WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1974

ENROLLED
Committee Substitute for
SENATE BILL NO. 371

(By Mr. [Signature])

PASSED March 9, 1974

In Effect ninety days from Passage

FILED IN THE OFFICE
EDGAR F. HEISKELL III
SECRETARY OF STATE
THIS DATE 3-27-74
ENROLLED

COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 371

(By Mr. Nelson and Mr. Susman, original sponsors)

[Passed March 9, 1974; in effect ninety days from passage.]

AN ACT to amend and reenact sections one, two and three, article twelve-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to revenue bonds for Marshall University capital improvements; increasing maximum amount of bonds authorized from five million seven hundred thousand dollars; and providing for acquiring land and to improve and add parking, educational and athletic facilities.

Be it enacted by the Legislature of West Virginia:

That sections one, two and three, article twelve-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

§18-12A-1. Authority of board of regents to issue revenue bonds for certain capital improvements.

The West Virginia board of regents shall have authority, as provided in this article, to issue revenue bonds of the state, not to exceed eight million five hundred thousand dollars in principal amount thereof, which shall be in addition to the revenue bonds heretofore authorized pursuant to this article, to finance the cost of providing a new classroom and office building, an addition to the li-
brary, renovation of administration building, additional
land for a new student center building for Marshall Uni-
versity; and to acquire land and to improve and add
parking, educational and athletic facilities. The principal
of and interest on such bonds shall be payable solely
from the special nonrevolving fund herein provided for
such payment. The costs of any such building or buildings
or improvements shall include the cost of acquisition of
land, the construction and equipment of any such build-
ing or buildings, and the provision of roads, utilities and
other services necessary, appurtenant or incidental to such
building or buildings; and shall also include all other
charges or expenses necessary, appurtenant or incidental
to the construction, financing and placing in operation
of any such building or buildings.

§18-12A-2. Creation of special university capital improve­
ments fund; revenues payable into special fund; au­
thority of board of regents to pledge revenues
to sinking and reserve funds.

There is hereby created in the state treasury a special
nonrevolving Marshall University capital improvements
fund. On and after the first day of July, one thousand
nine hundred sixty-three, or on and after the date of the
final payment of all principal of and interest on the rev­
ence bonds heretofore issued pursuant to this article,
or the making of adequate provision for the payment of
all principal of and interest on said revenue bonds, which­
ever is later, there shall be paid into such special fund
all fees collected under the provisions of section one,
article twenty-four, chapter eighteen of this code, from
students at Marshall University, except such fees as are
required by that section to be paid into other special
funds.

The board of regents shall have authority to pledge all
or such part of the revenue paid into the special Marshall
University capital improvements fund as may be needed
to meet the requirements of the sinking fund established
in connection with any revenue bond issue authorized by
this article, including a reserve fund for the payment of
the principal of and interest on such revenue bond issue
when other moneys in the sinking fund are insufficient therefor; and may provide in the resolution authorizing any issue of such bonds, and in any trust agreement made in connection therewith, for such priorities on the revenues paid into the special fund as may be necessary for the protection of the prior rights of the holders of bonds issued at different times under the provisions of this article. The board of regents shall also have authority to use all or any part of the revenue paid into the special Marshall University capital improvements fund for the payment of all or any part of the cost of providing said classroom and office building, addition to the library, renovation of administration building and additional land for a new student center building for Marshall University and, to acquire land and to improve and add parking, educational and athletic facilities: Provided, That in the event all or any part of such revenue is so used and applied, the amount of revenue bonds which the board of regents may issue pursuant to this article shall be correspondingly reduced so that the total amount expended pursuant to this article for the payment of the cost of providing said classroom and office building, addition to the library, renovation of administration building and additional land for a new student center building for Marshall University and, to acquire land and to improve and add parking, educational and athletic facilities, shall not exceed the total amount of bonds authorized herein exclusive of any appropriations, grants, gifts, or contributions therefor.

If any balance shall remain in the special Marshall University capital improvements funds after the board has issued the maximum amount of bonds authorized by this article, and after the requirements of all sinking funds and reserve funds established in connection with the issue of such bonds have been satisfied in each year as provided in the resolution or trust agreement authorizing the issuance of such bonds, such balance shall be used solely for the redemption of any of the outstanding bonds issued hereunder which by their terms are then redeemable, or for the purchase of bonds at the market price, but at not exceeding the price, if any, at which such
bonds shall be redeemable on the next ensuing date upon
which such bonds are redeemable prior to maturity, and
all bonds redeemed or purchased shall forthwith be can-
celled and shall not again be issued. Whenever all out-
standing bonds issued under this article shall have been
paid, the special Marshall University capital improve-
ments fund shall cease to exist and any balance then re-
mainning in such fund shall be transferred to the general
revenue fund of the state. Thereafter all fees formerly
paid into such special fund shall be paid into the general
revenue fund of the state.

