Chapter 367

1961 REPLACEMENT PART

Indebtedness for State Highways

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CROSS REFERENCES

Bonds generally, Chs. 286, 288
Constitutional debt limit for highways, Const. Art. XI, § 7
Facsimile signatures and cost of investing proceeds, 286.050

367.208
Prohibition of provision for payment of obligation in gold, 31 U.S.C. §463

367.370
Interstate bridges generally, Ch. 381

Note: The definitions in ORS 366.005 and 366.015 apply to this chapter.

367.005 to 367.100 [Reserved for expansion]

CERTIFICATES OF INDEBTEDNESS

367.105 Borrowing money and issuing certificates of indebtedness for certain highway purposes. (1) For the purpose set forth in ORS 366.725, for the purpose of providing funds with which to pay when due the interest and principal, or either, of bonded indebtedness created for highway purposes, the payment of which is necessary to protect and preserve the financial credit of the state, and for the purpose of meeting other emergencies, or for any of these purposes, the commission may borrow money from the State Treasurer or from any banking institution, and evidence the debt by certificates of indebtedness redeemable and payable out of state highway revenues only.

(2) Such certificates of indebtedness may be in such denominations or for such sums as the commission may fix, and may draw interest at a rate not in excess of six percent per year.

(3) The total indebtedness created in any one calendar year by the issuance of certificates of indebtedness under this section shall not exceed $1 million.

(4) All certificates of indebtedness issued pursuant to this section shall mature within one year from the date of issuance.

(5) Not less than 10 days before the date of maturity of any such certificate of indebtedness the commission shall prepare and approve for payment a claim or voucher covering the amount of the certificate, together with such interest as may be due thereon, and shall file the claim or voucher with the Secretary of State, who shall audit the claim in like manner as other claims against the state are audited, and shall issue a warrant therefor payable out of highway funds to the party entitled thereto. The State Treasurer may, upon the presentation of the warrant, take up the certificate of indebtedness and cancel it, and pay the amount of the warrant out of highway funds. Whenever a certificate of indebtedness is redeemed and paid by the State Treasurer he shall file it with the Secretary of State, and the Secretary of State shall attach the certificate to the original voucher pursuant to which payment of the certificate is made.

[Formerly 366.605]

367.110 to 367.150 [Reserved for expansion]

BONDED INDEBTEDNESS
(General Provisions)

367.155 Selling bonds to comply with federal aid statutes. If by reason of ORS 366.735 there will be any deficiency in the highway funds in the judgment of the commission or officers having control of the state highways, and the funds by reason thereof will be insufficient to take care of the construction of roads and pay interest on outstanding bonds in any such year, or if the commission deems it necessary and expedient, and for the best interest of the state, to match and secure federal aid under the provisions of such statutes of the United States or other federal aid furnished by the United States to the state for roads, then the State Board of Control may each year sell the bonds of the state, under ORS 367.155 to 367.180, in such denomination as in its judgment will be most marketable and in an amount sufficient to raise enough money to equal the amount required of the state, in order to fully meet the requirements, conditions and provisions of such federal statutes and the federal officials operating under the statutes or any other aid furnished by the United States for the construction of roads and highways.

[Formerly part of 366.735]

367.160 Formal requirements and conditions of bonds issued under ORS 367.155 to 367.180. (1) The Attorney General shall at the request of the State Board of Control, prepare a form of interest-bearing bonds of the state, to be sold in order to provide funds for carrying out the purposes of ORS 367.155 to 367.180.

(2) The bonds referred to in subsection (1) of this section shall:

(a) Be numbered serially beginning at No. 1, and be payable in the order of their issuance.

(b) Be payable one-twentieth each year, commencing with the sixth year after issuance. One-half of the bonds payable each year shall be payable on April 1, and the other half on October 1.

(c) Mature within 25 years from the date of issue, and each bond shall bear upon its face a statement showing the date of its maturity.

(d) Bear interest at a rate to be fixed and determined by the Board of Control, but no bond shall be sold bearing a greater rate of interest than six percent per year, payable semiannually on April 1 and October 1.

(e) Be in a form embodying an absolute promise of the state to pay the amount thereof in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States, and shall be in such denomination as the Board of Control elects.

(f) Be signed by the Governor, Secretary of State and State Treasurer.

(g) Bear coupons evidencing the interest to become due for each instalment of interest, upon which shall be printed the facsimile of the signatures of the officers named in paragraph (f) of this subsection.

(3) Principal and interest on the bonds referred to in subsection (1) of this section shall be payable at the office of the State Treasurer at Salem, and if the Board of Control so directs, the bonds may also provide for payment at some other place.
[Formerly 366.740]

367.165 Issuance of short-term bonds. Whenever it will be for the good of the state, and will more efficiently and adequately promote highway construction and conserve and protect the highway funds, the Board of Control may sell short-term bonds authorized under ORS 367.155 to 367.180. These bonds shall mature at a date not later than five years from the date of sale and delivery.
[Formerly 366.745]

367.170 Paying or refunding with other bonds. In the event any bonds authorized by ORS 367.155 to 367.180 are sold, the Board of Control may pay or refund them as they mature, with funds procured from the sale of other bonds under ORS 367.155 to 367.180.
[Formerly 366.750]

367.175 Payment of principal and interest on bonds issued under ORS 367.155 to 367.180. (1) The Board of Control may provide an appropriate indorsement upon each of the bonds authorized by ORS 367.155 to 367.180 to the effect that they will be paid only to the owner appearing on the register, and provide a method of reregistering the bonds as the title may be transferred. It may also provide that a part or all of the bonds shall be payable to bearer and not subject to registration.

(2) Not less than 10 days before payment of the principal or interest falls due on any of the bonds authorized by ORS 367.155 to 367.180, the Board of Control shall certify to the State Treasurer the amount necessary to meet the payment. Upon receipt of the certification the State Treasurer shall prepare and verify a claim for the amount mentioned, attaching thereto the certificate, and present the same to the Secretary of State. The Secretary of State shall audit the claim in like manner as other claims against the state are audited, and shall issue a warrant therefor payable out of any moneys in the highway fund.

(3) All bonds authorized by ORS 367.155 to 367.180 and interest coupons, upon payments, shall be deposited by the State Treasurer with the Secretary of State, to be attached to the original claim of the State Treasurer for payment.
[Formerly 366.755]

367.180 Advertising sale of bonds; disposing of sale proceeds. (1) The Board of Control shall take such steps as it may deem necessary for the advertisement of each issue of bonds authorized by ORS 367.155 to 367.180 before the same are sold.

(2) The money arising from the sale of each issue of the bonds shall be deposited in the State Treasury to the credit of a special fund, subject to being paid out in carrying into effect the purposes of the Federal Acts mentioned in ORS 366.705, or other federal aid furnished, and for the purposes of ORS 367.155 to 367.180.
[Formerly 366.760]

367.185 to 367.200 [Reserved for expansion]

(Bond Act of 1921)

367.202 Custody and jurisdiction over expenditure of funds provided in ORS 367.202 to 367.220. All funds provided for in ORS 367.202 to 367.220 shall be paid over to the State Treasurer forthwith, shall be accounted for in the highway fund and shall be expended under the jurisdiction and direction of the commission.
[Formerly 366.625]

367.204 Authority of commission under ORS 367.202 to 367.220. The commission shall enter into such contract, appoint such officials and do any other act or thing necessary to fully meet the requirements of ORS 367.202 to 367.220.
[Formerly 367.627]

367.206 Authority to sell limited amount of bonds; short-term bonds authorized and limited. The commission shall issue and sell, for the purpose of carrying out the provisions of ORS 367.202 to 367.220, in such denominations as in the judgment of the

commission will be most marketable, and in addition to the bonds authorized prior to May 25, 1921, the bonds of the State of Oregon, as provided in ORS 367.202 to 367.220, in the sum of $7,000,000 par value; provided that the commission may from time to time, issue said bonds in such amounts as in its judgment the necessity of road construction may require; provided further, that after June 14, 1939, no bonds except short-term bonds which are provided for in ORS 367.214 may be sold for any purpose, and the commission shall not sell in any one calendar year any short-term bonds which, singly or in the aggregate, will exceed in such calendar year $2,000,000.
[Formerly 366.629]

