

**Opinion No. 21-3185**

November 16, 1921

**BY:** HARRY S. BOWMAN, Attorney General

**TO:** Mrs. Nina Otero Warren, School Superintendent, Santa Fe County, Santa Fe, New Mexico.

**Authority of County Boards of Education to Borrow Money.**

**OPINION**

{\*96} Section 1, Chapter 46, Laws 1921, authorizes school boards to issue certificates of indebtedness of the district not in excess of 90 per cent of the annual budget, and provides that school warrants shall draw six per cent interest after having been presented to the county treasurer and not paid for want of funds.

This section changes the previous law in that it permits the issuance of certificates of indebtedness in place of warrants in the event that the governing body of the school district should determine it advisable to borrow money for school purposes.

If the school board should determine that it prefers to borrow {\*97} money and issue one certificate therefor, there can be no objection so long as the limitations prescribed in the act are not exceeded.

If your County Board of Education takes proper steps to borrow funds with which to meet the school obligations and issues as security for such loan a certificate of indebtedness of the county, such action will be legal and in accordance with the provisions of the act above mentioned.