

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1945



ENROLLED

Committee Sub. for
HOUSE BILL No. 119

(By Mr. Amos Sprecher)



PASSED March 3, 1945

In Effect From Passage

119
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COMMITTEE SUBSTITUTE FOR

House Bill No. 119

[Passed March 3, 1945; in effect from passage.]

AN ACT authorizing the issuance and sale of not exceeding fifteen 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 such 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 fifteen million dollars are hereby authorized to be issued

4 and sold for the purpose of raising funds for assisting in
5 building, constructing and maintaining the system of
6 state roads and highways provided for by the constitution.
7 Such bonds may be issued by the governor in such
8 amounts, in coupon or registered form, in such denomina-
9 tions, at such times and bearing such date or dates as the
10 governor may determine, and shall become due and pay-
11 able serially in equal amounts beginning one year and
12 ending twenty-five years from the date thereof: *Provided,*
13 *however,* That no bonds may be issued under the pro-
14 visions of this act until bonds authorized and issued un-
15 der the provisions of the "good roads amendment" to
16 the constitution of the state, ratified at the general elec-
17 tion held in November, one thousand nine hundred twenty,
18 have been retired and cancelled out of the state road
19 sinking fund created by section six, chapter one hundred
20 thirteen, acts of the Legislature of West Virginia, one
21 thousand nine hundred twenty-one, in an amount equal
22 to or greater than the amount to be issued hereunder at
23 any one time.

Sec. 2. *Transfer, Fee; Registration, Fee; Where Payable;*

2 *Interest Rate; Tax Exemptions.*—The auditor and the
3 treasurer are hereby authorized to arrange for the trans-
4 fer of registered bonds, and for each such transfer a fee
5 of fifty cents shall be charged by and paid to the state of
6 West Virginia, to the credit of the state road sinking
7 fund. Bonds taken in exchange shall be cancelled by
8 the auditor and treasurer and be carefully preserved by
9 the treasurer. The treasurer shall make provisions for
10 registering “payable to bearer” bonds and for each bond
11 registered a fee of fifty cents shall likewise be charged
12 by and paid to the state of West Virginia, to the credit
13 of the state road sinking fund. All of such bonds shall
14 be payable at the office of the treasurer of the state
15 of West Virginia, or, at the option of the holder, at some
16 bank in the city of New York to be designated by the
17 governor. The bonds shall bear interest at a rate not
18 exceeding four and one-half per cent per annum, payable
19 semi-annually, on the first day of _____ and the
20 first day of _____, of each year, to bearer, at the
21 office of the treasurer of the state of West Virginia, at the

22 capitol of the state, or at the bank designated by the gov-
23 ernor, upon presentation and surrender of interest cou-
24 pons then due, in the case of coupon bonds. In the case
25 of registered bonds the treasurer of the state of West
26 Virginia shall issue his check for the interest then due on
27 the first day of and of each
28 year, and mail it to the registered owner at his address
29 as shown by the record of registration. Both the princi-
30 pal and interest of the bonds shall be payable in lawful
31 money of the United States of America and the bonds shall
32 be exempt from taxation by the state of West Virginia, or
33 by any county, district, or municipality thereof, which
34 facts shall appear on the face of the bonds as part of the
35 contract with the holder thereof.

Sec. 3. *Form of Bond.*—The bonds and coupons shall be
2 engraved and the bonds shall be signed on behalf of the
3 state of West Virginia, by the treasurer thereof, under
4 the great seal of the state, and countersigned by the audi-
5 tor of the state, and shall be in the following form or to
6 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-five, on
15 the day of, one thousand
16 nine hundred forty-five, and approved by the governor
17 on the day of, one thou-
18 sand nine hundred forty-five, which is hereby made a
19 part hereof as fully as if set forth at length herein, ac-
20 knowledges itself to be indebted to, and hereby promises
21 to pay to the bearer hereof (in the case of a coupon bond)
22 or to or assigns (the owner of record,
23 in case of registered bonds) years after the
24 date of this bond, to-wit: On the day of
25, 19....., in lawful money of the United
26 States of America at the office of the treasurer of the
27 State of West Virginia, at the capitol of said state, or at

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

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

49 cient to pay the annual interest on this bond and the prin-
50 cipal sum thereof within the time this bond becomes due
51 and payable.

