

WEST VIRGINIA LEGISLATURE  
REGULAR SESSION, 1941



ENROLLED

HOUSE BILL No. 285

(By Mr. Kidd)



PASSED March 7 1941

In Effect from Passage

**ENROLLED**  
**House Bill No. 285**  
**(BY MR. KIDD)**

[Passed March 7, 1941; in effect from passage.]

AN ACT to amend and reenact section five, article nine, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as last amended, relating to the school fund; the board of the school fund; the investment, management and control of the school fund by the board of the school fund; the granting to the board of the school fund certain powers with respect to acquiring, holding, renting and disposing of real estate security for the investments of the school fund; the granting to the board of the school fund the power and authority to extend the time for the payment of the principal or interest, or both, or any part thereof, of interest-bearing securities in which the school fund may have been invested prior to March fourth, one thousand nine hundred thirty-three; and the further granting to said board of the school fund the

power and authority to make adjustments, deductions, settlements and compromises with respect to loans or investments made by it prior to the fourth day of March, one thousand nine hundred thirty-three.

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

That section five, article nine, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as last amended, be amended and reenacted to read as follows:

Section 5. *School Fund; Board of the School Fund; Investment of School Fund.*—All such sums as have accrued to this state from the several sources enumerated in section four, article twelve of the constitution, not in excess of one million dollars, shall be set apart as a separate fund to be called “the school fund”, and the governor, state superintendent of free schools, auditor and treasurer shall be a corporation under the name of “The Board of the School Fund”, and shall have the management, control and investment of said fund, as provided by section four, article twelve of the constitution. Such fund shall be invested in the interest-bearing securities of the United States, or securities,

14 the payment of which as to both principal and interest,  
15 has been guaranteed by the United States, or of this state,  
16 or of any county, city, town or village, or school district  
17 of this state, or if such interest-bearing securities can-  
18 not be obtained, then such fund shall be invested in  
19 such other solvent interest-bearing securities as shall  
20 be approved by such board. The governor shall be  
21 president of the board, and in his absence the board shall  
22 choose one of the number to preside temporarily in  
23 his place. The auditor shall be secretary of the board.  
24 The state treasurer shall be custodian of all investments  
25 made by such board. A record shall be kept of all the  
26 proceedings and be signed by the president and secre-  
27 tary, and a copy thereof, certified by the secretary of  
28 the board, shall be evidence in all cases in which the  
29 original would be. A majority of the board shall con-  
30 stitute a quorum for the transaction of business.

31 The board may acquire, own, hold, use, receive rents  
32 and issues from, dispose of and convey, real estate, sub-  
33 ject to the following limitations, and for the following  
34 purposes:

35 (a) Such as shall have been mortgaged to it, or con-  
36 veyed to trustees, as security for debts in its favor;

37 (b) Such as shall be conveyed to it in satisfaction of  
38 debts, or in partial payment of debts, previously con-  
39 tracted;

40 (c) Such as it has heretofore purchased, or shall here-  
41 after purchase, at sales under judgments, decrees, trust  
42 deeds or mortgages in its favor, or shall purchase at  
43 private sale, to secure and effectuate the payment of  
44 debts due to it.

45 Any real estate acquired by the board under clauses (b)  
46 and (c) shall be disposed of by the board at the earliest  
47 practicable date, but the board shall have a reasonable  
48 discretion in the matter of the time to dispose of such  
49 property in order to prevent unnecessary losses; and  
50 such property, in the discretion of the board, may be sold  
51 either at public sale or at private sale and for cash or on  
52 such other terms as the board may deem expedient.

53 (d) The board shall have full power and authority  
54 to extend the time for the payment of the principal or  
55 interest, or both principal and interest or any part thereof,

56 of any interest-bearing securities in which the fund may  
57 have been invested prior to March fourth, one thousand  
58 nine hundred thirty-three, as in the discretion of the  
59 board it may deem proper and expedient.

60 (e) The board shall have full power and authority to  
61 make such adjustments, deductions, settlements and com-  
62 promises as in its judgment may be deemed reasonably  
63 equitable and expedient under all circumstances with  
64 respect to any loans or investments made by it prior to  
65 the fourth day of March, one thousand nine hundred  
66 thirty-three. In the exercise of this power and authority,  
67 the board shall give preference to such loans and invest-  
68 ments as are not represented by the securities of the  
69 United States, this state or any political subdivision of  
70 this state.

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

E. H. McKeown  
Chairman Senate Committee

Leon Rice  
Chairman House Committee

Originated in the House of Delegates

Takes effect from passage.

Abel Watkins  
Clerk of the Senate

Stalliff  
Clerk of the House of Delegates

Byrum B. Randolph  
President of the Senate

Malcolm R. Arnold  
Speaker House of Delegates

The within approved this the 14th  
day of March, 1941.

Matthew M. Neely  
Governor.



Filed in the office of the Secretary of State  
of West Virginia. MAR 24 1941  
Wm. S. O'BRIEN,  
Secretary of State