WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1951

ENROLLED

HOUSE BILL No. 219

(By Mr. M. E. Elmore)

PASSED February 28, 1951

In Effect from Passage
AN ACT to amend and reenact section two, article one, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to depository banks for state funds and depository bonds.

Be it enacted by the Legislature of West Virginia:

That section two, article one, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Section 2. Bonds to Be Given by Depositories; Surety Accepted Thereon.—Before allowing any money to be deposited with any depository the board of public works shall require such depository to give bond with good security to be approved by said board, in the penalty of not less than ten thousand dollars, payable to the state
of West Virginia, conditioned for the prompt payment,
whenever lawfully required, of any state money, or part
thereof, that may be deposited with such depository, or
of any accrued interest on deposits, which bond shall
expire on the thirtieth day of April next ensuing.
The board of public works may accept as surety on,
or for the faithful performance of the conditions of such
bonds, the following:
(a) A surety, fidelity or indemnity company author-
ized to do business in this state and having a combined
capital and surplus of not less than one million dollars,
and all bonds so secured are here designated as surety
bonds;
(b) Persons or corporations which are duly author-
ized to become surety for another, who are owners of
property situate in this state of an aggregate assessed
valuation as shown on the current assessment books
equal to the penalty of the bond plus all liens or charges
against such property, and all bonds so secured are here
designated as personal bonds. Any person or any officer
of any corporation becoming or offering to become surety
on a personal bond may be required by the board of
public works or the state treasurer to furnish to said
board under oath in writing such data and documentary
evidence as to the financial status of such surety as such
board may request. Any person who shall knowingly
make a false statement in the matter of supplying the in-
formation so requested as aforesaid shall be guilty of
a misdemeanor, and upon conviction thereof shall be
fined not less than twenty-five dollars nor more than five
hundred dollars, and may, at the discretion of the court,
be confined in the county jail for not exceeding one year;
(c) Collateral security consisting of bonds of the
United States, and its possessions, of the federal land
banks, of the home owners' loan corporation, of the state
of West Virginia or of any county, district or municipality
of this state or other bonds or securities approved by the
said board of public works. All bonds so secured are
here designated as collaterally secured bonds. With-
drawal or substitution of any collateral pledged as secur-
ity for the performance of the conditions of such bond
may be permitted with the approval in writing of the
treasurer of the state of West Virginia and three other
members of the board of public works who shall report
such withdrawal or substitution at the next meeting of
the board. All depository bonds shall be recorded by the
secretary of state in a book kept in his office for the pur-
pose, and a copy of such record, certified by him, shall
be prima facie evidence of the execution and contents
of such bond in any suit or legal proceeding. All collateral
securities shall be delivered to or deposited for the ac-
count of the treasurer of the state of West Virginia, and
in the event actual possession of said securities shall be
delivered to the treasurer, then he shall receipt therefor
to the owner thereof. The said treasurer and his bondsmen
shall be liable to any person for any loss by reason of the
embezzlement or misapplication of said securities by said
treasurer or any of his official employees, and for the loss
thereof due to his negligence or the negligence of any
of his official employees; and such securities shall be
delivered to the owner thereof when liability under the
bond which they are pledged to secure has terminated.

The treasurer may permit the deposit under proper re-
ceipt of such securities with one or more banking insti-
tutions within or without the state of West Virginia and
may contract with any such institution for safe keeping
and exchange of any such collateral securities, and may
prescribe the rules and regulations for handling and
protecting the same, subject to the approval of the board
of public works.
Enr. H. B. No. 219]

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

[Signature]
Chairman Senate Committee

James W. Corp
Chairman House Committee

Originated in the House of Delegates

Takes effect upon passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker House of Delegates

The within is approved this the 10th day of March, 1951.

[Signature]
Governor

[Stamp]
of West Virginia
D. Pitt O'Brien, Secretary of State
MAR 1 1951, MAR 10 1951