AN ACT authorizing the issuance and sale by the governor of bonds of the state of West Virginia, under authority of the Roads Development Amendment of 1968, in the amount not exceeding twenty million dollars during the fiscal year ending the thirtieth day of June, one thousand nine hundred seventy-four, 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 interest 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 per­
manent bonds; providing for the state treasurer to be financial
advisor; providing for the attorney general or his duly appointed
legal representative to serve as bond counsel; and providing
that all necessary expenses, including legal expenses approved by
the attorney general, incurred in the execution of this act shall
be paid out of the state road fund on warrants of the auditor of
the state drawn on the state treasurer.

Be it enacted by the Legislature of West Virginia:

ISSUANCE AND SALE OF ROAD BONDS.

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

1 Bonds of the state of West Virginia, under authority of the
2 Roads Development Amendment of 1968, of the par value not
3 to exceed twenty million dollars during the fiscal year ending
4 the thirtieth day of June, one thousand nine hundred seventy-
5 four, are hereby authorized to be issued and sold for the sole
6 purpose of raising funds for the building and construction of
7 free state roads and highways as provided for by the con-
8 stitution and the laws enacted thereunder. Such bonds may be
9 issued by the governor in such amounts, in coupons or regis-
10 tered form, in such denominations, at such time, bearing such
11 date or dates as the governor may determine, based upon an
12 examination of the West Virginia department of highways’
13 yearly program which justifies the issuance by the governor
14 of said bonds, and shall become due and payable serially, an-
15 nually or semiannually, in such amounts and mature in such
16 years as the governor may determine: Provided, That such
17 bonds shall mature within and not exceeding twenty-five years
18 from their date: Provided, however, That the governor must
19 offer said bonds for competitive bids from recognized financial
20 investment institutions before said bonds may be sold.

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

1 The auditor and the treasurer are hereby authorized to ar-
2 range 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 sink­
ing fund. Bonds taken in exchange shall be cancelled by the
auditor and treasurer and be carefully preserved by the trea­
surer. The treasurer shall make provisions for registering “pay­
able to bearer” bond 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 a bank in the city of New York to be designated by the
governor, or, at the option of the holder at such other bank or
banks, within the state, as may be designated or approved 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 banks
designated and approved 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.

The bond shall be executed on behalf of the state of West
Virginia, by the manual or facsimile signature of the treasurer
thereof, under the great seal of the state or a facsimile thereof,
and countersigned by the manual or facsimile signature of the
auditor of the state: Provided, That one of said signatures on
said bonds shall be a manual signature and said bonds shall be
in the following form or to the following effect, as nearly as
may be, namely:
COUPON ROAD BOND
(Or registered road bond, as the case may be)
OF THE
STATE OF WEST VIRGINIA

The state of West Virginia, under and by virtue of authority of an amendment to the constitution, which was proposed by Senate Joint Resolution No. 2, adopted the eighth day of February, one thousand nine hundred sixty-eight, and was ratified by a vote of the people at the general election on the fifth day of November, one thousand nine hundred sixty-eight, which is hereby made a part hereof as fully as if set forth at length herein, acknowledges itself to be indebted to and hereby 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 ______________________ bank in the city of New York, or, at ______________________ bank, at the option of the holder, the sum of ________________ dollars, with interest thereon at ________________ percent a year from the date, payable semiannually in like lawful money of the United States of America at the treasurer's office or banks aforesaid, on the first day of ________________ and the first day of ________________ of each year (and in the case of coupon bonds) according to the tenor of the annexed 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
tax 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 irrevoc­
ably 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 manual or facsimile
signature of the treasurer of the state of West Virginia, and
the manual or facsimile countersignature of the auditor of
the state, hereto affixed according to law, dated the __________
day of ____________________________, one thousand nine
hundred _____________, and the seal of the state
of West Virginia or a facsimile thereof.

_____________________________________________
Treasurer of the State of West Virginia
(SEAL)

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 ________________, 19___, 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 ______________________ bank in the city of New York,
or, at ___________________________, at the option of the holder,
the sum of ______________________ dollars, the same being
semiannual interest on Road Bond No. ________________

_____________________________________________
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
15 the order of their maturity, from number one consecutively.  
16 The bonds and coupons may be signed, as provided in this act,  
17 by the present treasurer and auditor, or by any of their  
18 respective successors in office, and the bonds signed by the  
19 persons now in the office may be sold by the governor or his  
20 successor in office without being signed by the successor in  
21 office of the present treasurer or auditor.

