

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1935



ENROLLED

HOUSE BILL No. 366

(By Mr. Van Sickler)



PASSED March 7 1935

In Effect from Passage

366

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AN ACT authorizing the issuance and sale of not exceeding ten million dollars of road bonds of the state of West Virginia to raise money for road construction purposes under and by virtue of the "Good Roads Amendment" to the constitution adopted at the general election held in November, one thousand nine hundred twenty; to provide for the distribution and expenditure of the proceeds of sale thereof, and to provide for the levy and collection of an annual state tax and other revenue sufficient to pay semi-annually the interest on said bonds and the principal thereof within twenty-five years.

*Be it enacted by the Legislature of West Virginia:*

Section 1. That bonds of the state of West Virginia of  
2 the par value of ten million dollars are hereby authorized to be

3 issued and sold for the purpose of raising funds for assisting  
4 in building and constructing the system of state roads and  
5 highways provided for by the constitution. Said bonds may  
6 be issued by the governor in such amounts, in coupon or reg-  
7 istered form, in such denominations, at such times and bearing  
8 such date or dates as the governor may determine, and shall  
9 become due and payable serially in equal amounts beginning  
10 one year and ending twenty-five years from the date thereof:  
11 *Provided, however,* That no bonds may be issued under the  
12 provisions of this act until bonds authorized and issued under the  
12-a provisions of the "Good Roads Amendment" to the constitu-  
13 tion of said state, ratified at the general election held in No-  
14 vember, one thousand nine hundred and twenty, have been  
15 retired and cancelled out of the state road sinking fund cre-  
16 ated by section six of chapter one hundred thirteen of the  
17 acts of the Legislature of West Virginia of one thousand  
18 nine hundred twenty-one, in an amount equal to or greater  
19 than the amount to be issued hereunder at any one time.

Sec. 2. The auditor and treasurer are authorized to ar-  
2 range for the transfer of registered bonds and for each  
3 such transfer a fee of fifty cents shall be charged by and

4 paid to the state of West Virginia, to the credit of the state  
5 road sinking fund. Bonds taken in exchange will be cancelled  
6 by the auditor and treasurer and be carefully preserved by the  
7 treasurer. The treasurer shall make provisions for registering  
8 payable to bearer bonds and for each bond registered a fee of  
9 fifty cents shall likewise be charged by and paid to the state  
10 of West Virginia, to the credit of the state road sinking fund.  
11 All of such bonds shall be payable at the office of the treasurer  
12 of the state of West Virginia, or, at the option of the holder,  
13 at some designated bank in the city of New York to be desig-  
14 nated by the governor. Said bonds shall bear interest at a  
15 rate not exceeding four and one-half per centum per annum,  
16 payable semi-annually, on the first day of                      and  
17 the first day of                      , of each year, to bearer,  
18 at the office of the treasurer of the state of West Virginia, at  
19 the capitol of said state, or at the bank designated by the gov-  
20 ernor, upon presentation and surrender of interest coupons then  
21 due, in the case of coupon bonds. In the case of registered  
22 bonds the treasurer of the state of West Virginia shall issue  
23 his check for the interest then due on the first day of  
24 and                      of each year, and mail the same to the reg-

25 istered owner at his address as shown by the record of registra-  
26 tion. Both the principal and interest of said bonds shall be  
27 payable in lawful money of the United States of America and  
28 said bonds shall be exempt from taxation by the state of West  
29 Virginia, or by any county, district, or municipality thereof,  
30 which fact shall appear on the face of the bonds as part of  
31 the contract with the holder thereof.

Sec. 3. Said bonds and coupons shall be engraved and the  
2 bonds shall be signed, on behalf of the state of West Virginia,  
3 by the treasurer thereof, under the great seal of the state,  
4 and countersigned by the auditor of the state, and shall be in  
5 the following form or to the following effect, as nearly as may  
6 be, namely:

7 COUPON ROAD BOND

8 (Or registered Road Bond, As The Case May Be)

9 OF THE

10 STATE OF WEST VIRGINIA

11 \$. No.

