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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1972

ENROLLED

SENATE BILL NO. 382

(By Mr. Palmbo)

PASSED March 11 1972

In Effect From Passage

OFFICE OF
SECRETARY OF STATE
STATE OF WEST VIRGINIA

MAR 29 11 37 PM '72

FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE
THIS DATE 3-29-72

382

ENROLLED

Senate Bill No. 382

(By MR. PALUMBO)

[Passed March 11, 1972; in effect from passage.]

AN ACT to amend and reenact section twenty, article thirteen, chapter eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended, authorizing balances in sinking funds of a municipality for payment of bonded indebtedness to be transferred, or remitted by state sinking fund commission, to general fund of such municipality where such bonded indebtedness has been paid or where the payment of such bonded indebtedness has been provided for; authorizing balances remaining in any fund levied and collected by any municipality under authority of any special levy election to be transferred to general fund of such municipality; setting forth detailed provisions as to making provision for the payment of bonded indebtedness of a municipality; relating to other funds to be remitted to a municipality by the state sinking fund commission; and relating to the use to be made of balances and funds so transferred or remitted.

Be it enacted by the Legislature of West Virginia:

That section twenty, article thirteen, chapter eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 13. TAXATION AND FINANCE.

§8-13-20. Balances in sinking fund may be transferred or remitted to general fund where bonded indebtedness has been paid or where payment of bonded indebtedness has been provided for; use of transferred or remitted funds.

1 (a) Every municipality shall have plenary power and
2 authority to transfer to the general fund of such mu-
3 nicipality:

4 (1) Any unexpended balances of funds raised to pay
5 the interest on and create sinking funds for any bonded

6 indebtedness when the bonded indebtedness for the pay-
7 ment of which such funds were raised has been fully paid
8 and discharged or when provision has been made, as here-
9 inafter provided in subsection (c) of this section, to fully
10 pay and discharge such bonded indebtedness, and

11 (2) Any balance remaining in any fund levied and
12 collected under authority of any special levy election.

13 (b) The state sinking fund commission is authorized to
14 remit to the municipality which has issued or issues any
15 bonds, to be credited to the general fund of such munici-
16 pality, any balances of funds remaining under the super-
17 vision and control of the state sinking fund commission
18 when the bonded indebtedness for the payment of which
19 such funds were raised and paid to the state sinking fund
20 commission has been fully paid and discharged or when
21 provision has been made, as hereinafter provided in sub-
22 section (c) of this section, to fully pay and discharge such
23 bonded indebtedness.

24 (c) All outstanding bonds of any series shall, prior to
25 the maturity date thereof, be deemed to have been fully
26 paid and discharged within the meaning and with the
27 effect expressed in subsections (a) and (b) of this section
28 when there shall have been deposited with the sinking
29 fund commission:

30 (1) Either moneys in an amount which shall be suf-
31 ficient, or

32 (2) Securities of a quality in which the sinking fund
33 commission is authorized by law to invest moneys in its
34 possession and control, the principal of an interest on
35 which will provide moneys which, together with the
36 moneys, and investment securities, if any, theretofore
37 deposited with, or acquired by, the sinking fund commis-
38 sion and held by it for the payment of such bonds and
39 the moneys, if any, then deposited with the sinking fund
40 commission for such purpose, shall be sufficient, to pay
41 when due the principal or redemption price, if applicable,
42 and interest due and to become due on said bonds on and
43 prior to the next redemption date thereof or, if said bonds
44 are not redeemable, on and prior to the maturity date
45 thereof.

46 The moneys and securities held by the state sinking
47 fund commission pursuant to this subsection (c) shall be
48 held by the sinking fund commission in trust for the pay-
49 ment of the principal or redemption price, if applicable,
50 of and interest on the bonds for the payment or redemp-
51 tion of which such provision is made: *Provided, That*
52 any cash received from principal or interest payments
53 on securities so held by the sinking fund commission, if
54 not then needed for such purpose, shall, to the extent
55 practicable, be reinvested in securities maturing at times
56 and in principal amounts sufficient to pay when due the
57 principal or redemption price, if applicable, of and in-
58 terest to become due on such bonds on and prior to the
59 redemption date or maturity date thereof, as the case
60 may be, and the interest earned from any such reinvest-
61 ments shall be paid over to the municipality which issued
62 such bonds, as received by the state sinking fund com-
63 mission, free and clear of any trust. Any moneys, and
64 the proceeds of any securities, held by the sinking fund
65 commission in trust for the redemption, if applicable, or
66 for the payment and discharge of any series of bonds,
67 which are in excess of the moneys required to fully pay
68 and discharge such bonds, by redemption, if applicable,
69 or upon maturity thereof, shall also be transferred to the
70 general fund of the municipality which issued such bonds
71 after such bonds are redeemed, if applicable, or after
72 such bonds are fully paid and discharged at maturity, as
73 the case may be.

74 (d) In any case where such funds are transferred from
75 sinking funds, or are remitted from the state sinking fund
76 commission, as hereinabove provided, no part of the
77 moneys so transferred or remitted shall be expended for
78 the payment of current expenses of the municipality,
79 but such funds shall be expended as the governing body
80 of such municipality shall elect for the liquidation of ex-
81 isting non-bonded indebtedness, if any, of such munic-
82 ipality or for existing or planned capital improvements of
83 such municipality or for the liquidation of other bonded
84 indebtedness of such municipality or for any combination
85 of such uses.

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

Russell G. Brall

Chairman Senate Committee

Phyllis J. Rutledge

Chairman House Committee

Originated in the Senate.

To take effect from passage.

Howard Wilson

Clerk of the Senate

C. A. Blankenship

Clerk of the House of Delegates

G. M. Boutwell

President of the Senate

Louis J. McNamee

Speaker House of Delegates

The within *approved* this the *27th*
day of *March*, 1972.

Michael J. Shaver Jr.

Governor

PRESENTED TO THE
GOVERNOR

Date 3/17/72

Time 12:30 p.m.