

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1941

## ENROLLED

SENATE BILL No. 20

(By Mr. Peltier)

PASSED February 24 1941

In Effect from Passage

JARRETT PRINTING COMPANY, CHARLESTON, W. VA.



#20

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Senate Bill No. 20

(BY MR. PELTER)

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[Passed February 24, 1941; in effect from passage.]

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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. Road Bonds; Amount; When May Issue.*

2 That bonds of the State of West Virginia of the par value  
3 of ten million dollars are hereby authorized to be issued  
4 and sold for the purpose of raising funds for assisting in  
5 building and constructing the system of state roads and  
6 highways provided for by the constitution. Said bonds  
7 may be issued by the governor in such amounts, in coupon  
8 or registered form, in such denominations, at such times  
9 and bearing such date or dates as the governor may de-  
10 termine, and shall become due and payable serially in  
11 equal amounts beginning one year and ending twenty-  
12 five years from the date thereof: *Provided, however,*  
13 That no bonds may be issued under the provisions of this  
14 act until bonds authorized and issued under the pro-  
15 visions of the "good roads amendment" to the constitu-  
16 tion of the state, ratified at the general election held in  
17 November, one thousand nine hundred twenty, have been  
18 retired and cancelled out of the state road sinking fund  
19 created by section six, chapter one hundred thirteen, acts  
20 of the Legislature of West Virginia, one thousand nine

21 hundred twenty-one, in an amount equal to or greater  
22 than the amount to be issued hereunder at any one time.

Sec. 2. *Transfer, Fee; Registration, Fee; Where Pay-*  
2 *able; Interest Rate; Tax Exempt.* The auditor and  
3 treasurer are hereby authorized to arrange for the transfer  
4 of registered bonds, and for each such transfer a fee of  
5 fifty cents shall be charged by and paid to the State of  
6 West Virginia, to the credit of the state road sinking fund.  
7 Bonds taken in exchange will be cancelled by the auditor  
8 and treasurer and be carefully preserved by the treasurer.  
9 The treasurer shall make provisions for registering  
10 "payable to bearer" bonds and for each bond registered a  
11 fee of fifty cents shall likewise be charged by and paid to  
12 the State of West Virginia, to the credit of the state road  
13 sinking fund. All of such bonds shall be payable at the  
14 office of the treasurer of the State of West Virginia, or, at  
15 the option of the holder, at some designated bank in the  
16 city of New York to be designated by the governor. Said  
17 bonds shall bear interest at a rate not exceeding four and  
18 one-half per centum per annum, payable semi-annually,  
19 on the first day of \_\_\_\_\_ and the first day of \_\_\_\_\_,

20 of each year, to bearer, at the office of the treasurer of  
21 the State of West Virginia, at the capitol of said state,  
22 or at the bank designated by the governor, upon pre-  
23 sentation and surrender of interest coupons then due, in  
24 the case of coupon bonds. In the case of registered bonds  
25 the treasurer of the State of West Virginia shall issue his  
26 check for the interest then due on the first day of \_\_\_\_\_  
27 and \_\_\_\_\_ of each year, and mail the same to the  
28 registered owner at his address as shown by the record of  
29 registration. Both the principal and interest of said bonds  
30 shall be payable in lawful money of the United States of  
31 America and said bonds shall be exempt from taxation by  
32 the State of West Virginia, or by any county, district, or  
33 municipality thereof, which fact shall appear on the face  
34 of the bonds as part of the contract with the holder  
35 thereof.

Sec. 3. *Form of Bond.* Said bonds and coupons shall  
2 be engraved and the bonds shall be signed, on behalf of  
3 the State of West Virginia, by the treasurer thereof,  
4 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 forty-one, on the  
\_\_\_\_\_ day of \_\_\_\_\_, one thousand nine hundred forty-  
one, and approved by the governor on the \_\_\_\_\_ day of  
\_\_\_\_\_, one thousand nine hundred forty-one, 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

26 of the State of West Virginia, at the capitol of said state,  
27 or at the option of the holder at \_\_\_\_\_  
28 bank in the City of New York, the sum of \_\_\_\_\_  
29 dollars, with interest thereon at \_\_\_\_\_ per centum per  
30 annum from date, payable semi-annually in like lawful  
31 money of the United States of America at the Treasurer's  
32 Office or bank aforesaid, on the first day of \_\_\_\_\_  
33 and the first day of \_\_\_\_\_ of each year, (and in  
34 the case of coupon bonds) according to the tenor of the  
35 annexed coupons, bearing the engraved facsimile sig-  
36 nature of the Treasurer of the State of West Virginia,  
37 upon surrender of such coupons. This bond (in the case  
38 of a coupon bond) may be exchanged for a registered  
39 bond of like tenor upon application to the Treasurer of  
40 the State of West Virginia.

41 To secure the payment of this bond, principal sum and  
42 interest, when other funds and revenues sufficient are  
43 not available for that purpose, it is agreed that, within the  
44 limits prescribed by the constitution, the board of public  
45 works of the State of West Virginia shall annually cause  
46 to be levied and collected an annual state tax on all

47 property in the state, until said bond is fully paid,  
48 sufficient to pay the annual interest on said bond and the  
49 principal sum thereof within the time this bond becomes  
50 due and payable.

