

266.

APPROVAL—BONDS OF CITY OF CLEVELAND, CUYAHOGA
COUNTY, OHIO, \$5,000.00.

COLUMBUS, OHIO, March 16, 1937.

The Industrial Commission of Ohio, Columbus, Ohio.

GENTLEMEN :

RE: Bonds of City of Cleveland, Cuyahoga County,
Ohio, \$5,000.00

The above purchase of bonds appears to be part of an issue of bonds of the above city dated March 1, 1921. The transcript relative to this issue was approved by this office in an opinion rendered to the Teachers Retirement System under date of September 26, 1935, being Opinion No. 4717.

It is accordingly my opinion that these bonds constitute a valid and legal obligation of said city.

Respectfully,

HERBERT S. DUFFY,

Attorney General.

267.

DISAPPROVAL—PROPOSED AMENDMENT TO THE CONSTI-
TUTION OF OHIO, ARTICLE XV.

COLUMBUS, OHIO, March 16, 1937.

MR. GEORGE FORD, 154 *West Park Avenue, Columbus, Ohio.*

DEAR SIR: You have submitted for my examination a written petition, signed by one hundred qualified electors of this State, containing a proposed constitutional amendment and a summary of the same, pursuant to the provisions of Section 4785-175, General Code. You request that I certify that the summary of the proposed amendment contained in the petition is a fair and truthful statement of the amendment proposed.

Before considering the fairness and truthfulness of the summary,

your attention is directed to the following language of the proposed amendment:

“BE IT RESOLVED BY THE PEOPLE OF THE STATE OF OHIO; that the Constitution of Ohio be amended by the adoption of an addition to Article XV, which shall read as follows:

You will observe that you fail to state the number of the new section to be added to Article XV of the Constitution should the proposed amendment be adopted.

A comparison of the summary contained in the petition with the full text of the proposed amendment discloses that the summary is not a fair and truthful statement of the proposed amendment in the following respects:

The last paragraph of the full text of the proposed amendment prescribes the rate of interest to be charged on loans and reads as follows:

“It shall be lawful for corporations, firms or individuals to make loans of money on chattel security. For such money loans the rate of interest shall not exceed one percent (1%) per month on all loans of less than \$300.00 to any one person, and on all loans of \$300.00 and over the rate of interest shall not exceed one-half of one per cent ($\frac{1}{2}$ of 1%) per month. No advance interest deduction, commission or other charge shall be made or collected by reason of making such loans.”

The summary contains the following as to the rate of interest to be charged:

“The rate charged by Chattel Loan Companies shall not exceed one per cent (1%) per month on sums up to \$300.00.”

The proposed amendment provides that it shall be lawful to collect a rate of interest of not to exceed 1% per month on loans of less than \$300.00, and further provides for a rate of interest of not to exceed one-half of 1% per month on loans of \$300.00 or over. There is no statement in the summary with reference to the rate of interest on loans of \$300.00 or over. The proposed amendment prohibits not only the collection of interest in advance, but also the collection of commissions or other charges. The summary makes no reference to the collection of commissions or other charges, but merely provides that the collection of interest in advance is prohibited.

The summary is in such respects not a fair statement of the proposed amendment. I therefore decline to certify that the summary of the proposed amendment contained in the petition is a fair and truthful statement of the proposed amendment.

Respectfully,

HERBERT S. DUFFY,
Attorney General.

268.

GASOLINE TAXES — USE BY MUNICIPALITIES — OPENING
OR EXTENDING STREETS.

SYLLABUS:

Proceeds of gasoline taxes distributed to municipalities under the provisions of Sections 5537 and 5541-8, General Code, may not be used for the purpose of purchasing right-of-way in connection with the opening or extending of streets.

COLUMBUS, OHIO, March 17, 1937.

Bureau of Inspection and Supervision of Public Offices, Columbus, Ohio.

GENTLEMEN: Your letter of recent date is as follows:

"We have a letter from one of our examiners in which it is shown that the gasoline tax funds were expended for acquiring property for the purpose of extending a street.

An examination of our files fails to disclose a ruling by your department on the question of opening or extending streets, the cost to be paid from gasoline tax or motor vehicle license funds.

In Opinion No. 1271, of 1929, it is shown that the purchase of additional right-of-way necessary for widening streets, constitutes a proper expenditure of the gasoline tax funds due a municipality.

In all of our accounting procedure, opening, widening and extending streets is considered as one group, and bond issues to finance such improvements are usually termed opening, widening and extending street bonds.

Accordingly, we are submitting the following question for your consideration: