

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1943

## ENROLLED

SENATE BILL No. 78

(By Mr. Peltier)

PASSED March 12 1943

In Effect Ninety days from Passage

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Senate Bill No. 78

(By MR. PELTER)

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AN ACT authorizing the issuance and sale of not exceeding five million dollars of road bonds of the state of West Virginia to raise money for road construction and maintenance 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 Bonds of the state of West Virginia of the par value of  
3 five million dollars are hereby authorized to be issued and  
4 sold for the purpose of raising funds for assisting in build-  
5 ing, constructing and maintaining the system of state  
6 roads and highways provided for by the constitution. Said  
7 bonds may be issued by the governor in such amounts, in  
8 coupon or registered form, in such denominations, at such  
9 times and bearing such date or dates as the governor may  
10 determine, 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, That*  
13 *no bonds may be issued under the provisions of this act*  
14 *until bonds authorized and issued under the provisions of*  
15 *the "good roads amendment" to the constitution of the*  
16 *state, ratified at the general election held in November,*  
17 *one thousand nine hundred twenty, have been retired and*  
18 *cancelled out of the state road sinking fund created by*  
19 *section six, chapter one hundred thirteen, acts of the*  
20 *Legislature of West Virginia, one thousand nine hun-*

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

23 Of the bonds authorized by this section, three million  
24 dollars may be issued and sold for the purpose of raising  
25 funds for building and constructing the system of state  
26 roads and highways provided for by the constitution,  
27 and the issuance and sale of the remainder shall be  
28 limited to maintenance, subject to the limitations upon  
29 such issuance and sale hereinafter imposed: *Provided,*  
30 *however,* That no bonds authorized by this section for the  
31 purpose of maintaining the system of state roads and high-  
32 ways provided for by the constitution shall be issued  
33 for said purposes of maintenance until it shall have  
34 been ascertained by the board of public works, by order  
35 entered of record, that the total revenues of the state  
36 road commission of West Virginia from all sources have  
37 declined to the point that such revenues will not produce  
38 the sum of fourteen million dollars in the fiscal year in  
39 which such order is entered and during which the pro-  
40 ceeds of said bonds are to be used for said maintenance  
41 purposes.

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 cent 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

22 at the bank designated by the governor, upon presenta-  
23 tion and surrender of interest coupons then due, in the  
24 case of coupon bonds. In the case of registered bonds the  
25 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 regis-  
28 tered owner at his address as shown by the record of  
29 registration. Both the principal and interest of said  
30 bonds shall be payable in lawful money of the United  
31 States of America and said bonds shall be exempt from  
32 taxation by the state of West Virginia, or by any county,  
33 district, or municipality thereof, which fact shall appear  
34 on the face of the bonds as part of the contract with the  
35 holder 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, un-  
4 der 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 COUPON ROAD BOND

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

9 OF THE

10 STATE OF WEST VIRGINIA

11 \$.\_\_\_\_\_ No.\_\_\_\_\_

12 The state of West Virginia, under and by virtue of  
13 authority of an act of the Legislature passed at the regu-  
14 lar session of one thousand nine hundred forty-three, on  
15 the \_\_\_\_\_ day of \_\_\_\_\_, one thousand nine hun-  
16 dred forty-three, and approved by the governor on the  
17 \_\_\_\_\_ day of \_\_\_\_\_, one thousand nine hundred  
18 forty-three, which is hereby made a part hereof as fully  
19 as if set forth at length herein, acknowledges itself to  
20 be indebted to, and hereby promises to pay to the bearer  
21 hereof (in the case of a coupon bond) or to \_\_\_\_\_  
22 or assigns (the owner of record, in case of registered  
23 bonds) \_\_\_\_\_ years after the date of this bond, to-  
24 wit: On the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, in lawful  
25 money of the United States of America at the office of  
26 the treasurer of the State of West Virginia, at the capi-  
27 tol of said state, 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, one the first day of \_\_\_\_\_  
33 and the first day of \_\_\_\_\_ of each year, (and in the  
34 case of coupon bonds) according to the tenor of the an-  
35 nexed coupons, bearing the engraved facsimile signature  
36 of the treasurer of the state of West Virginia, upon sur-  
37 render of such coupons. This bond (in the case of a cou-  
38 pon bond) may be exchanged for a registered bond of  
39 like tenor upon application to the treasurer of the state  
40 of West Virginia.

