

**Opinion No. [30-77]**

January 13, 1930

**BY:** E. C. WARFEL, Assistant Attorney General

**TO:** Mr. R. E. Brazil, County Superintendent, Tucumcari, New Mexico.

SCHOOLS -- Effect of consolidation on limitation of indebtedness.

**OPINION**

I have your letter of the 11th instant in which you inquire as to the authority of the consolidated District No. 34 to issue additional bonds. In reply thereto I shall say that section 120-805 of the Codification of 1929, being section 805 of chapter 148 of Laws of 1923 provides for the consolidation of such districts. Then section 120-807 of the Codification of 1929, being section 807 of chapter 148 of Laws of 1923 reads as follows:

"Upon changes or consolidation, under this chapter, the county board shall make such re-apportionment of the resources, debits and credits of the affected districts as shall to it seem proper, subject to review by the state board of education upon application of the board or school directors or taxpayers aggrieved."

Section 120-719, the same being section 719 of chapter 148 of the Laws of 1923, is in these words:

"No bonds shall be issued in any school district, which, with existing indebtedness of the district, shall create in the district an indebtedness exceeding six per cent. of the assessed valuation of the taxable property therein, as such valuation is shown by the last preceding general assessment."

It would thus appear that the county board should redistribute the assessment of the original bonds of District No. 80 over the property of the new District 34 and then determine what per cent the amount of those outstanding bonds is of the total valuation of the said new District No. 34 at the valuation as fixed by the preceding general assessment and then the new district could legally issue additional bonds to the extent of the difference between the per cent thus shown and six per cent.