§5. Listing by auditor.

1 All coupons and registered bonds issued under this act  
2 shall be separately listed by the auditor of the state in books  
3 provided for the purpose, in each case giving the date, num-  
4 ber, character and amount of obligations issued, and in case  
5 of registered bonds, the name and post-office address of the  
6 person, firm or corporation registered as 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 all  
2 money from any and all appropriations made by the state from  
3 the state road fund for the purpose of paying the interest on  
4 such bonds or paying off and retiring the bonds, from transfer  
5 and registration fees as herein provided, and from any other  
6 source whatsoever which is made liable by law for the payment  
7 of the principal of such bonds or the interest thereon.  
8 All such funds shall be kept by the treasurer in a separate  
9 account, under the designation aforesaid, and all moneys be-  
10 longing to the fund shall be deposited in the state treasury to  
11 the credit thereof.  
12 Such fund shall be applied by the treasurer of the state  
13 first to the payment of the semiannual interest on such bonds  
14 as it shall become due as herein provided. The remainder of  
15 the fund shall be turned over by the state treasurer to the state  
16 sinking fund commission, whose duty it shall be to invest the  
17 same in obligations of the government of the United States,  
18 bonds of the state of West Virginia, or any political subdivi-  
19 sion thereof: Provided, That the bonds or other obligations so  
20 purchased by the state sinking fund commission shall mature  
21 so as to provide sufficient money to pay off all bonds herein  
22 provided to be issued as they become due; and the moneys so
paid into the state road sinking fund under the provisions of
this act shall be expended for the purpose of paying the inter-
est 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 a 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 pay-
able 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 high-
ways, as herein provided, upon the recommendation of the
West Virginia commissioner of highways, and after reviewing
the program of the West Virginia department of highways and
subject to the limitations contained in this act. All sales shall
be at not less than par and accrued interest. All interest cou-
pons becoming payable prior to the sale date shall be can-
celled 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.

The proceeds of all sales of bonds herein authorized shall
be paid into a separate and distinct account in the state road
fund and shall be used and appropriated solely for the building
and construction of free state roads and highways provided for
by the state constitution and the laws enacted thereunder. 
Except for such sums necessary for current operating balances, 
such account shall be invested and reinvested in short-term 
obligations of the United States treasury: Provided, That no 
such investment or reinvestment shall adversely affect the 
current operating balances, of such account.
§10. Plates, etc., property of state.

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

§11. Auditor to be custodian of unsold bonds.

The state auditor shall be the custodian of all unsold bonds 
issued pursuant to the provisions of this act.

§12. Interim certificates.

The governor may authorize the issuance of interim cer-
tificates to be issued to the purchasers of such bonds to be 
held by them in lieu of permanent bonds. When interim 
certificates are so issued, they shall become full and legal 
obligations of the state of West Virginia under all of the 
provisions of this act just as fully and completely as the 
permanent bonds.

§13. State treasurer to be financial advisor.

The state treasurer shall serve as financial advisor to the 
governor for the issuance and sale of such bonds.

§14. Attorney general or his duly appointed legal representative to 
serve as bond counsel.

The attorney general, or his duly appointed legal representa-
tive, shall serve as bond counsel and shall be responsible for 
the issuance of a final approving opinion regarding the legality 
of the sale of such bonds.

§15. Approval and payment of all necessary expenses.

All necessary expenses, including legal expenses approved 
by the attorney general, incurred in the execution of this act 
shall be paid out of the state road fund on warrants of the 
auditor of the state drawn on the state treasurer.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chas. H. Vector
Chairman Senate Committee

H. E. Churchwell
Chairman House Committee

Originated in the House.
Takes effect from passage.

Howard B. Cannon
Clerk of the Senate

C. A. Blamenship
Clerk of the House of Delegates

H. B. Betthorn, Jr.
President of the Senate

Lewis R. Harne, Jr.
Speaker House of Delegates

The within approved this the 11th day of April, 1973.

Richard B. Snead, Jr.
Governor
PRESENTED TO THE GOVERNOR

Date 4/10/73
Time 10:35 a.m.