41 To secure the payment of this bond, principal sum and  
42 interest, when other funds and revenues sufficient are not  
43 available for that purpose, it is agreed that, within the  
44 limits prescribed by the constitution, the board of pub-  
45 lic works of the state of West Virginia shall annually  
46 cause to be levied and collected an annual state tax on all  
47 property in the state, until said bond is fully paid, suf-  
48 ficient 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 ac-  
57 cording 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  
8 treasurer of the state, or at the option of the holder  
9 at \_\_\_\_\_ bank in the City of New York,  
10 the sum of \_\_\_\_\_ dollars, the same being semi-  
11 annual interest on Road Bond No. \_\_\_\_\_, series  
12 of 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  
17 shall be numbered in the order of their maturity, from  
18 number one consecutively. Said bonds and coupons may  
19 be signed by the present treasurer and auditor, or by any  
20 of their respective successors in office, and bonds signed  
21 by the persons now in office may be sold by the governor  
22 or his successor in office without being signed by the suc-  
23 cessor 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 Pay*  
2 *Bonds and Interest; Investment of Remainder.* Into the  
3 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 in-  
8 terest on said bonds or paying off and retiring same,  
9 from fines, forfeitures and penalties, if any made appli-  
10 cable by law for the payment of said bonds or the in-  
11 terest thereon, from transfer fees as herein provided, and  
12 from any source whatsoever, which is made liable by law  
13 for the payment of the principal of said bonds or the  
14 interest thereon.

15 All such funds shall be kept by the treasurer in a  
16 separate account, under the designation aforesaid, and all

17 money belonging to said fund shall be deposited in the  
18 state treasury to the credit thereof.

19 Said fund shall be applied by the treasurer of the state,  
20 first to the payment of the semi-annual interest on said  
21 bonds as it shall become due as herein provided. The  
22 remainder of said fund shall be turned over by the state  
23 treasurer to the state sinking fund commission, whose  
24 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 subdivision thereof: *Pro-*  
27 *vided, 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  
30 to 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  
33 of 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 in-  
36 vested until needed, as herein provided.

Sec. 7. *Tax Levy to Pay, Unless Other Funds Avail-*  
2 *able.* In order to provide the revenue necessary for the  
3 payment of the principal and interest of said bonds, as  
4 hereinbefore provided, the board of public works, within  
5 the limits prescribed by the constitution, is authorized,  
6 empowered 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: *Pro-*  
15 *vided, 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 revenue  
18 be hereafter provided by law for the purpose, the board  
19 of public works is authorized, empowered and directed  
20 to set apart, in any year there be such funds, or other  
21 sources of revenue provided for such purpose, a sum suf-

22 ficient to pay the interest on bonds accruing during the  
23 current year, and to pay off, and retire the principal of  
24 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 gov-  
2 ernor 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 date  
8 shall be cancelled by the treasurer and rendered in-  
9 effective, 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 paid  
3 into the state road fund created by section one, article  
4 three, chapter forty, acts of the Legislature, first ex-  
5 traordinary session, one thousand nine hundred thirty-  
6 three.

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

Sec. 11. *Auditor to Be Custodian of Unsold Bonds.* The  
2 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  
4 of engraved bonds. When said interim certificates are  
5 so issued, they shall become full and legal obligations  
6 of the state of West Virginia under all of the provisions  
7 of this act just as fully and completely as the engraved  
8 and permanent bonds.

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

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

Roy H. J. J. J.  
Chairman Senate Committee

Fred S. Rotroff  
Chairman House Committee

Originated in the Senate

Takes effect Ninety days from passage

Fred B. Watkins  
Clerk of the Senate

Robb  
Clerk of the House of Delegates

James Paul  
President of the Senate

John E. Cress  
Speaker House of Delegates

The within approved this the 19th  
day of March, 1943.

Matthew M. Neely  
Governor.

Filed in the office of the Secretary of State  
of West Virginia MAR 19 1943

Wm. S. O'BRIEN,  
Secretary of State