12 The State of West Virginia, under and by virtue of authority  
13 of an act of its Legislature passed at the regular session of one  
14 thousand nine hundred thirty-five on the day of

15 one thousand nine hundred thirty-five and approved by the  
16 governor on the            day of            , one thousand  
17 nine hundred thirty-five, which is hereby made a part hereof  
18 as fully as if set forth at length herein, acknowledged itself  
19 to be indebted to, and hereby promise to pay to the bearer  
20 hereof (in the case of a coupon bond) or to            ,  
21 or assigns, (the owner of record, in case of registered bonds)  
22            years after the date of this bond, to-wit: On the  
23 day of            , 19    , in lawful money of the United  
24 States of America at the office of the Treasurer of the State  
25 of West Virginia, at the capitol of said state, or at the option  
26 of the holder at            bank in the City of  
27 New York, the sum of            dollars, with interest  
28 thereon at            per centum per annum from date, payable  
29 semiannually in like lawful money of the United States of  
30 America at the Treasurer's office or bank aforesaid, on the  
31 first day of            and the first day of  
32 of each year, (and in the case of coupon bonds) according to  
33 the tenor of the annexed coupons, bearing the engraved fac  
34 simile signature of the Treasurer of the State of West Virginia,  
35 upon surrender of such coupons. This bond (in the case of a

36 coupon bond) may be exchanged for a registered bond of like  
37 tenor upon application to the Treasurer of the State of West  
38 Virginia.

39 To secure the payment of this bond, principal sum and in-  
40 terest, when other funds and revenues sufficient are not avail-  
41 able for that purpose, it is agreed that, within the limits pre-  
42 scribed by the constitution, the board of public works of the  
43 State of West Virginia shall annually cause to be levied and col-  
44 lected an annual state tax on all property in the state, until said  
45 bond is fully paid, sufficient to pay the annual interest on said  
46 bond and the principal sum thereof within the time this bond  
47 becomes due and payable.

48 This bond is hereby made exempt from any taxation by the  
49 State of West Virginia, or by any county, district or municipal  
50 corporation thereof.

51 In testimony whereof, witness the signature of  
52 Treasurer of the State of West Virginia, and the countersigna-  
53 ture of \_\_\_\_\_, the Auditor of said State hereto affixed  
54 according to law, dated the \_\_\_\_\_ day of \_\_\_\_\_, one thou-

55 sand nine hundred , and the seal of the State  
56 of West Virginia.

57 (S E A L)

58

59 Treasurer of the State of West Virginia

60 Countersigned:

61

62 Auditor of West Virginia

Sec. 4. The form of coupons shall be substantially as fol-  
2 lows, to-wit:

3 STATE OF WEST VIRGINIA

4 Bond No. Coupon No.

5 On the first day of , 19 , the State of West

6 Virginia will pay to the bearer, in lawful money of the United

7 States of America, at the office of the Treasurer of the State,

8 or at the option of the holder at

9 bank in the City of New York, the sum of

10 dollars, the same being semi-annual interest on Road Bond

11 No. , series of one thousand nine hundred

12

13 Treasurer of the State of West Virginia



14 The signature of the treasurer to said coupon shall be by  
15 his engraved fac simile signature and the coupons shall be  
16 numbered in the order of their maturity, from number one con-  
17 secutively. Said bonds and coupons may be signed by the  
18 present treasurer and auditor, or by any of their respective  
19 successors in office; and bonds signed by the persons now in  
20 office may be sold by the governor or his successor in office with-  
21 out being signed by the successor in office of the present treas-  
22 urer or auditor.

Sec. 5. All coupon and registered bonds issued under this act  
2 shall be separately listed by the auditor of the state in books  
3 provided for the purpose, in each case giving the date, number,  
4 character and amount of obligations issued, and in case of  
5 registered bonds, the name and post office address of the person,  
6 firm or corporation registered as the owner thereof.

Sec. 6. Into the state road sinking fund shall be paid all  
2 moneys received from the annual state tax levy on the taxable  
3 property in the state levied under the provisions of this act, from  
4 any and all appropriations made by the state from other sources  
5 for the purposes of paying the interest on said bonds or paying  
6 off and retiring same, from fines, forfeitures and penalties, if

7 any made applicable by law for the payment of said bonds or  
8 the interest thereon, from transfer fees as herein provided, and  
9 from any source whatsoever, which is made liable by law for the  
10 payment of the principal of said bonds or the interest thereon.

11 All such funds shall be kept by the treasurer in a separate  
12 account, under the designation aforesaid, and all money be-  
13 longing to said fund shall be deposited in the state treasury to  
13-a the credit thereof.

