomac State College, the board of regents  
35 is empowered to expend moneys from this fund for  
36 the benefit of any state institution of higher education  
37 as provided in this section.

38 There is hereby created in the state treasury a second  
39 special capital improvements fund into which shall be  
40 paid on and after the first day of July, one thousand  
41 nine hundred sixty-three, all proceeds of the additional  
42 registration fees collected from students at all state  
43 institutions of higher education other than West Vir-  
44 ginia University and Potomac State College. Subject

45 to any lien created by a pledge of the moneys in said  
46 capital improvements fund for the payment of the  
47 principal of and interest on any revenue bonds issued  
48 pursuant to this section prior to the first day of July,  
49 one thousand nine hundred seventy-one, to finance cap-  
50 ital improvements at state institutions of higher edu-  
51 cation other than West Virginia University and Potomac  
52 State College, the board of regents is empowered to  
53 expend moneys from this fund for the benefit of any  
54 state institution of higher education as provided in this  
55 section.

56 There is created in the state treasury a state system  
57 special capital improvements fund to be expended by  
58 the board of regents for the benefit of any and all  
59 state institutions of higher education. On and after the  
60 first day of July, one thousand nine hundred seventy-  
61 one, the board of regents may periodically transfer from  
62 each of the two special capital improvements funds  
63 previously established by this section into the state sys-  
64 tem special capital improvements fund moneys in excess  
65 of the amount pledged for the payment of the prin-

66 cipal of and interest on any revenue bonds issued pur-  
67 suant to this section prior to the first day of July, one  
68 thousand nine hundred seventy-one.

69 The board of regents may make expenditures from  
70 any of the special capital improvements funds established  
71 in this section to finance in whole or in part, together  
72 with any federal, state or other grants or contributions,  
73 any one or more of the following purposes: (1) The  
74 acquisition of land or any rights or interest therein,  
75 (2) the construction or acquisition of new buildings,  
76 (3) the renovation or construction of additions to exist-  
77 ing buildings, (4) the acquisition of furnishings and  
78 equipment for any such buildings, and (5) the con-  
79 struction or acquisition of any other capital improve-  
80 ments or capital educational facilities at such state  
81 institutions of higher education, including any roads,  
82 utilities or other properties, real or personal, or for  
83 other purposes necessary, appurtenant or incidental to  
84 the construction, acquisition, financing and placing in  
85 operation of such buildings, capital improvements or  
86 capital educational facilities.

87    The board of regents, in its discretion, may use the  
88 moneys in such special capital improvements funds to  
89 finance the costs of the above purposes on a cash basis,  
90 or may from time to time issue revenue bonds of the  
91 state as provided in this section to finance all or part  
92 of such purposes and pledge all or any part of the moneys  
93 in such special funds for the payment of the principal  
94 of and interest on such revenue bonds, and for reserves  
95 therefor. Any pledge of such special funds for such  
96 revenue bonds shall be a prior and superior charge  
97 on such special funds over the use of any of the moneys  
98 in such funds to pay for the cost of any of such pur-  
99 poses on a cash basis: *Provided*, That any expenditures  
100 from such special funds, other than for the retirement  
101 of revenue bonds, may only be made by the board of  
102 regents to meet the cost of a predetermined capital  
103 improvements program for one or more of the state  
104 institutions of higher education, in such order of priority  
105 as shall have been agreed upon by the board of regents  
106 and presented to the governor for inclusion in the annual  
107 budget bill, and only with the approval of the Legis-

108 lature as indicated by direct appropriation for the pur-  
109 pose.

110 Such revenue bonds may be authorized and issued  
111 from time to time by the board of regents to finance in  
112 whole or in part the purposes provided in this section  
113 in an aggregate principal amount not exceeding the  
114 amount which the board of regents shall determine can  
115 be paid as to both principal and interest and reason-  
116 able margins for a reserve therefor from the moneys in  
117 such special funds.

118 The issuance of such revenue bonds shall be autho-  
119 rized by a resolution adopted by the board of regents,  
120 and such revenue bonds shall bear such date or dates,  
121 mature at such time or times not exceeding forty years  
122 from their respective dates; be in such form either  
123 coupon or registered, with such exchangeability and  
124 interchangeability privileges; be payable in such me-  
125 dium of payment and at such place or places, within  
126 or without the state; be subject to such terms of prior  
127 redemption at such prices not exceeding one hundred  
128 five per centum of the principal amount thereof; and



129 shall have such other terms and provisions as the board  
130 of regents shall determine. Such revenue bonds shall  
131 be signed by the governor and by the president of the  
132 board of regents authorizing the issuance thereof, under  
133 the great seal of the state, attested by the secretary of  
134 state, and the coupons attached thereto shall bear the  
135 facsimile signature of the president of the board of  
136 regents. Such revenue bonds shall be sold in such man-  
137 ner as the board of regents may determine to be for  
138 the best interests of the state.

139 The board of regents may enter into trust agreements  
140 with banks or trust companies, within or without the  
141 state, and in such trust agreements or the resolutions  
142 authorizing the issuance of such bonds may enter into  
143 valid and legally binding covenants with the holders  
144 of such revenue bonds as to the custody, safeguarding  
145 and disposition of the proceeds of such revenue bonds,  
146 the moneys in such special funds, sinking funds, reserve  
147 funds, or any other moneys or funds; as to the rank and  
148 priority, if any, of different issues of revenue bonds  
149 by the board of regents under the provisions of this

150 section; as to the maintenance or revision of the amounts  
151 of such additional registration fees, and the terms and  
152 conditions, if any, under which such additional regis-  
153 tration fees may be reduced; and as to any other matters  
154 or provisions which are deemed necessary and advisable  
155 by the board of regents in the best interests of the  
156 state and to enhance the marketability of such revenue  
157 bonds.

158 After the issuance of any of such revenue bonds, the  
159 additional registration fees at the state institutions of  
160 higher education shall not be reduced as long as any  
161 of such revenue bonds are outstanding and unpaid except  
162 under such terms, provisions and conditions as shall  
163 be contained in the resolution, trust agreement or other  
164 proceedings under which such revenue bonds were  
165 issued.

166 Such revenue bonds shall be and constitute negotiable  
167 instruments under the uniform commercial code of this  
168 state; shall, together with the interest thereon, be exempt  
169 from all taxation by the state of West Virginia, or by  
170 any county, school district, municipality or political sub-

171 division thereof; and such revenue bonds shall not be  
172 deemed to be obligations or debts of the state, and the  
173 credit or taxing power of the state shall not be pledged  
174 therefor, but such revenue bonds shall be payable only  
175 from the revenue pledged therefor as provided in this  
176 section.

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

Russell H. Ball  
Chairman Senate Committee

Philip J. Rutledge  
Chairman House Committee

Originated in the House.

In effect ninety days from passage.

Bromley Taylor  
Clerk of the Senate

C. Blankenship  
Clerk of the House of Delegates

C. Hans McCourt  
President of the Senate

Lewis R. McManus  
Speaker House of Delegates

The within approved this the 1st  
April day of \_\_\_\_\_, 1971.

Arch A. Shaver Jr.  
Governor



PRESENTED TO THE  
GOVERNOR

Date 3/18/71  
Time 1:55 p.m.

RECEIVED

APR 2 11 53 PM '71

OFFICE OF  
SECRETARY OF STATE  
STATE OF WEST VIRGINIA