1813.

APPROVAL, CONTRACT BETWEEN STATE OF OHIO AND THE ARM-STRONG CORK & INSULATION COMPANY, OF PITTSBURGH, PA., FOR INSULATION FOR COLD STORAGE ROOM AT INSTITUTION FOR FEEBLE MINDED, ORIENT, OHIO, AT COST OF \$4,385.00—SURE-TY BOND EXECUTED BY THE FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

COLUMBUS, OHIO, September 29, 1924.

Hon. L. A. Boulay, Director, Department of Highways and Public Works, Columbus, Ohio.

Dear Sir:-

You have submitted for my approval a contract between the State of Ohio, acting by the Department of Highways and Public Works and the Armstrong Cork & Insulation Company, of Pittsburgh, Pa. This contract covers the Insulation for Cold Storage Room at the Institution for Feeble Minded, Orient, Ohio, and calls for an expenditure of \$4,385.00.

You have submitted the certificate of the Director of Finance to the effect that there are unencumbered balances legally appropriated in a sum sufficient to cover the obligations of the contract. There has further been submitted a contract bond upon which the Fidelity and Deposit Company of Maryland appears as surety, sufficient to cover the amount of the contract.

You have further submitted evidence indicating that plans were properly prepared and approved, notice to bidders was properly given, bids tabulated as required by law and the contract duly awarded. Also it appears that the laws relating to the status of surety companies and the workmen's compensation have been complied with.

Finding said contract and bond in proper legal form, I have this day noted my approval thereon and return the same herewith to you, together with all other data submitted in this connection.

Respectfully,
C. C. CRABBE,
Attorney-General.

1814.

APPROVAL, BONDS OF VILLAGE OF NEW LEXINGTON, PERRY COUNTY, \$8,800.00, STREET IMPROVEMENTS.

COLUMBUS, OHIO, September 30, 1924.

Department of Industrial Relations, Industrial Commission of Ohio, Columbus, Ohio.

1815.

DISAPPROVAL, BONDS OF VILLAGE OF MILLERSBURG, HOLMES COUNTY, \$3,000.00.

COLUMBUS, OHIO, September 30, 1924.

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

Re: Bonds of Village of Millersburg, Holmes County, \$3,000.00.

552 OPINIONS

Gentlemen:-

I have examined the transcript furnished this department in connection with the foregoing issue of bonds and find that this sale of bonds represents part of an issue provided for by resolution of the board of education on May 7, 1913.

Upon investigation of the proceedings of the board of education, I find that the resolution as passed in the transcript by the board of education contains no provision whatever for the levying and collection annually by taxation of an amount sufficient to pay the interest upon the bonds and create a sinking fund for their redemption at maturity.

Section 11 of Article XII of the Constitution of Ohio as adopted on September 3, 1912, is as follows:

"No bonded indebtedness of the state, or any political subdivision thereof, shall be incurred or renewed, unless, in the legislation under which such indebtedness is incurred or renewed, provision is made for levying and collecting annually by taxation an amount sufficient to pay the interest on said bonds, and to provide a sinking fund for their final redemption at maturity."

It is therefore obvious that the legislation providing for this issue of bonds is not in proper form as required by the State Constitution, and you are therefore advised not to purchase the same.

Respectfully,
C. C. CRABBE,
Attorney-General.

1816.

DISAPPROVAL, BONDS OF VILLAGE OF PIONEER, WILLIAMS COUNTY, \$9,700.00.

COLUMBUS, OHIO, September 30, 1924.

Department of Industrial Relations, Industrial Commission of Ohio, Columbus, Ohio.

Re: Bonds of Village of Pioneer, Williams County, \$9,700.00.

Gentlemen:-

Transcript furnished this department for consideration in connection with the foregoing issue of bonds shows that these are refunding bonds, and are being issued for the purpose of paying off street bonds heretofore issued in 1914 and 1917 and falling due in 1924.

Section 11 of Article XII of the Ohio Constitution is as follows:

"No bonded indebtedness of the state, or any political subdivisions thereof, shall be incurred or renewed, unless, in the legislation under which such indebtedness is incurred or renewed, provision is made for levying and collecting annually by taxation an amount sufficient to pay the interest on said bonds, and to provide a sinking fund for their final redemption at maturity."

This constitutional provision was adopted on September 3, 1912, as part of the new Constitution of the State of Ohio.

The transcript does not furnish any information as to the reason why the levy has not been made annually and collected as required by said Constitution to pay off these bonds.