WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1935

ENROLLED

HOUSE BILL No. 394

(By Mr. Thomas)

PASSED March 7, 1935

In Effect from Passage
AN ACT authorizing the execution, issuance and sale of not exceeding two million nine hundred eighteen thousand dollars of bonds of the state of West Virginia for the purpose of refunding the outstanding bonds of the state of West Virginia issued for the payment of West Virginia’s part of the public debt of the commonwealth of Virginia prior to the first day of January, one thousand eight hundred sixty-one, in accordance with chapter ten, acts of the Legislature of West Virginia, extraordinary session, one thousand nine hundred nineteen, which have become or are becoming due and payable, and for the discharge of which there are or will be when the bonds mature no funds or insufficient funds available, or which are to be presented for payment before maturity by the exer-
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cise of option provisions or by agreement with the holders thereof; to provide for the application of the proceeds thereof, and to provide for the levy and collection of revenues sufficient to pay semi-annually the interest on said bonds and the principal thereof within four years.

Be it enacted by the Legislature of West Virginia:

Section 1. That bonds of the state of West Virginia, in an aggregate amount not exceeding two million nine hundred eighteen thousand dollars, are hereby authorized to be issued and sold for the purpose of refunding the outstanding bonds of the state of West Virginia issued for the payment of West Virginia's part of the public debt of the Commonwealth of Virginia prior to the first day of January, one thousand eight hundred sixty-one, in accordance with chapter ten, acts of the Legislature of West Virginia, extraordinary session, one thousand nineteen, which have become or are becoming due and payable, and for the discharge of which there are or will be when the bonds mature no funds, or insufficient funds, available; and in like manner such refunding bonds are hereby authorized to be issued and sold for the purpose of refunding outstanding bonds not due when such outstanding
16 bonds are to be presented for payment before maturity by the 
17 exercise of option provisions or by agreement with the holders 
18 thereof. Said bonds shall be of the par value of not exceed-
19 ing two million nine hundred eighteen thousand dollars, dated 
20 the first day of January, one thousand nine hundred thirty-
21 five, or such other date as the governor may determine, and 
22 shall become due and payable serially beginning the first day 
23 of July, one thousand nine hundred thirty-six, and ending the 
24 first day of July, one thousand nine hundred thirty-nine, and 
25-6 may be either coupon or registered bonds, in such denomina-
27 tions as the governor may determine. The amount payable in 
28 each year may be so fixed that when the annual interest is added 
29 to the principal amount to be paid the total amount payable 
30 in each year in which part of the principal is payable shall be 
31 as nearly equal as practicable, or, such bonds may be payable 
32 in annual instalments beginning one year after the date thereof, 
33 each instalment being as nearly equal in principal amount as 
34 may be practicable. It shall be an immaterial variance if the 
35 difference between the largest and smallest amounts or princi-
36 pal and interest for any year during the term of the bonds 
37 shall not exceed three per cent of the total authorized issue.
Sec. 2. The treasurer shall make provisions for registering coupon or "payable to bearer" bonds, and for each bond so registered a fee of fifty cents shall be charged and paid to the state of West Virginia to the credit of the "Virginia Debt Refunding bonds of one thousand nine hundred thirty-five, sinking fund". Coupon bonds exchanged for registered bonds shall be cancelled by the treasurer and auditor and be preserved by the treasurer.

All bonds issued hereunder shall be payable at the office of the treasurer of the state of West Virginia, or, at the option of the holder, at some bank in the City of New York designated by the governor. Said bonds shall bear interest at a rate not exceeding three per cent per annum, payable semi-annually on the first day of January and the first day of July of each year, to bearer, at the office of the treasurer of the state of West Virginia, at the capitol of said state, or at the bank in the City of New York designated by the governor, and, in case of coupon bonds, upon presentation and surrender of interest coupons then due. In the case of registered bonds, the treasurer of the state shall issue his check for interest payments when due on the first day of January and July of each year,
and mail the same to the registered owner at his address, as shown by the record of the registration of said bond or bonds.

Both principal and interest of said bonds shall be payable in lawful money of the United States. All said bonds shall be exempt from taxation by the state of West Virginia, or by any county, district or municipality thereof, which fact shall appear on the face of the bonds as part of the contract of the holder thereof with the state.

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

COUPON REFUNDING BOND, SERIES OF 1935
(or Registered Refunding Bond, Series of 1935, as the case may be) of the

STATE OF WEST VIRGINIA

$ No.

KNOW ALL MEN BY THESE PRESENTS that the State of West Virginia, under and by virtue of the authority vested
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14 in said State by an Act of its Legislature, passed at a..............
15 session held in the year one thousand nine hundred thirty-five,
16 on the day of , one thousand nine
17 hundred thirty-five, and approved by the governor on the
18 day of , one thousand nine hundred thirty-
19 five, which said act is hereby made a part hereof, as fully as if
20 set forth at length herein, acknowledges herself to be indebted
21 to and hereby promises to pay to the bearer hereof (in the case
22 of a coupon bond) or to , or assigns (the owner
23 of record, in case of registered bonds), years after
24 the date of this bond, to wit: on the day of ,
25 one thousand nine hundred , in lawful money of the
26 United States of America, at the office of the treasurer of the
27 State of West Virginia, at the capitol of said state, or at the
28 option of the holder at Bank in the
29 City of New York, the sum of dollars, with
30 interest thereon at per cent per annum from date, pay-
31 able semi-annually in lawful money of the United States of
32 America, at the treasurer's office, or bank aforesaid, on the
33 first day of January, and the first day of July of each year
34 (and in the case of coupon bonds), according to the tenor of
the annexed coupons, bearing the engraved facsimile signature of the treasurer of the state of West Virginia, upon surrender of such coupons. This bond (in the case of a coupon bond) may be exchanged for a registered bond of like tenor upon application to the treasurer of the state of West Virginia.

