

8-27-32
12⁵ P.M.

60

ENROLLED BILL

(EXTRAORDINARY SESSION, 1932)

House Bill No. 60

(By Mr. Taylor, by request)

Passed August 26, 1932

In Effect ninety days from Passage

Originated in the House of Delegates..... Takes effect ninety days from passage..... Passage
Clerk..... Clerk of the House of Delegates.

CORRECTLY ENROLLED

Chairman House Committee
Chairman Senate Committee

ENROLLED BILL

(H. B. No. 60)

[Passed August 26, 1932; in effect ninety days from passage.]

AN ACT to amend and re-enact sections two and three of article six of chapter seven of the code of West Virginia, relating to county depositories, and providing for the execution of bonds and/or the hypothecation of securities as security for deposits.

Be it enacted by the Legislature of West Virginia:

That sections two and three of article six of chapter seven of the code of West Virginia be, and the same are hereby amended and re-enacted so as to read as follows:

Section 2. No such designation shall be binding on such 2 county, nor shall any public money be deposited thereunder, 3 until the banking institution designated shall execute bond with 4 good and sufficient sureties, to be accepted and approved by the 5 county court, payable to the state of West Virginia, in such sum 6 as the county court shall direct, and which shall not be less than

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7 the maximum sum that shall be deposited in the depository at
8 any one time. Such bond shall be executed by at least four resi-
9 dent freeholders as sureties owning in the aggregate unencum-
10 bered real estate having an assessed valuation thereon equal
11 to the penalty of the bond, or by a fidelity or indemnity
12 company authorized to do such business within the state, satis-
13 factory to, and acceptable by the county court, and having not
14 less than six hundred thousand dollars capital; and such bond
15 shall be conditioned for the receipt, safe-keeping and payment
16 over of all money which may be deposited in or come under the
17 custody of the banking institution designated a county deposi-
18 tory under the provisions hereof, together with the interest
19 thereon at the rate specified by this article; and such bond shall
20 be further conditioned for the faithful performance, by the
21 banking institution so designated, of all the duties imposed by
22 this article upon a depository of public moneys. An action shall
23 lie on such bond at the instance of the county court, or the sher-
24 iff, for the recovery of any money deposited in the depository,
25 upon failure or default of the depository to fully and faith-
26 fully account for and pay over any and all public moneys de-
27 posited by the sheriff, and of all interests earned and accrued

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Amos A. Johnson

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28 thereon as required by this article. Such bond shall not be ac-
 29 cepted by the county court until it shall have been submitted to
 30 the prosecuting attorney, and certified by him to be in due and
 31 legal form, and conformable to the provisions of this article,
 32 which certificate shall be indorsed thereon: *Provided, how-*
 33 *ever,* That the county court may, in lieu of the bond provided for
 34 hereinbefore, accept as security for money deposited as afore-
 35 said, interest-bearing securities of the United States, or a state,
 36 county, district or municipal corporation, the indebtedness
 37 whereof does not exceed five per centum of the assessed valu-
 38 ation; the face value of which securities shall not be less than
 39 the sum hereinbefore specified as the amount to be named in the
 40 bond in lieu of which such securities are accepted; or the county
 41 court may accept such securities as partial security to the ex-
 42 tent of their face value for the money so deposited, and require
 43 bond for the remainder of the full amount hereinbefore speci-
 44 fied, to be named in the bond, and in the bond so required, such
 45 acceptance of securities as partial security, and the extent there-
 46 of, shall be set forth. The hypothecation of such securities shall
 47 be by proper legal transfer as collateral security to protect and
 48 indemnify by trust any and all loss in case of any default on the

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Jacob D. Emery

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Samuel M. ...

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49 part of the banking institution in its capacity as depository as
50 aforesaid, and such collateral security shall be released only by
51 order of record of the county court when satisfied that full and
52 faithful accounting and payment of all the moneys has been
53 made under the provisions hereof. The county court shall make
54 ample provision for the safekeeping of such hypothecated securi-
55 ties, and the interest thereon when paid shall be turned over to
56 the banking institution, so long as it is not in default as aforesaid.

57 If any banking institution designated as aforesaid fail to exe-
58 cute bond or to hypothecate securities as required hereby, to the
59 satisfaction and acceptance of the county court, before August
60 first, following such designation, it shall not serve during that
61 fiscal year.

Sec. 3. The banking institutions designated in the manner
2 hereinbefore provided shall, upon the acceptance by the county
3 court of the bond and/or upon the hypothecation of the securi-
4 ties, as provided for hereinbefore, be the depositories of public
5 moneys, and remain such for one year, but the county court, at
6 any time it deems the same necessary, may require additional
7 security from a depository in such sum as the court shall by
8 order designate; and if a depository refuse or neglect, for the

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Joseph D. Smith

Chairman Senate Committee.

Ames W. Adams

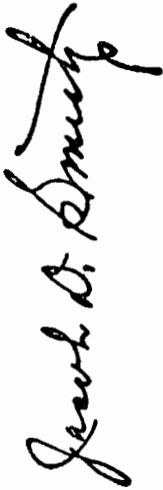
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9 period prescribed by the court, to give such additional security,
10 or to comply with the provisions of this article, the court may
11 order the removal of the public moneys therefrom to some other
12 depository and if no other county depository is available at the
13 time, then to some reliable banking institution to be the deposi-
14 tory thereof temporarily. Such removal, and all other removals,
15 ordered by the county court under the provisions of this article,
16 shall be made by order of record and upon the check of the
17 county treasurer, countersigned by the county clerk, after notice
18 to such depository. In the event any county depository shall
19 cease to do business or shall suspend business, its rights as a de-
20 pository shall cease, and the funds on deposit with it shall be
21 transferred to the other depositories of the county, but in the
22 event there is no other approved depository in the county, and
23 pending the designation and approval of another depository,
24 the county treasurer shall deposit public funds coming into his
25 hands, in some reliable banking institution, designated by the
26 county court as a temporary depository, until a depository is
27 designated and approved in the manner herein prescribed. If
28 the money, in case of such removal, be deposited in a banking

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29 institution, designated as a temporary depository, such banking
30 institution shall, before the receipt by it of any such money,
31 enter into a bond or hypothecate securities as required by this
32 article; and the county court shall at once proceed to designate
33 a new depository under this article. Every such bond secured by
34 real estate executed under this section or the ~~pre~~ceding section
35 shall be placed of record in the office of the clerk of the county
36 court in the county wherein the real estate or any part thereof
37 is located, and shall constitute a valid lien upon said real estate
38 until the said bond is duly released by the proper authorities.

39 All acts and parts of acts in conflict with this act are hereby
40 expressly repealed.

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Joseph D. Smith
Chairman Senate Committee.

Bruce W. Beaman
Chairman House Committee.

J. Alfred Taylor
Speaker of the House of Delegates.

W. H. ...
Clerk of the House of Delegates.

M. J. White
President of the Senate.

M. S. Hodges
Clerk of the Senate.

The within is *approved*
this *27th* day of *August*, 1932.

George W. Sharp
Governor.

Filed in the office of the Secretary of State
of West Virginia
GEORGE W. SHARP,
Secretary of State.

Filed in the office of the Secretary of State
of West Virginia *Aug 27 1932*
GEORGE W. SHARP,
Secretary of State.