367.208 Bonds issued under ORS 367.202 to 367.220; formal requirements; payment. The Attorney General shall, at the request of the commission, prepare a form of interest bearing gold bonds of the State of Oregon, to be sold in order to provide funds for the carrying out of the purposes of ORS 367.202 to 367.220. Said bonds shall be numbered serially beginning at No. 1, and shall be payable in the order of their issuance. The bonds issued in any year under the provisions of ORS 367.202 to 367.220 shall be payable one-twentieth each year, commencing with the sixth year from the issuance thereof, except short-term bonds provided for in ORS 367.214. One-half the bonds payable each year shall be payable on April 1 and the other half on October 1. Said bonds shall mature within 25 years from the date of issuance, except said short-term bonds, and each bond shall bear upon its face a statement showing the date of its maturity. Said bonds shall bear interest at a rate to be determined and fixed by the commission, but no bond sold under the provisions of ORS 367.202 to 367.220 shall bear a greater rate of interest than six percent per annum, payable semiannually on April 1 and October 1. Principal and interest on said bonds shall be payable at the office of the State Treasurer at Salem, Oregon, or, if the commission so directs, said bonds may also provide for payment at some other place. Said bonds shall be in a form embodying absolute promise of the State of Oregon to pay the amount thereof in gold coin of the United States of America of the value of weight and fineness of the date of such bond, and shall be in such denominations as the commission elects. Said bonds shall be signed by the Governor, Secretary of State and State Treasurer. Said bonds shall bear coupons evidencing the interest to become due thereon for each instalment of such interest, upon which shall be printed the facsimile of the signatures of said officials. The commission may, at its option, cause a part or all of said bonds to be payable to the purchaser in the office of the State Treasurer, and provide an appropriate indorsement upon each of said bonds to the effect that the same will be paid only to the owner appearing on the register thereof, and provide a method for reregistering the same as the title may be transferred; and it may also provide that a part, or all, of said bonds shall be payable to bearer and not be subject to registration. Not less than 10 days before the payment of the principal, or when interest falls due on any of the bonds provided for in ORS 367.202 to 367.220, the commission shall certify to the State Treasurer the amount necessary to meet the payment thereof. Upon receipt of such certificate by the State Treasurer, he shall prepare and verify a claim for the amount mentioned therein, attaching thereto said certificate and present same to the Secretary of State, who shall audit such claim in like manner as other claims against the state are audited and shall issue a warrant therefor payable out of said moneys provided by law for the payment thereof. The State Treasurer shall make any such payments of principal or interest on said bonds at such places, other than Salem, Oregon, as the commission may provide. When paid, all bonds and interest coupons shall be deposited by the State Treasurer with the Secretary of State to be attached to the original claim of the State Treasurer for the payment thereof.
[Formerly 366.631]

367.210 Advertising sale; deposit by bidder; conduct of sale. The commission shall provide such method as it may deem necessary for the advertisement of each issue of said bonds before the same are sold, and shall also require a sufficient deposit with bids as it may deem necessary to insure the fulfillment of such bids, and generally shall conduct the sale and issuance of such bonds under rules and regulations adopted by the commission, not inconsistent with ORS 367.202 to 367.220.
[Formerly 366.633]

367.212 Use of proceeds; matching federal appropriations. The moneys derived from the sale of bonds provided for in ORS 367.202 to 367.220 shall be used by the commission in the completion, construction, pavement and betterment of roads designated in ORS 366.220 and such other roads and highways as may have been or may hereafter be designated by the commission or by law as state highways; provided, that nothing contained in ORS 367.202 to 367.220 shall prevent the commission from appropriating money from the highway fund to match federal appropriation for highway purposes.
[Formerly 366.635]

367.214 Short-term bonds under ORS 367.202 to 367.220; authority to sell; maturity; funds for payment or refunding. Whenever in the judgment and discretion of the commission it will be for the good of the state, and will more efficiently and adequately promote highway construction, the commission may sell bonds under the provisions of ORS 367.202 to 367.220, which bonds shall mature at a date not later than five years from the date of sale and delivery thereof. In the event that any bonds are sold, the date of the maturity of which is five years or less from the date of sale and delivery of such bonds, then the commission may pay or refund said bonds with funds procured from the sale of other bonds under the provisions of ORS 367.202 to 367.220.
[Formerly 366.637]

367.216 Funds available for payment of interest and principal on bonds issued under ORS 367.202 to 367.220. The commission shall pay the principal and interest upon said bonds, as the same become due, from any funds subject to its control, from whatever source the same may come, without regard to the origin of said funds.
[Formerly 366.639]

367.218 Constitutional debt limit; additional amount of bonds; short-term bonds only issuable under ORS 367.202 to 367.220; amount during calendar year. No bonds shall be issued pursuant to ORS 367.202 to 367.220, nor indebtedness incurred under ORS 367.202 to 367.220 which, singly or in the aggregate, with previous debts or liabilities incurred for building and maintaining permanent roads, shall exceed any limitation provided in the Oregon Constitution at the date of the issuance and sale of such bonds; but the commission may sell, in addition to said bonds, in the amount of $7,000,000, such an additional amount of bonds as may be permitted and authorized by, and not in conflict with, the provisions of the Oregon Constitution; provided further, that after June 14, 1939, no bonds except short-term bonds which are provided for in ORS 367.214, may be sold for any purpose, and the commission shall not sell in any one calendar year any short-term bonds which, singly or in the aggregate, will exceed in such calendar year $2,000,000.
[Formerly 366.641]

367.220 Effect on prior Acts; ORS 367.202 to 367.220 as additional grant of power. Nothing contained in ORS 367.202 to 367.220 shall be deemed to limit, amend or repeal any of the provisions of other bonding Acts, or to impair in any way any obligation arising by virtue of any bonds sold or to be sold under or by virtue of other bonding Acts of the State of Oregon, but ORS 367.202 to 367.220 shall be construed to be an additional grant of power and authority conferred upon the commission.
[Formerly 366.643]

367.222 to 367.224 [Reserved for expansion]

(Bond Act of 1951)

367.226 Authority to sell limited amount of bonds under ORS 367.226 to 367.242. In addition to the authority now vested by law in the commission to issue and sell state highway bonds of the state, and notwithstanding the limitations contained in ORS 367.202 to 367.220, the commission may issue and sell state highway bonds of the state to provide funds to defray the costs of location, relocation, improvement, construction and reconstruction of state highways and bridges. The principal amount of bonds that may be issued in any one calendar year under authority of ORS 367.226 to 367.242 shall not exceed $15 million par value. At no time shall the principal amount of such bonds outstanding exceed $40 million par value.
[Formerly 366.645]

367.228 Formal requirements and conditions of bonds issued under ORS 367.226 to 367.242. (1) At the request of the commission, the Attorney General shall prepare a form of interest-bearing general obligation coupon bond of the State of Oregon to carry

out the purposes of ORS 367.226 to 367.242.

(2) The bonds referred to in subsection (1) of this section shall:

(a) Be payable serially in principal instalments of one-twentieth of the amount of the issue each year, beginning with the first year following the year of issue, except those bonds authorized by ORS 367.230.

(b) Contain a direct promise of the state to pay the face value, with interest at such rates, not exceeding three percent per year, payable semiannually, as the commission may deem appropriate. No issue of bonds shall be sold at a higher effective interest rate for the entire issue, computed on a simple interest basis, of more than two and one-fourth percent per year, payable semiannually.

(c) Be, together with the appurtenant coupons, negotiable in form and embody an absolute and unconditional promise of the state to pay the principal and interest on the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States.

(d) Be executed with the facsimile signatures of the Governor and of the Secretary of State and with the manual signature of the State Treasurer, over the titles of their respective offices. Bonds bearing the signatures of officers in office on the date of the execution of the bonds shall be valid and legally binding obligations, notwithstanding that before delivery any or all of the officers have ceased to be such.

(e) Bear coupons evidencing the interest to become due for each instalment. The first coupon of each issue of bonds may be for a period of more or less than six months but of not more than one year, if, in the judgment of the commission, the issuance of the bonds with such coupon is advisable. Upon each coupon shall be printed the facsimile signature, with the title of his office indicated thereunder, of each of the officers named in paragraph (d) of this subsection.

(3) Principal and interest on the bonds referred to in subsection (1) of this section, when due shall be paid at the office of the State Treasurer, but with the approval of the State Treasurer the commission may designate the fiscal agency of the state in New York City as the place of payment of the bonds and of the interest. If so designated, the charges imposed by the fiscal agency for its services shall be paid, upon approval by the State Treasurer, from the highway fund.

