

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1959

## ENROLLED

HOUSE BILL No. 311

(By Mr. SPEAKER, MR. PAULEY, AND) MR. WATSON

PASSED Feb 24 1959

In Effect from Passage



Filed in Office of the Secretary of State  
of West Virginia

**MAR 5 1959**  
**JOE F. BURDETT**  
**SECRETARY OF STATE**

**ENROLLED**

**House Bill No. 311**

(By MR. SPEAKER, MR. PAULEY, and MR. WATSON)

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[Passed February 24, 1959; in effect from passage.]

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AN ACT authorizing the issuance and sale of not exceeding five 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 revenues 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 five 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  
11 in equal amounts beginning one year and ending twenty-  
12 five years from the date thereof: *Provided, however, That*  
13 no bonds may be issued under the provisions of this act  
14 until bonds authorized and issued under the provisions  
15 of the "Good Roads Amendment" to the constitution of  
16 the state, ratified at the general election held in November,  
17 one thousand nine hundred twenty, have been retired and  
18 canceled out of the state road sinking fund created by  
19 section six, chapter one hundred thirteen, acts of the Leg-  
20 isature of West Virginia, one thousand nine hundred  
21 twenty-one, in an amount equal to or greater than the  
22 amount to be issued hereunder at any one time.

*Sec. 2. Transfer Fee; Registration Fee; Where Payable;*

2 *Interest Rate; Tax Exempt.*—The auditor and the treas-  
3 urer are hereby authorized to arrange for the transfer of  
4 registered bonds, and for each such transfer a fee of fifty  
5 cents shall be charged by and paid to the state of West  
6 Virginia, to the credit of the state road sinking fund.  
7 Bonds taken in exchange shall be canceled by the auditor  
8 and treasurer and be carefully preserved by the treasurer.  
9 The treasurer shall make provisions for registering “pay-  
10 able to bearer” bonds, and for each bond registered a fee  
11 of fifty cents shall likewise be charged by and paid to  
12 the state of West Virginia, to the credit of the state road  
13 sinking fund. All of such bonds shall be payable at the  
14 office of the treasurer of the state of West Virginia, or, at  
15 the option of the holder, at some bank in the city of New  
16 York to be designated by the governor. The bonds shall  
17 bear interest at a rate not exceeding four and one-half  
18 per cent per annum, payable semi-annually, on the first  
19 day of \_\_\_\_\_, and the first day of \_\_\_\_\_,  
20 of each year, to bearer, at the office of the treasurer of

21 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  
28 registered owner at the address as shown by the record  
29 of registration. Both the principal and interest of the  
30 bonds shall be payable in lawful money of the United  
31 States of America and the bonds shall be exempt from  
32 taxation by the state of West Virginia, or by any county,  
33 district, or municipality thereof, which facts shall appear  
34 on the face of the bonds as part of the contract with the  
35 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  
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 au-  
13 thority of an act of the Legislature passed at the regular  
14 session of one thousand nine hundred fifty-nine, on the....  
15 day of....., one thousand nine hundred fifty-  
16 nine, and approved by the governor on the.....day of  
17 ....., one thousand nine hundred fifty-nine,  
18 which is hereby made a part hereof as fully as if set forth  
19 at length herein, acknowledges itself to be indebted to  
20 and hereby promises to pay to the bearer hereof (in the  
21 case of a coupon bond) or to.....or  
22 assigns (the owner of record, in case of registered bonds)  
23 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.....

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

40 To secure the payment of this bond, principal sum and  
41 interest, when other funds and revenues sufficient are  
42 not 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 prop-  
46 erty in the state, until this bond is fully paid, sufficient  
47 to pay the annual interest on this bond and the principal

48 sum thereof within the time this bond becomes due and  
49 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 accord-  
56 ing to law, dated the \_\_\_\_\_ day of \_\_\_\_\_, one  
57 thousand nine hundred \_\_\_\_\_, and the seal of  
58 the 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 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 \_\_\_\_\_  
9 bank in the city of New York, the sum of \_\_\_\_\_  
10 dollars, the same being semi-annual interest on Road Bond  
11 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 postoffice 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 re-  
4 ceived from the annual state tax levy on the taxable prop-  
5 erty in the state levied under the provisions of this act,  
6 from any and all appropriations made by the state from  
7 other sources for the purpose of paying the interest on such  
8 bonds or paying off and retiring the bonds, from fines,  
9 forfeitures and penalties, if any, made applicable by law  
10 for the payment of such bonds or the interest thereon,  
11 from transfer fees as herein provided, and from any source  
12 whatsoever, which is made liable by law for the payment  
13 of the principal of such bonds or the interest thereon.

