

**Opinion No. 22-3298**

February 23, 1922

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

**TO:** Mr. Hugh B. Woodward, District Attorney, Clayton, New Mexico.

**Issuance of School Warrants to Pay Interest at Rate of 10 Per Cent Upon Other Warrants.**

**OPINION**

{\*126} In reply to your letter of the 17th instant asking if it is legal for Boards of Education to issue school warrants which are cashed by local banks, held by such banks until sufficient taxes are paid to discharge such warrants, and that then the bank computes interest at the rate of 10 per cent per annum upon the warrants, and thereupon, the Board issues new warrants to cover this interest, wish to advise:

In my opinion, this procedure is invalid and in direct violation of Section 4855, Code 1915, as amended by Section 17, Chapter 105, {\*127} Laws 1917, and Section 1, Chapter 46, Laws 1921, limiting the amount of interest collectible upon school warrants to the sum of 6 per cent per annum.