

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1969

ENROLLED

SENATE BILL NO. 146

(By Mr. McCoy and Mr. Grogan)

PASSED March 1, 1969

In Effect thirty days for Passage

FILED IN THE OFFICE
JOHN B. ROCKEFELLER, IV
SECRETARY OF STATE

THIS DATE 3-14-69

#146

ENROLLED
Senate Bill No. 146

(By MR. McCOURT and MR. CARRIGAN)

[Passed March 1, 1969; in effect ninety days from passage.]

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
2 to exceed twenty million dollars during the fiscal year
3 ending June thirty, one thousand nine hundred seventy,

4 are hereby authorized to be issued and sold for the
5 sole purpose of raising funds for the building and con-
6 struction of free state roads and highways as provided
7 for by the constitution and the laws enacted thereunder.
8 Such bonds may be issued by the governor in such
9 amounts, in coupon or registered form, in such denomina-
10 tions, at such time and bearing such date or dates as the
11 governor may determine, based upon an examination of
12 the state road commission's yearly program which justi-
13 fies the issuance by the governor of said bonds, and shall
14 become due and payable serially in equal amounts be-
15 ginning one year and ending twenty-five years from the
16 date thereof.

**§2. Transfer fee; registration fee; where payable; interest rate;
tax exempt.**

1 The auditor and the treasurer are hereby authorized to
2 arrange for the transfer of registered bonds and for each
3 such transfer a fee of fifty cents shall be charged by and
4 paid to the state of West Virginia, to the credit of the
5 state road sinking fund. Bonds taken in exchange shall be
6 cancelled by the auditor and treasurer and be carefully

7 preserved by the treasurer. The treasurer shall make
8 provisions for registering "payable to bearer" bonds, and
9 for each bond registered a fee of fifty cents shall like-
10 wise be charged by and paid to the state of West Virginia,
11 to the credit of the state road sinking fund. All such bonds
12 shall be payable at the office of the treasurer of the state
13 of West Virginia, or, at the option of the holder, at some
14 bank in the city of New York to be designated by the
15 governor. The bonds shall bear interest, payable semi-
16 annually, to bearer, at the office of the treasurer of the
17 state of West Virginia, at the capitol of the state, or at the
18 bank designated by the governor, upon presentation and
19 surrender of interest coupons, then due, in the case of
20 coupon bonds. For the payment of interest on registered
21 bonds, the treasurer of the state of West Virginia shall
22 requisition a warrant from the auditor of the state to
23 be drawn on the state treasurer, and shall mail such
24 warrant to the registered owner at the address as shown
25 by the record of registration. Both the principal and in-
26 terest of the bonds shall be payable in lawful money
27 of the United States of America and the bonds shall be

28 exempt from taxation by the state of West Virginia,
29 or by any county, district, or municipality thereof, which
30 facts shall appear on the face of the bonds as part of
31 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,

17 one thousand nine hundred sixty-four, which is hereby
18 made a part hereof as fully as if set forth at length
19 herein, acknowledges itself to be indebted to and here-
20 by promises to pay to the bearer hereof (in case of a
21 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.....
27bank in the city of New York, the
28 sum of.....dollars, with interest there-
29 on at.....per centum per annum from the date,
30 payable semiannually in like lawful money of the
31 United States of America at the treasurer's office or
32 bank aforesaid, on the first day of..... and ~~the~~
33 the first day of.....of each year, (and in the
34 case of coupon bonds) according to the tenor of the an-
35 nexed coupons bearing the facsimile signature of the
36 treasurer of the state of West Virginia, upon surrender of
37 such coupons. This bond (in case of a coupon bond) may

38 be exchanged for a registered bond of like tenor upon
39 application to the treasurer of the state of West Virginia.

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

55 This bond is hereby made exempt from any taxation
56 by the state of West Virginia, or by any county, district,
57 or municipal corporation thereof.

58 In testimony whereof, witness the signature of the

59 treasurer of the state of West Virginia, and the counter-
60 signature of the auditor of the state, hereto affixed ac-
61 cording to law, dated the.....day of.....,
62 one thousand nine hundred....., and the seal of the
63 state of West Virginia.

64 (SEAL)

65 Treasurer of the State of West Virginia

66 Countersigned:

67

68 Auditor of the State of West Virginia

§4. Form of coupon.

