WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1941

ENROLLED

SENATE BILL No. 20

(By Mr. )

PASSED February 24, 1941

In Effect from ...Passage
ENROLLED
Senate Bill No. 20
(By Mr. Pelter)

[Passed February 24, 1941; in effect 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. Road Bonds; Amount; When May Issue.

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. Transfer, Fee; Registration, Fee; Where Pay-
able; Interest Rate; Tax Exempt. 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 ______ and 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 pre-
sentation 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. Form of Bond. 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
5 auditor of the state, and shall be in the following form
6 or to the following effect, as nearly as may be, namely:
7
8 COUPON ROAD BOND
9 (Or registered road bond, as the case may be)
10
11 OF THE
12
13 STATE OF WEST VIRGINIA
14
15 $_________ No._________
16
17 The State of West Virginia, under and by virtue of
18 authority of an act of its Legislature passed at the regular
19 session of one thousand nine hundred forty-one, on the
20 _____ day of _______, one thousand nine hundred forty-
21 one, and approved by the governor on the ____ day of
22 ________, one thousand nine hundred forty-one, which
23 is hereby made a part hereof as fully as if set forth at
24 length herein, acknowledges itself to be indebted to, and
25 hereby promises to pay to the bearer hereof (in the case
26 of a coupon bond) or to __________ or assigns (the
27 owner of record, in case of registered bonds) _______
28 years after the date of this bond, to-wit: On the ______
29 day of ______________, 19___, in lawful money of the
30 United States of America at the office of the Treasurer
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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
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 the 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.

(Seal)

Treasurer of the State of West Virginia

Countersigned:

Auditor of the State of West Virginia

Sec. 4. Form of Coupon. The form of coupon 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. Listing by Auditor. All coupon 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. State Road Sinking Fund, Sources; Used to Pay Bonds and Interest; Investment of Remainder. Into the state road sinking fund there 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 as they severally become due and payable,
and for no other purpose except that said fund may be
invested until needed, as herein provided.

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

In order to provide the revenue necessary for the pay-
ment of the principal and interest of said bonds, as herein-
before provided, the board of public works, within the
limits prescribed by the constitution, is authorized, em-
powered 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 reve-
une 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. Sale by Governor; Minimum Price. The gover-
nor 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 provided, upon
recommendation of the state road commission. All sales
shall be at not less than par and accrued interest. 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. Proceeds Paid Into State Road Fund. The pro-
cceeds of all sales of bonds herein authorized shall be
paid into the state road fund created by section one, article
three, chapter forty, acts of the Legislature, first extraor-
ordinary session, one thousand nine hundred thirty-three.

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

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

Sec. 12. *Interim Certificates.* The governor may au-
thorize the issuance of interim 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. *Payment of Expenses.* All necessary ex-
penses incurred in the execution of this act shall be paid
out of the state road fund 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 Senate

Takes effect from passage

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

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

Governor

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

Wm. S. O'BRIEN,
Secretary of State