WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1971

ENROLLED

HOUSE BILL No. 729

(By Mr. Speaker, Bojarisk)

PASSED March 4, 1971

In Effect July 1, 1971

Filed in the Office
John D. Rockefeller, IV
Secretary of State
This Date 3-15-71
AN ACT to repeal articles twenty-two and twenty-two-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact section ten, article twenty-six of said chapter; and further to amend article twenty-six of said chapter by adding thereto twelve new sections, designated as sections thirteen, fourteen, fifteen, sixteen, seventeen, eighteen, nineteen, twenty, twenty-one, twenty-two, twenty-three and twenty-four, all relating to the transfer of powers, duties and authorities with respect to the academic facilities program, the state scholarship program and the guaranteed student loan program from the state commission on higher education to the board of regents;
the creation of an advisory commission; its membership, terms and organization; the abolishment of the state commission on higher education.

Be it enacted by the Legislature of West Virginia:

That articles twenty-two and twenty-two-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be repealed; and that section ten, article twenty-six of said chapter be amended and reenacted; and that article twenty-six be further amended by adding thereto twelve new sections, designated as sections thirteen, fourteen, fifteen, sixteen, seventeen, eighteen, nineteen, twenty, twenty-one, twenty-two, twenty-three and twenty-four, all to read as follows:

ARTICLE 26. WEST VIRGINIA BOARD OF REGENTS.

§18-26-10. State agency for participation in federal and private grants to higher education; powers and duties of the board of regents.

1 The board of regents, on behalf of the state of West Virginia, is authorized and empowered to apply for, to accept and administer and expend for the purpose or purposes designated, any funds which now are, or may be made available to the board or to any institution
under its authority from federal or private grants, appropria- 
tions, allocations and programs.

The board of regents shall have the power:

(1) To receive and disburse funds appropriated by the federal government for the construction, equipment, and improvement of academic facilities of institutions of higher education as required by the federal Higher Education Facilities Act of 1963, and any and all subsequent acts of Congress relating to the same subject;

(2) To apply for, receive, and administer, subject to any applicable regulations or laws of the federal government or any agency thereof, any federal grants, appropriations, allocations, and programs for the development of academic facilities on behalf of the state of West Virginia, or any institution of higher education, public or private, within the state;

(3) To develop, alter, amend, and submit to the federal government state plans for participation in federal grants, appropriations, allocations, and programs for the development of academic facilities and to formulate regulations, criteria, methods, forms, procedures, and to
do all other things which may be necessary to make possible the participation of the state in such federal grants, appropriations, allocations, and programs for the development of academic facilities;

(4) To hold hearings, and render decisions as to the priority assigned to any project, or as to any other matter or determination affecting any applicant for federal grants, appropriations, allocations and programs for the development of academic facilities;

(5) To hire personnel, purchase materials, make studies and reports, enter into contracts, and do all other things necessary to accomplish the duties as set forth in this section within the limits of the funds available.

§18-26-13. Transfer of powers, duties, and authorities, title to property, agreements, and orders, resolutions, etc., of the state commission on higher education to board of regents.

All powers, duties, and authorities vested in the state commission on higher education by article twenty-two, twenty-two-a and twenty-two-b of this chapter or by any other provisions of law are hereby transferred to
the West Virginia board of regents; and on and after the
effective date of this article all of the powers, duties, and
authorities of the state commission on higher education
shall be exercised and performed by the West Virginia
board of regents, and the state commission on higher
education shall be abolished and repealed.

The title to all property heretofore acquired in the
name of the state commission on higher education is
hereby transferred to and vested in the West Virginia
board of regents.

Each valid agreement and obligation of the state com-
mission on higher education shall on or after the effective
date of this section become and be deemed the agreement
and obligation of the West Virginia board of regents.

All orders, resolutions, rules, and regulations adopted
or promulgated by the state commission on higher edu-
cation and in effect immediately prior to the effective
date of this section shall continue and shall be deemed
the orders, resolutions, rules, and regulations of the
West Virginia board of regents until rescinded by the
board; and all such orders, resolutions, rules and regula-
26  tions may be rescinded, revised, altered or amended by
27  the board in the manner and to the extent authorized
28  and permitted by law.

§18-26-14. Creation of advisory council; appointment, terms
and qualifications of members; vacancies; compensation and expenses; meetings; quorum re-
quirements.

