WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1969

ENROLLED
SENATE BILL NO. 146

(By Mr. [Signature: Correct Name] and [Signature: Correct Name])

PASSED March 1, 1969

In Effect [Signature: Correct Name, Passage]

Filed in the Office
WILLIAM D. ROCKEFELLER, IV
SECRETARY OF STATE
This Date 3-14-69

# 146
AN ACT authorizing the issuance and sale by the governor of bonds of the state of West Virginia in an amount not exceeding twenty million dollars during the fiscal year ending June thirtieth, one thousand nine hundred seventy, for the sole purpose of raising funds for the building and construction of free state roads and highways as provided for by the constitution and the laws enacted thereunder; specifying the powers of and limitations upon the governor in the issuance and sale of such bonds; prescribing the duties of the auditor and treasurer with respect to such bonds; providing for transfer and registration fees with respect to registered bonds and the disposition of such fees; providing for places of payment of principal and in-
terest on such bonds; exempting such bonds from taxation by the state, or by any county, district, or municipality thereof; setting forth the form of coupon and registered bonds and coupons; stating what moneys shall be paid into the state road sinking fund; providing for the disposition and investment of the state road sinking fund; providing a covenant between the state and the bondholders; providing that the proceeds from the sale of the bonds shall be paid into a separate and distinct account in the state road fund and for expenditures from such account; providing that the plates, etc., from which the bonds are produced or made shall be the property of the state; providing for interim certificates in lieu of permanent bonds; and declaring that all necessary expenses incurred in the execution of the act shall be paid out of the state road fund on warrants of the auditor drawn on the state treasurer.

Be it enacted by the Legislature of West Virginia:

§1. Road bonds; amount; when may issue.

1 Bonds of the state of West Virginia of the par value not to exceed twenty million dollars during the fiscal year ending June thirty, one thousand nine hundred seventy,
are hereby authorized to be issued and sold for the
sole purpose of raising funds for the building and con-
struction of free state roads and highways as provided
for by the constitution and the laws enacted thereunder.
Such bonds may be issued by the governor in such
amounts, in coupon or registered form, in such denomina-
tions, at such time and bearing such date or dates as the
governor may determine, based upon an examination of
the state road commission's yearly program which justi-
fies the issuance by the governor of said bonds, and shall
become due and payable serially in equal amounts be-
ginning one year and ending twenty-five years from the
date thereof.

§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
cancelled 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 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, payable semi-annually, 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 presentation and surrender of interest coupons, then due, in the case of coupon bonds. For the payment of interest on registered bonds, the treasurer of the state of West Virginia shall requisition a warrant from the auditor of the state to be drawn on the state treasurer, and shall mail such warrant 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.

§3. Form of bond.

1 The bonds shall be signed on behalf of the state of
2 West Virginia, by the treasurer thereof, under the great
3 seal of the state, and countersigned by the auditor of
4 the state, and shall be in the following form or to the
5 following effect, as nearly as may be, namely:

6 COUPON ROAD BOND

7 (Or registered road bond, as the case may be)

8 OF THE

9 STATE OF WEST VIRGINIA

10 $... ....................... No.............................

11 The state of West Virginia, under and by virtue of
12 authority of an amendment to the constitution, which
13 was proposed by House Joint Resolution No. 10, adopt-
14 ed the seventh day of March, one thousand nine hundred
15 sixty-three, and was ratified by a vote of the people
16 at the general election on the third day of November,
one thousand nine hundred sixty-four, which is hereby
made a part hereof as fully as if set forth at length
herein, acknowledges itself to be indebted to and here-
by promises to pay to the bearer hereof (in 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..............................................dollars, with interest there-
on at.............................per centum per annum from the date,
payable semiannually in like lawful money of the
United States of America at the treasurer's office or
bank aforesaid, on the first day of................... ......and the
the first day of..............................of each year, (and in the
case of coupon bonds) according to the tenor of the an-
nexed coupons bearing the facsimile signature of the
treasurer of the state of West Virginia, upon surrender of
such coupons. This bond (in case of a coupon bond) may
be exchanged for a registered bond of like tenor upon
application to the treasurer of the state of West Virginia.

