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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1984



ENROLLED

HOUSE BILL No. 1851

(By MR. Del Schifano + Del Manchin)



Passed March 9, 1984

In Effect Ninety Days From Passage



ENROLLED

H. B. 1851

(By DELEGATE SCHIFANO and DELEGATE MANCHIN)

[Passed March 9, 1984; in effect ninety days from passage.]

AN ACT to amend chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto two new articles, designated articles eleven-d and eleven-e, relating generally to the issuance of revenue bonds and notes by the West Virginia board of regents to finance the cost of any or all of constructing, reconstructing, remodeling, repairing, improving, extending, equipping or furnishing the football stadium, the athletic facilities building or related facilities at West Virginia University and the football stadium or other athletic facilities at Marshall University; payment of the principal of and premium, if any, and interest on said revenue bonds and notes; requiring the written approval of the director of athletics; allowing pledge to bonds of all or any portion of the moneys derived from admission fees, other than student admission fees, to athletic contests at West Virginia University and Marshall University; bonds and notes not to be considered debt of state, county, municipality or any political subdivision; and to the interpretation of said article.

Be it enacted by the Legislature of West Virginia:

That chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto two new articles, designated articles eleven-d and eleven-e, to read as follows:

ARTICLE 11D. REVENUE BONDS FOR WEST VIRGINIA UNIVERSITY ATHLETIC FACILITIES.

§18-11D-1. Definition of board; cost of constructing, reconstructing, remodeling, repairing, improving, extending, equipping or furnishing the football stadium, the athletic facilities building or related facilities of West Virginia University to be financed by revenue bonds or notes.

1 (a) Notwithstanding the provisions of section one, article
2 one of this chapter, the word "board," when used in this
3 article, means the West Virginia board of regents.

4 (b) For the purpose of financing the cost of any or all of
5 the following: Constructing, reconstructing, remodeling, re-
6 pairing, improving, extending, equipping or furnishing the
7 football stadium, the athletic facilities building or related
8 facilities of West Virginia University, the board periodically
9 may issue negotiable bonds or notes of the state in a principal
10 amount, not in excess of seven and one-half million dollars,
11 which, in the opinion of the board, shall be necessary to fi-
12 nance said cost. Such cost shall include, but not be limited to,
13 the following: The cost of such construction, reconstruction,
14 remodeling, repair, improvement, extension, equipment or fur-
15 nishings; studies and surveys; plans, specifications, architec-
16 tural and engineering services; legal, organizational, marketing
17 or other special services; interest and carrying charges prior to,
18 during and for six months after completion of such construc-
19 tion, reconstruction, remodeling, repair, improvement, exten-
20 sion, equipment or furnishing; the costs of issuing the bonds
21 or notes; and a reasonable reserve for payment of the principal
22 of and interest on the bonds or notes.

23 (c) The board periodically may issue renewal notes of the
24 state, may issue revenue bonds of the state to pay notes and, if
25 it considers refunding expedient, may refund or refund in
26 advance bonds issued by the board by the issuance of new
27 bonds of the state, pursuant to the requirements of section six
28 of this article.

29 (d) Except as may otherwise be expressly provided by the
30 board, every issue of bonds or notes by it shall be special

31 obligations of the state, payable solely from the revenues or
32 other moneys pledged therefor.

33 (e) The bonds and the notes shall be authorized by reso-
34 lution of the board, shall bear such date and shall mature at
35 such time or times, in the case of any such note or any re-
36 newals thereof not exceeding five years from the date of issue
37 of such original note, and in the case of any such bond not
38 exceeding forty years from the date of issue, as such resolution
39 may provide. The bonds and notes shall bear interest at such
40 rate or rates, be in such denominations, be in such form,
41 either coupon or registered, carry such registration privileges,
42 be payable in such medium of payment and at such place or
43 places and be subject to such terms of redemption as the board
44 may authorize. The bonds and notes may be sold by the board
45 in the manner and at or not less than the price the board de-
46 termines. The bonds and notes shall be executed by the gov-
47 ernor and the president of the board, both of whom may use
48 facsimile signatures. The great seal of the state or a facsimile
49 thereof shall be affixed thereto or printed thereon and at-
50 tested, manually or by facsimile signature, by the secretary of
51 state, and any coupons attached thereto shall bear the manual
52 or facsimile signature of the president of the board. In case
53 any officer whose signature, or a facsimile of whose signature,
54 appears on any bonds, notes or coupons ceases to be such
55 officer before delivery of such bonds or notes, such signature
56 or facsimile is nevertheless sufficient for all purposes the same
57 as if he had remained in office until such delivery; and, in
58 case the seal of the state has been changed after a facsimile
59 has been imprinted on such bonds or notes, such facsimile
60 seal will continue to be sufficient for all purposes.