14 All such funds shall be kept by the treasurer in a sepa-  
15 rate account, under the designation aforesaid, and all  
16 money belonging to the fund shall be deposited in the  
17 state treasury to the credit thereof.

18     Such fund shall be applied by the treasurer of the state  
19     first to the payment of the semi-annual interest on such  
20     bonds as it shall become due as herein provided. The re-  
21     mainder of the fund shall be turned over by the state  
22     treasurer to the state sinking fund commission, whose  
23     duty it shall be to invest the same in bonds of the gov-  
24     ernment of the United States, bonds of the state of West  
25     Virginia, or any political subdivision thereof: *Provided,*  
26     *however,* That bonds so purchased by the state sinking  
27     fund commission shall mature so as to provide sufficient  
28     money to pay off all bonds herein provided to be issued  
29     as they become due; and the money so paid into the state  
30     road sinking fund under the provisions of this act shall  
31     be expended for the purpose of paying the interest and  
32     principal of the bonds hereby provided for as they sever-  
33     ally become due and payable and for no other purpose  
34     except that the fund may be invested until needed, as  
35     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 accru-  
9 ing 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 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  
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 herein  
5     provided, upon recommendation of the state road com-  
6     missioner. All sales shall be at not less than par and ac-  
7     rued 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.

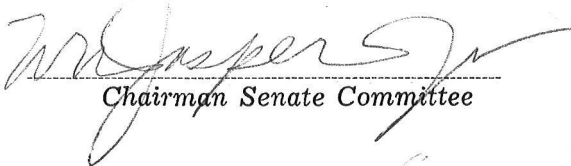
      Sec. 10. *Plates Property of State.*—The plates from  
2     which the bonds authorized by this act are engraved shall  
3     be the property of the state of West Virginia.

Sec. 11. *Auditor to Be Custodian of Unsold Bonds.*—The  
2 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  
4 state drawn on the state treasurer.

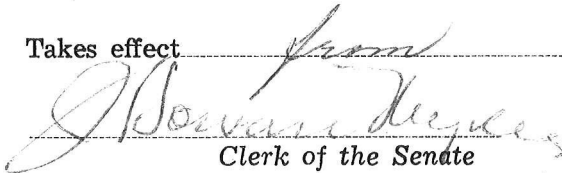
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

  
Chairman Senate Committee

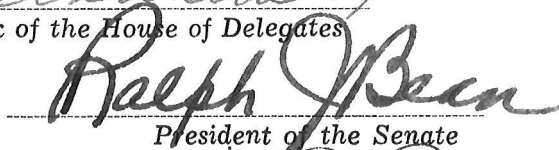
  
Chairman House Committee

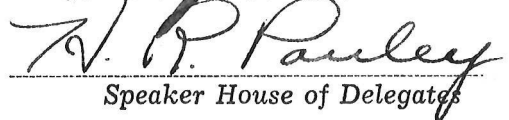
Originated in the House of Delegates.

Takes effect from passage.

  
Clerk of the Senate

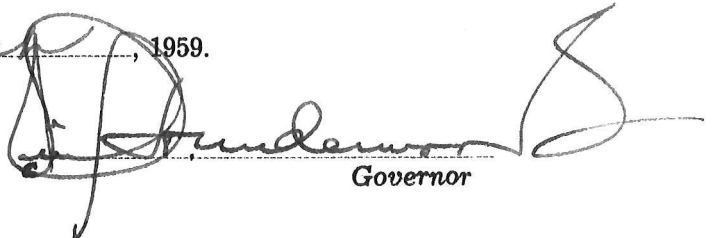
  
Clerk of the House of Delegates

  
President of the Senate

  
Speaker House of Delegates

The within approved this the 5th

day of March, 1959.

  
Governor