[Formerly 366.650]

367.230 Sale of short-term bonds. Whenever in the judgment of the commission it is consistent with the best interest of the state and will more efficiently and adequately promote highway construction, the commission may sell bonds under ORS 367.226 to 367.242 maturing at a date not later than five years from the issue date.

[Formerly 366.655]

367.232 Issuance of refunding bonds. (1) The commission may issue refunding bonds for the purpose of refunding outstanding bonds issued under ORS 367.226 to 367.242.

(2) The refunding bonds may be sold in the same manner as other bonds are sold under ORS 367.226 to 367.242.

(3) The issuance of the refunding bonds, the maturity dates and other details thereof, the rights of the holders thereof and the duties of the Governor, Secretary of State and State Treasurer with respect thereto, shall be governed by the other provisions of ORS 367.226 to 367.242, in so far as applicable.

(4) The refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes.

[Formerly 366.660]

367.234 Redemption of bonds before maturity. In its discretion, the commission may issue bonds, as provided in ORS 286.040 with reservation of the right to redeem them for retirement or refunding purposes prior to the final dates of maturity.

[Formerly 366.665]

367.236 Setting aside sufficient moneys to pay maturing bonds issued under ORS 367.226 to 367.242. The commission shall compute and determine in January of each year, after the sale of bonds under ORS 367.226 to 367.242, the amount of principal and interest which will fall due during the year on bonds then outstanding and unpaid, and shall maintain or hold in the highway fund sufficient moneys to pay the maturing obligations.

[Formerly 366.670]

367.238 Payment of principal and interest on bonds; destruction of paid bonds and interest coupons. (1) The commission shall

pay the principal and interest upon bonds authorized by ORS 367.226 to 367.242 as they become due from any funds subject to its control from whatever source they may come, without regard to their origin.

(2) Not less than 20 days before the due date for the payment of the principal of and the interest on any bond issued under ORS 367.226 to 367.242, the commission shall prepare and submit to the State Treasurer for verification a claim in an amount sufficient to meet the payment. Upon verification, the commission shall present the claim to the Secretary of State for audit, in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of the claim.

(3) All bonds authorized by ORS 367.226 to 367.242 and interest coupons surrendered to the State Treasurer upon payment shall be deposited in due course by the State Treasurer with the Secretary of State. After two years from the date upon which paid bonds and interest coupons are deposited, the Secretary of State shall destroy them. The Secretary of State shall prepare a list of the bonds and coupons destroyed and shall file the list with the State Treasurer with certificate thereon duly signed by him that the bonds and coupons described therein were destroyed by him on the date of the certificate.
[Formerly 366.675]

367.240 Advertisement and manner of sale of bonds authorized by ORS 367.226 to 367.242. (1) The commission shall provide such method as it may deem appropriate for the advertisement by newspaper of each issue of bonds authorized by ORS 367.226 to 367.242 before the issue is sold and shall require such deposit with each bid as it deems adequate to insure the fulfillment thereof. The advertisement shall be for a period of not less than 10 days and shall contain a provision to the effect that the commission, in its discretion, may reject any or all bids received by it in pursuance of the advertisement. In the event of rejection, the commission may readvertise for bids for the bonds in the form and manner set forth in this section, as many times as, in the judgment of the commission, may be necessary to effect a satisfactory sale.

(2) None of the bonds authorized by ORS 367.226 to 367.242 may be sold at private sale. They may be sold to the state, either in registered or in coupon form, without advertisement for public sale, at such interest rates, not exceeding an effective rate, computed upon a simple interest basis, of two and one-fourth percent per year, payable semiannually, and at such price, not lower than that specified in this section, as agreed upon by the commission and the State Treasurer.

(3) The bonds authorized by ORS 367.226 to 367.242, except refunding bonds, may be sold to any bidder or to the state at a price of not less than 98 percent of the par value and the full amount, if any, of the interest accrued at the date of delivery of the bonds to the purchasers thereof. Refunding bonds shall not be sold for less than the par value and the full amount of the accrued interest.
[Formerly 366.680]

367.242 Disposition and use of bond proceeds. All moneys obtained from the sale of bonds under ORS 367.226 to 367.242 shall immediately be paid over to the State Treasurer and by him credited to the highway fund. Such moneys shall be used only for the purposes stated in ORS 367.226 to 367.242.
[Formerly 366.685]

367.244 to 367.250 [Reserved for expansion]

(Bond Act of 1953)

367.252 Authority to sell limited amount of bonds under ORS 367.252 to 367.270. In addition to the authority now vested by law in the commission to issue and sell state highway bonds of the State of Oregon, and notwithstanding the limitations prescribed by other laws, the commission hereby is authorized and empowered to issue and sell state highway bonds of the State of Oregon to provide funds from which to defray the costs of location, relocation, improvement, construction and reconstruction of state highways and bridges. For the above purposes the commission may issue bonds in the aggregate principal sum of not to exceed $32,000,000 par value. The amounts that may be expended from the proceeds of sale of the said bonds shall not exceed $10,000,000 for the calendar year 1953, $15,000,000 for the calendar year 1954, and $7,000,000 for the calendar year 1955. Any unexpended balance of such funds so limited for expenditure during a given year may be expended in any subsequent year or years.
[Formerly 366.688]

367.254 Disposition and use of bond proceeds. All moneys obtained from the sale of such bonds shall immediately be paid over to the State Treasurer and by him credited to the State Highway Fund. Said moneys shall be used only for the purposes stated in ORS 367.252 to 367.270. Pending the use of said moneys for highway purposes they may be invested by the State Treasurer in obligations of the State of Oregon or of the United States Government, or both, having maturity dates of not to exceed one year. The earnings from such investments shall inure to the State Highway Fund.
[Formerly 366.689]

367.256 Formal requirements, maximum interest and place of payment of bonds. All bonds issued under authority of ORS 367.252 to 367.270 shall contain a direct promise of the State of Oregon to pay the face value thereof, with interest thereon at such rate or rates, not exceeding 3 percent per annum payable semiannually, as the commission may deem appropriate; but no issue of bonds shall be sold at a higher effective interest rate for the entire issue, computed on a simple interest basis, than 2½ percent per annum payable semianually. The principal of and the interest upon the bonds, when due, shall be paid at the fiscal agency of the State of Oregon in the City and State of New York. The charges imposed by such agency for its services shall be paid, upon approval by the State Treasurer, from the State Highway Fund.
[Formerly 366.690]

367.258 Bonds payable in instalments; bonds may be redeemed for retirement or refunding; bonds and coupons negotiable; execution of bonds and coupons. Each issue of bonds, except those authorized by ORS 367.266, shall be payable in such principal instalments and upon such maturity date or dates as shall be determined by the commission, provided that the earliest maturity date of any of the bonds of an issue shall be not less than one year and the final maturity date not more than 20 years, from the date of issue thereof. In its discretion, the commission may issue the bonds, as provided in ORS 286.040, with reservation of the right to redeem the bonds for retirement or refunding purposes prior to the final date or dates of maturity thereof. The bonds and the appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon to pay the principal of and the interest upon the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America. The bonds shall be executed with the facsimile signatures of two of the three officers designated in ORS 286.050, and with the manual signature of the other of such officers, as agreed upon among them. The bonds shall bear coupons evidencing the interest to become due thereon for each instalment thereof. The first coupon of each issue of bonds may be for a period of more or less than six months but of not more than one year, if, in the judgment of the commission, the issuance of the bonds with such coupons is advisable. The coupons shall be executed with the facsimile signature, with the title of his office thereunder, of each of the officers named in ORS 286.050. Bonds issued under authority of ORS 367.252 to 367.270 and the interest coupons annexed thereto, bearing the signatures of officers in office on the date of the execution of the bonds shall be valid and legally binding obligations, notwithstanding that before delivery of the bonds to the purchasers thereof any or all of the said officers shall have ceased to be such.
[Formerly 366.691]

367.260 Procedure in connection with payment of bond principal and interest. The State Highway Commission shall pay the principal and interest upon said bonds as the same shall become due from any funds subject to its control from whatever source the same may come, without regard to the origin of said funds. Not less than 20 days before the due date for the payment of the principal of and the interest on any bond issued under authority of ORS 367.252 to 367.270, the commission shall prepare and submit to the State Treasurer for verification a claim in an amount sufficient to meet the payment thereof; and, upon verification, the commission shall present the claim to the Secretary of State for audit, in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of such claim. All bonds and interest coupons surrendered to the State Treasurer upon payment thereof shall be deposited in due course by the State Treasurer with the Secretary of State. After two years from the date upon which said paid bonds and interest coupons

are so deposited, the Secretary of State shall destroy them. The Secretary of State shall prepare a list of the bonds and coupons destroyed and shall file said list with the State Treasurer with certificate thereon duly signed by him that the bonds and coupons described therein were destroyed by him on the date of said certificate.
[Formerly 366.692]

