

Opinion No. 65-65

April 19, 1965

BY: OPINION OF BOSTON E. WITT, Attorney General Roy G. Hill, Assistant Attorney General

TO: Mr. Alex J. Armijo, State Auditor, Santa Fe, New Mexico

QUESTION

QUESTION

May the Mesa Soil & Water Conservation District forgive the payment of interest on a note receivable and accept only the principal?

CONCLUSION

No.

OPINION

{*112} ANALYSIS

It is the understanding of this office that the Mesa Soil & Water Conservation District is one organized under the Soil Conservation District Law. By the terms of Section 45-5-9 N.M.S.A., 1953 Compilation such district is a governmental subdivision of this state and a public body corporate and politic, exercising public powers.

It is our opinion that such an organization is bound by the prohibition of Article IV Section 32 of the Constitution of New Mexico which is:

"No obligation or liability of any person, association or corporation held or owned by or owing to the state, or any municipal corporation therein, shall ever be exchanged, transferred, remitted, released, postponed or in any way diminished by the legislature, nor shall any such obligation or liability be extinguished except by the payment thereof into the proper treasury, or {*113} by proper proceeding in court. . . ."

It is therefore our conclusion that the Mesa Soil & Water Conservation District, if it is true that it is organized under the Soil Conservation District Law may not forgive the interest on a note receivable.