

Opinion No. 13-1014

April 11, 1913

BY: FRANK W. CLANCY, Attorney General

TO: O. N. Marron, State Treasurer, Santa Fe, N. M.

GRANT COUNTY BONDS.

State treasurer authorized by Sec. 1, Senate Bill 201, to borrow money, if necessary, to pay interest on Grant County bonds.

OPINION

{*178} Your letter of yesterday was received while I was absent and I take the earliest possible opportunity to answer.

You say that you have received a draft from the Silver City National Bank for \$ 1,425.00 accompanied by fifty-seven coupons of Grant County bonds due March 1st, 1913, and paid by said bank. You further say that Senate Bill No. 131 provides that the State Treasurer is authorized to pay the interest on said bonds as it accrues upon the presentation of the coupons for such interest, but it does not provide from what fund there moneys shall come, and you request my opinion as to the fund from which the payment should be made.

I assume, although your letter does not so distinctly state, that these coupons are from those bonds which were validated and confirmed by the Act of Congress of January 16, 1897, as those are the only bonds referred to in Senate Bill No. 131. It is my opinion that this indebtedness of Grant County, having been assumed by the Constitution and specific direction having been given by said Senate Bill No. 131 for the Treasurer to pay the interest thereon, in order to give effect to the legislative intent, it must be held that these \$ 57,000.00 of bonds are a part of the bonded indebtedness of the state, although, in form, they are still county bonds, and that the appropriation in Section 1 of Senate Bill No. 201 for the payment of interest on the bonded indebtedness, would be applicable to the payment of this interest and, if there should be any insufficiency in that appropriation, the proviso in that section would become applicable and authorize the Treasurer to borrow, temporarily, money to make the {*179} payments or to use surplus money in other funds for that purpose before borrowing.