61 (f) A resolution authorizing bonds or notes or an issue
62 of bonds or notes under this article may contain provisions,
63 which shall be a part of the contract with the holders of the
64 bonds or notes, as to any or all of the following:

65 (1) With the written approval of the director of athletics
66 at West Virginia University, which approval shall be specific
67 as to such moneys pledged, pledging and creating a lien on all
68 or any portion of the moneys derived from admission fees to
69 athletic contests at West Virginia University to secure the pay-

70 ment of the bonds or notes or of any issue of bonds or notes,
71 subject to those agreements with bondholders or noteholders
72 which then exist;

73 (2) Pledging and creating a lien on any loan, grant or
74 contribution to be received from the federal, state or local
75 government or other source;

76 (3) Setting aside of reserves or sinking funds and the regu-
77 lation and disposition thereof;

78 (4) Limitations on the purpose to which the proceeds of
79 sale of bonds or notes may be applied and pledging the
80 proceeds to secure the payment of the bonds or notes or of
81 any issue of the bonds or notes;

82 (5) Limitations on the issuance of additional bonds or
83 notes and the terms upon which additional bonds or notes may
84 be issued and secured;

85 (6) The procedure by which the terms of a contract with
86 the bondholders or noteholders may be amended or abrogated,
87 the amount of bonds or notes the holders of which must
88 consent thereto and the manner in which the consent may be
89 given; and

90 (7) Vesting in a trustee or trustees the property, rights,
91 powers, remedies and duties which the board considers neces-
92 sary or convenient.

93 (g) Prior to the preparation of definitive bonds or notes,
94 the board may under like restrictions, issue temporary bonds
95 or notes, with or without coupons, exchangeable for defini-
96 tive bonds or notes, as the case may be, upon the issuance
97 of the latter.

§18-11D-2. Trustee for bondholders or noteholders; contents of trust agreement.

1 In the discretion of the board, any bonds, refunding bonds
2 or notes issued by the board may be secured by a trust
3 agreement between the board and a corporate trustee, which
4 trustee may be any trust company or banking institution
5 having the powers of a trust company within or without the
6 state. Any such trust agreement may contain provisions as

7 set forth in section one of this article with respect to the
8 resolution. All expenses incurred in carrying out such agree-
9 ment may be treated as a part of the cost of constructing,
10 reconstructing, remodeling, repairing, improving, extending,
11 equipping or furnishing the football stadium, the athletic
12 facilities building or related facilities of West Virginia Univer-
13 sity affected by such agreement.

**§18-11D-3. Payment of principal of and premium, if any, and
interest on bonds and notes from all or any portion
of the moneys derived from admission fees to ath-
letic contests at West Virginia University; approval
of director of athletics.**

1 Whenever bonds or notes are issued for financing the cost
2 of any or all of the following: Constructing, reconstructing,
3 remodeling, repairing, improving, extending, equipping or
4 furnishing the football stadium, the athletic facilities building
5 or related facilities of West Virginia University, the board
6 may, with the written approval of the director of athletics
7 at West Virginia University, pledge to the payment of the
8 principal of and premium, if any, and interest on said bonds
9 or notes all or any portion of the moneys derived from ad-
10 mission fees to athletic contests and deposited into the ath-
11 letic accounts at West Virginia University: *Provided*, That
12 said approval of the director of athletics must specify all or
13 any said portions of the money to be pledged: *Provided, how-*
14 *ever*, That no fees paid by students other than the regular
15 student activity fee may be so pledged.

§18-11D-4. Enforcement payment and validity of bonds and notes.

