

County Commissioners Authority to Sell Bonds, Notice of. County Bonds, Notice for Sale of. Refunding Bonds. Notice for Sale of Required. Bonds, Sale of Refunding Requires Notice.

Bonds issued by the county commissioners under the provisions of Chapter 32, Laws of 1915, must be advertised for

sale under the provisions of Section 2 of that Act, unless an exchange is affected with warrant holders, etc., as provided in the Act.

November 17, 1915.

Hon. Board of County Commissioners,
Helena, Montana.

Gentlemen:

I acknowledge your verbal inquiry submitting the question:

Has the Board of County Commissioners the authority to sell refunding bonds issued under the provisions of Chapter 32, Laws of 1915, without first giving the notice as required by Section 2 of that Act?

This Chapter is amendatory of Sections 2905, 2907, and 2908 of the Revised Codes, relating to the issuance and sale of refunding bonds. Section 1 of the Act confers authority upon the Board to issue refunding bonds for the purpose of redeeming outstanding obligations of the county. Section 2 provides that it is the duty of the Board to sell the bonds when issued,

“and give notice by advertising in some newspaper for a period not less than thirty days prior to the time said bonds are to be sold,”

reserving, however, in the board the discretionary power to exchange bonds to meet obligations of the county incident to county division or change of county boundary lines, and reserving also in the Board the discretionary power as expressed in Section 3 of the Act, to exchange such refunding bonds for outstanding bonds and warrants; but the only provision in the Act relating to the sale of bonds, is found in the first half of Section 2 thereof, which requires thirty days advertisement. The provision found in the first part of Section 3 of the Act only has reference to the disposition of the proceeds derived from the sale, but does not pretend to give any direction as to the method of procedure to be followed in making the sale, such direction being clearly expressed in Section 2 of the Act.

You are, therefore, advised that where a sale of the bonds is made, the Board must follow the direction contained in Section 2 of the Act, and must advertise the bonds for sale in accordance with the direction there given.

Yours very truly,

J. B. POINDEXTER,

Attorney General.