WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1937

ENROLLED

SENATE BILL No. 136

(By Mr. Hodge) (Mr. President) (by request)

PASSED July 18, 1937

In Effect 90 days from Passage
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 the par value of ten million dollars are hereby authorized to be issued and sold for the purpose of raising funds for assisting in building and constructing the system of state roads and highways provided for by the constitution. Said bonds may be issued by the governor in such amounts, in coupon or registered form, in such denominations, at such times and bearing such date or dates as the governor may determine, and shall become due and payable serially in equal amounts beginning one year and ending twenty-five years from the date thereof: Provided, however, That no bonds may be issued under the provisions of this act until bonds authorized and issued under the provisions of the "good roads amendment" to the constitution of the state, ratified at the general election held in November, one thousand nine hundred twenty, have been retired and cancelled out of the state road sinking fund created by section six, chapter one hundred thirteen, acts of the Legislature of West Virginia, one thousand nine hundred twenty-one, in
an amount equal to or greater than the amount to be issued hereunder at any one time.

Sec. 2. The auditor and treasurer are hereby authorized to arrange for the transfer of registered bonds, and for each such transfer a fee of fifty cents shall be charged by and paid to the state of West Virginia, to the credit of the state road sinking fund. Bonds taken in exchange will be cancelled by the auditor and treasurer and be carefully preserved by the treasurer. The treasurer shall make provisions for registering "payable to bearer" bonds and for each bond registered a fee of fifty cents shall likewise be charged by and paid to the state of West Virginia, to the credit of the state road sinking fund. All of such bonds shall be payable at the office of the treasurer of the state of West Virginia, or, at the option of the holder, at some designated bank in the city of New York to be designated by the governor. Said bonds shall bear interest at a rate not exceeding four and one-half per centum per annum, payable semi-annually, on the first day of, 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 designated by the
governor, upon presentation and surrender of interest coupons then due, in the case of coupon bonds. In the case of registered bonds the treasurer of the state of West Virginia shall issue his check for the interest then due on the first day of...and...of each year, and mail the same to the registered owner at his address as shown by the record of registration. Both the principal and interest of said bonds shall be payable in lawful money of the United States of America and 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 with the holder thereof.

Sec. 3. Said bonds and coupons shall be engraved and the bonds shall be 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 ROAD BOND

(Or registered road bond, as the case may be)

OF THE

STATE OF WEST VIRGINIA

$............................... No..........................

The State of West Virginia, under and by virtue of authority of an act of its Legislature passed at the regular session of one thousand nine hundred thirty-seven, on the.....................

day of....................... , one thousand nine hundred thirty-seven, and approved by the governor on the.....................day

of......................... , one thousand nine hundred thirty-seven,

which is hereby made a part hereof as fully as if set forth at length herein, acknowledges itself to be indebted to, and hereby promises to pay to the bearer hereof (in the case of a coupon bond) or to................................ or assigns, (the owner of record, in case of registered bonds)......................years

after the date of this bond, to-wit: On the.....................day

of.........................., 19....... , in lawful money of the United States of America at the office of the Treasurer of the State of West Virginia, at the capitol of said state, or at the option of the holder at............................bank in the City of New York,
the sum of.........................dollars, with interest thereon at
.................per centum per annum from date, payable
semi-annually in like lawful money of the United States of
America at the Treasurer's office or bank aforesaid, on the
first day of.........................and the first day of......................of
each year, (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, within the limits
prescribed by the constitution, 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 in-
terest 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................day of...................,
one thousand nine hundred ...................., and the seal of the State of West Virginia.

(S E A L)

Treasurer of the State of West Virginia

Countersigned:

Auditor of West Virginia

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

STATE OF WEST VIRGINIA

Bond No........................................  Coupon No........................................