367.262 Issuance of refunding bonds. The commission hereby is authorized to issue refunding bonds for the purpose of refunding outstanding bonds issued under the provisions of ORS 367.252 to 367.270. The said refunding bonds may be sold in the same manner as other bonds are sold under authority of ORS 367.252 to 367.270. The issuance of the said refunding bonds, the maturity dates, and other details thereof, the rights of the holders thereof, and the duties of the Governor, Secretary of State and State Treasurer with respect thereto, shall be governed by the other provisions of ORS 367.252 to 367.270, in so far as such provisions are applicable. The said refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes.
[Formerly 366.693]

367.264 Advertisement and manner of sale of bonds authorized by ORS 367.252 to 367.270. The commission shall provide such method as it may deem appropriate for the advertisement by newspaper of each issue of bonds before the issue is sold and shall require such deposit with each bid therefor as it may deem adequate to insure the fulfillment thereof. Prior to advertisement of any of the bonds for sale, the commission, in its discretion, may publish in one or more financial newspapers in the City and State of New York a statement showing the current financial condition of the State of Oregon. The advertisement of the proposed sale of the bonds shall be published for a period of not less than 10 days and shall contain a provision to the effect that the commission, in its discretion, may reject any or all bids received by it in pursuance of such advertisement. In the event of such rejection, the commission is authorized to readvertise for bids for the bonds in the form and manner herein set forth, as many times as, in the judgment of the commission, may be necessary to effect a satisfactory sale. None of the bonds may be sold at private sale, but they may be sold to the state, either in registered or in coupon form, without advertisement thereof for public sale, at such interest rate or rates, not exceeding an effective rate, computed upon a simple interest basis, of 2½ percent per annum, payable semiannually, and at such price, not lower than that herein specified, as shall be agreed upon by the State Highway Commission and the State Treasurer. The bonds, except refunding bonds, may be sold to any bidder or to the state at a price of not less than 98 percent of the par value thereof plus the full amount, if any, of the interest accrued thereon at the date of delivery of the bonds to the purchaser or purchasers thereof. In arriving at a bid price for the bonds, the bidder may allocate to different maturities of the bonds of the issue prices of not less than 95 percent of par value of each maturity, provided that the average bid price for the bonds shall not be less than 98 percent of par value. Refunding bonds shall not be sold for less than the par value thereof and the full amount of the accrued interest thereon.
[Formerly 366.694]

367.266 Sale of short-term bonds. When ever in the judgment of the commission it is in the best interest of the state and will more efficiently and adequately promote highway construction, the commission hereby is authorized and empowered to sell bonds under the provisions of ORS 367.252 to 367.270 maturing at a date not later than five years from the issue date thereof.
[Formerly 366.695]

367.268 Setting aside sufficient moneys to pay maturing bonds issued under ORS 367.252 to 367.270. The commission hereby is authorized and directed to compute and determine in January of each year, after the sale of bonds under the provisions of ORS 367.252 to 367.270, the amount of principal and interest which will fall due during such year on bonds then outstanding and unpaid and shall maintain or hold in the State Highway Fund sufficient moneys to pay such maturing obligations.
[Formerly 366.696]

367.270 Constitutional debt limits not to be exceeded. No bonds shall be issued or sold pursuant to ORS 367.252 to 367.270, nor indebtedness incurred thereunder, which singly or in the aggregate with previous debts or liabilities incurred for the building and maintaining of permanent roads shall exceed any limitation provided in the Constitution of

the State of Oregon at the date of the issuance and sale of such bonds.
[Formerly 366.697]

367.272 to 367.280 [Reserved for expansion]

**(Bond Act of 1957-
General Highway Purposes)**

367.282 "Commission" defined for ORS 367.282 to 367.302. As used in ORS 367.282 to 367.302, the word "commission" shall mean the State Highway Commission of the State of Oregon.
[Formerly 366.6980]

367.284 Authority to sell limited amount of bonds under ORS 367.282 to 367.302. In addition to the authority now vested by law in the commission to issue and sell state highway bonds of the State of Oregon, and notwithstanding the limitations prescribed by other laws, the commission hereby is authorized and empowered to issue and sell state highway bonds of the State of Oregon to provide funds from which to defray the costs of location, relocation, improvement, construction and reconstruction of state highways and bridges. For the above purposes the commission may issue bonds in the aggregate principal sum of not to exceed $8 million par value.
[Formerly 366.6981]

367.286 Disposition and use of bond proceeds. All moneys obtained from the sale of such bonds shall immediately be paid over to the State Treasurer and by him credited to the State Highway Fund. Said moneys shall be used only for the purposes stated in ORS 367.282 to 367.302. Pending the use of said moneys for highway purposes they may be invested by the State Treasurer in obligations of the State of Oregon or of the United States Government, or both, having maturity dates of not to exceed one year. The earnings from such investments shall inure to the State Highway Fund.
[Formerly 366.6982]

367.288 Formal requirements, maximum interest and place of payment of bonds. All bonds issued under authority of ORS 367.282 to 367.302 shall contain a direct promise of the State of Oregon to pay the face value thereof, with interest thereon at such rate or rates, not exceeding four percent per annum payable semiannually, as the commission may deem appropriate; but no issue of bonds shall be sold at a higher effective interest rate for the entire issue, computed on a simple interest basis, than four percent per annum payable semiannually. The principal of and the interest upon the bonds, when due, shall be paid at the fiscal agency of the State of Oregon in the City and State of New York. The charges imposed by such agency for its services shall be paid, upon approval by the State Treasurer, from the State Highway Fund.
[Formerly 366.6983]

367.290 Bonds payable in instalments; bonds may be redeemed for retirement or refunding; bonds and coupons negotiable; execution of bonds and coupons. Each issue of bonds, except those authorized by ORS 367.298, shall be payable in such principal instalments and upon such maturity date or dates as shall be determined by the commission, provided that the earliest maturity date of any of the bonds of an issue shall be not less than one year and the final maturity date not more than 10 years, from the date of issue thereof. In its discretion, the commission may issue the bonds, as provided in ORS 286.040, with reservation of the right to redeem the bonds for retirement or refunding purposes prior to the final date or dates of maturity thereof. The bonds and the appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon to pay the principal of and the interest upon the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America. The bonds shall be executed with the facsimile signatures of two of the three officers designated in ORS 286.050, and with the manual signature of the other of such officers, as agreed upon among them. The bonds shall bear coupons evidencing the interest to become due thereon for each instalment thereof. The first coupon of each issue of bonds may be for a period of more or less than six months but of not more than one year, if, in the judgment of the commission, the issuance of the bonds with such coupons is advisable. The coupons shall be executed with the facsimile signature, with the title of his office thereunder, of each of the officers named in ORS 286.050. Bonds issued under authority of ORS 367.282 to 367.302 and the interest coupons annexed thereto, bearing the signatures of officers in office on the date of the execution of the bonds

shall be valid and legally binding obligations, notwithstanding that before delivery of the bonds to the purchasers thereof any or all of the said officers shall have ceased to be such.
[Formerly 366.6984]

367.292 Procedure in connection with payment of bond principal and interest. The State Highway Commission shall pay the principal and interest upon said bonds as the same shall become due from any funds subject to its control from whatever source the same may come, without regard to the origin of said funds. Not less than 20 days before the due date for the payment of the principal of and the interest on any bond issued under authority of ORS 367.282 to 367.302, the commission shall prepare and submit to the State Treasurer for verification a claim in the amount sufficient to meet the payment thereof; and, upon verification, the commission shall present the claim to the Secretary of State for audit, in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of such claim. All bonds and interest coupons surrendered to the State Treasurer upon payment thereof shall be deposited in due course by the State Treasurer with the Secretary of State. After two years from the date upon which said paid bonds and interest coupons are so deposited, the Secretary of State shall destroy them. The Secretary of State shall prepare a list of the bonds and coupons destroyed and shall file said list with the State Treasurer with certificate thereon duly signed by him that the bonds and coupons described therein were destroyed by him on the date of said certificate.
[Formerly 366.6985]

