WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1972

ENROLLED

SENATE BILL NO. 382

(By Mr. )

PASSED. March 11, 1972

In Effect. Passage

FILED IN THE OFFICE OF THE SECRETARY OF STATE

MAH 29 11 37 PH 72

JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE

THIS DATE 3-22-72
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 authority to transfer to the general fund of such municipality:

2 (1) Any unexpended balances of funds raised to pay the interest on and create sinking funds for any bonded
indebtedness when the bonded indebtedness for the pay-
ment of which such funds were raised has been fully paid
and discharged or when provision has been made, as here-
inafter provided in subsection (c) of this section, to fully
pay and discharge such bonded indebtedness, and
(2) Any balance remaining in any fund levied and
collected under authority of any special levy election.

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

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

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

(2) Securities of a quality in which the sinking fund
commission is authorized by law to invest moneys in its
possession and control, the principal of an interest on
which will provide moneys which, together with the
moneys, and investment securities, if any, theretofore
deposited with, or acquired by, the sinking fund com-
misson and held by it for the payment of such bonds and
the moneys, if any, then deposited with the sinking fund
commission for such purpose, shall be sufficient, to pay
when due the principal or redemption price, if applicable,
and interest due and to become due on said bonds on and
prior to the next redemption date thereof or, if said bonds
are not redeemable, on and prior to the maturity date
thereof.
The moneys and securities held by the state sinking fund commission pursuant to this subsection (c) shall be held by the sinking fund commission in trust for the payment of the principal or redemption price, if applicable, of and interest on the bonds for the payment or redemption of which such provision is made: Provided, That any cash received from principal or interest payments on securities so held by the sinking fund commission, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in principal amounts sufficient to pay when due the principal or redemption price, if applicable, of and interest to become due on such bonds on and prior to the redemption date or maturity date thereof, as the case may be, and the interest earned from any such reinvestments shall be paid over to the municipality which issued such bonds, as received by the state sinking fund commission, free and clear of any trust. Any moneys, and the proceeds of any securities, held by the sinking fund commission in trust for the redemption, if applicable, or for the payment and discharge of any series of bonds, which are in excess of the moneys required to fully pay and discharge such bonds, by redemption, if applicable, or upon maturity thereof, shall also be transferred to the general fund of the municipality which issued such bonds after such bonds are redeemed, if applicable, or after such bonds are fully paid and discharged at maturity, as the case may be.

(d) In any case where such funds are transferred from sinking funds, or are remitted from the state sinking fund commission, as hereinabove provided, no part of the moneys so transferred or remitted shall be expended for the payment of current expenses of the municipality, but such funds shall be expended as the governing body of such municipality shall elect for the liquidation of existing non-bonded indebtedness, if any, of such municipality or for existing or planned capital improvements of such municipality or for the liquidation of other bonded indebtedness of such municipality or for any combination of such uses.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take 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 27th day of March, 1972.

Governor
PRESENTED TO THE
GOVERNOR

Date 3/17/72
Time 12:30 p.m.