1  There is hereby created an advisory council to be
2  known as the higher education advisory council on fed-
3  eral resources. The council shall review the state plan
4  for administration of the federal Higher Education Fa-
5  cilities Act of 1963 and Titles I and VI of the federal
6  Higher Education Act of 1965, as amended. The council
7  shall also evaluate proposals pertaining to the afore-
8  mentioned federal acts and shall submit such recom-
9  mendations as it deems appropriate to the board of
10  regents. The council shall be involved in every significant
11  function of the board of regents pertaining to said federal
12  acts.
13  The advisory council shall consist of nine members to
14  be appointed as follows: One member shall be a member
15  of the board of regents appointed by the president of the
board of regents, three members appointed by the board of regents to represent the public at large, two members appointed by the board of regents to represent public institutions of higher education, and three members appointed by the board of regents to represent nonpublic institutions of higher education: Provided, That of the three members representing nonpublic institutions of higher education, one shall be a president of a nonpublic institution, and of the two members representing public institutions of higher education, one shall be a president of a public institution. The board of regents shall appoint a chairman of the advisory council who shall be selected from the representatives of the public at large.

The members shall serve for a term of six years, except that the original appointment shall be as follows: Three members shall serve two years, three members to serve four years, and three members to serve six years. The board of regents shall appoint a member to fill any vacancy, which member shall serve for the unexpired term of the vacating member. All shall be eligible for reappointment.

The members of the advisory council shall serve with-
Enr. H. B. No. 729]

out compensation, but shall be reimbursed for their necessary expenses actually incurred in the performance of their duties not to exceed twenty-five dollars per day plus an allowance of ten cents per mile actually traveled to and from such meetings.

A meeting of the advisory council shall be held within sixty days after the effective date of this section, and thereafter the advisory council shall meet at least annually and at such other times as necessary upon the call of the chairman. Five members of the advisory council shall constitute a quorum, and a majority vote of the quorum shall be necessary to pass upon matters before the council.

§18-26-15. Loan program to be administered by board of regents.

1 The guaranteed student loan program established and authorized by this article shall be administered by the West Virginia board of regents.


1 As used in this article, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:
(a) The words "act" or "undertaking" shall mean the official act of the board in connection with the acquisition or deposition of all or any part of obligations or interest therein which the board of regents is authorized to buy or sell hereunder.

(b) The word "obligations" shall mean those evidences of debt which the board may buy, sell, endorse, or guarantee under the provisions of this article.

§18-26-17. Board authority to buy and sell certain student obligations; undertakings not to constitute state debt; undertakings limited to available funds.

In order to facilitate the education of residents in this state and promote the industrial and economic development of the state, the board of regents is hereby authorized and empowered to buy and sell obligations of students who are residents of West Virginia, who have been residents of this state for at least one year and who are students at state supported or private institutions of higher education or vocational schools accredited by a nationally recognized accrediting agency or by a state agency designated by the governor and representing loans made to such students who have met the requirement of fi-
nancial need as determined by the board of regents, such loans having been made for the purpose of an edu-

cation.

No act or undertaking of the board shall be deemed to constitute a debt of the state or of any political sub-
division thereof or a pledge of the faith and credit of the state or of any such political subdivision, but shall be payable solely from the funds of the board specifically appropriated for the guaranteed student loan program.

All such acts and undertakings shall contain on the face thereof a statement to the effect that neither the state nor the board shall be obligated to pay the same or the interest thereon except from revenues of the board and that neither the faith and credit nor the taxing power of the state or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such acts and undertakings.

All expenses incurred in carrying out the provisions of this article dealing with the guaranteed student loan program shall be payable solely from funds provided for the purpose and no liability or obligation shall be in-
curred by the board hereunder beyond the extent to
which money shall have been provided under the ap-
plicable provisions of this article for the guaranteed stu-
dent loan program.

§18-26-18. Powers and duties of board of regents regarding
loan program.

