Hon. Frank C. Massey  
State Representative  
105 E. Washington St.  
Muncie, Indiana  

Dear Representative Massey:  

Your recent letter to the Attorney General has been received requesting an Official Opinion and reads, in part, as follows:  

"On April 7, 1960, Center Township issued $1,850,000.00 worth of bonds, designated as 'School Aid Bonds' to assist the Muncie Community School Corporation in a building program. This issue was authorized pursuant to authority contained in chapter 286 of the Acts of the Indiana General Assembly, of the year 1955.  

"After the sale of said bonds and the receiving of the money therefor, the Trustee proceeded to invest said proceeds pursuant to the provisions of chapter 9 of the Acts of 1945.  

"The question has arisen as to what is to be done with the interest paid on said investments, whether it is to be delivered to the Muncie Community School Corporation along with the proceeds of the bonds themselves, or whether it can be, which is the position taken by the Trustee, deposited in a bond redemption account along with the accrued interest received from the sale of the bonds and the premium received on the sale of the bonds and used to pay the bond coupons."

The bonds issued by the township were issued pursuant to Acts of 1955, Ch. 286, as found in Burns' (1959 Supp.), Sections 28-5936 to 28-5938. After these bonds were sold by the township the moneys received therefrom constituted a "fund" dedicated to the purpose for which the bonds were sold—namely the construction of school buildings, as authorized by the statute.  

Thereafter the township invested such fund pursuant to the provisions of Acts of 1945, Ch. 9, Sec. 1, as found in Burns'
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(1951 Repl.), Section 61-677, which authorizes such investments during the time such fund is not required to be used for the specific purpose for which it was raised. This latter statute provides:

"* * * Any interest or other accretions derived from any such investments shall become a part of the funds invested. * * *"

The last-referred to provision of the statute is clear and mandatory. The authority to invest the fund pending the time necessary for its use is coupled with the requirement fixed by the Legislature that any interest or accretions resulting from such investment become a part of the fund invested. The fund invested is for the purpose of school building construction, to be used by a consolidated school corporation, and not for the purpose of creating a redemption fund for the retirement of the bond issue previously issued by the civil township to raise such money.

I am, therefore, of the opinion that any interest or accretions received as a result of the investment of this fund must be added to the fund and could not be deposited in a bond redemption account of the township for the purpose of retiring or discharging any of the obligations of the civil township resulting from its issuance of the bonds from which the fund was created.

OFFICIAL OPINION NO. 42

November 30, 1960

Mr. M. Joseph Swartz
Executive Secretary
Indiana Board of Pharmacy
430 State House
Indianapolis 4, Indiana

Dear Mr. Swartz:

This is in reply to your recent letter requesting an Official Opinion on the question of whether an individual who does not hold a pharmacist's license can sell "exempt narcotics" at retail under the provisions of Acts of 1935, Ch. 280.