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

54 In testimony whereof, witness the signature of the  
55 Treasurer of the State of West Virginia, and the counter-  
56 signature of the Auditor of said State, hereto affixed  
57 according to law, dated the \_\_\_\_\_ day of \_\_\_\_\_,  
58 one thousand nine hundred \_\_\_\_\_, and the seal  
59 of the State of West Virginia.

60 (Seal) \_\_\_\_\_

61 Treasurer of the State of West Virginia

62 Countersigned:

63 \_\_\_\_\_

64 Auditor of the State of West Virginia

Sec. 4. *Form of Coupon.* The form of coupon shall be  
2 substantially as follows, to-wit:



## 3                    STATE OF WEST VIRGINIA

4    Bond No. \_\_\_\_\_                    Coupon No. \_\_\_\_\_

5    On the first day of \_\_\_\_\_, 19\_\_\_\_, the State  
6    of West Virginia will pay to the bearer, in lawful money  
7    of the United States of America, at the office of the Treas-  
8    urer 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-  
11    annual interest on Road Bond No. \_\_\_\_\_, series of  
12    one thousand nine hundred \_\_\_\_\_.

13

14                    Treasurer of the State of West Virginia

15    The signature of the treasurer to said coupon shall be  
16    by his engraved facsimile signature and the coupons shall  
17    be numbered in the order of their maturity, from number  
18    one consecutively. Said bonds and coupons may be  
19    signed by the present treasurer and auditor, or by any of  
20    their respective successors in office, and bonds signed by  
21    the persons now in office may be sold by the governor or  
22    his successor in office without being signed by the suc-  
23    sor in office of the present treasurer or auditor.

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

Sec. 6. *State Road Sinking Fund, Sources; Used to*  
2 *Pay Bonds and Interest; Investment of Remainder.* Into  
3 the state road sinking fund there shall be paid all moneys  
4 received from the annual state tax levy on the taxable  
5 property in the state levied under the provisions of this  
6 act, from any and all appropriations made by the state  
7 from other sources for the purposes of paying the inter-  
8 est on said bonds or paying off and retiring same, from  
9 fines, forfeitures and penalties, if any made applicable by  
10 law for the payment of said bonds or the interest thereon,  
11 from transfer fees as herein provided, and from any  
12 source whatsoever, which is made liable by law for the  
13 payment of the principal of said bonds or the interest  
14 thereon.

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

19 Said fund shall be applied by the treasurer of the  
20 state, first to the payment of the semi-annual interest  
21 on said bonds as it shall become due as herein provided.

22 The remainder of said fund shall be turned over by the  
23 state treasurer to the state sinking fund commission,  
24 whose duty it shall be to invest the same in bonds of the  
25 government of the United States, bonds of the State of  
26 West Virginia, or any political sub-division thereof:

27 *Provided, however,* That bonds so purchased by the state  
28 sinking fund commission shall mature so as to provide  
29 sufficient money to pay off all bonds herein provided to  
30 be issued as they may become due; and the money so  
31 paid into the said state road sinking fund under the pro-  
32 visions of this act shall be expended for the purpose of  
33 paying the interest and principal of the bonds hereby  
34 provided for as they severally become due and payable,

35 and for no other purpose except that said fund may be  
36 invested until needed, as herein provided.

Sec. 7. *Tax Levy to Pay, Unless Other Funds Available.*

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

20 directed to set apart, in any year there be such funds, or  
21 other sources of revenue provided for such purpose, a  
22 sum sufficient to pay the interest on bonds accruing  
23 during the current year, and to pay off, and retire the  
24 principal of said bonds, or any part thereof, at maturity.

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

Sec. 8. *Sale by Governor; Minimum Price.* The gover-  
2 nor shall sell all bonds herein mentioned at such time  
3 or times as he may determine necessary to provide funds  
4 for road construction purposes, as herein provided, upon  
5 recommendation of the state road commission. All sales  
6 shall be at not less than par and accrued interest. All  
7 interest coupons becoming payable prior to said sale  
8 date shall be cancelled by the treasurer and rendered  
9 ineffective, before the delivery of the bonds so sold.

Sec. 9. *Proceeds Paid Into State Road Fund.* The pro-  
2 ceeds of all sales of bonds herein authorized shall be  
3 paid into the state road fund created by section one, article  
4 three, chapter forty, acts of the Legislature, first extraor-

5 dinary session, one thousand nine hundred thirty-three.

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

Sec. 11. *Auditor to be Custodian of Unsold Bonds.*  
2 The state auditor shall be the custodian of all unsold bonds  
3 issued pursuant to the provisions of this act.

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

Sec. 13. *Payment of Expenses.* All necessary ex-  
2 penses incurred in the execution of this act shall be paid  
3 out of the state road fund on warrants of the auditor of  
4 the state drawn on the state treasurer.

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

*C. H. McKown*  
Chairman Senate Committee

*Leon Rice*  
Chairman House Committee

Originated in the *Senate*

Takes effect *from* passage

*A. Lee Watkins*  
Clerk of the Senate

*J. R. Aliff*  
Clerk of the House of Delegates

*Byron B. Randolph*  
President of the Senate

*Malcolm R. Arnold*  
Speaker House of Delegates

The within *approved* this the *15th*  
day of *March*, 1941.

*Matthew M. Neely*  
Governor.

2-

Filed in the office of the Secretary of State  
of West Virginia. **MAR 5 1941**  
Wm. S. O'BRIEN,  
Secretary of State