1 (a) The provisions of this article and any resolution or
2 trust agreement shall continue in effect until the principal
3 of and interest on the bonds or notes of the state issued by
4 the board have been fully paid, and the duties of the board
5 under this article and any resolution or trust agreement
6 shall be enforceable by any bondholder or noteholder by man-
7 damus or other appropriate action in any court of competent
8 jurisdiction.

9 (b) The resolution authorizing the bonds or notes shall

10 provide that such bonds or notes shall contain a recital
11 that they are issued pursuant to this article, which recital
12 shall be conclusive evidence of their validity and of the regu-
13 larity of their issuance.

§18-11D-5. Pledges; time; liens; recordation.

1 Any pledge made by the board shall be valid and binding
2 from the time the pledge is made: *Provided*, That the pledge by
3 the board of all or any portion of the moneys derived from
4 admission fees to athletic contests and deposited into the ath-
5 letic accounts at West Virginia University shall be subject to
6 the written approval of the director of athletics at West Vir-
7 ginia University. The moneys so pledged and thereafter re-
8 ceived by the board shall immediately be subject to the lien
9 of such pledge without any physical delivery thereof or further
10 act. The lien of any such pledge shall be valid and binding
11 as against all parties having claims of any kind in tort, con-
12 tract or otherwise against the board, irrespective of whether
13 such parties have notice thereof.

§18-11D-6. Refunding bonds.

1 Any bonds issued under the provisions of this article and
2 at any time outstanding may at any time and from time to
3 time be refunded by the board by the issuance of refunding
4 bonds of the state in such amount as it may deem necessary
5 to refund the principal of the bonds so to be refunded, to-
6 gether with an unpaid interest thereon; to provide additional
7 funds for the purposes authorized by this article; and to pay
8 any premiums and commissions necessary to be paid in con-
9 nection therewith. Any such refunding may be effected whether
10 the bonds to be refunded shall have then matured or shall
11 thereafter mature, either by sale of the refunding bonds and
12 the application of the proceeds thereof for the redemption of
13 the bonds to be refunded thereby, or, together with the interest
14 on such proceeds, for the payment of the bonds to be refunded
15 thereby and the interest thereon as the same come due, or by
16 exchange of the refunding bonds for the bonds to be refunded
17 thereby: *Provided*, That the holders of any bonds to be re-
18 funded shall not be compelled without their consent to sur-
19 render their bonds for payment or exchange prior to the date

20 on which they are payable or, if they are called for redemption,
21 prior to the date on which they are by their terms subject to
22 redemption. Any refunding bonds issued under the authority
23 of this section shall be payable from the revenues out of which
24 the bonds to be refunded thereby were payable, from other
25 moneys or from the principal of and interest on or other in-
26 vestment yield from investments or proceeds of bonds or other
27 applicable funds and moneys, including investments of pro-
28 ceeds of any refunding bonds, and shall be subject to the pro-
29 visions contained in and shall be secured in accordance with
30 this article.

§18-11D-7. Purchase and cancellation of bonds or notes.

1 The board, subject to such agreements with bondholders
2 or noteholders as may then exist, shall have the power, out
3 of any funds available therefor, to purchase bonds, including
4 refunding bonds or notes of the state issued by the board.
5 If the bonds or notes are then redeemable, the price of such
6 purchase shall not exceed the redemption price then applicable
7 plus accrued interest to the next interest payment date there-
8 on. If the bonds or notes are not then redeemable, the price
9 of such purchase shall not exceed the redemption price ap-
10 plicable on the first date after such purchase upon which the
11 bonds or notes become subject to redemption plus accrued in-
12 terest to such date. Upon such purchase, such bonds or notes
13 shall be canceled.

§18-11D-8. Federal and private assistance.

1 The board is authorized and empowered to accept loans or
2 grants or temporary advances for the purpose of paying part
3 or all of the cost of constructing, reconstructing, remodeling,
4 repairing, improving, extending, equipping or furnishing the
5 football stadium, the athletic facilities building or related
6 facilities of West Virginia University and the other purposes
7 herein authorized from the United States of America or such
8 federal or public agency or department of the United States or
9 any private agency, corporation or individual, which loans or
10 temporary advances may be repaid out of the proceeds of
11 the bonds authorized to be issued under the provisions of this
12 article, and to enter into the necessary contracts and agree-

13 ments to carry out the purposes hereof with the United States
14 of America or such federal or public agency or department of
15 the United States or with any private agency, corporation or
16 individual.