To secure the payment of the principal and interest
of this bond, the state of West Virginia covenants and
agrees with the holder as follows: (1) That this bond shall
constitute a direct and general obligation of the state of
West Virginia; (2) that the full faith and credit of the
state is pledged to secure the payment of the principal
and interest of this bond; (3) that an annual state tax
shall be collected in an amount sufficient to pay as it
may accrue the interest on this bond and the principal
thereof; and (4) that such tax shall be levied in any
year only to the extent that the moneys in the state
road fund irrevocably set aside and appropriated for
and applied to the payment of the interest on and principal
of this bond becoming due and payable in such year
are insufficient therefor.

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 ac-
cording 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

§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 , 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 semiannual interest on Road
Treasurer of the State of West Virginia

The signature of the treasurer to such coupon shall be by his 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 the bonds signed by the persons now in the 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.

§5. Listing by auditor.

All coupons and registered bonds issued under this bill 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 post-office address of the person, firm or corporation registered as the owner thereof.
§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 money from any and all appropriations made by the state from the state road fund for the purpose of paying the interest on such bonds or paying off and retiring the bonds, from transfer and registration fees as herein provided, and from any other 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 semiannual 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 obligations of the government of the United States, bonds of
the state of West Virginia, or any political subdivision thereof: Provided, That bonds or other obligations 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.

§7. Covenants of state.

The state of West Virginia covenants and agrees with the holders of the bonds issued pursuant hereto as follows: (1) That such bonds shall constitute direct and general obligation of the state of West Virginia; (2) that the full faith and credit of the state is hereby pledged to secure the payment of the principal and interest of such bonds; (3) that an annual state tax shall be collected in an amount sufficient to pay as it may accrue
the interest on such bonds and the principal thereof; and
(4) that such tax shall be levied in any year only to the extent that the moneys in the state road fund irrevocably set aside and appropriated for and applied to the payment of the interest on and principal of said bonds becoming due and payable in such year are insufficient therefor.

§8. Sale by governor; minimum price.

The governor shall sell the bonds herein authorized at such time or times as he may determine necessary to provide funds for the building and construction of free state roads and highways, as herein provided, upon the recommendation of the state road commissioner, and after reviewing the program of the state road commission and subject to the limitations contained in section one hereof. All sales shall be at not less than par and accrued interest. All interest coupons becoming payable prior to the sale date shall be cancelled by the treasurer and rendered ineffective, before the delivery of the bonds so sold.
§9. Proceeds paid into separate account in state road fund; expenditures.

1 The proceeds of all sales of bonds herein authorized
2 shall be paid into a separate and distinct account in the
3 state road fund, and shall be used and appropriated
4 solely for the building and construction of free state roads
5 and highways provided for by the state constitution and
6 the laws enacted thereunder. Except for such sums neces-
7 sary for current operating balances, such account shall
8 be invested and reinvested in short-term obligations of
9 the United States treasury: Provided, That no such in-
10 vestment or reinvestment shall adversely affect the cur-
11 rent operating balances of such account.

§10. Plates, etc., property of state.

1 The plates, casts, dies or other forms from which the
2 bonds authorized by this act are produced or made shall
3 be the property of the state of West Virginia.

§11. Auditor to be custodian of unsold bonds.

1 The state auditor shall be the custodian of all unsold
2 bonds issued pursuant to the provisions of this act.
§12. Interim certificates.

1 The governor may authorize the issuance of interim
2 certificates to be issued to the purchasers of such bonds to
3 be held by them in lieu of permanent bonds. When
4 interim certificates are so issued, they shall become full
5 and legal obligations of the state of West Virginia under
6 all of the provisions of this act just as fully and com-
7 pletely as the permanent bonds.

§13. Payment of expenses.

1 All necessary expenses incurred in the execution of
2 this act shall be paid out of the state road fund on war-
3 rants of the auditor of the state drawn on the state
4 treasurer.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

William Tompoe
Chairman Senate Committee

Philli J. Rutledge
Vice Chairman House Committee

Originated in the Senate.

To take effect 90 days from passage.

J. Thomas McLean
Clerk of the Senate

C. B. Blankenship
Clerk of the House of Delegates

W. J. Barwick
President of the Senate

Jim A. Barwick
Speaker House of Delegates

The within is approved this the 12th day of March, 1969.

Arch A. Shade, Jr.
Governor