

to make effective the cancellation of this lease, upon the payment by the lessee of the sum of \$112.00, the reduced amount of the delinquent accrued rentals. As to this, it seems quite clear, under the provisions of Section 7 of the Act of the 90th General Assembly, above referred to, that you are authorized to direct the cancellation of a lease, only upon the condition that the lessee makes payment in full of all rentals which have accrued, under the lease, up to the next semi-annual rental payment date, which, in this case, is May 1, 1934. The amount of such accrued rentals is the sum of \$168.00; and although under the provisions of this Act, you would have been authorized for good cause shown, to make an adjustment of accrued rentals under this lease and to reduce the same, if no cancellation of the lease had been requested, you were not, under the provisions of this Act, authorized to cancel the lease otherwise than upon the condition that the lessee pay the full amount of the accrued rentals on the lease which, as above noted, is the sum of \$168.00.

For the reasons above noted, I am unable to approve your finding, directing the cancellation of this lease in this proceeding, and the same, together with the other files relating to this matter, are herewith returned to you, without my approval endorsed thereon.

Respectfully,

JOHN W. BRICKER,  
*Attorney General.*

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2697.

APPROVAL—PROCEEDINGS RELATING TO APPLICATION MADE BY THE BALTIMORE AND OHIO RAILROAD COMPANY OF BALTIMORE, MARYLAND, FOR A REDUCTION IN THE ANNUAL RENTAL UPON LEASE OF OHIO AND ERIE CANAL LANDS IN AKRON, SUMMIT COUNTY, OHIO.

COLUMBUS, OHIO, May 21, 1934.

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

DEAR SIR:—You have submitted for my examination and approval the report of your finding on an application made by the Baltimore and Ohio Railroad Company of Baltimore, Maryland, for a reduction in the annual rental to be paid by said company upon the lease of Ohio and Erie Canal lands in the city of Akron, Summit County, Ohio, which canal lands said company is now occupying and using for railroad purposes.

The lease here in question, which bears Serial No. O. & E. 7, was executed, under date of May 8, 1930, for a term of 15 years, expiring May 7, 1945, and the same provided for an annual rental of \$230.00.

The application for a reduction in the amount of the annual rental, provided for in this lease, was filed with you on or about the 27th day of November, 1933, pursuant to the provisions of House Bill No. 467, which was passed by the 90th General Assembly, under date of June 8, 1933, and which became effective on the 11th day of October, 1933. 115 O. L. 512.

By the provisions of this Act the Superintendent of Public Works, with the approval of the Governor and Attorney General, is authorized to make a rental adjustment on existing canal land leases for a period of one year in advance, beginning with the next semi-annual rental payment date provided for in such leases. Before such rental adjustment can be made by the Superintendent of Public Works, under the authority conferred upon him by said Act, an application therefor must be filed with him by the lessee in the manner and form provided for in Section 3 of said Act.

In this application, among other things, the lessee is required to set forth the reasons why the annual rental, provided for in the lease, should be revised.

In the application filed by the Baltimore and Ohio Railroad Company, the lessee in this case, the reason assigned for the reduction in the annual rental, provided for in the lease, requested by the lessee is,—Economic conditions affecting railroad earnings. In this connection, notice can, perhaps, be taken as a matter of law, of the fact that during the last few years, railroad earnings have become impaired to the point where many of the railroads are having difficulty in meeting fixed charges and at the same time paying their operating expenses.

In any event, it is noted that you have, by your finding and report, reduced the annual rental, payable under this lease, and have fixed the rental to be paid for the period from May 1, 1934, to May 1, 1935, at the sum of \$140.00.

Assuming, as I do, that you have made an investigation of the facts relating to the requested reduction, and to the merits of the application contemplated by this Act, and finding, that the proceedings relating to this matter have been substantially regular, I am hereby approving your finding in this matter, as is evidenced by my approval, endorsed upon the resolution, attached to your finding as a part of this proceeding, and upon the several copies thereof, all of which, together with your findings in duplicate, and the application, are herewith returned.

Respectfully,

JOHN W. BRICKER,

*Attorney General.*

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2698.

APPROVAL, BONDS OF CITY OF CLEVELAND, CUYAHOGA COUNTY,  
OHIO—\$67,000.00.

COLUMBUS, OHIO, May 21, 1934.

*Retirement Board, State Teachers Retirement System, Columbus, Ohio.*

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2699.

APPROVAL, BONDS OF CITY OF CLEVELAND, CUYAHOGA COUNTY,  
OHIO—\$20,000.00.

COLUMBUS, OHIO, May 21, 1934.

*Retirement Board, State Teachers Retirement System, Columbus, Ohio.*