1 The form of coupon shall be substantially as follows,
2 to wit:

3 STATE OF WEST VIRGINIA

4 Bond No..... Coupon No.....

5 On the first day of....., 19....., the state of West
6 Virginia will pay to the bearer, in lawful money of the
7 United States of America, at the office of the treasurer of
8 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 semiannual interest on Road

11 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 facsimile signature and the coupons shall be num-
16 bered in the order of their maturity, from number one
17 consecutively. The bonds and coupons may be signed by
18 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 the office may be sold by the governor
21 or his successor in office without being signed by the
22 successor in office of the present treasurer or auditor.

§5. Listing by auditor.

1 All coupons and registered bonds issued under this bill
2 shall be separately listed by the auditor of the state in
3 books provided for the purpose, in each case giving the
4 date, number, character and amount of obligations issued,
5 and in case of registered bonds, the name and post-office
6 address of the person, firm or corporation registered as
7 the owner thereof.

§6. State road sinking fund sources used to pay bonds and interest; investment of remainder.

1 Into the state road sinking fund there shall be paid
2 all money from any and all appropriations made by the
3 state from the state road fund for the purpose of paying
4 the interest on such bonds or paying off and retiring the
5 bonds, from transfer and registration fees as herein
6 provided, and from any other source whatsoever which
7 is made liable by law for the payment of the principal
8 of such bonds or the interest thereon.

9 All such funds shall be kept by the treasurer in a
10 separate account, under the designation aforesaid, and
11 all money belonging to the fund shall be deposited in
12 the state treasury to the credit thereof.

13 Such fund shall be applied by the treasurer of the
14 state first to the payment of the semiannual interest on
15 such bonds as it shall become due as herein provided.
16 The remainder of the fund shall be turned over by
17 the state treasurer to the state sinking fund commis-
18 sion, whose duty it shall be to invest the same in obliga-
19 tions of the government of the United States, bonds of

20 the state of West Virginia, or any political subdivision
21 thereof: *Provided*, That bonds or other obligations so
22 purchased by the state sinking fund commission shall
23 mature so as to provide sufficient money to pay off all
24 bonds herein provided to be issued as they become due;
25 and the money so paid into the state road sinking fund
26 under the provisions of this act shall be expended for
27 the purpose of paying the interest and principal of the
28 bonds hereby provided for as they severally become
29 due and payable and for no other purpose except that
30 the fund may be invested until needed, as herein pro-
31 vided.

§7. Covenants of state.

1 The state of West Virginia covenants and agrees with
2 the holders of the bonds issued pursuant hereto as fol-
3 lows: (1) That such bonds shall constitute direct and
4 general obligation of the state of West Virginia; (2)
5 that the full faith and credit of the state is hereby pledged
6 to secure the payment of the principal and interest of
7 such bonds; (3) that an annual state tax shall be col-
8 lected in an amount sufficient to pay as it may accrue

9 the interest on such bonds and the principal thereof; and
10 (4) that such tax shall be levied in any year only to the
11 extent that the moneys in the state road fund irrevocably
12 set aside and appropriated for and applied to the pay-
13 ment of the interest on and principal of said bonds
14 becoming due and payable in such year are insufficient
15 therefor.

§8. Sale by governor; minimum price.

1 The governor shall sell the bonds herein authorized
2 at such time or times as he may determine necessary to
3 provide funds for the building and construction of free
4 state roads and highways, as herein provided, upon the
5 recommendation of the state road commissioner, and
6 after reviewing the program of the state road commis-
7 sion and subject to the limitations contained in section
8 one hereof. All sales shall be at not less than par and
9 accrued interest. All interest coupons becoming payable
10 prior to the sale date shall be cancelled by the treasurer
11 and rendered ineffective, before the delivery of the
12 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

Phyllis J. Rutledge
Vice Chairman House Committee

Originated in the Senate.

To take effect 90 days from passage.

Thomas Murre
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Lyndee Gace
President of the Senate

Sam F. Boush
Speaker House of Delegates

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

Arch A. Shaver Jr.
Governor



PRESENTED TO THE
GOVERNOR

Date 3/7/69

Time 2:30 p.m.

RECEIVED

MAR 14 9 27 AM '69

OFFICE OF
SECRETARY OF STATE
STATE OF WEST VIRGINIA