

General Code. Under this section, such transfer may be made only after all indebtedness, interest and other obligations for the payment of which such fund exists, have been paid and retired. If the board desires at this time to construct a school building which will require the incurring of a net indebtedness in excess of one-tenth of one per cent of the tax duplicate, the question of issuing bonds for such purpose should be submitted to the electors at the next November election as provided in the Uniform Bond Act.

My opinion upon the salient points of law raised in your inquiry may be summarized as follows:

1. Proceeds of a bond issue may be used only for the purpose for which the bonds were authorized, except that in the event of the abandonment of the project after the sale of bonds, such proceeds are properly transferrable to the bond retirement or the sinking fund.

2. When a sufficient amount is held in the sinking fund to the credit of a specific bond fund to meet the interest and principal obligations upon such specific bond issue in any given year, a tax need not be levied for such year to meet the principal and interest requirements of said bond issue, but the amount of such principal and interest requirements must be set forth in the annual budget of the subdivision.

3. After abandonment of a project for which bonds have been sold and the proceeds transferred to the sinking fund of a subdivision, such funds may not be transferred back to a construction fund.

Respectfully,

GILBERT BETTMAN,

Attorney General.

4511.

APPROVAL, TRANSCRIPT OF PROCEEDINGS RELATIVE TO AUTHORIZATION AND SALE OF CERTIFICATES OF INDEBTEDNESS FOR THE PURPOSE OF RESTORING THE DAMAGE TO THE STATE OFFICE BUILDING.

COLUMBUS, OHIO, July 22, 1932.

State Office Building Commission, Columbus, Ohio.

GENTLEMEN:—Re: Certificates of Indebtedness of the State of Ohio, \$750,000.00.

I have examined the transcript of proceedings of your Commission relative to the authorization and sale of the above certificates of indebtedness. These certificates have been authorized by your Commission for the purpose of covering the expense of restoring the damage to the State Office Building as the result of the disaster of April 14, 1932, and to complete said structure, under authority of Sec. 1, Article VIII of the Constitution of Ohio and Amended House Bill No. 1, enacted by the second special session of the 89th General Assembly of the State of Ohio. Said certificates are dated July 15, 1932, mature July 15, 1933, and bear interest at the rate of 2½% per annum, payable January 15, 1933 and July 15, 1933. I have also examined executed certificate No. 1.

From the foregoing examination, in the light of the authority under which these certificates have been authorized and sold, I am of the opinion that the same constitute legal and binding obligations of the State of Ohio, and that the full

faith and credit of the State of Ohio has been pledged for the prompt payment of the principal and interest thereof at maturity.

Respectfully,
GILBERT BETTMAN,
Attorney General.

4512.

APPROVAL, TWO LEASES TO MIAMI AND ERIE CANAL LANDS IN
MIAMI AND SHELBY COUNTIES, OHIO.

COLUMBUS, OHIO, July 22, 1932.

HON. T. S. BRINDLE, *Superintendent of Public Works, Columbus, Ohio.*

DEAR SIR:—This is to acknowledge the receipt of your recent communication submitting for my examination and approval two certain land leases in triplicate, by which there are leased to the respective lessees therein named certain parcels of abandoned Miami and Erie Canal lands, which parcels are more fully described in said lease instruments.

The leases here in question, which are each for a term of fifteen years and provide for an annual rental of six per cent upon the appraised valuation thereof, are designated with respect to the names of the respective lessees, the location of the land and the appraised valuations thereof, as follows:

Joseph F. Cloughton—Washington Township, Miami County.....	\$600.00
Oris H. Horlocker—Village of Lockinton, Shelby County.....	200.00

Upon examination of the leases above referred to, I find that the same have been properly executed by the Superintendent of Public Works and by the respective lessees therein named. I also find upon examination of these lease instruments that the provisions thereof and the conditions and restrictions therein contained are in conformity with each and all of the statutory provisions relating to leases of this kind.

I am accordingly approving these leases as to legality and form, as is evidenced by my approval endorsed upon said leases and upon the duplicate and triplicate copies thereof, all of which are herewith returned.

Respectfully,
GILBERT BETTMAN,
Attorney General.

4513.

APPROVAL, THREE LEASES TO OHIO CANAL LANDS IN ROSS AND
FRANKLIN COUNTIES, OHIO.

COLUMBUS, OHIO, July 22, 1932.

HON. T. S. BRINDLE, *Superintendent of Public Works, Columbus, Ohio.*

DEAR SIR:—This is to acknowledge the receipt of your recent communication submitting for my examination and approval three certain land leases in triplicate, by which there are leased to the respective lessees therein named certain parcels