1 The board of regents is hereby authorized and em-
powered:

2 (1) To fix and revise from time to time and charge
and collect fees for its acts and undertakings;

3 (2) To establish rules and regulations concerning the
acts and undertakings;

4 (3) To acquire, hold and dispose of personal property
in the exercise of its powers and the performance of its
duties;

5 (4) To make and enter into all contracts and agree-
ments necessary or incidental to the performance of its
duties and the execution of its powers under this article;

6 (5) To employ in its discretion such employees as it
may deem necessary to carry out its powers and duties
as enumerated in this article;
(6) To receive and accept from any federal or private agency, corporation, association or person, grants to be expended in accomplishing the objectives of this article and to receive and accept from the state, from any municipality, county or other political subdivision thereof and from any other source, aid or contributions of either money, property, or other things of value to be held, used and applied only for the purposes for which such grants and contributions may be made;

(7) To sue and be sued as provided by law;

(8) To do all other acts and things necessary or convenient to carry out the powers expressly granted by the provisions of this article which relate to the guaranteed student loan program. Nothing in this article shall be construed to empower the board to engage in the business of banking or insurance.

§18-26-19. Title to property.

Title to any property acquired by the board of regents under the provisions of this article which relate to the guaranteed student loan program shall be taken and held in the name of the board of regents.
§18-26-20. Acquisition of contingent interests in obligations from lending institutions; collection of delinquent obligations.

1 With funds available to the board of regents for purposes other than the payment of compensation to personnel and the lease or rental of offices or equipment, the board may acquire from any bank or other lending institution of this state a contingent interest in student obligations; the total contingent interest of the board on all such obligations shall not exceed at any one time a sum of twelve and one-half times the total funds which the board can employ to acquire such contingent interests. When the board acquires any such contingent interest, it may require the payment to it of a portion of the interest payable upon any such obligation. In each such acquisition, the board shall provide that at such time as the obligation becomes delinquent, the bank or other lending institution shall notify the board forthwith and shall transfer forthwith to the board, by assignment or otherwise, an interest in such obligation equal to the contingent interest of the board therein. The bank or other lending institution and the board shall forthwith
take such steps as may be necessary to recover the balance due upon any such obligation, and such recovery shall be apportioned between the board and the bank or other lending institution as their respective interests may appear.

§18-26-21. Terms of acquisitions.

1 The board of regents shall prescribe the terms, conditions and limitations upon which it will acquire a contingent or direct interest in any obligation and such terms, conditions and limitations shall include, but without limiting the generality thereof, the terms for payment of principal and interest, applicable life or other insurance which may be required in connection with any such obligation and who shall pay the premiums thereon, the safekeeping of assets pledged to secure any such undertaking, and any and all matters in connection with the foregoing as will protect the assets of the board.

§18-26-22. Trust fund established; limitations on the use of the fund; duties of the treasurer in connection therewith; special account created.

1 The appropriation made to the board under the provisions of this article which relate to the guaranteed
student loan program shall be used exclusively for the purpose of acquiring contingent or vested rights in obligations which it may acquire under this article, and such appropriation, payments, revenue and interest, as well as other income received in connection with such obligations, is hereby established as a trust fund. Such fund shall be used for the purposes of the board other than maintenance and operation.

The maintenance and operating expenses of the board shall be paid from funds specifically appropriated for such purposes. No part of the trust fund established under this section shall be expended for such purposes.

The board of regents shall be the trustee of the trust fund hereby created and all investments to be made from the assets of such trust shall be made by the state treasurer in the manner provided by law. For the purposes of this article there is hereby created in the treasury of this state a special revolving account for deposits and withdrawals as herein provided. The state treasurer shall be the custodian of the assets of the board. All payments from the accounts thereof shall be made by him upon
warrants issued by the auditor upon vouchers signed by such persons as are designated by the board. A duly attested copy of a resolution of the board designating such persons shall be filed with the state treasurer as his authority for issuing warrants upon such vouchers.

§18-26-23. Construction of article.

1 The provisions of this article which relate to the guaranteed student loan program shall be liberally construed to the end that its beneficial purposes may be effectuated.

§18-26-24. Purpose.

1 The Legislature enacts the provisions of this article which relate to the establishment of the guaranteed student loan program to continue and encourage education of citizens of this state who are in need of financial assistance, such assistance and education being for the welfare of this state, and the Legislature hereby declares such to be a public purpose.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House.

In effect July 1, 1971.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 13th day of March, 1971.

Governor
PRESENTED TO THE GOVERNOR

Date  3/9/71
Time  1:45 p.m.

RECEIVED

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LEGISLATURE OF THE STATE OF OHIO, OHIO

WRIGHTSTON