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
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
five million dollars are hereby authorized to be issued and sold for the purpose of raising funds for assisting in building, constructing and maintaining the system of roads and highways provided for by the constitution. Such bonds may be issued by the governor in such amounts, 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 twenty-five years from the date thereof: Provided, however, That no bonds may be issued under the provisions of this act until bonds authorized and issued under the provisions of the "Good Roads Amendment" to the constitution of the state, ratified at the general election held in November, one thousand nine hundred twenty, have been retired and canceled out of the state road sinking fund created by section six, chapter one hundred thirteen, acts of the Legislature of West Virginia, one thousand nine hundred twenty-one, in an amount equal to or greater than the amount to be issued hereunder at 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
at the bank designated by the governor, upon presenta-
tion 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 ____________________ of each year, and mail it to the
registered owner at the address as shown by the record
of registration. Both the principal and interest of the
bonds shall be payable 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 municipality 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 audi-
tor 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

$________________________ 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 fifty-nine, on the___

day of____________________, one thousand nine hundred fifty-nine, and approved by the governor on the____day of  
_______________, one thousand nine hundred fifty-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 of said state, or at the option of the holder at____________________

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
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 of Coupon.—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. _____________.

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 bonds, the name and postoffice address of the person, firm or corporation registered as the owner thereof.

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 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 accru-
ing 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 collected,
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 and maintenance purposes, as herein provided, upon recommendation of the state road commissioner. All sales shall be at not less than par and accrued interest. All interest coupons becoming payable prior to the sale date shall be canceled by the treasurer and rendered ineffective, before the delivery of the bonds so sold.

Sec. 9. Proceeds Paid into State Road Fund.—The proceeds of all sales of bonds herein authorized shall be paid into the state road fund created by section one, article three, chapter seventeen of the code of West Virginia, one thousand nine hundred thirty-one, as last amended.

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.—The state auditor shall be the custodian of all unsold bonds issued pursuant to the provisions of this act.

Sec. 12. Interim Certificates.—The governor may authorize the issuance of interim certificates to be issued to the purchasers of such bonds to be held by them in lieu of engraved bonds. When interim certificates are so issued, they shall become full and legal obligations of the state of West Virginia under all of the provisions of this act just as fully and completely as the engraved and permanent bonds.

Sec. 13. Payment of Expenses.—All necessary expenses incurred in the execution of this act shall be paid out of the state road fund on warrants of the auditor of the state drawn on the state treasurer.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate 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