WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1975

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ENROLLED

HOUSE BILL No. 1228

(By Mr. Stevens)

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PASSED March 6, 1975

In Effect ninety days from Passage

C 641
AN ACT to amend and reenact section twenty-b, article eighteen, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the West Virginia housing development fund; relating to the special fund established in the state treasury under the supervision of the state sinking fund commission known as the “mortgage finance bond insurance fund”; providing for deposit of certain moneys therein and payments therefrom; relating to such special fund generally; and providing for appropriations to cover deficiencies in such special fund and reimbursements of the state from certain sources.

Be it enacted by the Legislature of West Virginia:

That section twenty-b, article eighteen, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 18. WEST VIRGINIA HOUSING DEVELOPMENT FUND.


1 (a) There is hereby created and established in the state treasury a special trust fund to be designated the “mortgage finance bond insurance fund” into and from which moneys shall be paid as provided in this section.

5 The mortgage finance bond insurance fund shall be under the supervision and control of the state sinking fund commission.
fund commission and all moneys and securities held
therein or investments thereof shall be held in trust
subject to use and application only as provided herein
and in the resolution or resolutions of the housing
development fund authorizing the issuance of any mort-
gage finance bonds, notwithstanding any other provision
of law. The mortgage finance bond insurance fund shall be
kept separate and apart from all other moneys and funds of
the state and the housing development fund is hereby autho-
ized to pledge any amount or amounts held therein to the
payment of the principal (including annual sinking fund
payments) of, and interest on, mortgage finance bonds in the
manner and to the extent and on such terms and conditions
as may be provided by the housing development fund.

(b) In addition to any other fees and charges which the
housing development fund may charge on loans, it shall
charge on all loans or mortgages made or purchased with the
proceeds of sale of mortgage finance bonds, except federally
insured construction loans, federally insured mortgages, or
federal mortgages, a special bond insurance commitment fee
and special bond insurance premiums. The special bond
insurance commitment fees and special bond insurance pre-
miums so charged shall be remitted to the state sinking fund
commission, promptly after the last day of each calendar
quarter, by the housing development fund, or by any trustee,
trustees, agent or agents designated by the housing develop-
ment fund to receive the same and shall be held, invested and,
together with all investment income thereon, reinvested by
the state sinking fund commission in investments authorized
under section six of this article.

(c) Simultaneously with the issuance of any mortgage
finance bonds, the housing development fund shall cause to
be deposited in the mortgage finance bond insurance fund an
amount of the proceeds of sale and delivery of such mortgage
finance bonds which together with the sum of the amount then
on deposit in the mortgage finance bond insurance fund and
in reserves theretofore or then set aside with a trustee or
trustees and held pursuant to the resolution or resolutions
authorizing the issuance of such bonds only for the payment
of designated mortgage finance bonds prior to, or at, their
maturity, shall equal the minimum bond insurance require-
ment. Except as provided in subsection (e) of this section,
amounts on deposit in the mortgage finance bond insurance
fund which are in excess of the minimum bond insurance
requirement may be withdrawn from the mortgage finance
bond insurance fund and paid to or upon the order of the
housing development fund upon thirty days' notice in writing to
the state sinking fund commission. For the purposes of deter-
mining any amounts held in the mortgage finance bond in-
surance fund, securities held in or other investments of the
mortgage finance bond insurance fund shall be valued at par.
If, at any time, the housing development fund shall determine
that because of defaults or other reasons, the moneys available
therefor shall be insufficient to pay the principal, including the
annual sinking fund payment, of, and interest on, mortgage
finance bonds becoming due during the next ensuing six-month
period, the housing development fund shall give written notice
to the state sinking fund commission to transfer the amount of
moneys required for such payment, on or before the time and
to such trustee or paying agent for any of the mortgage
finance bonds as shall be specified in such notice, and the
state sinking fund commission shall make such transfer.

(d) In the event that the sum of the amount held in the
mortgage finance bond insurance fund and in reserves set
aside with a trustee or trustees and held pursuant to the
resolution or resolutions authorizing the issuance of such
bonds only for the payment of designated mortgage finance
bonds prior to, or at, their maturity, shall be less than
the minimum bond insurance requirement, the chairman of the
housing development fund shall certify, on or before the
first day of December of each year, the amount of such de-
ficiency to the governor of the state, for inclusion, if the
governor shall so elect, of the amount of such deficiency
in the budget to be submitted to the next session of the
Legislature for appropriation to the state sinking fund com-
mision for deposit in the mortgage finance bond insurance
funds: Provided, That the Legislature shall not be required
to make any appropriation so requested, and the amount of
such deficiencies shall not constitute a debt or liability of
the state.
(e) Subject to any agreement or agreements with holders of outstanding notes and bonds of the housing development fund, any amount or amounts paid by the state into the mortgage finance bond insurance fund pursuant to this section shall be repaid to the state as, when, and to the extent, amounts held in the mortgage finance bond insurance fund at any time or times after any payment by the state into the mortgage finance bond insurance fund shall exceed the minimum bond insurance requirement at such time or times or as may otherwise be provided by law.
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.

Takes effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within Annotated this the 13th day of __________, 1975.

Governor
PRESENTED TO THE GOVERNOR

Date 3/8/75
Time 4:30 P.M.