

OPINION
66-78

October 11, 1966 (OPINION)

Honorable Walter Christensen

State Treasurer

RE: Employment security bureau - Investment of funds - Purchase of b

This is in response to your letter in which you state that the Employment Security Bureau of North Dakota is seeking funds with which to finance the purchase of real estate adjacent to some of its Bismarck property. This property will be used for future building expansion. You then ask for an opinion as to whether or not the OASIS funds may be invested in a project of this type.

As pointed out in your letter, Section 52-02-16 of the North Dakota Century Code authorizes the department to acquire real property by direct purchases or under retail purchase agreements, providing the same is accomplished without appropriation by the state of North Dakota and the cost thereof shall be defrayed by federal funds made available for the administration of the section.

The OASIS funds may be invested pursuant to the provisions of Section 52-09-06, subsection B thereof, which provides as follows:

- B. Invest such portion of said trust funds as are not needed for current payment of benefits under this chapter in interest-bearing bonds issued by the United States, or by the state of North Dakota, or in bonds, certificates of indebtedness, or warrants of any political subdivision of the state which constitute the general or contingent general obligations of the issuing tax authority and to sell and dispose of the same when needed for the payment of benefits under this chapter."

The project as described does not involve the issuance of any certificates of indebtedness or warrants by the political subdivision, nor does it involve any bonds issued by the United States or the state of North Dakota. Consequently, under the provisions of Section 52-09-06 of the North Dakota Century Code, it is our opinion that OASIS trust funds may not be used for this project, unless the Legislature first amends the section to permit such investments.

HELGI JOHANNESON

Attorney General