WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1949

ENROLLED

SENATE BILL No. 153

(By Mr. Johnston, Mr. President)

PASSED March 10, 1949

In Effect July 1, 1949

Passage
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Senate Bill No. 153
(By Mr. Johnston, Mr. President)

[Passed March 10, 1949; in effect July 1, 1949.]

AN ACT authorizing the issuance and sale of fifty million dollars of road bonds of the state of West Virginia to raise money for the construction of secondary roads under and by virtue of the “fifty million dollar bond issue for roads amendment” to the constitution adopted at the general election held in November, one thousand nine hundred forty-eight, providing for the disposition, allocation and expenditure of the proceeds of the sale thereof, and providing 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.
Enr. S. B. No. 153]

Be it enacted by the Legislature of West Virginia:

Section 1. Road Bonds; Amount Thereof and Authority to Issue.—Bonds of the state of West Virginia of the par value of fifty million dollars are hereby authorized to be issued and sold for the purpose of raising funds for the building and construction, or for assisting in the building and construction, of a system of state secondary roads and highways provided for by the “fifty million dollar bond issue for roads amendment” to the constitution adopted at the general election held in November, one thousand nine hundred forty-eight. Such bonds may be issued by the governor in such amounts, not to exceed twenty-five million dollars in any one biennium, 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 not more than twenty-five years from the date thereof.

Sec. 2. Transfer, Fee; Registration, Fee; Where Payable; Interest Rate; Tax Exempt.—The auditor and the treasurer are hereby authorized to arrange for the trans-
fer 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 shall be cancelled by the audi-
tor and treasurer and be carefully preserved by the treas-
urer. 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 bank in the city of New
York to be designated by the governor. The 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 the state, or at the bank desig-
nated by the governor, upon presentation 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 the first day of
..........., of each year, and mail it to the registered owner
at his address as shown by the record of registration.
Both the principal and interest of the bonds shall be pay-
able in lawful money of the United States of America
and the bonds shall be exempt from taxation by the state
of West Virginia, or by any county, district, or munici-
pality thereof, which facts shall appear on the face of the
bonds as part of the contract with the holder thereof.

Sec. 3. Form of Bond.—The 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
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

$.............. SERIES C No. .........
The state of West Virginia, under and by virtue of authority of an act of the Legislature passed at the regular session of one thousand nine hundred forty-nine, on the __________ day of ________________________, one thousand nine hundred forty-nine, and approved by the governor on the __________ day of ________________________, one thousand nine hundred forty-nine, 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) on the __________ day of ________________________, 19____, in lawful money of the United States of America at the office of the treasurer of the state of West Virginia at the capitol thereof, or at the option of the holder at ________________________ bank in the city of New York, the sum of ________________________ dollars, with interest thereon at _______ per centum per annum from date, payable semi-annually in like lawful money of the United States of America at the treasurer's office
or bank aforesaid, on the first day of ___________ and
the first day of ___________ of each year, (and in
the case of coupon bonds) according to the tenor of the
annexed coupons, bearing the engraved facsimile signa-
ture of the treasurer of the state of West Virginia, upon
surrender of such coupons. This bond (in the case of a
coupon bond) may be exchanged for a registered bond
of like tenor upon application to the treasurer of the state
of West Virginia.

To secure the payment of this bond, principal sum and
interest, when other funds and revenues sufficient are
not available for that purpose, it is agreed that, within
the limits prescribed by the constitution, the board of
public works of the state of West Virginia shall annually
cause to be levied and collected an annual state tax on
all property in the state, until this bond is fully paid,
sufficient to pay the annual interest on this 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 the 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 ofCoupon.—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 C.

Treasurer of the State of West Virginia

The signature of the treasurer to such coupon shall be
by his engraved facsimile signature and the coupons shall
be numbered in the order of their maturity, from number
one consecutively. The 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
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 purpose of paying the interest on such bonds or paying off and retiring the bonds, from fines, forfeitures and penalties, if any, made applicable by law for the payment of such 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 such 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 the fund shall be deposited in the state treasury to the credit thereof.
Such fund shall be applied by the treasurer of the state, first to the payment of the semi-annual interest on such bonds as it shall become due as herein provided. The remainder of the 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 subdivision 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 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 the 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 payment of the principal and interest of such bonds, as
hereinbefore provided, the board of public works, within
the limits prescribed by the constitution, is authorized,
empowered and directed to lay annually a tax upon
all real and personal property subject to taxation
within this state, sufficient to pay interest on the bonds
accruing during the current year and one twenty-fifth
of the total issue (at par value) of such 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 the bonds; and such taxes, when so col-
lected, 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 revenue 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 such 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 governor shall sell the bonds herein mentioned at such time or times as he may determine necessary to provide funds for road construction 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 the 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; Allocation Among Counties; Expenditure.*—The proceeds of all sales of bonds herein authorized shall be paid into the state road fund, shall be distributed among the various counties in conformity with the method of allocation hereinafter provided, and shall be expended solely for the construction of secondary roads.

The state road commissioner shall allocate to the various counties the entire fifty million dollars to be raised by
sale of the bonds herein authorized, as follows: There shall first be allocated to each county the sum of two hundred thousand dollars. Eighty per cent of the remainder shall then be allocated to the various counties on the basis of the ratio of the unimproved mileage of secondary roads in each county to the total unimproved mileage of secondary roads in the state: Provided, however, That no county shall receive under the initial allocations a sum in excess of one million one hundred thousand dollars. The amount still remaining shall from time to time be allocated by the commissioner to such of the counties and in such amounts as may in his opinion best serve the interests of the whole state by equalizing inequities resulting from the initial allocations and from varying costs of road construction under different topographical conditions.

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.—
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 au-
2 thorize 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
7 of 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
4 of the state drawn on the state treasury.
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 July 1, 1949 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, 1949.

Governor.

Not in the Office of the Secretary of State
of West Virginia

D. Pitt O'Brien,
SECRETARY OF STATE

MAR 16, 1949