§18-11D-9. Vested rights; impairment.

1 The state pledges and agrees with the holders of any bonds
2 or notes issued under this article that the state will not limit
3 or alter the rights vested in the board to fulfill the terms
4 of any agreements made with the holders thereof, or in any
5 way impair the rights and remedies of the holders, until the
6 bonds or notes, together with the interest thereon, and all
7 costs and expenses in connection with any action or pro-
8 ceeding by or on behalf of such holders, are fully met and
9 discharged. The board is authorized to include its pledge
10 and agreement of the state in any agreement with the holders
11 of such bonds or notes.

**§18-11D-10. Bonds and notes not debt of state, county municipal-
ity or any political subdivision; expenses incurred
pursuant to article.**

1 Bonds, refunding bonds and notes issued under the authority
2 of this article and any coupons in connection therewith shall
3 not constitute a debt or a pledge of the faith and credit
4 or taxing power of the state or of any county, municipality
5 or any other political subdivision of the state, and the holders
6 and owners thereof shall have no right to have taxes levied
7 by the Legislature or the taxing authority of any county,
8 municipality or any other political subdivision of the state
9 for the payment of the principal thereof or interest thereon,
10 but such bonds and notes shall be payable solely from the
11 revenues and funds pledged for their payment as authorized
12 by this article: *Provided*, That notes issued in anticipation
13 of the issuance of bonds or bonds being refunded may be
14 paid from the proceeds of bonds which are payable solely
15 from revenues and funds pledged for their payment as autho-
16 rized by this article. All such bonds and notes shall contain
17 on the face thereof a statement to the effect that the bonds
18 or notes, as to both principal and interest, are not debts of
19 the state or any county, municipality or political subdivision

20 thereof, but are payable solely from revenues and funds
21 pledged for their payment.

22 All expenses incurred in carrying out the provisions of
23 this article shall be payable solely from funds provided
24 under the authority of this article. This article does not
25 authorize the board to incur indebtedness or liability on
26 behalf of or payable by the state or any county, municipality
27 or any other political subdivision.

§18-11D-11. Negotiability of bonds and notes.

1 Other provisions of this code to the contrary notwithstand-
2 ing, the bonds or notes authorized to be issued by this article
3 are negotiable instruments within the meaning of and for all
4 the purposes of the uniform commercial code, subject only
5 to the provisions of the bonds or notes for registration.

§18-11D-12. Bonds and notes legal investments.

1 The provisions of sections nine and ten, article six, chapter
2 twelve of this code to the contrary notwithstanding, the bonds
3 and notes of the state issued by the board are securities in
4 which all public officers and bodies of the state, including the
5 West Virginia state board of investments, all municipalities and
6 other political subdivisions of the state, all insurance companies
7 and associations and other persons carrying on an insurance
8 business, including domestic for life and domestic not for life
9 insurance companies, all banks, trust companies, societies for
10 savings, building and loan associations, savings and loan assoc-
11 iations, deposit guarantee associations and investment compan-
12 ies, all administrators, guardians, executors, trustees and other
13 fiduciaries and all other persons whatsoever who are autho-
14 rized to invest in bonds or other obligations of the state may
15 properly and legally invest funds, including capital, in their
16 control or belonging to them.

§18-11D-13. Exemption from taxation.

1 The exercise of the powers granted to the board by this
2 article will be in all respects for the benefit of the students and
3 the faculty and other employees at West Virginia University
4 and the other people of the state, for the improvement of their
5 safety, convenience and welfare, and is a public purpose. As the

6 operation and maintenance of the football stadium, the athletic
7 facilities building and related facilities at West Virginia Uni-
8 versity constitute the performance of essential governmental
9 functions, the board shall not be required to pay any taxes
10 or assessments upon any property acquired or used by the
11 board or upon the income therefrom. All bonds and notes of
12 the state issued by the board, and all interest and income
13 thereon, shall be exempt from all taxation by the state and
14 any county, municipality, political subdivision or agency there-
15 of, except inheritance taxes.