To secure the payment of this bond, principal sum and interest, when other funds and revenues sufficient are not available for that purpose, it is agreed that the board of public works of the State of West Virginia shall annually cause to be levied and collected an annual state tax on all property in the state, until said bond is fully paid, sufficient to pay the annual interest on said bond and the principal sum thereof within the time this bond becomes due and payable.

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

In testimony whereof, witness the signature of , treasurer of the State of West Virginia, and the counter-signature of , the auditor of said state hereto affixed according to law, dated the first day of , one
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55 thousand nine hundred thirty-five, and the great seal of the
56 State of West Virginia.
57 (GREAT SEAL)
58
59 Treasurer of the State of
60 West Virginia.
61 Countersigned:
62
63 Auditor of West Virginia.

Sec. 4. The form of coupon shall be substantially as follows,
2 to-wit:
3
4 Bond No.                       Coupon No.
5 On the first day of.............., one thousand
6 nine hundred .............., the state of West Virginia will pay to
7 the bearer, in lawful money of the United States, at the office
8 of the treasurer of the state, 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 bond number
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 Treasurer of the State of West Virginia

The signature of the treasurer to said coupons shall be his engraved facsimile signature and the coupons shall be numbered in the order of their maturity, from number one, consecutively.

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

Sec. 6. Into a fund designated the "Virginia Debt Refunding Bonds of 1935, Sinking Fund" shall be paid all moneys received from the annual state tax levy on the taxable property in the state levied under the provisions of this act, all moneys received from any and all appropriations made by the state from other sources of revenue for the purpose of paying the interest on said bonds, or the principal thereof, as herein provided, and from transfer fees as herein provided, and from any source whatsoever, which is made liable by law for the payment
10 of the principal of said bonds or the interest thereon. All such
11 funds shall be kept by the treasurer in a separate account, under
12 the designation aforesaid, and all moneys belonging to said
13 fund shall be deposited in the state treasury to the credit there-
14 of and used for no other purpose than as herein provided.

Sec. 7. In order to provide the revenue necessary for the
2 payment of the principal and interest of said bonds as herein
3 provided the board of public works is authorized, empowered
4 and directed, to lay annually a tax on all real and personal
5 property subject to taxation within the state, sufficient to pay
6 the interest on said bonds accruing and the principal of bonds
7 maturing during any current year, for such number of years
8 not exceeding four as may be deemed necessary to pay the
9 interest thereon and to pay off the principal sum of said bonds;
10 and said taxes, when so levied and collected, shall not be liable
11 for or applicable to any purpose other than paying the indebt-
12 edness of the state as herein provided: Provided, however, That
13 the board of public works is hereby authorized, empowered and
14 directed, and upon its failure so to do may be required by the
15 holder of any bond issued hereunder, or by any taxpayer, to set
16 apart in any current year funds collected for general revenue
purposes from whatsoever source of taxation derived, a sum suf-
ficient to pay the interest on bonds accruing during such current
year and to pay off and retire the principal of said bonds or any
part thereof, at maturity.

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

Sec. 8. The governor shall sell the bonds herein provided
for at such time or times as he may determine necessary, and
the rate of interest on the bonds shall be fixed at the time of
the sale thereof, not to exceed the rate hereinabove provided.
From the proceeds of the sale or sales of bonds authorized to be
issued and sold under the authority of this Act, there shall be
credited to the "Virginia Debt Sinking Fund" heretofore cre-
ated, an amount equal to the par value of all bonds so issued
and sold, and any balance remaining from any such sale shall
be credited to the "Virginia Debt Refunding Bonds of 1935
Sinking Fund," herein provided.

Sec. 9. The governor may authorize the issuance of interim
certificates to the purchasers of said bonds to be held by them
in lieu of the engraved bonds until such time as the engraved
bonds shall be delivered. When said interim certificates are so
issued, they shall become full and legal obligations of the state
of West Virginia under all of the provisions of this act just
as fully and completely as the engraved and permanent bonds.

Sec. 10. The bonds issued hereunder shall be a legal invest-
ment for the workmen’s compensation fund, the irreducible
school fund, and all fiduciary or other trust funds, and shall be
legal as deposit by any bank to secure deposits of state, county,
municipal, or other public funds, and shall be legal as security
or collateral for any kind and all bonds required by any court
or administrative board or officer of the state and shall be legal
as deposit by any insurance, casualty, annuity or like company,
with the auditor of the state of West Virginia or any other
officer or board of the state.

Sec. 11. The plates from which the bonds of this act are
engraved shall be and remain the property of the state of West
Virginia.

Sec. 12. The state treasurer shall be the custodian of all
unsold bonds issued pursuant to the provisions of this act.

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

Sec. 14. The provisions of this act shall be considered sev-
2 erally, and should any one or more provisions thereof be de-
3 clared unconstitutional, the remaining provisions, if capable of
4 operation when standing without such unconstitutional pro-
5 visions, shall be and remain in full force and effect.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House of Delegates

Takes effect upon passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates.

The within is approved this the 13th day of March, 1935.

Governor

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

WM. S. O'Brien,
Secretary of State