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DISAPPROVAL, BONDS OF CHATFIELD TOWNSHIP RURAL SCHOOL DISTRICT, CRAWFORD COUNTY, OHIO, IN AMOUNT OF \$4,500.

COLUMBUS, OHIO, March 2, 1922.

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

Re: Bonds of Chatfield Township Rural School District, Crawford county, in the amount of \$4,500 for the purpose of obtaining and improving school property.

GENTLEMEN:—I have examined the transcript submitted in connection with the above bond issue and herewith decline to approve the validity of said bonds for the following reasons:

The bond resolution authorizing the issuance of said bonds provides for the issuance of nine bonds of \$500 each falling due in their numerical order on March 1st and September 1st of each year commencing with March 1st, 1923.

Section 14 of the Griswold law, 109 O. L. p. 344, which became effective January 1st, 1922, provides as follows:

“All bonds hereafter issued by any county, municipality, including charter municipalities, school district, township or other political subdivision, shall be serial bonds maturing in substantially equal annual installments beginning not earlier than the date fixed by law for the final tax settlement between the county treasurer and the political subdivision or taxing district next following the inclusion of a tax for such issue in the annual budget by the county auditor as provided by law and not later than eleven months thereafter.”

The bonds under consideration having been issued by resolution adopted subsequent to January 1, 1922, are therefore subject to the provisions of the law just referred to. This law in terms provides that bonds issued subsequent to January 1, 1922, must mature in annual installments and that the first bond of a series cannot fall due prior to August 15, 1923, unless a levy to pay the interest on the first installment of principal was made in the year 1921. The bond resolution contained in the transcript indicates that no provision for a tax levy was made in 1921 in that it specifically provides for a levy beginning with the year 1922 and continuing until all of the bonds have been paid.

The board of education failed to observe and comply with two of the mandatory requirements of the Griswold law above referred to in that bond No. 1 is made payable March 1, 1923, and in that the bonds are made payable in semi-annual installments, which is contrary to the provisions of said law.

I am therefore of the opinion that the bonds under consideration are not issued in accordance with the laws of Ohio and are not valid and binding obligations of the school district and advise the Industrial Commission not to purchase the same.

The defects mentioned can be cured by the adoption of a new bond resolution and as this would entail a new order and acceptance of the bonds by the Industrial Commission, it will be better to disapprove the present issue and let the board of education determine upon its further procedure.

Respectfully,
 JOHN G. PRICE,
Attorney-General.