ENROLLED

SENATE BILL NO. 30

(By Mr. Originating in Committee on Finance)

PASSED JUNE 28, 1974

In Effect 90 Days From Passage

WEST VIRGINIA LEGISLATURE
SECOND EXTRAORDINARY SESSION, 1974

EDGAR F. HEISKELL III
SECRETARY OF STATE

FILED IN THE OFFICE
THIS DATE 7-8-74
ENROLLED

Senate Bill No. 30
(Originating in the Committee on Finance)

[Passed June 28, 1974; in effect ninety days from passage.]

AN ACT authorizing the issuance and sale by the governor, on
and after the twentieth day of February, one thousand
nine hundred seventy-five, of bonds of the state of West
Virginia, under authority of the Vietnam Veterans Bonus
Amendment of 1973, in an amount not exceeding forty
million dollars, less any appropriations of the Legislature
made, for the purpose of raising funds, in combination
with appropriations of the Legislature, for the payment
of a cash bonus to veterans, including the cost of admin-
istration necessarily incident thereto; 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; ex-
empting 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; creating
the Vietnam veterans bonus sinking fund and stating what
moneys shall be paid into such fund, providing for the
disposition and investment of the Vietnam veterans bonus
sinking fund; providing a covenant between the state and
the bondholders; creating the Vietnam veterans bonus fund
and providing that all moneys as appropriated and made
available by the Legislature and the proceeds from the
sale of the bonds shall be paid into such fund, for expenditure from such fund and investment thereof, and disposition of any unexpended balance; 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; 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 Vietnam veterans bonus 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 VIETNAM VETERANS BONUS BONDS.

§1. Vietnam veterans bonus bonds; amount; authority to issue.

Bonds of the state of West Virginia, under authority of the Vietnam Veterans Bonus Amendment of 1973, of the par value not to exceed forty million dollars, less any appropriations of the Legislature made for the payment of a cash bonus to veterans as provided in said amendment, are hereby authorized to be issued and sold, on and after the twentieth day of February, one thousand nine hundred seventy-five, for the purpose of raising funds in combination with the appropriations of the Legislature as aforesaid for the payment of a cash bonus to veterans as provided for in said amendment, including the cost of administration necessarily incident thereto. Such bonds may be issued by the governor in such amounts, in coupon or registered form, in such denominations, at such times on and after the twentieth day of February, one thousand nine hundred seventy-five, and bearing such date or dates as the governor may determine, and shall become due and payable serially, annually or semiannually, beginning one year and ending not more than twenty-five years from the date thereof: Provided, That the governor must offer such bonds for competitive bids from recognized financial 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 arrange for the transfer of registered bonds, and for each such transfer a fee of one dollar shall be charged by and paid to the state of West Virginia, to the credit of the Vietnam veterans bonus 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 one dollar shall likewise be charged by and paid to the state of West Virginia, to the credit of the sinking fund. All of 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 semiannually, 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 of 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 made 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 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
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:

VIETNAM VETERANS BONUS
COUPON BOND
(Or registered bond, as the case may be)
OF THE
STATE OF WEST VIRGINIA

$----------------- NO.-----------------

The state of West Virginia, under and by virtue of authority of an amendment to the constitution, which was proposed by House Joint Resolution No. 5, adopted the fourteenth day of April, one thousand nine hundred seventy-three, and was ratified by a vote of the people at the special election on the sixth day of November, one thousand nine hundred seventy-three, 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, within the state, 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.

(Redemption provisions, if any, to be inserted here)

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 __________________________, within the state, at the option of the holder, the sum of __________________________ dollars, the same being semiannual interest on Vietnam Veterans Bonus 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 the order of their maturity, from number one
consecutively. The bonds and coupons may be signed, as
provided in this act, 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 act
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. Vietnam veterans bonus sinking fund for payment of bonds
and interest; investment thereof.

There is hereby created a Vietnam veterans bonus sink-
ing fund. Into such fund there shall be paid all moneys
received from all taxes or charges made applicable by
law to the payment of such bonds or the interest thereon,
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 principal and semiannual
interest on such bonds as it shall become due as herein
provided. The remainder of the fund shall be invested by
the state treasurer in obligations of the government of the
United States, bonds of the state of West Virginia, or
any political subdivision thereof. The bonds or other
obligations so purchased by the state treasurer 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 Vietnam veterans bonus 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.

