

School Districts—Sinking Funds—County Treasurer—School Trustees.

School trustees have no authority under existing laws to direct the county treasurer to invest sinking funds of the school district.

R. N. Hawkins, Esq.,
Assistant State Examiner,
Helena, Montana.

April 10, 1926.

My dear Mr. Hawkins:

You have requested my opinion whether the sinking fund of a school district may be invested.

Section 1229 R. C. M. 1921, specifically authorized the investment of school funds under the direction of the board of trustees. This section, however, was amended by chapter 153, laws of 1923, and the language authorizing the investment of sinking funds was excluded from the section and in lieu thereof appears the following language:

“and all moneys so levied, when collected, must be paid into the county treasury and deposited to the credit of a fund to be known as the bond sinking and interest fund, and shall be used for the payment of bonds and interest coupons and for no other purpose whatever.”

It is true that section 1230 R. C. M. 1921, contains a provision purporting to authorize the board of school trustees to direct the county treasurer to invest the sinking funds of a school district. I think it is clear, however, that by chapter 133 of the laws of 1923 the legislature clearly indicated its intention that the sinking fund was not to be invested. This intention is made manifest by omitting the language of

section 1229 that specifically authorized the investment of such funds prior to its amendment and by the further clause appearing in section 1229 to the effect that the money shall be used for the payment of bonds and interest coupons and for no other purpose whatever.

My conclusion, therefore is that chapter 153 by implication repeals the provisions of section 1230 purporting to authorize the trustees to direct the county treasurer to invest such sinking funds.

Very truly yours,

L. A. FOOT,

Attorney General.