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OFFICE OF WEST VIRGINIA
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NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AGENCY: West Virginia Hospital Finance Authority TITLE NUMBER: 116

AMENDMENT TO AN EXISTING RULE: YES X , NO ___

IF YES, SERIES NUMBER OF RULE BEING AMENDED: Series 1

TITLE OF RULE BEING AMENDED: Establishment of Fee Schedule and Cost Allocations Applicable to the Issuance of Bonds by the West Virginia Hospital Finance Authority

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: ___

TITLE OF RULE BEING PROPOSED: ___

THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) Senate Bill No. 637

SECTION 64-5-4(b), PASSED ON March 9, 1991.

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON THE FOLLOWING DATE: May 31, 1991

Karen L. Potesta

Karen L. Potesta, Executive Director
West Virginia Hospital Finance Authority

PROPOSED LEGISLATIVE RULE
WEST VIRGINIA HOSPITAL FINANCE AUTHORITY
CHAPTER 16-29A
SERIES 1

Title: Establishment of Fee Schedule and Cost Allocations Applicable to the Issuance of Bonds by the West Virginia Hospital Finance Authority.

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PROPOSED LEGISLATIVE RULE
WEST VIRGINIA HOSPITAL FINANCE AUTHORITY
CHAPTER 16-29A
SERIES 1

Title: Establishment of Fee Schedule and Cost Allocations Applicable to the Issuance of Bonds by the West Virginia Hospital Finance Authority.

Section 1. General.

1.1. Scope - This legislative rule establishes the fee schedule and the allocation of costs applicable to the issuance of bonds of the West Virginia Hospital Finance Authority.

1.2. Authority - West Virginia Code §16-29A-5(e).

1.3. Filing Date -

1.4. Effective Date -

1.5 Repeal of Former Rule - This legislative rule amends West Virginia Legislative Rule "West Virginia Hospital Finance Authority, Chapter 16-29A, Series 1, Establish of Fee Schedule and Cost Allocations Applicable to the Issuance of Bonds by the West Virginia Hospital Finance Authority", filed January 9, 1987, by changing certain language in Section 3 of said Rule to clarify that the Authority has the discretion to determine which costs are to be allocated to a bond issue of the Authority and by adding certain language in Section 2.1 of said Rule to clarify the amount of the annual fee on refunding bonds of the Authority.

Section 2. Establishment of Fee Schedule for the Issuance of Bonds of West Virginia Hospital Finance Authority.

2.1 Pursuant to the provisions of West Virginia Code §16-29A-5(e), the West Virginia Hospital Finance Authority hereby adopts and establishes the following fee schedule for the issuance of the bonds of the Authority:

Fee Schedule

For Single Projects (projects involving only one hospital in only one county):

Initial Fee

$ 300.00 per million dollars issued
2,000.00 minimum fee

Annual Fee

Maximum of 1/20th of 1% of bonds outstanding

For Financing Pools and Multi-County Projects (projects involving more than one hospital or involving one hospital in more than one county):

Initial Fee

$ 600.00 per million dollars issued for the first ten million dollars of an issue

$ 375.00 per million dollars issued over the first ten million dollars of an issue

$5,000.00 minimum fee

Annual Fee

Maximum of 1/20th of 1% of bonds outstanding

For Refunding Bonds of the Authority:

Initial Fee

$2,000.00

Annual Fee

Maximum of 1/20th of 1% **of bonds outstanding**

(NOTE: The initial fees will be applied in proportion to any fraction of a million dollars issued.)

(NOTE: The annual fees may be waived or reduced by the Authority as provided for in Section 2.3 of this Rule.)

2.2. The initial fees shall be payable at closing out of the proceeds of the bond issue.

2.3 The annual fees may be waived or reduced by the Authority if the Authority determines that said fees are not needed for the payment of the operating expenses of the Authority. Provided, that in no event shall the annual fee of an issue exceed such issue's proportionate share of the projected operating expenses of the Authority for the year of assessment as such expenses are shown in the proposed budget adopted by the

Authority for said year of assessment. Provided further, that in no event shall the annual fee established herein for an issue exceed 1/20th of 1% of the bonds outstanding for such issue.

2.4. The annual fees shall be payable on the anniversary date of the respective issues, as calculated as of the date thirty (30) days immediately preceding said anniversary date.

Section 3. Allocation of Costs Applicable to Issuance of Bonds of West Virginia Hospital Finance Authority.

3.1. All costs incurred by the Authority that can be directly attributed to a bond issue pending before the Authority ~~shall~~ **may** be allocated **by the Authority** to that bond issue and such costs **so allocated** shall be paid at closing out of the proceeds of that bond issue. All such costs **so allocated** shall be in addition to the fees established in Section 2 of this Rule.

3.2. Without limiting in any manner the costs that ~~can~~ **may** be allocated pursuant to Section 3.1 of this Rule, all legal and other professional fees incurred by the Authority that can be **directly** attributed to a bond issue ~~shall~~ **may** be allocated **by the Authority** to that bond issue and such legal and other professional fees **so allocated** shall be paid at closing out of the proceeds of that bond issue. All such costs **so allocated** shall be in addition to the fees established in Section 2 of this Rule.

3.3. In the event that a bond issue is not consummated for any reason, whether by action of the Authority or otherwise, all costs incurred by the Authority that can be **directly** attributed to such bond issue, including any legal and other professional fees, **may be allocated by the Authority to that bond issue and such costs so allocated** shall be paid by the hospital, corporation, association or other entity, if any, that proposed or requested such bond issue.

Section 4. Amendment of Fee Schedule.

The Authority may amend, in accordance with law, the fee schedule by the affirmative vote of four (4) board members and any such amendment shall be binding and applicable to all issues outstanding at the time of such action and to all subsequent issues. Provided, that in no event shall the annual fees established in this Rule exceed an issue's proportionate share of the projected operating expenses of the Authority for the year of assessment as shown in the proposed budget adopted by the Authority for said year of assessment. Provided further, that in no event shall the annual fee established in this Rule for an issue exceed 1/20th of 1% of the bonds outstanding for such issue.

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