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

55 In testimony whereof, witness the signature of the
56 treasurer of the State of West Virginia, and the counter-
57 signature of the auditor of the state, hereto affixed ac-
58 cording to law, dated the.....day of.....,
59 one thousand nine hundred....., and the seal
60 of the state of West Virginia.

61 (Seal)

62

.....
63 Treasurer of the State of West Virginia

64 Countersigned:

65

.....
66 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 of
6 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 such coupon shall be by
16 his engraved facsimile signature and the coupon shall be
17 numbered in the order of their maturity, from number one
18 consecutively. The bonds and coupons may be signed by
19 the present treasurer and auditor, or by any of their re-
20 spective successors in office, and bonds signed by the per-
21 sons now in office may be sold by the governor or his
22 successors in office without being signed by the successor
23 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 purpose,
4 in each case giving the date, number, character and
5 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 re-
4 ceived from the annual state tax levy on the taxable prop-
5 erty in the state levied under the provisions of this act,
6 from any and all appropriations made by the state from
7 other sources for the purposes of paying the interest on
8 such bonds or paying off and retiring the bonds, from fines,
9 forfeitures and penalties, if any, made applicable by law
10 for the payment of such 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 such bonds or the interest
14 thereon.

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

19 Such 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 the 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 govern-
25 ment of the United States, bonds of the state of West Vir-
26 ginia, or any political subdivision thereof: *Provided, how-*
27 *ever,* That bonds so purchased by the state sinking fund
28 commission shall mature so as to provide sufficient money
29 to pay off all bonds herein provided to be issued as they
30 may become due; and the money so paid into the state
31 road sinking fund under the provisions of this act shall
32 be expended for the purpose of paying the interest and
33 principal of the bonds hereby provided for as they sever-
34 ally become due and payable, and for no other purpose

35 except that the fund may be invested until needed, as
36 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 such bonds, as here-
4 inbefore 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 real
7 and personal property subject to taxation within this
8 state, sufficient to pay interest on the bonds accruing
9 during the current year and one twenty-fifth of the total
10 issue (at par value) of such bonds, for such number of
11 years, not exceeding twenty-five, as may be necessary to
12 pay interest thereon and to pay off the principal sum of
13 the bonds; and such 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 treasury,
16 or in the state road funds, in any fiscal year, not other-
17 wise appropriated, or if other sources of revenue be
18 hereafter provided by law for the purpose, the board of
19 public works is authorized, empowered and directed to

20 set apart, in any year there be such funds, or other
21 sources of revenue provided for such purpose, a sum suffi-
22 cient to pay the interest on bonds accruing during the cur-
23 rent year, and to pay off, and retire the principal of such
24 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 the bonds herein mentioned at such time or
3 times as he may determine necessary to provide funds for
4 road construction and maintenance purposes, as herein
5 provided, upon recommendation of the state road commis-
6 sion. All sales shall be at not less than par and accrued
7 interest. All interest coupons becoming payable prior to
8 the sale date shall be cancelled by the treasurer and ren-
9 dered ineffective before the delivery of the bonds so
10 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 seventeen, of the code, one thousand nine
5 hundred thirty-one, as last amended.

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 such bonds to be held by them in lieu of
4 engraved bonds. When interim certificates are so issued,
5 they shall become full and legal obligations of the State
6 of West Virginia under all of the provisions of this act
7 just as fully and completely as the engraved and perma-
8 nent 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 state
4 drawn on the state treasurer.

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

Charles C. Morris
Chairman Senate Committee

John G. Slaughter
Chairman House Committee

Originated in the House

Takes effect From passage.

Howard Hughes
Clerk of the Senate

John H. Clipp
Clerk of the House of Delegates

Donald M. Tucker
President of the Senate

John E. Amos
Speaker House of Delegates

The within approved this the 8th
day of March, 1945.

Robert Meadows
Governor.



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

MAR 8 1945

Wm. S. O'BRIEN,
Secretary of State