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AREA CODE (304) 347-1100

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January 9, 1987

<u>HAND DELIVER</u>

FILED
1987 JAN -9 PM 3:27

Richard Hartman
Office of the Secretary of State
Capitol Building
Charleston, West Virginia 25305

Re: West Virginia Hospital Finance Authority - Notice of Agency Modification to Legislative Rule

Dear Mr. Hartman:

Please find enclosed herewith the Proposed West Virginia Legislative Rule promulgated by the West Virginia Hospital Finance Authority (the "Authority") regarding the establishment of the fee schedule and cost allocations applicable to the issuance of bonds by the Authority.

The Authority initially adopted an Emergency Legislative Rule to establish its fee schedule in 1985. This Emergency Legislative Rule was filed in the Office of the Secretary of State on December 13, 1985. In addition, that Rule was also filed with the West Virginia Legislature Legislative Rule-Making Review Committee (the "Committee") on December 23, 1985.

At the suggestion of counsel to the Committee, certain minor changes were made to the Emergency Legislative Rule. On September 28, 1986, the Committee recommended that the West Virginia Legislature authorize the Authority to promulgate the Legislative Rule with the minor modifications suggested by counsel to the Committee.

On October 17, 1986, the Authority amended this Rule to reduce its initial fees by twenty-five percent (25%) and by adding a third category of fees for the refunding of bonds of the Authority. This Amendment was filed in the Office of the Secretary of State on November 20, 1986, and was also filed with the Committee on November 21, 1986.

At the meeting held on December 9, 1986, the Committee reviewed the aforesaid Amendment and recommended that the West Virginia Legislature authorize the Authority to promulgate the Legislative Rule as modified by the Amendment.

The enclosed Proposed West Virginia Legislative Rule incorporates the Amendment as well as the minor modifications suggested by counsel to the Committee. The enclosed Rule is in the form finally approved by the Committee on December 9, 1986.

It would be greatly appreciated if you would take whatever action is necessary to have this Rule considered by the West Virginia Legislature during the upcoming Session.

If you have any questions or comments or need any additional information, please contact the undersigned at your convenience. Thank you for your cooperation.

Sincerely yours,

Camden P. Siegrist

CPS/sc

cc: Robert A. Durbin

PROPOSED
WEST VIRGINIA 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.

FILED

1987 JAN -9 PM 3:28

PROPOSED
WEST VIRGINIA 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 -

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):

<u>Initial Fee</u>

$ 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

<u>Annual Fee</u>

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

For Refunding Bonds of the Authority:

<u>Initial Fee</u>

$2,000.00

<u>Annual Fee</u>

Maximum of 1/20th of 1%

(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 be allocated to that bond issue and such costs shall be paid at closing out of the proceeds of that bond issue. All such costs 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 be allocated pursuant to Section 3.1 of this Rule, all legal and other professional fees incurred by the Authority that can be attributed to a bond issue shall be allocated to that bond issue and such legal and other professional fees shall be paid at closing out of the proceeds of that bond issue. All such costs 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 attributed to such bond issue, including any legal and other professional fees, shall be paid by the hospital, corporation, association or other entity, if any, that proposed or requested such bond issue.

PROPOSED
WV Hospital Finance Authority
Leg. Rule, 16-29A
Series 1, Sec. 4

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.

WEST VIRGINIA LEGISLATURE

Legislative Rule-Making Review Committee

NOTICE OF ACTIONS TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

December 11, 1986

FILED 1986 DEC 12 PM 12:39

TO: Ken Hechler, Secretary of State, State Register

TO: Mr. Robert A. Durbin
Executive Director
WV Hospital Finance Authority
100 Dee Drive, Suite 201
Charleston, WV 25311

FROM: Legislative Rule-Making Review Committee

PROPOSED RULE: Proposed rule and regulations establishing fee schedule and cost allocations applicable to the issuance of bonds by the WV Hospital Finance Authority - amendments

The Legislative Rule-Making Review Committee recommends that the West Virginia Legislature:

1. Authorize the agency to promulgate the Legislative Rule as originally filed or as modified by the agency ____X____

2. Authorize the agency to promulgate part of the Legislative rule; a statement of reasons for such recommendation is attached. ________

3. Authorize the agency to promulgate the Legislative rule with certain amendments; amendments and a statement of reasons for such recommendation is attached. ________

4. Recommends that the rule be withdrawn; a statement of reasons for such recommendation is attached. ________

Pursuant to Code 29A-3-11(c), this notice has been filed in the state register and with the agency proposing the rule.

cc: Camden P. Siegrist, Esq.
Bowles, McDavid, Graff & Loce

WEST VIRGINIA LEGISLATURE

Legislative Rule-Making Review Committee

NOTICE OF ACTIONS TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

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Pursuant to Code 29A-3-11(c), this notice has been filed in the state register and with the agency proposing the rule.

cc: Camden P. Siegrist, Esq.
Bowles, McDavid, Graff & Love

WEST VIRGINIA LEGISLATURE

Legislative Rule-Making Review Committee FILED

1986 OCT 10 PM 4:12

SECRETARY OF STATE

NOTICE OF ACTIONS TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

October 9, 1986

TO: Ken Hechler, Secretary of State, State Register

TO: Mr. Robert A. Durbin
Executive Director
WV Hospital Finance Authority
100 Dee Drive, Suite 201
Charleston, WV 25311

FROM: Legislative Rule-Making Review Committee

PROPOSED RULE: Establishment of fee schedule and cost allocation applicable to issuance of bonds by WV Hospital Finance Authority

The Legislative Rule-Making Review Committee recommends that the West Virginia Legislature:

1. Authorize the agency to promulgate the Legislative Rule as originally filed or as modified by the agency ___X___

2. Authorize the agency to promulgate part of the Legislative rule; a statement of reasons for such recommendation is attached. ______

3. Authorize the agency to promulgate the Legislative rule with certain amendments; amendments and a statement of reasons for such recommendation is attached. ______

4. Recommends that the rule be withdrawn; a statement of reasons for such recommendation is attached. ______

Pursuant to Code 29A-3-11(c), this notice has been filed in the state register and with the agency proposing the rule.

cc: Camden Siegrist, Esquire