§18-11D-14. Article regarded as supplementary.

1 This article shall be deemed to provide an additional and
2 alternative method for the doing of the things authorized here-
3 by and shall be regarded as supplementary and additional to
4 the powers conferred by other laws.

§18-11D-15. Liberal construction.

1 This article, being necessary for the safety, convenience and
2 welfare of the students and the faculty and other employees at
3 West Virginia University and the other people of the state,
4 shall be liberally construed to effectuate the purposes hereof.

**ARTICLE 11E. REVENUE BONDS FOR MARSHALL UNIVERSITY
ATHLETIC FACILITIES.**

**§18-11E-1. Definition of board; cost of construction, reconstruct-
ing, remodeling, repairing, improving, extending,
equipping or furnishing the football stadium or other
athletic facilities of Marshall University to be fin-
anced by revenue bonds or notes.**

1 (a) Notwithstanding the provisions of section one, article
2 one of this chapter, the word "board," when used in this article
3 means the West Virginia board of regents.

4 (b) For the purpose of financing the cost of any or all of
5 the following: Constructing, reconstructing, remodeling, re-
6 pairing, improving, extending, equipping or furnishing the
7 football stadium or other athletic facilities of Marshall Uni-
8 versity, the board periodically may issue negotiable bonds or
9 notes of the state in a principal amount, not in excess of

10 fifteen million dollars, which, in the opinion of the board,
11 shall be necessary to finance said cost. Such cost shall include,
12 but not be limited to, the following: The cost of such con-
13 struction, reconstruction, remodeling, repair, improvement, ex-
14 tension, equipment or furnishings; studies and surveys; plans,
15 specifications, architectural and engineering services; legal,
16 organizational, marketing or other special services; interest
17 and carrying charges prior to, during and for six months after
18 completion of such construction, reconstruction, remodeling,
19 repair, improvement, extension, equipment or furnishing; the
20 costs of issuing the bonds or notes; and a reasonable reserve
21 for payment of the principal of and interest on the bonds or
22 notes.

23 (c) The board periodically may issue renewal notes of
24 the state, may issue revenue bonds of the state to pay notes
25 and, if it considers refunding expedient may refund or
26 refund in advance bonds issued by the board by the issuance
27 of new bonds of the state, pursuant to the requirements of
28 section six of this article.

29 (d) Except as may otherwise be expressly provided by the
30 board, every issue of bonds or notes by it shall be special
31 obligations of the state, payable solely from the revenues
32 or other moneys pledged therefor.

33 (e) The bonds and the notes shall be authorized by reso-
34 lution of the board, shall bear such date and shall mature
35 at such time or times, in the case of any such note or any
36 renewals thereof not exceeding five years from the date of
37 issue of such original note, and in the case of any such
38 bond not exceeding forty years from the date of issue, as
39 such resolution may provide. The bonds and notes shall
40 bear interest at such rate or rates, be in such denominations,
41 be in such form, either coupon or registered, carry such regis-
42 tration privileges, be payable in such medium of payment
43 and at such place or places and be subject to such terms of
44 redemption as the board may authorize. The bonds and notes
45 may be sold by the board in the manner and at or not less
46 than the price the board determines. The bonds and notes
47 shall be executed by the governor and the president of the
48 board, both of whom may use facsimile signatures. The

49 great seal of the state or a facsimile thereof shall be affixed
50 thereto or printed thereon and attested, manually or by fac-
51 simile signature, by the secretary of state, and any coupons
52 attached thereto shall bear the manual or facsimile signature
53 of the president of the board. In case any officer whose
54 signature, or a facsimile of whose signature, appears on any
55 bonds, notes or coupons ceases to be such officer before
56 delivery of such bonds or notes, such signature or facsimile
57 is nevertheless sufficient for ^{the} purposes the same as if he
58 had remained in office until such delivery; and, in case the
59 seal of the state has been changed after a facsimile has been
60 imprinted on such bonds or notes, such facsimile seal will
61 continue to be sufficient for all purposes.