367.294 Issuance of refunding bonds. The commission hereby is authorized to issue refunding bonds for the purpose of refunding outstanding bonds issued under the provisions of ORS 367.282 to 367.302. The said refunding bonds may be sold in the same manner as other bonds are sold under authority of ORS 367.282 to 367.302. The issuance of the said refunding bonds, the maturity dates, and other details thereof, the rights of the holders thereof, and the duties of the Governor, Secretary of State and State Treasurer with respect thereto, shall be governed by the other provisions of ORS 367.282 to 367.302, in so far as such provisions are applicable. The said refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes.
[Formerly 366.6986]

367.296 Advertisement and manner of sale of bonds authorized by ORS 367.282 to 367.302. The commission shall provide such method as it may deem appropriate for the advertisement by newspaper of each issue of bonds before the issue is sold and shall require such deposit with each bid therefor as it may deem adequate to insure the fulfillment thereof. Prior to advertisement of any of the bonds for sale, the commission, in its discretion, may publish in one or more financial newspapers in the City and State of New York a statement showing the current financial condition of the State of Oregon. The advertisement of the proposed sale of the bonds shall be published for a period of not less than 10 days and shall contain a provision to the effect that the commission, in its discretion, may reject any or all bids received by it in pursuance of such advertisement. In the event of such rejection, the commission is authorized to readvertise for bids for the bonds in the form and manner herein set forth, as many times as, in the judgment of the commission, may be necessary to effect a satisfactory sale. None of the bonds may be sold at private sale, but they may be sold to the state, either in registered or in coupon form, without advertisement thereof for public sale, at such interest rate or rates, not exceeding an effective rate, computed upon a simple interest basis, of four percent per annum, payable semiannually, and at such price, not lower than that herein specified, as shall be agreed upon by the State Highway Commission and the State Treasurer. The bonds, except refunding bonds, may be sold to any bidder or to the state at a price of not less than 98 percent of the par value thereof plus the full amount, if any, of the interest accrued thereon at the date of delivery of the bonds to the purchaser or purchasers thereof. In arriving at a bid price for the bonds, the bidder may allocate to different maturities of the bonds of the issue prices of not less than 95 percent of par value of each maturity, provided that the average bid price for the bonds shall not be less than 98 percent of par value. Refunding bonds shall not be sold for less

than the par value thereof and the full amount of the accrued interest thereon.
[Formerly 366.6987]

367.298 Sale of short-term bonds. Whenever in the judgment of the commission it is in the best interest of the state and will more efficiently and adequately promote highway construction, the commission hereby is authorized and empowered to sell bonds under the provisions of ORS 367.282 to 367.302 maturing at a date not later than five years from the issue date thereof.
[Formerly 366.6988]

367.300 Setting aside sufficient moneys to pay maturing bonds issued under ORS 367.282 to 367.302. The commission hereby is authorized and directed to compute and determine in January of each year, after the sale of bonds under the provisions of ORS 367.282 to 367.302, the amount of principal and interest which will fall due during such year on bonds then outstanding and unpaid and shall maintain or hold in the State Highway Fund sufficient moneys to pay such maturing obligations.
[Formerly 366.6989]

367.302 Constitutional debt limits not to be exceeded. No bonds shall be issued or sold pursuant to ORS 367.282 to 367.302, nor indebtedness incurred thereunder, which singly or in the aggregate with previous debts or liabilities incurred for the building and maintaining of permanent roads shall exceed any limitation provided in the Constitution of the State of Oregon at the date of the issuance and sale of such bonds.
[Formerly 366.6990]

367.304 to 367.322 [Reserved for expansion]

**(Bond Act of 1957-
Coast Highway Purposes)**

367.324 "Commission" defined for ORS 367.324 to 367.346. As used in ORS 367.324 to 367.346, the word "commission" means the State Highway Commission of the State of Oregon.
[Formerly 366.7000]

367.326 Authority to sell limited amount of bonds under ORS 367.324 to 367.346. In addition to the authority now vested by law in the commission to issue and sell state highway bonds of the State of Oregon, and notwithstanding the limitations prescribed by other laws, the commission hereby is authorized and empowered to issue and sell state highway bonds of the State of Oregon to provide funds from which to defray the costs of location, relocation, improvement, construction and reconstruction of state highways and bridges. For the above purposes the commission may issue bonds in the aggregate principal sum of not to exceed $12,600,000 par value.
[Formerly 366.7001]

367.328 Disposition and use of bond proceeds. All moneys obtained from the sale of such bonds shall immediately be paid over to the State Treasurer and by him credited to the State Highway Fund. Such moneys shall be used only for the purposes stated in ORS 367.324 to 367.346. Pending the use of said moneys for highway purposes they may be invested by the State Treasurer in obligations of the State of Oregon or of the United States Government, or both, having maturity dates of not to exceed one year. The earnings from such investments shall inure to the State Highway Fund.
[Formerly 366.7002]

367.330 Formal requirements, maximum interest and place of payment of bonds. All bonds issued under authority of ORS 367.324 to 367.346 shall contain a direct promise of the State of Oregon to pay the face value thereof, with interest thereon at such rate or rates, not exceeding four percent per annum payable semiannually, as the commission may deem appropriate; but no issue of bonds shall be sold at a higher effective interest rate for the entire issue, computed on a simple interest basis, than four percent per annum payable semiannually. The principal of and the interest upon the bonds, when due, shall be paid at the fiscal agency of the State of Oregon in the City and State of New York. The charges imposed by such agency for its services shall be paid, upon approval by the State Treasurer, from the State Highway Fund.
[Formerly 366.7003]

367.332 Bonds payable in instalments; bonds may be redeemed for retirement or refunding; bonds and coupons negotiable; execution of bonds and coupons. Each issue of bonds, except those authorized by ORS 367.340, shall be payable in such principal instalments and upon such maturity date or dates as shall be determined by the commission, provided that the earliest maturity date of any of the bonds of an issue shall be not less than one year and the final maturity date not more than 20 years, from the

date of issue thereof. In its discretion, the commission may issue the bonds, as provided in ORS 286.040, with reservation of the right to redeem the bonds for retirement or refunding purposes prior to the final date or dates of maturity thereof. The bonds and the appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon to pay the principal of and the interest upon the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America. The bonds shall be executed with the facsimile signatures of two of the three officers designated in ORS 286.050, and with the manual signature of the other of such officers, as agreed upon among them. The bonds shall bear coupons evidencing the interest to become due thereon for each instalment thereof. The first coupon of each issue of bonds may be for a period of more or less than six months but of not more than one year, if, in the judgment of the commission, the issuance of the bonds with such coupons is advisable. The coupons shall be executed with the facsimile signature, with the title of his office thereunder, of each of the officers named in ORS 286.050. Bonds issued under authority of ORS 367.324 to 367.346 and the interest coupons annexed thereto, bearing the signatures of officers in office on the date of the execution of the bonds shall be valid and legally binding obligations, notwithstanding that before delivery of the bonds to the purchasers thereof any or all of the said officers shall have ceased to be such.
[Formerly 366.7004]

367.334 Procedure in connection with payment of bond principal and interest. The State Highway Commission shall pay the principal and interest upon said bonds as the same become due from any funds subject to its control from whatever source the same may come, without regard to the origin of said funds. Not less than 20 days before the due date for the payment of the principal of and the interest on any bond issued under authority of ORS 367.324 to 367.346, the commission shall prepare and submit to the State Treasurer for verification a claim in the amount sufficient to meet the payment thereof; and, upon verification, the commission shall present the claim to the Secretary of State for audit, in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of such claim. All bonds and interest coupons surrendered to the State Treasurer upon payment thereof shall be deposited in due course by the State Treasurer with the Secretary of State. After two years from the date upon which said paid bonds and interest coupons are so deposited, the Secretary of State shall destroy them. The Secretary of State shall prepare a list of the bonds and coupons destroyed and shall file said list with the State Treasurer with certificate thereon duly signed by him that the bonds and coupons described therein were destroyed by him on the date of said certificate.
[Formerly 366.7005]

367.336 Issuance of refunding bonds. The commission hereby is authorized to issue refunding bonds for the purpose of refunding outstanding bonds issued under the provisions of ORS 367.324 to 367.346. The said refunding bonds may be sold in the same manner as other bonds are sold under authority of ORS 367.324 to 367.346. The issuance of the said refunding bonds, the maturity dates, and other details thereof, the rights of the holders thereof, and the duties of the Governor, Secretary of State and State Treasurer with respect thereto, shall be governed by the other provisions of ORS 367.324 to 367.346, in so far as such provisions are applicable. The said refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes.
[Formerly 366.7006]

