

Opinion No. 44-4472

March 7, 1944

BY: EDWARD P. CHASE, Attorney General

TO: Mr. Guy Shepard, State Treasurer, Santa Fe, New Mexico

I have your letter of March 7, 1944, in connection with certain bonds of the City of Roswell. It appears from your letter that you purchased the bonds prior to the expiration of the two-year limitation for the selling of bonds.

Section 7-622 of the N.M. 1941 Compilation provides:

"No bonds shall be issued or sold by any school district, county or municipality after the expiration of two years from the initiation of proceedings for the election authorizing such issue * * *."

The word "issued" merely refers to the word "sale," since the title of the act merely covers the prohibiting of the sale of proposed bond issues. Therefore, since under this section there was a completed offer and acceptance of the sale of the bonds, the sale must be considered as of this date.

Section 7-208 of the N.M. 1941 Compilation does not prohibit the State Treasurer, with the proper approval of the Governor, Secretary of State, and the Attorney General, from making a purchase of bonds. It merely prohibits the investment of State monies without the approval of the Board of Finance. In this instance, the purchase was completed prior to the expiration of the two-year limitation, and after such purchase was completed, the Board of Finance approved the investment of the necessary monies to enable the State Treasurer to complete the transaction.

In view of the foregoing, it is my opinion that the sale of the bonds was completed prior to the expiration of the two-year period, and that you may proceed to pay for such bonds, since the investment has been approved by the State Board of Finance.

Hoping that the above fully answers your inquiry, I am

By HARRY L. BIGBEE,

Asst. Atty. General