62 (f) A resolution authorizing bonds or notes or an issue of
63 bonds or notes under this article may contain provisions,
64 which shall be a part of the contract with the holders of the
65 bonds or notes, as to any or all of the following:

66 (1) With the written approval of the director of athletics
67 at Marshall University, which approval shall be specific as
68 to such moneys pledged, pledging and creating a lien on
69 all or any portion of the moneys derived from admission
70 fees to athletic contests at Marshall University to secure the
71 payment of the bonds or notes or of any issue of bonds or
72 notes, subject to those agreements with bondholders or note-
73 holders which then exist;

74 (2) Pledging and creating a lien on any loan, grant or
75 contribution to be received from the federal, state or local
76 government or other source;

77 (3) Setting aside of reserves or sinking funds and the
78 regulation and disposition thereof;

79 (4) Limitations on the purpose to which the proceeds of
80 sale of bonds or notes may be applied and pledging the pro-
81 ceeds to secure the payment of the bonds or notes or of any
82 issue of the bonds or notes;

83 (5) Limitations on the issuance of additional bonds or
84 notes and the terms upon which additional bonds or notes
85 may be issued and secured;

86 (6) The procedure by which the terms of a contract with
87 the bondholders or noteholders may be amended or abrogated,
88 the amount of bonds or notes the holders of which must
89 consent thereto and the manner in which the consent may be
90 given; and

91 (7) Vesting in a trustee or trustees the property, rights,
92 powers, remedies and duties which the board considers neces-
93 sary or convenient.

94 (g) Prior to the preparation of definitive bonds or notes,
95 the board may under like restrictions, issue temporary bonds
96 or notes, with or without coupons, exchangeable for definitive
97 bonds or notes, as the case may be, upon the issuance of the
98 latter.

§18-11E-2. Trustee for bondholders or noteholders; contents of trust agreement.

1 In the discretion of the board, any bonds, refunding bonds
2 or notes issued by the board may be secured by a trust agree-
3 ment between the board and a corporate trustee, which
4 trustee may be any trust company or banking institution
5 having the powers of a trust company within or without the
6 state. Any such trust agreement may contain provisions as
7 set forth in section one of this article with respect to the
8 resolution. All expenses incurred in carrying out such agree-
9 ment may be treated as a part of the cost of constructing,
10 reconstructing, remodeling, repairing, improving, extending,
11 equipping or furnishing the football stadium or other athletic
12 facility at Marshall University affected by such agreement.

§18-11E-3. Payment of principal of and premium, if any, and interest on bonds and notes from all or any portion of the moneys derived from admission fees to athletic contests at Marshall University; approval of director of athletics.

1 Whenever bonds or notes are issued for financing the cost
2 of any or all of the following: Constructing, reconstructing,
3 remodeling, repairing, improving, extending, equipping or fur-
4 nishing the football stadium or other athletic facilities of
5 Marshall University, the board may, with the written approval

6 of the director of the athletics at Marshall University, pledge
7 to the payment of the principal of and premium, if any, and
8 interest on said bonds or notes all or any portion of the
9 moneys derived from admission fees to athletic contests and
10 deposited into the athletic accounts at Marshall University:
11 *Provided*, That said approval of the director of athletics must
12 specify all or any said portions of the moneys to be pledged:
13 *Provided, however*, That no fees paid by students other than
14 the regular student activity fee may be so pledged.

§18-11E-4. Enforcement of payment and validity of bonds and notes.

1 (a) The provisions of this article and any resolution or
2 trust agreement shall continue in effect until the principal
3 of and interest on the bonds or notes of the state issued by
4 the board have been fully paid, and the duties of the board
5 under this article and any resolution or trust agreement
6 shall be enforceable by any bondholder or noteholder by
7 mandamus or other appropriate action in any court of com-
8 petent jurisdiction.

9 (b) The resolution authorizing the bonds or notes shall pro-
10 vide that such bonds or notes shall contain a recital that
11 they are issued pursuant to this article, which recital shall
12 be conclusive evidence of their validity and of the regularity
13 of their issuance.

§18-11E-5. Pledges; time; liens; recordation.