367.338 Advertisement and manner of sale of bonds authorized by ORS 367.324 to 367.346. The commission shall provide such method as it may deem appropriate for the advertisement by newspaper of each issue of bonds before the issue is sold and shall require such deposit with each bid therefor as it may deem adequate to insure the fulfillment thereof. Prior to advertisement of any of the bonds for sale, the commission, in its discretion, may publish in one or more financial newspapers in the City and State of New York a statement showing the current financial condition of the State of Oregon. The advertisement of the proposed sale of the bonds shall be published for a period of not less than 10 days and shall contain a provision to the effect that the commission, in its

discretion, may reject any or all bids received by it in pursuance of such advertisement. In the event of such rejection, the commission is authorized to readvertise for bids for the bonds in the form and manner herein set forth, as many times as, in the judgment of the commission, may be necessary to effect a satisfactory sale. None of the bonds may be sold at private sale; but they may be sold to the state, either in registered or in coupon form, without advertisement thereof for public sale, at such interest rate or rates, not exceeding an effective rate, computed upon a simple interest basis, of four percent per annum, payable semiannually, and at such price, not lower than that herein specified, as shall be agreed upon by the State Highway Commission and the State Treasurer. The bonds, except refunding bonds, may be sold to any bidder or to the state at a price of not less than 98 percent of the par value thereof plus the full amount, if any, of the interest accrued thereon at the date of delivery of the bonds to the purchaser or purchasers thereof. In arriving at a bid price for the bonds, the bidder may allocate to different maturities of the bonds of the issue prices of not less than 95 percent of par value of each maturity, provided that the average bid price for the bonds shall not be less than 98 percent of par value. Refunding bonds shall not be sold for less than the par value thereof and the full amount of the accrued interest thereon.
[Formerly 366.7007]

367.340 Sale of short-term bonds. Whenever in the judgment of the commission it is in the best interest of the state and will more efficiently and adequately promote highway construction, the commission hereby is authorized and empowered to sell bonds under the provisions of ORS 367.324 to 367.346 maturing at a date not later than five years from the issue date thereof.
[Formerly 366.7008]

367.344 Setting aside sufficient moneys to pay maturing bonds issued under ORS 367.324 to 367.346. The commission hereby is authorized and directed to compute and determine in January of each year, after the sale of bonds under the provisions of ORS 367.324 to 367.346, the amount of principal and interest which will fall due during such year on bonds then outstanding and unpaid and shall maintain or hold in the State Highway Fund sufficient moneys to pay such maturing obligations.
[Formerly 366.7009]

367.346 Constitutional debt limits not to be exceeded. No bonds shall be issued or sold pursuant to ORS 367.324 to 367.346, nor indebtedness incurred thereunder, which singly or in the aggregate with previous debts or liabilities incurred for the building and maintaining of permanent roads shall exceed any limitation provided in the Constitution of the State of Oregon at the date of the issuance and sale of such bonds.
[Formerly 366.7010]

367.348 to 367.364 [Reserved for expansion]

(Bond Act of 1959, as Amended)

367.365 "Commission" defined for ORS 367.365 to 367.420. As used in ORS 367.365 to 367.420, "commission" means the State Highway Commission.
[Formerly 366.7020]

367.370 Authority to sell limited amounts of bonds under ORS 367.370 to 367.420. (1) In addition to the authority now vested by law in the commission to issue and sell state highway bonds of the State of Oregon, and notwithstanding the limitations contained in other laws, the commission, subject to subsection (2) of this section, shall issue and sell state highway bonds of the State of Oregon to provide funds to defray the costs, incurred after March 1, 1961, of location and construction of a bridge over the Columbia River, but excluding costs of location, relocation, improvement, construction or reconstruction of approaches as shown and described in "A Report On A Proposed Bridge Across The Columbia River," prepared by the Oregon and Washington State Highway Commissions, dated January 1959. For such purposes the commission shall issue bonds in the aggregate principal sum of not to exceed $24 million par value.

(2) The commission shall not issue bonds under subsection (1) of this section unless and until the State of Washington, by law, has imposed, to the extent provided in subsection (3) of this section, a first and prior charge against all revenues subsequently derived from the proceeds of state excise taxes on motor vehicle fuels directed by law to be deposited in the Washington motor vehicle fund available for Washington State Highway Commission purposes,

and an agreement or agreements have been entered into between the Oregon State Highway Commission and the Washington State Highway Commission whereby, among other things, the State of Washington is bound to pay from any moneys in the Washington motor vehicle fund not otherwise pledged or from any other source available to the Washington State Highway Commission for such purpose the amounts as provided in subsection (3) of this section.

(3) To the extent that revenues derived from the imposition and collection of tolls and franchise fees for the use of the bridge referred to in subsection (1) of this section in any year are insufficient to provide for the payment of principal, interest and other charges incidental to the issuance, sale and retirement of the bonds referred to in subsection (1) of this section and refunding bonds issued under ORS 367.400 for the purpose of refunding outstanding bonds issued under subsection (1) of this section or such refunding bonds, the State of Oregon shall pay the first $100,000 of such deficit for such year, and the State of Washington shall pay, when due, 40 percent of the balance of such deficit for such year; except that in no case shall the portion of such deficit paid by the State of Washington exceed $200,000 in any such year.
[Formerly 366.7021]

367.372 Authority to sell additional $4 million of bonds. In addition to the authority now vested by law in the commission to issue and sell state highway bonds of the State of Oregon, and notwithstanding the limitations contained in other laws, the commission may issue and sell state highway bonds of the State of Oregon to provide funds to defray the costs of location, relocation, improvement, construction and reconstruction of state highways and bridges. For such purposes the commission may issue bonds in the aggregate principal sum of not to exceed $4 million par value.
[1961 c.381 §2]

367.374 to 367.378 [Reserved for expansion]

367.380 Disposition and use of bond proceeds. All moneys obtained from the sale of bonds under ORS 367.365 to 367.420 shall immediately be paid over to the State Treasurer and by him credited to the State Highway Fund. Such moneys shall be used only for the purposes stated in ORS 367.365 to 367.420. Pending the use of such moneys for state highway and bridge purposes they may be invested by the State Treasurer in obligations designated in ORS 291.612. The earnings from such investments shall inure to the State Highway Fund.
[Formerly 366.7022]

367.385 Formal requirements, maximum interest and place of payment of bonds. All bonds issued under ORS 367.365 to 367.420 shall contain a direct promise of the State of Oregon to pay the face value thereof, with interest thereon at such rate or rates, not exceeding four percent per annum payable semiannually, as the commission may deem appropriate; but no issue of bonds shall be sold at a higher effective interest rate for the entire issue, computed on a simple interest basis, than four percent per annum payable semiannually. The principal of and the interest upon the bonds, when due, shall be paid at the fiscal agency of the State of Oregon in the City and State of New York. The charges imposed by such agency for its services shall be paid, upon approval by the State Treasurer, from the State Highway Fund.
[Formerly 366.7023]

367.390 Bonds payable in instalments; bonds may be redeemed for retirement or refunding; bonds and coupons negotiable; execution of bonds and coupons. Each issue of bonds under ORS 367.365 to 367.420 shall be payable in such principal instalments and upon such maturity date or dates as shall be determined by the commission, provided that the earliest maturity date of any of the bonds of an issue shall be not less than one year and the final maturity date not more than 40 years for bonds issued under subsection (1) of ORS 367.370 and not more than 20 years for bonds issued under ORS 367.372, from the date of issue thereof. In its discretion, the commission may issue the bonds, as provided in ORS 286.040, with reservation of the right to redeem the bonds for retirement or refunding purposes prior to the final date or dates of maturity thereof. The bonds and the appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon to pay the principal of and the interest upon the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts

within the United States of America. The bonds shall be executed with the facsimile signatures of two of the three officers designated in ORS 286.050, and with the manual signature of the other of such officers, as agreed upon among them. The bonds shall bear coupons evidencing the interest to become due thereon for each instalment thereof. The first coupon of each issue of bonds may be for a period of more or less than six months but of not more than one year, if, in the judgment of the commission, the issuance of the bonds with such coupons is advisable. The coupons shall be executed with the facsimile signature, with the title of his office thereunder, of each of the officers designated in ORS 286.050. Bonds issued under ORS 367.365 to 367.420, and the interest coupons annexed thereto, bearing the signatures of officers in office on the date of the execution of the bonds shall be valid and legally binding obligations, notwithstanding that before delivery of the bonds to the purchasers thereof any or all of the officers have ceased to be such.
[Formerly 366.7024]

