

**Opinion No. 36-1420**

August 6, 1936

**BY:** FRANK H. PATTON, Attorney General

**TO:** Mr. Juan N. Vigil, State Comptroller, Santa Fe, New Mexico.

{\*135} We have your letter of August 3, 1936, in which you ask whether or not "federal grants by the WPA and PWA to counties and municipalities are entitled to interest earnings in like manner as other public funds."

I call your attention to Section 1, Chapter 24, Laws of 1934, which authorizes the State Board of Finance to fix the rate of interest on deposits of public monies within the maximum and minimum limitations prescribed by said section. This section also provides that "the interest rate so fixed by the State Board of Finance shall be applicable to all public monies referred to in Section 11, Chapter 175 of the Session Laws of 1933." By referring to said Section 11, Chapter 175, Laws of 1933, it will be seen that whether the money belongs to the county or city or not, if it is "lawfully in the possession or custody or under the control" of the county or city treasurer, it is to be considered as money of a county or city within the meaning of the public monies act.

I was not aware that the WPA made any federal grants to counties and cities but if money is donated by the federal government to a city or county and such money comes into the lawful possession or custody of the treasurer of such county or city, in my opinion the depository of such funds must pay interest thereon in compliance with Section 1, Chapter 24, Laws of 1934.

By QUINCY D. ADAMS,

Asst. Atty. General