On the first day of...................., 19......, the State of West Virginia will pay to the bearer, in lawful money of the United
States of America, at the office of the Treasurer of the State, or at the option of the holder at bank in the City of New York, the sum of dollars, the same being semi-annual interest on Road Bond No., series of one thousand nine hundred.

Treasurer of the State of West Virginia

The signature of the treasurer to said coupon shall be by his engraved facsimile signature and the coupons shall be numbered in the order of their maturity, from number one consecutively. Said bonds and coupons may be signed by the present treasurer and auditor, or by any of their respective successors in office; and bonds signed by the persons now in office may be sold by the governor or his successor in office without being signed by the successor in office of the present treasurer or auditor.

Sec. 5. All coupons and registered bonds issued under this act shall be separately 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 post office address of
the person, firm or corporation registered as the owner thereof.

Sec. 6. Into the state road 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, from any and all appropriations made by the state from other sources for the purposes of paying the interest on said bonds or paying off and retiring same, from fines, forfeitures and penalties, if any made applicable by law for the payment of said bonds or the interest thereon, from transfer fees as herein provided, and from any source whatsoever, which is made liable by law for the payment of the principal of said bonds or the interest thereon.

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

Said fund shall be applied by the treasurer of the state, first to the payment of the semi-annual interest on said bonds as it shall become due as herein provided. The remainder of said fund shall be turned over by the state treasurer to the
state sinking fund commission, whose duty it shall be to invest the same in bonds of the government of the United States, bonds of the state of West Virginia, or any political sub-division thereof: Provided, however, That bonds so purchased by the state sinking fund commission shall mature so as to provide sufficient money to pay off all bonds herein provided to be issued as they may become due; and the money so paid into the said state road sinking fund under the provisions of this act shall be expended for the purpose of paying the interest and principal of the bonds hereby provided for, and for no other purpose except that said fund may be invested until needed, as herein provided.

Sec. 7. In order to provide the revenue necessary for the payment of the principal and interest of said bonds, as herebefore provided, the board of public works, within the limits prescribed by the constitution, is authorized, empowered and directed to lay annually a tax upon all real and personal property subject to taxation within this state, sufficient to pay interest on said bonds accruing during the current year and one twenty-fifth of the total issue (at par value)
of said bonds, for such number of years, not exceeding twenty-five, as may be necessary to pay the interest thereon and to pay off the principal sum of said bonds; and said taxes, when so collected, shall not be liable for or applicable to any other purpose: Provided, however, That if there be other funds in the state treasury, or in the state road funds, in any fiscal year, not otherwise appropriated, or if other sources of revenue be hereafter provided by law for the purpose, the board of public works is authorized, empowered and directed to set apart, in any year there be such funds, or other sources of revenue provided for such purpose, a sum sufficient to pay the interest on bonds accruing during the 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 all bonds herein mentioned at such time or times as he may determine necessary to provide funds for road construction purposes, as herein pro-
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4vided, upon recommendation of the state road commission.
5 All sales shall be at not less than par and accrued interest.
6 Registered bonds shall bear interest only from the date of
delivery. All interest coupons becoming payable prior to said
sale date shall be cancelled by the treasurer and rendered
ineffective, before the delivery of the bonds so sold.

Sec. 9. The proceeds of all sales of bonds herein author-
ized shall be paid into the state road fund created by section
one, article three, chapter forty, acts of the Legislature, first
extraordinary session, one thousand nine hundred thirty-
three.

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

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

Sec. 12. The governor may authorize the issuance of in-
terim certificates to be issued to the purchasers of said bonds
to be held by them in lieu of engraved bonds. 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. 13. All necessary expenses incurred in the execution
of this act shall be paid out of any money in the treasury of
the state of West Virginia, not otherwise appropriated, on
warrants 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.

Chairman Senate Committee

Chairman House Committee

Originated in the

Takes effect 90 days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within this the 27th day of

Governor

Filed in the office of the Secretary of State of West Virginia MAR 1 1937

Wm. S. O'Brien,
Secretary of State