367.395 Procedure in connection with payment of bond principal and interest. The commission shall pay the principal and interest upon bonds issued under ORS 367.365 to 367.420 as the same become due from any funds subject to its control from whatever source the same may come, without regard to the origin of such funds. Not less than 20 days before the due date for the payment of the principal of and the interest on any bond issued under ORS 367.365 to 367.420, the commission shall prepare and submit to the State Treasurer for verification a claim in the amount sufficient to meet the payment thereof; and, upon verification, the commission shall present the claim to the Secretary of State for audit, in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of such claim. All bonds and interest coupons surrendered to the State Treasurer upon payment thereof shall be deposited in due course by the State Treasurer with the Secretary of State. After two years from the date upon which the paid bonds and interest coupons are so deposited, the Secretary of State shall destroy them. The Secretary of State shall prepare a list of the bonds and coupons destroyed and shall file the list with the State Treasurer with certificate thereon duly signed by him that the bonds and coupons described therein were destroyed by him on the date of the certificate.
[Formerly 366.7025]

367.400 Issuance of refunding bonds. The commission may issue refunding bonds for the purpose of refunding outstanding bonds issued under ORS 367.365 to 367.420. The refunding bonds may be sold in the same manner as other bonds are sold under ORS 367.365 to 367.420. The issuance of the refunding bonds, the maturity dates, and other details thereof, the rights of the holders thereof, and the duties of the Governor, Secretary of State and State Treasurer with respect thereto, shall be governed by the other provisions of ORS 367.365 to 367.420, in so far as such provisions are applicable. The refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes.
[Formerly 366.7026]

367.405 Advertisement and manner of sale of bonds. The commission shall provide such method as it may deem appropriate for the advertisement by newspaper of each issue of bonds under ORS 367.365 to 367.420 before the issue is sold and shall require such deposit with each bid therefor as it may deem adequate to insure the fulfilment thereof. Prior to advertisement of any of the bonds for sale, the commission, in its discretion, may publish in one or more financial newspapers in the City and State of New York a statement showing the current financial condition of the State of Oregon. The advertisement of the proposed sale of the bonds shall be published for a period of not less than 10 days and shall contain a provision to the effect that the commission, in its discretion, may reject any or all bids received by it in pursuance of such advertisement. In the event of such rejection, the commission may readvertise for bids for the bonds in the form and manner set forth in this section, as many times as, in the judgment of the commission, may be necessary to effect a satisfactory sale. None of the bonds may be sold at private sale; but they may be sold to the state, either in registered or in coupon form, without advertisement thereof for public sale, at such interest rate or rates, not exceeding an effective rate,

computed upon a simple interest basis, of four percent per annum, payable semiannually, and at such price, not lower than that specified in this section, as shall be agreed upon by the commission and the State Treasurer. The bonds, except refunding bonds, may be sold to any bidder or to the state at a price of not less than 98 percent of the par value thereof plus the full amount, if any, of the interest accrued thereon at the date of delivery of the bonds to the purchaser or purchasers thereof. In arriving at a bid price for the bonds, the bidder may allocate to different maturities of the bonds of the issue prices of not less than 95 percent of par value of each maturity, provided that the average bid price for the bonds shall not be less than 98 percent of par value. Refunding bonds shall not be sold for less than the par value thereof and the full amount of the accrued interest thereon.

[Formerly 366.7027]

367.410 Setting aside sufficient moneys to pay maturing bonds. The commission shall compute and determine in January of each year, after the sale of bonds under ORS 367.365 to 367.420, the amount of principal and interest which will fall due during such year on bonds then outstanding and unpaid and shall maintain or hold in the State Highway Fund sufficient moneys to pay such maturing obligations.

[Formerly 366.7028]

367.415 Use of revenues from bridge financed with receipts from bonds under ORS 367.365 to 367.420. In addition to the other provisions of ORS 367.365 to 367.420 relating to the payment of the principal, interest and other charges incidental to the issuance, sale and retirement of bonds issued under subsection (1) of ORS 366.370 and refunding bonds issued under ORS 367.400 for the purpose of refunding outstanding bonds issued under subsection (1) of ORS 367.370 or such refunding bonds, and notwithstanding any other provision of law, all revenues derived from the imposition and collection of tolls and franchise fees for the use of the bridge referred to in subsection (1) of ORS 367.370 shall be used for the following purposes in the following order:

(1) Payment of all costs of toll collection and insurance in the event the bridge is insured; and then

(2) Payment of the principal, interest and other charges incidental to the issuance, sale and retirement of the bonds issued under subsection (1) of ORS 367.370 and refunding bonds issued under ORS 367.400 for the purpose of refunding outstanding bonds issued under subsection (1) of ORS 367.370 or such refunding bonds.

[Formerly 366.7029]

367.420 Constitutional debt limits not to be exceeded. No bonds shall be issued or sold under ORS 367.365 to 367.420, nor indebtedness incurred thereunder, which, singly or in the aggregate with previous debts or liabilities incurred for the building and maintaining of permanent roads, shall exceed any limitation provided in the Oregon Constitution at the date of the issuance and sale of such bonds. If the maximum aggregate principal sum of bonds authorized to be issued under ORS 367.365 to 367.420 exceeds any limitation provided in the Oregon Constitution, bonds shall be issued under ORS 367.365 to 367.420 in the aggregate principal sum of not to exceed that authorized under the limitation provided in the Oregon Constitution.

[Formerly 366.7030]

367.425 Contents of agreements under ORS 367.370. (1) The agreement or agreements referred to in subsection (2) of ORS 367.370 shall contain, among other things:

(a) A provision that the Oregon State Highway Commission, after consultation with the Washington State Highway Commission, shall fix the classifications and amounts of tolls to be imposed and collected for the use of the bridge referred to in subsection (1) of ORS 367.370, and, after consultation with the Washington State Highway Commission, may revise such classifications and amounts if deemed necessary, and the time or times when such tolls shall first be imposed.

(b) A provision that any and all contracts for the construction of the bridge referred to in subsection (1) of ORS 367.370 shall be awarded in the name of the State of Oregon by and through the Oregon State Highway Commission, or the State of Washington by and through the Washington State Highway Commission, or both.

(c) A provision that each state shall have full power to design and construct approaches to the bridge referred to in subsection (1) of ORS 367.370 within the respective boundaries of each state. Such ap-

proaches shall constitute a part of the state highway system of each state and the cost of design, right of way and construction thereof shall be borne by the respective states from any funds available for such purposes. In the event design or construction of approaches is included in any contract for the construction of the bridge, the cost of such approaches within the respective boundaries of each state shall be segregated and paid for by the respective states.

(2) The agreement or agreements referred to in subsection (2) of ORS 367.370 may contain, among other things:

(a) A provision that the State of Oregon, the Oregon State Highway Commission and any other duly constituted agency of the State of Oregon, and the State of Washington, the Washington Toll Bridge Authority, the Washington State Highway Commission and any other duly constituted agency of the State of Washington, shall be reimbursed out of the proceeds of the sale of the bonds referred to in subsection (1) of ORS 367.370 for any advances they may have made or expenses they may have incurred after March 1, 1961, for any of the purposes for which such bonds may be issued and sold, after duly verified, itemized statements of such advances and expenses have been submitted to and jointly approved by the Oregon State Highway Commission and the Washington State Highway Commission.

