

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1947



ENROLLED

HOUSE BILL No. 253

(By Mr. Speaker, Mr. Amos)



PASSED March 8, 1947

In Effect from Passage



253

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House Bill No. 253
(BY MR. SPEAKER, MR. AMOS)

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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 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 That bonds of the state of West Virginia of the par

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

Sec. 2. *Transfer, Fee; Registration, Fee; Where Pay-
2 able; Interest Rate; Tax Exempt.*—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 the
8 auditor and treasurer and be carefully preserved by the
9 treasurer. The treasurer shall make provisions for reg-
10 istering “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 of
15 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 first
20 day of _____, of each year, to bear, at the office of
21 the treasurer of the state of West Virginia, at the

22 capitol of the state, or at the bank designated by the
23 governor, upon presentation and surrender of interest
24 coupons then due, in the case of coupon bonds. In the
25 case of registered bonds the treasurer of the state of
26 West Virginia shall issue his check for the interest then
27 due on 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
32 shall be exempt from taxation by the state of West
33 Virginia, or by any county, district, or municipality
34 thereof, which facts shall appear on the face of the bonds
35 as part of the contract with the holder thereof.

Sec. 3. *Form of Bond.*—The bonds and coupons shall
2 be engraved and the bonds shall be signed on behalf
3 of the state of West Virginia, by the treasurer thereof,
4 under the great seal of the state, and countersigned by
5 the auditor of the state, and shall be in the following
6 form or to the following effect, as nearly as may be,
7 namely:

8 COUPON ROAD BOND

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

10 OF THE

11 STATE OF WEST VIRGINIA

12 \$_____ No._____

13 The state of West Virginia, under and by virtue of
14 authority of an act of the Legislature passed at the
15 regular session of one thousand nine hundred forty-
16 seven, on the _____ day of
17 _____, one thousand
18 nine hundred forty-seven, and approved by the gover-
19 nor on the _____ day of
20 _____, one thousand nine
21 hundred forty-seven, which is hereby made a part hereof
22 as fully as if set forth at length herein, acknowledges
23 itself to be indebted to, and hereby promises to pay to
24 the bearer hereof (in the case of a coupon bond) or
25 to _____ or assigns (the owner of record, in
26 case of registered bonds) _____ years after the
27 date of this bond, to-wit: On the _____ day of
28 _____, 19____, in lawful money of the United

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

45 To secure the payment of this bond, principal sum
46 and interest, when other funds and revenues sufficient
47 are not available for that purpose, it is agreed that,
48 within the limits prescribed by the constitution, the
49 board of public works of the state of West Virginia

50 shall annually cause to be levied and collected an annual
51 state tax on all property in the state, until this bond is
52 fully paid, sufficient to pay the annual interest on this
53 bond and the principal sum thereof within the time this
54 bond becomes due and payable.

55 This bond is hereby made exempt from any taxation
56 by the state of West Virginia, or by any county, district,
57 or municipal corporation thereof.

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

64 (Seal)

65

66 Treasurer of the State of West Virginia

67 Countersigned:

68

69 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
8 treasurer of the state, or at the option of the holder at
9 bank in the city of New York, the
10 sum of dollars, the same being
11 semi-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 such coupon shall
16 be by his engraved facsimile signature and the coupons
17 shall be numbered in the order of their maturity, from
18 number one consecutively. The bonds and coupons may
19 be signed by the present treasurer and auditor, or by
20 any of their respective successors in office, and bonds
21 signed by the persons now in office may be sold by the

22 governor or his successor in office without being signed
23 by the successor in office of the present treasurer or
24 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*
2 *Pay Bonds and Interest; Investment of Remainder.*—
3 Into the state road sinking fund there shall be paid all
4 moneys received from the annual state tax levy on the
5 taxable property in the state levied under the provisions
6 of this act, from any and all appropriations made by the
7 state from other sources for the purpose of paying the
8 interest on such bonds or paying off and retiring the
9 bonds, from fines, forfeitures and penalties, if any, made
10 applicable by law for the payment of such bonds or the
11 interest thereon, from transfer fees as herein provided,

12 and from any source whatsoever, which is made liable
13 by law for the payment of the principal of such bonds
14 or the interest 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 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
20 state, first to the payment of the semi-annual interest
21 on such bonds as it shall become due as herein provided.
22 The remainder of the 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
25 the government of the United States, bonds of the state
26 of West Virginia, or any political subdivision 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
30 to be issued as they may become due; and the
31 money so paid into the state road sinking fund under the
32 provisions 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 the fund may be
36 invested 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 such bonds,
4 as hereinbefore provided, the board of public works,
5 within the limits prescribed by the constitution, is author-
6 ized, empowered and directed to lay annually a tax upon
7 all real and personal property subject to taxation within
8 this state, sufficient to pay interest on the bonds accruing
9 during the current year and one twenty-fifth of the
10 total issue (at par value) of such bonds, for such number
11 of years, not exceeding twenty-five, as may be necessary
12 to pay the interest thereon and to pay off the principal
13 sum of the bonds; and such taxes, when so collected,
14 shall not be liable for or applicable to any other purpose:
15 *Provided, however,* That if there be other funds in
16 the state treasury, or in the state road funds, in any
17 fiscal year, not otherwise appropriated, or if other sources

18 of revenue be hereafter provided by law for the purpose,
19 the board of public works is authorized, empowered and
20 directed to set apart, in any year there be such funds,
21 or other sources of revenue provided for such purpose,
22 a sum sufficient to pay the interest on bonds accruing
23 during the current year, and to pay off, and retire the
24 principal of such 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 the bonds herein mentioned at such time
3 or times as he may determine necessary to provide funds
4 for road construction and maintenance purposes, as
5 herein provided, upon recommendation of the state road
6 commission. All sales shall be at not less than par and
7 accrued interest. All interest coupons becoming payable
8 prior to the sale date shall be cancelled by the treasurer
9 and rendered ineffective, before the delivery of the bonds
10 so sold.

Sec. 9. *Proceeds Paid into State Road Fund.*—The

2 proceeds of all sales of bonds herein authorized shall be
3 paid into the state road fund created by section one,
4 article three, chapter seventeen, of the code, one thousand
5 nine 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
3 shall 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
3 bonds issued pursuant to the provisions of this act.

Sec. 12. *Interim Certificates.*—The governor may
2 authorize the issuance of interim certificates to be issued
3 to the purchasers of such bonds to be held by them in
4 lieu of engraved bonds. When interim certificates are
5 so 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 and
8 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
4 state drawn on the state treasurer.

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

Forest L. McNeer
Chairman Senate Committee

B. L. Matthews
Chairman House Committee

Originated in the House of Delegates

Takes effect from _____ passage.

Lawrence Myers
Clerk of the Senate

J. A. Lipp
Clerk of the House of Delegates

Arnold M. Vickers
President of the Senate

John E. Amos
Speaker House of Delegates

The within approved this the 14
day of March, 1947.

Carver Modawers
Governor.



Filed In the Office of the Secretary of State
of West Virginia **MAR 14 1947**
WM. S. O'BRIEN,
SECRETARY OF STATE