1 The state of West Virginia hereby covenants and agrees with the holders of the bonds issued pursuant hereto as follows: (1) That all the provisions of this act shall be and constitute an irrevocable contract with the holders of such bonds from time to time; (2) that the additional charge on the sale of each bottle of alcoholic liquor, otherwise provided by law for payment of such bonds, shall not be reduced so long as any of the bonds, or any interest thereon, are outstanding and unpaid, unless the payment thereof has been adequately provided for; (3) that if in any fiscal year the amount of money derived from such charge is insufficient to meet all principal and interest payments due on such bonds during that year, it will levy and collect such additional charge on alcoholic liquor in such an amount as may be required to produce sufficient revenue to meet such payments as the same shall become due, or that in lieu of such increased charge on alcoholic liquor, it may levy and collect an additional cigarette tax, or a tax on any other tobacco product, or an additional tax on nonintoxicating beer, or an additional general consumers sales tax, or a graduated income tax, or any combination of one or more of such taxes and charges, or such other dedicated tax as the Legislature may determine, in such amount as may be required for payments of principal and interest; (4) that all such additional taxes or charges so levied or collected shall be irrevocably dedicated for the payment of the principal of and interest on such bonds until such principal of and interest on such bonds are finally paid and discharged; and (5) to the full extent permitted by the constitution of West Virginia, any of the covenants, agreements or provisions in the acts of the Legislature providing for such levying or collection of such taxes or charges shall be enforceable.
§8. Sale by governor; minimum price.

1. The governor shall sell the bonds herein authorized at
such time or times on and after the twentieth day of Feb-
ruary, one thousand nine hundred seventy-five, as he may
determine necessary to provide funds for the payment of
the bonus as herein provided. 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. Legislative appropriations and bond sale proceeds paid
into Vietnam veterans bonus fund; expenditures; in-
vestment thereof; unexpended balance.

1. All moneys as appropriated and made available by the
Legislature for the payment of a cash bonus to veterans
as provided in said amendment and the proceeds of all
sales of bonds herein authorized shall be paid into the
Vietnam veterans bonus fund which is hereby created
in the office of the state treasurer and such fund shall
be expended solely for the payment of such veterans'
bonus and the cost of administration necessarily incident
thereto. Except for such sums necessary for current
operating balances, such fund shall be invested and re-
invested in short-term obligations of the United States
treasury: Provided, That no such investment or reinvest-
ment shall adversely affect the current operating balances
of such fund.

15. Any unexpended balance remaining in this fund after
payment of all legal bonuses have been made or ade-
quately provided for shall be available for further legis-
 lative appropriation, unless bonds shall have been issued,
in which case such unexpended balance shall be trans-
f erred to the Vietnam veterans bonus sinking fund and
used solely for payment of the bonus bonds.

§10. Plates, etc., property of state.

1. 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.

For the purpose of facilitating the payment of Vietnam veterans bonus awards, prior to the issuance of any permanent bonds, the governor may authorize issuance by the state treasurer of short-term interim certificates to purchasers, on and after the twentieth day of February, one thousand nine hundred seventy-five, for a period not to exceed eighteen months and in sufficient amount as required to meet bonus award obligations. During the period such interim certificates are outstanding, as specified, it shall be ascertained, as near as may be, the total number of persons entitled to such awards who have not been or cannot be paid out of legislative appropriations for such purpose, the total cost of such awards remaining to be made, and the most favorable time for market and sale of permanent bonds, with sale of permanent bonds to thereupon occur and with the resultant retirement of said interim certificates. The interim certificates, when issued and outstanding, shall be full and legal obligations of the state of West Virginia under all of the provisions of this act just as fully and completely as 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 representative, 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.
1 All necessary expenses, including legal expenses ap-
2 proved by the attorney general, incurred in the execution
3 of this act shall be paid out of the Vietnam veterans bonus
4 fund on warrants of the auditor of the state drawn on
5 the state treasurer.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker House of Delegates

The within approved this the 8th day of July, 1974.

[Signature]
Governor
PRESENTED TO THE
GOVERNOR

Date 7/2/74
Time 3:30 p.m.

OFFICE OF
SECRETARY OF STATE
STATE OF WEST VIRGINIA

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