

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1951

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## ENROLLED

SENATE BILL NO. 263

(By Mr. Justin M. President)

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PASSED March 5 1951

In Effect from Passage



263

## ENROLLED

# Senate Bill No. 263

(By Mr. Johnston, Mr. President)

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[Passed March 5, 1951; in effect from passage.]

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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 Bonds of the state of West Virginia of the par value of

3 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.  
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 paya-  
11 ble 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 provi-  
14 sions of this act until bonds authorized and issued under  
15 the provisions of the "Good Roads Amendment" to the  
16 constitution of the state, ratified at the general election  
17 held in November, one thousand nine hundred twenty,  
18 have been retired and canceled 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; Interest Rate; Tax Exempt.*—The auditor and the treasurer are hereby authorized to arrange for the transfer 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 canceled by the auditor and treasurer and be carefully preserved by the treasurer. 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

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

Sec. 3. *Form of Bond.*—The bonds and coupons shall  
2 be engraved and the bonds shall be signed on behalf of  
3 the 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  
14 regular session of one thousand nine hundred fifty-one,  
15 on the ..... day of ....., one thousand nine hun-  
16 dred fifty-one, and approved by the governor on the  
17 ..... day of ....., one thousand nine hundred  
18 fifty-one, which is hereby made a part hereof as fully as  
19 if set forth at length herein, acknowledges itself to be  
20 indebted to, and hereby promises to pay to the bearer  
21 hereof (in the case of a coupon bond) or to .....  
22 or assigns (the owner of record, in case of registered  
23 bonds) on the ..... day of ....., 19....., in lawful  
24 money of the United States of America at the office of  
25 the treasurer of the state of West Virginia at the capitol  
26 of said state, or at the option of the holder at .....  
27 bank in the city of New York, the sum of ..... dollars,  
28 with interest thereon at ..... per centum per annum

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

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

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

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

59 (Seal)

60

61 \_\_\_\_\_  
 Treasurer of the State of West Virginia

62 Countersigned:

63

64 \_\_\_\_\_  
 Auditor of the State of West Virginia

Sec. 4. *Form of Coupon.*—The form of coupon shall  
 2 be 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 \_\_\_\_\_  
9 \_\_\_\_\_ bank in the city of New York, the sum  
10 of \_\_\_\_\_ dollars, 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 coupons 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

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*  
2 *Pay Bonds and Interest; Investment of Remainder.*—Into  
3 the 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  
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 state

20 first to the payment of the semi-annual interest on such  
21 bonds as it shall become due as herein provided. The re-  
22 mainder 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 gov-  
25 ernment 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 as  
30 they 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 sev-  
34 erally 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 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 to  
12 pay the interest thereon and to pay off the principal sum  
13 of 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  
16 treasury, or in the state road funds, in any fiscal year, not  
17 otherwise appropriated, or if other sources of revenue  
18 be hereafter provided by law for the purpose, the board  
19 of public works is authorized, empowered and directed  
20 to set apart, in any year there be such funds, or other  
21 sources of revenue provided for such purpose, a sum  
22 sufficient to pay the interest on bonds accruing during the  
23 current year, and to pay off, and retire the principal of  
24 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 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 canceled 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 of West Virginia, one  
5 thousand 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 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  
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 to  
3 the purchasers of such bonds to be held by them in lieu  
4 of engraved bonds. When interim certificates are so  
5 issued, 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 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 of  
4 the state drawn on the state treasurer.

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

*Robert C. Byrd*  
Chairman Senate Committee

*James M. Loop*  
Chairman House Committee

Originated in the Senate.

Takes effect *from* \_\_\_\_\_ passage.

*Howard H. Hays*  
Clerk of the Senate

*W. B. Gliff*  
Clerk of the House of Delegates

*Longfellow Houston*  
President of the Senate

*W. E. Flannery*  
Speaker House of Delegates

The within *approved* this the *10th*  
day of *MARCH*, 1951.

*Clay L. Patterson*  
Governor.



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

**MAR 10 1951**

**D. PITT O'BRIEN,**  
SECRETARY OF STATE