

borrowed by the issuance of notes, and section 9 which appropriates such sums as shall be necessary for the payment of the notes "herein authorized" could not be construed to allow the borrowing of more money than is authorized by sections 1 and 2. Section 9 does not provide for the payment of moneys "now or hereafter appropriated to the state educational equalization fund" but simply appropriates the necessary amounts "out of any moneys now or hereafter in the state educational equalization fund." In other words, section 1 fixes the amount as that which shall be calculated as having accrued to each state-aid district from the state educational equalization fund to January 1, 1934, section 2 provides for the borrowing of this money by districts "entitled to any part of *such appropriation*," and section 9 provides the means for the payment of the notes "herein authorized" out of the equalization fund whether the moneys to meet such appropriation are actually paid into the treasury before or after the effective date of the act.

Since it is my opinion that the director of education cannot lawfully certify under the provisions of Senate Bill No. 7 of the second special session of the 90th General Assembly that any school district is entitled to receive any amount from the state educational equalization fund, which has accrued to January 1, 1934, it is my advice that you do not purchase notes issued under said act until it is amended to change the date of accrual to sometime subsequent to the effective date of Senate Bill No. 8 of said second special session which appropriated five million dollars (\$5,000,000.00) to said equalization fund.

Respectfully,

JOHN W. BRICKER,
Attorney General.

2338.

APPROVAL, BONDS OF BROOKFIELD TOWNSHIP RURAL SCHOOL DISTRICT, TRUMBULL COUNTY, OHIO—\$3,000.00.

COLUMBUS, OHIO, March 2, 1934.

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

2339.

DEPOSITORY BANK—BONDS OF HOME OWNERS LOAN CORPORATION ACCEPTABLE FROM BANK DEFAULTING IN DEPOSITORY CONTRACT IN EXCHANGE FOR FIRST MORTGAGES HELD BY MUNICIPALITY WHEN.

SYLLABUS:

1. *By virtue of section 2293-38, General Code, bonds of the Home Owners' Loan Corporation may be accepted from a depository bank in exchange for first mortgages held by a municipality when such bank has defaulted in its depository contract and when the council or other legislative body of the municipality has determined such action to be advisable with a view to conserving the value of such*