14 Said fund shall be applied by the treasurer of the state, first to  
15 the payment of the semi-annual interest on said bonds as it  
16 shall become due as herein provided. The remainder of said  
17 fund shall be turned over by the state treasurer to the state  
18 sinking fund commission, whose duty it shall be to invest the  
19 same in the bonds of the government of the United States, the  
20 bonds of the state of West Virginia, or any political sub-  
21 division thereof: *Provided, however,* That bonds so purchased  
22 by the state sinking fund commission shall mature so as to pro-  
23 vide sufficient money to pay off all bonds herein provided to be  
24 issued as they may become due; and the money so paid into the  
25 said state road sinking fund under the provisions of this act  
26 shall be expended for the purpose of paying the interest and

27 principal of the bonds hereby provided for, and for no other  
28 purpose except that said fund may be invested until needed,  
29 as herein provided.

Sec. 7. In order to provide the revenue necessary for the pay-  
2 ment of the principal and interest of said bonds, as hereinbefore  
3 provided, the board of public works within the limits prescribed  
4 by the constitution, is authorized, empowered and directed to  
5 lay annually a tax upon all real and personal property subject  
6 to taxation within this state, sufficient to pay interest on said  
7 bonds accruing during the current year and one twenty-fifth of  
8 the total issue (at par value) of said bonds, for such number  
9 of years, not exceeding twenty-five, as may be necessary to pay  
10 the interest thereon and to pay off the principal sum of said  
11 bonds; and said taxes, when so collected, shall not be liable for  
12 or applicable to any other purpose: *Provided, however, That*  
13 if there be other funds in the state treasury, or in the state road  
14 funds, in any fiscal year, not otherwise appropriated, or if other  
15 sources of revenue be hereafter provided by law for the purpose,  
16 the board of public works is authorized, empowered and directed  
17 to set apart, in any year there be such funds, or other sources  
18 of revenue provided for such purpose, a sum sufficient to pay

19 the interest on bonds accruing during the current year, and to  
20 pay off and retire the principal of said bonds, or any part  
21 thereof, at maturity.

22 The authority hereby vested in the board of public works shall  
23 be in addition to the authority now vested in it by present  
24 law.

Sec. 8. The governor shall sell all bonds herein mentioned at  
2 such time or times as he may determine necessary to provide  
3 funds for road construction purposes, as herein provided, upon  
4 recommendation of the state road commission. All sales shall  
5 be at not less than par and accrued interest. Registered bonds  
6 shall bear interest only from the date of delivery. All interest  
7 coupons becoming payable prior to said sale date shall be can-  
8 celled by the treasurer and rendered ineffective before the  
9 delivery of the bonds so sold.

Sec. 9. The proceeds of all sales of bonds herein authorized  
2 shall be paid into the state road fund created by section one,  
3 article three of chapter forty of the acts of the Legislature, one  
4 thousand nine hundred and thirty-three; and the proceeds from  
5 the sale of said bonds shall be expended as provided by section

6 six, article three of chapter forty of the acts of the Legislature,  
7 one thousand nine hundred thirty-three.

Sec. 10. The plates from which the bonds authorized by this  
2 act are engraved shall be the property of the state of West  
3 Virginia.

Sec. 11. The state auditor shall be the custodian of all unsold  
2 bonds issued pursuant to the provisions of this act.

Sec. 12. The governor may authorize the issuance of interim  
2 certificates to be issued to the purchasers of said bonds to be  
3 held by them in lieu of engraved bonds. When said interim  
4 certificates are so issued, they shall become full and legal obliga-  
5 tions of the state of West Virginia under all of the provisions  
6 of this act just as fully and completely as the engraved and  
7 permanent bonds.

Sec. 13. All necessary expenses incurred in the execution of  
2 this act shall be paid out of any money in the treasury of the  
3 state of West Virginia, not otherwise appropriated, on warrants  
4 of the auditor of the state drawn on the state treasurer.

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

*Clinton F. Howard*  
Chairman Senate Committee

*Arnold M. Pickens*  
Chairman House Committee

Originated in the

*House of Delegates*

Takes effect

*from* passage.

*Franklin*  
Clerk of the Senate

*W. S. Hall*  
Clerk of the House of Delegates

*Chas. E. Hedges*  
President of the Senate

*John S. Peltier*  
Speaker House of Delegates.

The within

*is approved* this the *12<sup>th</sup>*

day of

*March*, 1935.

*H. S. Kemp*  
Governor.

Filed in the office of the Secretary of State  
of West Virginia.

**MAR 15 1935**

Wm. S. O'BRIEN,  
Secretary of State