

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1961

ENROLLED

SENATE BILL NO. 272

(By Mr. Carson, Mr. President)

PASSED March 9th, 1961

In Effect immediately from Passage

Filed in Office of the Secretary of State
of West Virginia MAR 17 1961

JOE E. BURDETT
SECRETARY OF STATE

S. 272

ENROLLED
Senate Bill No. 272

(By MR. CARSON, MR. PRESIDENT)

[Passed March 9, 1961; in effect ninety days from passage.]

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 semiannually 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
3 million dollars are hereby authorized to be issued and sold
4 for the purpose of raising funds for assisting in building,
5 constructing and maintaining the system of roads and
6 highways provided for by the constitution. Such bonds
7 may be issued by the governor in such amounts, in coupon
8 or registered form, in such denominations, at such times
9 and bearing such date or dates as the governor may de-
10 termine, and shall become due and payable serially in
11 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 Novem-
17 ber, one thousand nine hundred twenty, have been re-
18 tired and canceled out of the state road sinking fund cre-
19 ated by section six, chapter one hundred thirteen, acts of
20 the legislature of West Virginia, one thousand nine hun-

21 dred twenty-one, in an amount equal to or greater than
22 the 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 treas-
9 urer. The treasurer shall make provisions for registering
10 “payable to bearer” bonds, and for each bond registered
11 a fee of fifty cents shall likewise be charged by and paid
12 to the state of West Virginia, to the credit of the state road
13 sinking fund. All such bonds shall be payable at the of-
14 fice 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 semiannually, on the first
19 day of, and the first day of

20 of each year, to bearer, at the office of the treasurer of the
21 state of West Virginia, at the capitol of the state, or at the
22 bank designated by the governor, upon presentation and
23 surrender of interest coupons, then due, in the case of
24 coupon bonds. In the case of registered bonds the treas-
25 urer of the state of West Virginia shall issue his check for
26 the interest then due on the first day of,
27 and of each year, and mail it to the regis-
28 tered owner at the address as shown by the record of
29 registration. Both the principal and interest of the bonds
30 shall 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 face
34 of the bonds as part of the contract with the 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 au-
13 thority of an act of the Legislature passed at the regular
14 session of one thousand nine hundred sixty-one, on the
15 day of, one thousand nine
16 hundred sixty-one, and approved by the governor on the
17 day of, one thousand nine hun-
18 dred sixty-one, which is hereby made a part hereof as
19 fully as if set forth at length herein, acknowledges itself
20 to be indebted to and hereby promises to pay to the bearer
21 hereof (in 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.....,
24 in lawful money of the United States of America at the
25 office of the treasurer of the state of West Virginia at the
26 capitol of said state, or at the option of the holder at
27 bank in the city of New York,

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

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

49 sum thereof within the time this bond becomes due and
50 payable.

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

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

60 (Seal)

61

62 Treasurer of the State of West Virginia

63 Countersigned:

64

65 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
6 of West Virginia will pay to the bearer, in lawful money
7 of the United States of America, at the office of the
8 treasurer of the state, or at the option of the holder
9 at.....bank in the city of New York, the
10 sum of.....dollars, the same being semiannual
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 the bonds signed by
20 the persons now in office may be sold by the governor or
21 his successor in office without being signed by the suc-
22 cessor 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 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
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 by
10 law for the payment of such bonds or the interest thereon,
11 from transfer fees as herein provided, and from any
12 source whatsoever, which is made liable by law for the
13 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 semiannual 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 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
34 severally become due and payable and for no other pur-
35 pose except that the fund may be invested until needed,
36 as herein provided.

Sec. 7. Tax Levy to Pay, Unless Other Funds Available.

2 —In order to provide the revenue necessary for the pay-
3 ment of the principal and interest of such bonds, as here-
4 inbefore provided, the board of public works, within the
5 limits prescribed by the constitution, is authorized, em-
6 powered and directed to lay annually a tax upon all real
7 and personal property subject to taxation within this
8 state, sufficient to pay interest on the bonds accruing dur-
9 ing 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, shall
14 not be liable for or applicable to any other purpose: *Pro-*
15 *vided, 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 be
18 hereafter provided by law for the purpose, the board of
19 public works is authorized, empowered and directed to set
20 apart, in any year there be such funds, or other sources
21 of revenue provided for such purpose, a sum sufficient to
22 pay the interest on bonds accruing during the current

23 year, and to pay off, and retire the principal of such bonds,
24 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 here-
5 in provided, upon recommendation of the state road com-
6 missioner. All sales shall be at not less than par and ac-
7 crued 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 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.

Harold Davis, Jr.
Chairman Senate Committee

Mrs. H. H. Withrow
Chairman House Committee

Originated in the Senate.

Takes effect *ninety days from* passage.

Horace Meyer
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Haward Carson
President of the Senate

Julius W. Singleton Jr.
Speaker House of Delegates

The within *Vetoed* this the *17th*
day of *March*, 1961.

Governor



Filed in Office of the Secretary of State
of West Virginia **MAR 17 1961**
JOE F. BURDETT
SECRETARY OF STATE