§18-12A-3. Issuance of revenue bonds.
1 The issuance of bonds under the provisions of this arti-
2 cle shall be authorized by a resolution of the board of
3 regents, which resolution shall recite an estimate by the
4 board of the cost of the proposed building or buildings,
5 improvements and land; and shall provide for the issu-
6 ance of bonds in an amount sufficient, when sold as here-
7 inafter provided, to provide moneys sufficient to pay such
8 cost, less the amount of revenue paid into the special
9 Marshall University capital improvements fund which is
10 used to pay any part of the cost of providing such class-
11 room and office building, addition to the library, renova-
12 tion of administration building and additional land for
13 a new student center building for Marshall University
14 and, to acquire land and to improve and add parking,
15 educational and athletic facilities, as authorized by sec-
16 tion two of this article and exclusive of the amount of
17 any other funds available for the construction or acquisi-
18 tion of the building or buildings, improvements and land
19 from any appropriation, grant, gift or contribution there-
20 for. Such resolution shall prescribe the rights and duties
21 of the bondholders and the board, and for such purpose
22 may prescribe the form of the trust agreement herein-
23 after referred to. The bonds shall be of such series, bear
24 such date or dates, mature at such time or times not ex-
25 ceeding thirty years from their respective dates, bear in-
26 terest at such rates or rates, not exceeding seven per
27 centum per annum, payable semiannually; be in such de-
28 nominations; be in such form, either coupon or fully regis-
tered without coupons, carrying such registration ex-
changeability and interchangeability privileges; be pay-
able in such medium of payment and at such place or
places; be subject to such terms of redemption at such
prices not exceeding one hundred five percent of the prin-
cipal amount thereof, and be entitled to such priorities on
the revenues paid into the special Marshall University
capital improvements fund as may be provided in the
resolution authorizing the issuance of the bonds or in any
trust agreement made in connection therewith. The bonds
shall be signed by the governor, and by the president of
the board of regents, under the great seal of the state, at-
tested by the secretary of state, and the coupons attached
thereto shall bear the facsimile signature of the president
of the board. In case any of the officers whose signatures
appear on the bonds or coupons 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 such officers had remained in office until such
delivery.

Such bonds shall be sold in such manner as the board
may determine to be for the best interests of the state,
taking into consideration the financial responsibility of the
purchaser, the terms and conditions of the purchase, and
especially the availability of the proceeds of the bonds
when required for payment of the cost of such building or
buildings, improvements and land, such sale to be made
at a price not lower than a price, which when computed
upon standard tables of bond values, will show a net re-
turn of not more than eight percent per annum to the
purchaser upon the amount paid therefor. The proceeds
of such bonds shall be used solely for the payment of the
cost of such building or buildings, improvements and land,
and shall be deposited in the state treasury in a special
fund and checked out as provided by law for the dis-
bursement of other state funds. If the proceeds of such
bonds, by error in calculation or otherwise, shall, together
with any other funds used therefor as hereinbefore in this
article authorized, be less than the cost of such building
or buildings, improvements and land, additional bonds
may in like manner be issued to provide the amount of
the deficiency, but in no case to exceed the total amount of bonds authorized herein less the amount of any other funds used therefor as hereinbefore in this article authorized; and unless otherwise provided for in the resolution or 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, as the bonds before issued for such building or buildings. If the proceeds of bonds issued for such building or buildings, improvements and land shall, together with the amount of any other funds used therefor as hereinbefore in this article authorized, exceed the cost thereof, the surplus shall be paid into the sinking fund or reserve fund to be established for payment of the principal and interest of such bonds as hereinafter provided. Prior to the preparation of definitive bonds, the board may, under like restrictions, issue temporary bonds with or without coupons, exchangeable for definitive bonds upon their issuance.

The bonds issued under the provisions of this article shall be and have all the qualities of negotiable instruments under the law merchant and the Uniform Commercial Code of this state.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker House of Delegates

The within approved this the 26th day of March, 1974.

[Signature]
Governor