1 Any pledge made by the board shall be valid and binding
2 from the time the pledge is made: *Provided*, That the pledge
3 by the board of all or any portion of the moneys derived
4 from admission fees to athletic contests and deposited into
5 the athletic accounts at Marshall University shall be subject
6 to the written approval of the director of athletics at Marshall
7 University. The moneys so pledged and thereafter received
8 by the board shall immediately be subject to the lien of such
9 pledge without any physical delivery thereof or further act.
10 The lien of any such pledge shall be valid and binding as
11 against all parties having claims of any kind in tort, contract
12 or otherwise against the board irrespective of whether such
13 parties have notice thereof.

§18-11E-6. Refund bonds.

1 Any bonds issued under the provisions of this article
2 and at any time outstanding may at any time and from time
3 to time be refunded by the board by the issuance of refunding
4 bonds of the state in such amount as it may deem necessary
5 to refund the principal of the bonds so to be refunded,
6 together with any unpaid interest thereon; to provide addi-
7 tional funds for the purposes authorized by this article; and
8 to pay any premiums and commissions necessary to be paid
9 in connection therewith. Any such refunding may be effected
10 whether the bonds to be refunded shall have then matured
11 or shall thereafter mature, either by sale of the refunding
12 bonds and the application of the proceeds thereof for the
13 redemption of the bonds to be refunded thereby, or, together
14 with the interest on such proceeds, for the payment of the
15 bonds to be refunded thereby and the interest thereon as the
16 same come due, or by exchange of the refunding bonds for
17 the bonds to be refunded thereby: *Provided*, That the holders
18 of any bonds to be refunded shall not be compelled without
19 their consent to surrender their bonds for payment or ex-
20 change prior to the date on which they are payable or, if
21 they are called for redemption, prior to the date on which
22 they are by their terms subject to redemption. Any refunding
23 bonds issued under the authority of this section shall be
24 payable from the revenues out of which the bonds to be
25 refunded thereby were payable, from other moneys or from
26 the principal of and interest on or other investment yield
27 from investments or proceeds of bonds or other applicable
28 funds and moneys, including investments of proceeds of any
29 refunding bonds, and shall be subject to the provisions con-
30 tained in and shall be secured in accordance with this article.

§18-11E-7. Purchase and cancellation of bonds or notes.

1 The board, subject to such agreements with bondholders
2 or noteholders as may then exist, shall have the power, out
3 of any funds available therefor, to purchase bonds, including
4 refunding bonds or notes of the state issued by the board.
5 If the bonds or notes are then redeemable, the price of such
6 purchase shall not exceed the redemption price then applicable
7 plus accrued interest to the next interest payment date thereon.

8 If the bonds or notes are not then redeemable, the price of
 9 such purchase shall not exceed the redemption price applicable
 10 on the first date after such purchase upon which the bonds
 11 or notes become subject to redemption plus accrued interest
 12 to such date. Upon such purchase, such bonds or notes
 13 shall be canceled.

§18-11E-8. Federal and private assistance.

1 The board is authorized and empowered to accept loans or
 2 grants or temporary advances for the purpose of paying part
 3 or all of the cost of constructing, reconstructing, remodeling,
 4 repairing, improving, extending, equipping or furnishing the
 5 football stadium or other athletic facilities of Marshall Uni-
 6 versity and the other purposes herein authorized from the
 7 United States of America or such federal or public agency
 8 or department of the United States or any private agency,
 9 corporation or individual, which loans or temporary advances
 10 may be repaid out of the proceeds of the bonds authorized to
 11 be issued under the provisions of this article, and to enter
 12 into the necessary contracts and agreements to carry out the
 13 purposes hereof with the United States of America or such
 14 federal or public agency or department of the United States
 15 or with any private agency, corporation or individual.

§18-11E-9. Vested rights; impairment.

1 The state pledges and agrees with the holders of any
 2 bonds or notes issued under this article that the state will
 3 not limit or alter the rights vested in the board to fulfill
 4 the terms of any agreements made with the holders thereof,
 5 or in any way impair the rights and remedies of the holders,
 6 until the bonds or notes, together with the interest thereon,
 7 and all costs and expenses in connection with any action or
 8 proceeding by or on behalf of such holders, are fully met and
 9 discharged. The board is authorized to include ^{its} ~~his~~ pledge
 10 and agreement of the state in any agreement with the holders
 11 of such bonds or notes.