(b) A provision that during the period of operation of the bridge referred to in subsection (1) of ORS 367.370 as a toll bridge all or any part of the maintenance and repair work may be performed by either the Oregon State Highway Commission or the Washington State Highway Commission, with a provision for payment of the costs of such maintenance and repair one-half from the Oregon State Highway Commission and one-half from the Washington State Highway Commission.
[1961 c.345 §3]

367.430 When bridge constructed under ORS 367.370 to be free of tolls. The bridge referred to in subsection (1) of ORS 367.370 shall be operated as a toll-free bridge whenever the principal, interest and other charges incidental to the issuance, sale and retirement of all bonds issued under subsection (1) of ORS 367.370 and refunding bonds issued under ORS 367.400 for the purpose of refunding outstanding bonds issued under subsection (1) of ORS 367.370 or such refunding bonds, have been fully paid, unless the State of Oregon and the State of Washington agree through their respective highway commissions to continue operation of the bridge as a toll bridge and to use the tolls to reimburse, in whole or in part, the State of Oregon and the State of Washington for funds advanced to pay such bond principal, interest and other incidental charges.
[1961 c.345 §4]

367.435 to 367.460 [Reserved for expansion]

(Bond Act of 1961)

367.465 "Commission" defined for ORS 367.465 to 367.520. As used in ORS 367.465 to 367.520, "commission" means the State Highway Commission.
[1961 c.483 §1]

367.470 Authority to sell limited amount of bonds under ORS 367.465 to 367.520. In addition to the authority now vested by law in the commission to issue and sell highway bonds of the State of Oregon, and notwithstanding the limitations contained in other laws, the commission may issue and sell highway bonds of the State of Oregon to provide funds to defray the costs of location, relocation, improvement, construction and reconstruction of state highways and bridges in the area or areas of the state, as determined by the commission, where the needs of the state highway system are most immediate and where there are depressed economic conditions. For such purposes the commission may issue bonds in the aggregate principal sum of not to exceed $4 million par value.
[1961 c.483 §2]

367.475 [Reserved for expansion]

367.480 Disposition and use of bond proceeds. All moneys obtained from the sale of bonds under ORS 367.465 to 367.520 shall immediately be paid over to the State Treasurer and by him credited to the State Highway Fund. Such moneys shall be used only for the purposes stated in ORS 367.465 to 367.520. Pending the use of such moneys for state highway and bridge purposes they may be invested by the State Treasurer in obligations designated in ORS 291.612. The earnings from such investments shall inure to the State Highway Fund.
[1961 c.483 §3]

367.485 Formal requirements, maximum interest and place of payment of bonds. All bonds issued under ORS 367.465 to 367.520 shall contain a direct promise of the State of Oregon to pay the face value thereof, with interest thereon at such rate or rates, not exceeding four percent per annum payable semiannually, as the commission may deem appropriate; but no issue of bonds shall be sold at a higher effective interest rate for the entire issue, computed on a simple interest basis, than four percent per annum payable semiannually. The principal of and the interest upon the bonds, when due, shall be paid at the fiscal agency of the State of Oregon, in the City and State of New York. The charges imposed by such agency for its services shall be paid, upon approval by the State Treasurer, from the State Highway Fund.
[1961 c.483 §4]

367.490 Bonds payable in instalments; bonds may be redeemed for retirement or refunding; bonds and coupons negotiable; execution of bonds and coupons. Each issue of bonds under ORS 367.465 to 367.520 shall be payable in such principal instalments and upon such maturity date or dates as shall be determined by the commission, provided that the earliest maturity date of any of the bonds of an issue shall be not less than one year and the final maturity date not more than 40 years from the date of issue thereof. In its discretion, the commission may issue the bonds, as provided in ORS 286.040, with reservation of the right to redeem the bonds for retirement or refunding purposes prior to the final date or dates of maturity thereof. The bonds and the appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon to pay the principal of and the interest upon the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America. The bonds shall be executed with the facsimile signatures of two of the three officers designated in ORS 286.050, and with the manual signature of the other of such officers, as agreed upon among them. The bonds shall bear coupons evidencing the interest to become due thereon for each instalment thereof. The first coupon of each issue of bonds may be for a period of more or less than six months but of not more than one year, if, in the judgment of the commission, the issuance of the bonds with such coupons is advisable. The coupons shall be executed with the facsimile signature, with the title of his office thereunder, of each of the officers designated in ORS 286.050. Bonds issued under ORS 367.465 to 367.520, and the interest coupons annexed thereto, bearing the signatures of officers in office on the date of execution of the bonds shall be valid and legally binding obligations, notwithstanding that before delivery of the bonds to the purchasers thereof any or all of the officers have ceased to be such.
[1961 c.483 §5]

367.495 Payment of bond principal and interest. The commission shall pay the principal and interest upon bonds issued under ORS 367.465 to 367.520 as the same become due from any funds subject to its control from whatever source the same may come, without regard to the origin of such funds. Not less than 20 days before the due date for the payment of the principal of and the interest on any bond issued under ORS 367.465 to 367.520, the commission shall prepare and submit to the State Treasurer for verification a claim in the amount sufficient to meet the payment thereof; and, upon verification, the commission shall present the claim to the Secretary of State for audit, in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of such claim. All bonds and interest coupons surrendered to the State Treasurer upon payment thereof shall be deposited in due course by the State Treasurer with the Secretary of State. After two years from the date upon which the paid bonds and interest coupons are so deposited, the Secretary of State shall destroy them. The Secretary of State shall prepare a list of the bonds and coupons destroyed and shall file the list with the State Treasurer with certificate thereon duly signed by him that the bonds and coupons described therein were destroyed by him on the date of the certificate.
[1961 c.483 §6]

367.500 Issuance of refunding bonds. The commission may issue refunding bonds for the purpose of refunding outstanding bonds issued under ORS 367.465 to 367.520. The refunding bonds may be sold in the

same manner as other bonds are sold under ORS 367.465 to 367.520. The issuance of the refunding bonds, the maturity date, and other details thereof, the rights of the holders thereof, and the duties of the Governor, Secretary of State and State Treasurer with respect thereto, shall be governed by the other provisions of ORS 367.465 to 367.520, in so far as such provisions are applicable. The refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes.
[1961 c.483 §7]

367.505 Advertisement and manner of sale of bonds. The commission shall provide such method as it may deem appropriate for the advertisement by newspaper of each issue of bonds under ORS 367.465 to 367.520 before the issue is sold and shall require such deposit with each bid therefor as it may deem adequate to insure the fulfillment thereof. Prior to advertisement of any of the bonds for sale, the commission, in its discretion, may publish in one or more financial newspapers in the City and State of New York a statement showing the current financial condition of the State of Oregon. The advertisement of the proposed sale of the bonds shall be published for a period of not less than 10 days and shall contain a provision to the effect that the commission, in its discretion, may reject any or all bids received by it in pursuance of such advertisement. In the event of such rejection, the commission may readvertise for bids for the bonds in the form and manner set forth in this section, as many times as, in the judgment of the commission, may be necessary to effect a satisfactory sale. None of the bonds may be sold at private sale; but they may be sold to the state, either in registered or in coupon form, without advertisement thereof for public sale, at such interest rate or rates, not exceeding an effective rate, computed upon a simple interest basis, of four percent per annum, payable semiannually, and at such price, not lower than that specified in this section, as shall be agreed upon by the commission and the State Treasurer. The bonds, except refunding bonds, may be sold to any bidder or to the state at a price of not less than 98 percent of the par value thereof plus the full amount, if any, of the interest accrued thereon at the date of delivery of the bonds to the purchaser or purchasers thereof. In arriving at a bid price for the bonds, the bidder may allocate to different maturities of the bonds of the issue prices of not less than 95 percent of par value of each maturity, provided that the average bid price for the bonds shall not be less than 98 percent of par value. Refunding bonds shall not be sold for less than the par value thereof and the full amount of the accrued interest thereon.
[1961 c.483 §8]

367.510 Setting aside sufficient moneys to pay maturing bonds. The commission shall compute and determine in January of each year, after the sale of bonds under ORS 367.465 to 367.520, the amount of principal and interest which will fall due during such year on bonds then outstanding and unpaid and shall maintain or hold in the State Highway Fund sufficient moneys to pay such maturing obligations.
[1961 c.483 §9]

367.515 [Reserved for expansion]

367.520 Constitutional debt limits not to be exceeded. No bonds shall be issued or sold under ORS 367.465 to 367.520, nor indebtedness incurred thereunder, which, singly or in the aggregate with previous debts or liabilities incurred for the building and maintaining of permanent roads, shall exceed any limitation provided in the Oregon Constitution at the date of the issuance and sale of such bonds. If the maximum aggregate principal sum of bonds authorized to be issued under ORS 367.465 to 367.520 exceeds any limitation provided in the Oregon Constitution, bonds shall be issued under ORS 367.465 to 367.520 in the aggregate principal sum of not to exceed that authorized under the limitation provided in the Oregon Constitution.
[1961 c.483 §10]

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Sam R Haley, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
on December 1, 1961

Sam R. Haley
Legislative Counsel