

[Act No. 3280, November 30, 1926]

AN ACT AUTHORIZING THE PROVINCE AND CERTAIN MUNICIPALITIES OF CAMARINES SUR TO ISSUE BONDS FOR THE PURPOSE OF RAISING FUNDS FOR THE CONSTRUCTION OF PERMANENT IMPROVEMENTS, AND AUTHORIZING ALSO AN INSULAR GOVERNMENT BOND ISSUE SECURED BY SAID PROVINCIAL AND MUNICIPAL BONDS, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:

SECTION 1. Pursuant to the provisions of section eleven of the Act of Congress approved August twenty-ninth, nineteen hundred and sixteen, entitled "An Act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those Islands," as amended by the Act of Congress approved May thirty-first, nineteen hundred and twenty-two, the Province of Camarines Sur and certain municipalities thereof, hereinafter named, are hereby authorized to negotiate a loan to be used for the construction of permanent improvements, in the sums hereinafter set forth: Province of Camarines Sur, for waterworks and for reimbursement of the Insular loan, one hundred and sixty thousand pesos; municipality of Naga, for waterworks and reimbursement of Insular loan, thirty-seven thousand five hundred pesos; municipality of Magarao, for waterworks, fifteen thousand pesos; municipality of Canaman, for waterworks, five thousand pesos; municipality of Camaligan. for waterworks, five thousand pesos, making a total sum of two hundred and twenty-two thousand five hundred pesos.

The Governor-General of the Philippine Islands is hereby authorized to issue the necessary bonds for said loan, in the name and behalf of the aforesaid province and municipalities of Camarines Sur. The bonds so authorized shall be issued and shall bear such date as may be determined by the Governor-General, with the consent of the presiding officers of both Houses of the Legislature, and shall bear such annual interest as said officials may determine payable quarterly or semiannually, in gold coin of the United States or its equivalent, in the discretion of the Insular Treasurer, and shall be redeemable after ten years, when directed by the provincial board of Camarines Sur or the councils of the municipalities above specified, and payable thirty years after issue, in gold coin of the United States or its equivalent, in the discretion of the Insular Treasurer. Said bonds shall be registered or coupon bonds convertible into either form and shall be issued in convenient denominations, and the registered bonds shall be registered and transferable in the office of the Insular Treasurer at Manila where the capital and interest shall be payable.

SEC. 2. The Governor-General is further authorized to sell said bonds upon such terms and conditions as may be Most advantageous to the Province of Camarines Sur and the municipalities herein mentioned, or to assign and transfer said bonds to the Government of the Philippine Islands for a consideration, charging the same to the net proceeds of the sale of the bonds of the Government of the Philippine Islands issued in an equivalent amount, as provided in section four of

this Act, and to deposit the proceeds of said sale or assignment in an authorized depository of the Government of the Philippine Islands. The proceeds of the sale or assignment to the Insular Government of said bonds shall be applied by the Insular Treasurer to the payment of the outstanding indebtedness of the province and municipalities herein mentioned to the Insular Government, and the balance shall be credited to the "Public Works Bond Issue Fund of the Province and four municipalities of Camarines Sur," and be withdrawn only for the purposes set forth in this Act.

SEC. 3. Beginning with the fiscal year in which the bonds are issued, and each year thereafter until such bonds shall have been redeemed in their entirety, a standing annual appropriation is hereby authorized, out of any funds in the Insular Treasury not otherwise appropriated, of such sum as may be necessary to pay the annual interest accrued on the provincial and municipal bonds issued under this Act and to provide for a sinking fund for the payment of said bonds. The sinking fund hereby created shall be adjusted annually in such manner that the total amount thereof at each annual due date of the bond issue shall be equal to the total of an annuity of one hundred and ninety-three pesos and seventy-one centavos for each ten thousand pesos of bonds outstanding, accrued at the rate of interest of three and one-half per centum per annum. Said fund shall be under the custody of the Treasurer of the Philippine Islands, who shall invest the same, in such manner as the Secretary of Finance may approve, in accordance with the provisions of the Act governing the investment of sinking funds, and shall charge all the expenses of such investment to said sinking fund.

SEC. 4. The Secretary of War is hereby authorized to issue in the name and behalf of the Government of the Philippine Islands, bonds to the amount of one hundred and eleven thousand two hundred and fifty dollars, United States currency, for a term of thirty years, redeemable after ten years, in the discretion of the Insular Government, and bearing such date as he may determine, secured by the bonds of the Province and four municipalities of Camarines Sur herein authorized and assigned and transferred to the Insular Government as provided in section two. The Secretary of War shall determine the form of the bonds and the rate and dates of payment of the interest thereon. The bonds may be coupon bonds or registered bonds, convertible, in the discretion of the Secretary of War, into either form, and the registered bonds shall be registered in the Treasury of the United States, where the principal and interest shall be payable in gold coin of the United States.

The Secretary of war is further authorized to sell said Insular bonds upon such terms and conditions as in his judgment are most favorable to the Government of the Philippine Islands, and he shall deposit the proceeds of the sale thereof in an authorized depository or depositories of the Government of the Philippine Islands in the United States, to the credit of the Treasurer of the Philippine Island;

SEC. 5. The sinking fund provided for in section three of this Act shall constitute the sinking fund for the payment of the Insular bonds issued under the provisions hereof.

SEC. 6. The Insular, provincial and municipal bonds hereby authorized to be issued shall be exempt from taxation by the Government of the United States, by the Government of the Philippine Islands or any political or municipal subdivision