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**§18-11E-10. Bonds and notes not debt of state, county, municip-
 ality or any political subdivision; expenses in-
 curred pursuant to article.**

1 Bonds, refunding bonds and notes issued under the au-

2 thority of this article and any coupons in connection there-
3 with shall not constitute a debt or a pledge of the faith
4 and credit or taxing power of the state or of any county,
5 municipality or any other political subdivision of the state,
6 and the holders and owners thereof shall have no right to
7 have taxes levied by the Legislature or the taxing authority
8 of any county, municipality or any other political subdivision
9 of the state for the payment of the principal thereof or
10 interest thereon, but such bonds and notes shall be payable
11 solely from the revenues and funds pledged for their pay-
12 ment as authorized by this article: *Provided*, That notes issued
13 in anticipation of the issuance of bonds or bonds being re-
14 funded may be paid from the proceeds of bonds which are
15 payable solely from revenues and funds pledged for their
16 payment as authorized by this article. All such bonds and
17 notes shall contain on the face thereof a statement to the
18 effect that the bonds or notes, as to both principal and
19 interest, are not debts of the state or any county, municipality
20 or political subdivision thereof, but are payable solely from
21 revenues and funds pledged for their payment.

22 All expenses incurred in carrying out the provisions of
23 this article shall be payable solely from funds provided under
24 the authority of this article. This article does not authorize
25 the board to incur indebtedness or liability on behalf of or
26 payable by the state or any county, municipality or any other
27 political subdivision.

§18-11E-11. Negotiability of bonds and notes.

1 Other provisions of this code to the contrary notwith-
2 standing, the bonds or notes authorized to be issued by this
3 article are negotiable instruments within the meaning of and
4 for all the purposes of the uniform commercial code, subject
5 only to the provisions of the bonds or notes for registration.

§18-11E-12. Bonds and notes legal investments.

1 The provisions of sections nine and ten, article six, chapter
2 twelve of this code to the contrary notwithstanding, the
3 bonds and notes of the state issued by the board are securities
4 in which all public officers and bodies of the state, including
5 the West Virginia state board of investments, all municipalities

6 and other political subdivisions of the state, all insurance
7 companies and associations and other persons carrying on
8 an insurance business, including domestic for life and do-
9 mestic not for life insurance companies, all banks, trust com-
10 panies, societies for savings, building and loan associations,
11 savings and loan associations, deposit guarantee associations
12 and investment companies, all administrators, guardians, exe-
13 cutors, trustees and other fiduciaries and all other persons
14 whatsoever who are authorized to invest in bonds or other
15 obligations of the state may properly and legally invest funds,
16 including capital, in their control or belonging to them.

§18-11E-13. Exemption from taxation.

1 The exercise of the powers granted to the board by this
2 article will be in all respects for the benefit of the students
3 and the faculty and other employees at Marshall University
4 and the other people of the state, for the improvement of
5 their safety, convenience and welfare, and is a public pur-
6 pose. As the operation and maintenance of the football
7 stadium or other athletic facilities at Marshall University
8 constitute the performance of essential governmental func-
9 tions, the board shall not be required to pay any taxes or
10 assessments upon any property acquired or used by the board
11 or upon the income therefrom. All bonds and notes of the
12 state issued by the board, and all interest and income thereon,
13 shall be exempt from all taxation by the state and any county,
14 municipality, political subdivision or agency thereof, except
15 inheritance taxes.

§18-11E-14. Article regarded as supplementary.

1 This article shall be deemed to provide an additional and
2 alternative method for the doing of the things authorized
3 hereby and shall be regarded as supplementary and additional
4 to powers conferred by other laws.

§18-11E-15. Liberal construction.

1 This article, being necessary for the safety, convenience
2 and welfare of the students and the faculty and other em-
3 ployees at Marshall University and the other people of the
4 state, shall be liberally construed to effectuate the purposes
5 hereof.

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

Harrell Caldwell

Chairman Senate Committee

Donald Anello

Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

Todd C. Willis

Clerk of the Senate

Donald L. Hoops

Clerk of the House of Delegates

Marion McPherson

President of the Senate

W. H. Lee, Jr.

Speaker House of Delegates

The within in general this the 27
day of March, 1984.

J. D. Reynolds

Governor

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SECY. OF STATE