

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1949

ENROLLED

SENATE BILL No. 185

(By Mr. Sebastian Mr. President)

PASSED February 28, 1949

In Effect July 1, 1949 Passage



185

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Senate Bill No. 185

(By MR. JOHNSTON, MR. PRESIDENT)

[Passed February 28, 1949; in effect July 1, 1949.]

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 value
3 of ten 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 roads and highways provided for by the constitution. Such
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-five
12 years from the date thereof: *Provided, however,* That no
13 bonds may be issued under the provisions of this act until
14 bonds authorized and issued under the provisions of the
15 "good roads amendment" to the constitution of the state,
16 ratified at the general election held in November, one thou-
17 sand nine hundred twenty, have been retired and can-
18 celled out of the state road sinking fund created by sec-
19 tion six, chapter one hundred thirteen, acts of the Legis-
20 lature of West Virginia, one thousand nine hundred twen-
21 ty-one, in an amount equal to or greater than the amount
22 to be issued hereunder at any one time.

Sec. 2. *Transfer, Fee; Registration, Fee; Where Pay-
able; 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 auditor
and treasurer and be carefully preserved by the treasurer.
The treasurer shall make provisions for registering “pay-
able 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 sink-
ing 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

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

15

the day of, one thousand

16

nine hundred forty-nine, and approved by the governor

17

on the day of, one thou-

18

sand nine hundred forty-nine, 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, in

23

case of registered bonds) on the day of,

24

19...., in lawful money of the United States of America

25

at the office of the treasurer of the state of West Virginia

26

at the capitol of said state, or at the option of the holder

27

at bank in the city of New York, the sum of

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

39 To secure the payment of this bond, principal sum and
40 interest, when other funds and revenues sufficient are not
41 available for that purpose, it is agreed that, within the
42 limits prescribed by the constitution, the board of public
43 works of the state of West Virginia shall annually cause
44 to be levied and collected an annual state tax on all prop-
45 erty in the state, until this bond is fully paid, sufficient
46 to pay the annual interest on this bond and the principal
47 sum thereof within the time this bond becomes due and
48 payable.

49 This bond is hereby made exempt from any taxation
 50 by the state of West Virginia, or by any county, district,
 51 or municipal corporation thereof.

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

58 (Seal)

59 _____

60 Treasurer of the State of West Virginia

61 Countersigned:

62 _____

63 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 of

7 the United States of America, at the office of the treasurer
8 of the state, or at the option of the holder at.....
9bank in the city of New York, the sum of
10dollars, the same being semi-annual
11 interest on Road Bond No.

12

13 Treasurer of the State of West Virginia

14 The signature of the treasurer to such coupon shall be
15 by his engraved facsimile signature and the coupon shall
16 be numbered in the order of their maturity, from number
17 one consecutively. The bonds and coupons may be signed
18 by the present treasurer and auditor, or by any of their
19 respective successors in office, and bonds signed by the
20 persons now in office may be sold by the governor or his
21 successor in office without being signed by the successor
22 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

*g H M
By F.R.*

6 bonds, the name and post office address of the person, firm
7 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 purpose of paying the interest
8 on such bonds or paying off and retiring the bonds, from
9 fines, forfeitures and penalties, if any, made applicable
10 by law for the payment of such bonds or the interest
11 thereon, from transfer fees as herein provided, and from
12 any source whatsoever, which is made liable by law for
13 the 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 such
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
26 Virginia, or any political subdivision thereof: *Provided*.
27 *however*, That bonds so purchased by the state sinking
28 fund commission shall mature so as to provide sufficient
29 money to pay off all bonds herein provided to be issued
30 as they may become due; and the money so paid into
31 the state road sinking fund under the provisions of this
32 act shall be expended for the purpose of paying the inter-
33 est and principal of the bonds hereby provided for as
34 they severally become due and payable and for no other
35 purpose except that the fund may be invested until
36 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, 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 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
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 the
16 state treasury, or in the state road funds, in any fiscal
17 year, not otherwise appropriated, or if other sources of
18 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 in
27 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 com-
6 mission. 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 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
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 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
4 of engraved bonds. When interim certificates are so is-
5 sued, they shall become full and legal obligations of the
6 state of West Virginia under all of the provisions of this
7 act just as fully and completely as the engraved and per-
8 manent 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.

Jones L. Mcner

Chairman Senate Committee

H. G. Matthews

Chairman House Committee

Originated in the Senate.

Takes effect

July 1, 1949

passage.

Howard Keyes

Clerk of the Senate

J. A. Smith
Clerk of the House of Delegates

Frank B. Rowland

President of the Senate

W. E. Harrison

Speaker House of Delegates

The within

approved

this the

4th

day of

March

, 1949.

Okuy L. Patterson
Governor.



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

MAR 8 1949

D. PITT O'BRIEN,

SECRETARY OF STAFF